

# Annual Report 2007/2008.

**Investment Fund under Luxembourg Law**

**Audited annual report as of 31 March 2008**

UBS (Lux) Bond Fund – CHF



# UBS (Lux) Bond Fund – CHF

Annual Report as of 31 March 2008

## Three-year comparison

Date	ISIN	31.3.2008	31.3.2007	31.3.2006
Net assets in CHF		1 201 303 343.43	1 875 632 150.10	2 423 597 024.30
<b>Class A</b>	<b>LU0010001286</b>			
Units outstanding		388 140.2812	474 128.3652	561 696.2912
Net asset value per unit in CHF		1 056.76	1 096.92	1 110.67
<b>Class B</b>	<b>LU0010001369</b>			
Units outstanding		389 563.2590	655 491.1700	876 365.5930
Net asset value per unit in CHF		2 030.82	2 067.99	2 053.64

## Performance

	Currency	YTD	2007	2006	2005
Class A	CHF	-0.8%	-1.2%	-0.4%	1.1%
Class B	CHF	-0.8%	-1.2%	-0.4%	1.1%
Benchmark:					
SBI Foreign, AAA-BBB (Total Return) <sup>1</sup>	CHF	-0.3%	-1.1%	-	-

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.

<sup>1</sup> On 1 July 2007 the benchmark was changed from benchmark SBI® Foreign to benchmark SBI® Foreign AAA-BBB (Total Return).

## Report of the Portfolio Manager

Yields on the Swiss capital market rose across all maturities in the reporting year (1 April 2007 to 31 March 2008). The strong economy led to significantly higher yields in the first few months of the period under review. Yields began to fall in the second half of 2007 as a result of the turbulence on the financial markets. Credit risk premiums significantly widened, particularly in the financial sector. The SNB raised its target band by a total of 50 bp to 2.25–3.25%.

The benchmark was changed on 1 July 2007; therefore we cannot provide comments on the fund's performance against the benchmark for the whole reporting year. The duration, i.e. the weighted average maturity of the portfolio, was held shorter than the duration of the benchmark (up to 30 June 2007 SBI® Foreign) at the beginning of the period under review in anticipation of higher rates. The sharp rise in interest rates justified this positioning, which was aimed at reducing the interest-rate sensitivity to the subfund's advantage. The benchmark index was changed to SBI® Foreign AAA-BBB (Total Return) on 1 July 2007. With this change there is no longer a short duration.

## Structure of the Securities Portfolio

<b>Geographical Breakdown as a % of net assets</b>	
United States	19.59
Germany	14.12
Austria	13.64
France	7.60
Netherlands	6.14
Supranationals	4.45
Italy	4.15
United Kingdom	3.45
Cayman Islands	3.44
Jersey	3.31
Canada	3.22
Greece	2.90
South Korea	2.29
Poland	1.95
Luxembourg	1.91
Bermuda	1.04
Norway	1.02
Japan	0.96
Denmark	0.82
Sweden	0.82
Mexico	0.65
Ireland	0.59
Guernsey	0.56
<b>Total</b>	<b>98.62</b>

<b>Economic Breakdown as a % of net assets</b>	
Banks & credit institutions	44.65
Finance & holding companies	21.32
Countries & central governments	10.52
Supranational organisations	4.45
Mortgage & funding institutions	4.05
Cantons, federal states	3.22
Traffic & transportation	1.99
Telecommunications	1.84
Insurance	1.51
Miscellaneous unclassified companies	1.46
Energy & water supply	1.09
Issuance Centres	1.02
Lodging, catering & leisure	0.73
Food & soft drinks	0.45
Pharmaceuticals, cosmetics & medical products	0.32
<b>Total</b>	<b>98.62</b>

## Statement of Net Assets

	CHF
<b>Assets</b>	<b>31.3.2008</b>
Investments in securities, cost	1 236 238 924.72
Investments in securities, unrealized appreciation (depreciation)	-51 435 124.72
Total investments in securities (Note 1)	1 184 803 800.00
Cash at banks, deposits on demand and deposit accounts	1 647 984.57
Receivable on subscriptions	208 432.75
Interest receivable on securities	16 617 038.92
Interest receivable on liquid assets	27 545.82
Unrealized gain (loss) on swaps (Note 1)	837 364.65
<b>Total Assets</b>	<b>1 204 142 166.71</b>
<b>Liabilities</b>	
Payable on redemptions	-2 214 050.05
Provisions for flat fee (Note 2)	-474 609.68
Provisions for taxe d'abonnement (Note 3)	-150 163.55
Total provisions	-624 773.23
<b>Total Liabilities</b>	<b>-2 838 823.28</b>
<b>Net assets at the end of the financial year</b>	<b>1 201 303 343.43</b>

## Statement of Operations

	CHF
<b>Income</b>	<b>1.4.2007–31.3.2008</b>
Interest on liquid assets	229 355.48
Interest on securities	46 350 994.93
Interest received on swaps (Note 1)	2 595 618.21
Income on securities lending (Note 4)	127 101.38
<b>Total income</b>	<b>49 303 070.00</b>
<b>Expenses</b>	
Interest paid on swaps (Note 1)	-3 551 197.22
Flat fee (Note 2)	-14 910 100.32
Taxe d'abonnement (Note 3)	-789 570.71
Interest on cash liquidity and bank overdraft	-15 690.40
<b>Total expenses</b>	<b>-19 266 558.65</b>
<b>Net income (loss) on investments</b>	<b>30 036 511.35</b>
<b>Realized gain (loss) (Note 1)</b>	
Realized gain (loss) on market-priced securities without options	-20 631 792.49
Realized gain (loss) on yield-evaluated securities and money market instruments	1 449 672.35
Realized gain (loss) on swaps	3 652 709.06
Total realized gain (loss) on investments	-15 529 411.08
<b>Total realized gain (loss)</b>	<b>-15 529 411.08</b>
<b>Net realized gain (loss) of the financial year</b>	<b>14 507 100.27</b>
<b>Changes in unrealized appreciation (depreciation) (Note 1)</b>	
Unrealized appreciation (depreciation) on market-priced securities without options	-42 787 905.02
Unrealized appreciation (depreciation) on yield-evaluated securities and money market instruments	-162 427.40
Unrealized appreciation (depreciation) on swaps	206 295.61
<b>Total changes in unrealized appreciation (depreciation)</b>	<b>-42 744 036.81</b>
<b>Net increase (decrease) in net assets as a result of operations</b>	<b>-28 236 936.54</b>

## Statement of Changes in Net Assets

	<b>CHF</b>
	<b>1.4.2007–31.3.2008</b>
Net assets at the beginning of the financial year	1 875 632 150.10
Subscriptions	121 636 043.58
Redemptions	-758 443 778.49
Total net subscriptions (redemptions)	-636 807 734.91
Dividend paid	-9 284 135.22
Net income (loss) on investments	30 036 511.35
Total realized gain (loss)	-15 529 411.08
Total changes in unrealized appreciation (depreciation)	-42 744 036.81
Net increase (decrease) in net assets as a result of operations	-28 236 936.54
<b>Net assets at the end of the financial year</b>	<b>1 201 303 343.43</b>

## Development of the outstanding units

	<b>1.4.2007–31.3.2008</b>
<b>Class</b>	<b>A</b>
Number of units outstanding at the beginning of the financial year	474 128.3652
Number of units issued	23 802.2100
Number of units redeemed	-109 790.2940
<b>Number of units outstanding at the end of the financial year</b>	<b>388 140.2812</b>
<b>Class</b>	<b>B</b>
Number of units outstanding at the beginning of the financial year	655 491.1700
Number of units issued	46 955.0350
Number of units redeemed	-312 882.9460
<b>Number of units outstanding at the end of the financial year</b>	<b>389 563.2590</b>

## Particulars on the distribution (per unit)

<b>Class</b>	<b>A</b>
Number of units outstanding at the end of the financial year	388 140.2812
<b>Currency</b>	<b>CHF</b>
Undistributed net income on investments at the beginning of the financial year	0.00
Net income (loss) on investments	20.71
Net realized gain on yield amortized instruments	0.85
Distributable investment income	21.56
<b>Distribution (Ex Date: 2.6.2008 / Pay Date: 5.6.2008)</b>	<b>21.56</b>
Balance carried forward	0.00

## Statement of Investments in Securities and other Net Assets as of 31 March 2008

Description	Quantity/ Nominal	Valuation in CHF Unrealized gain (loss) on Futures/ Options/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

#### Medium term notes, fixed rate

CHF				
CHF	ABN AMRO BANK NV 2.50000% 06-30.12.15	9 000 000.00	8 298 000.00	0.69
CHF	ALLSTATE LIFE FUNDING LLC 4.25000% 00-14.01.10	10 000 000.00	9 955 000.00	0.83
CHF	AMERICAN INTERNATIONAL GROUP 2.75000% 06-21.12.16	5 000 000.00	4 000 000.00	0.33
CHF	AMERICAN INTERNATIONAL GROUP INC 3.37500% 07-29.06.17	10 000 000.00	8 250 000.00	0.69
CHF	ASIF III LTD 2.25000% 03-19.11.08	8 500 000.00	8 232 250.00	0.69
CHF	AUSTRIA, REPUBLIC OF 3.37500% 02-25.01.12	10 000 000.00	10 400 000.00	0.87
CHF	BANK FUER ARBEIT UND WIRTSCHAFT AG 3.75000% 02-16.04.09	21 000 000.00	20 622 000.00	1.72
CHF	BANK OF AMERICA CORP 2.25000% 04-12.05.09	5 000 000.00	4 900 000.00	0.04
CHF	BANK OF AMERICA CORP 2.50000% 05-28.09.17	7 000 000.00	5 817 000.00	0.48
CHF	BANK OF AMERICA CORP 3.25000% 04-10.12.14	10 000 000.00	9 255 000.00	0.77
CHF	BANK OF SCOTLAND 2.37500% 05-20.12.13	7 000 000.00	5 883 500.00	0.49
CHF	BANK OF SCOTLAND 2.50000% 06-11.10.11	5 000 000.00	4 652 500.00	0.39
CHF	BAYERISCHE LANDESBANK 2.00000% 03-10.02.10	10 000 000.00	9 870 000.00	0.82
CHF	BAYERISCHE LANDESBANK 2.50000% 04-10.01.11	12 000 000.00	11 934 000.00	0.99
CHF	BAYERISCHE LANDESBANK 2.87500% 04-12.03.14	10 000 000.00	9 880 000.00	0.82
CHF	BAYERISCHE LANDESBANK-SUB 3.12500% 06-12.10.16	14 000 000.00	12 236 000.00	1.02
CHF	BAYERISCHE LANDESBANK-SUB 4.00000% 01-23.04.13	10 000 000.00	10 330 000.00	0.86
CHF	BELGELEC FINANCE SA 3.25000% 07-22.12.2014	4 000 000.00	3 900 000.00	0.32
CHF	BMW FINANCE NV 2.00000% 03-22.04.08	10 000 000.00	9 995 000.00	0.83
CHF	BMW US CAPITAL LLC 2.25000% 06-26.04.10	9 000 000.00	8 797 500.00	0.73
CHF	BMW US CAPITAL LLC 3.00000% 08-04.03.11	13 000 000.00	12 850 500.00	1.07
CHF	BRADFORD & BINGLEY PLC 3.12500% 07-18.07.11	7 000 000.00	6 786 500.00	0.56
CHF	CIF EUROMORTGAGE 3.00000% 03-23.06.14	5 000 000.00	4 952 500.00	0.41
CHF	CITIGROUP INC 3.00000% 04-17.12.14	15 000 000.00	13 000 000.00	1.08
CHF	COMPAGNIE DE FINANCEMENT FONCIER 2.37500% 05-24.08.18	20 000 000.00	18 030 000.00	1.50
CHF	DEPFA ACS BANK 2.12500% 05-13.10.17	8 000 000.00	7 112 000.00	0.59
CHF	DEPFA DEUTSCHE PFANDBRIEFBANK AG 3.00000% 03-15.09.15	8 000 000.00	7 804 000.00	0.65
CHF	DEUTSCHE HYPOTHEKENBANK AG H/B 2.37500% 05-09.12.15	12 000 000.00	11 178 000.00	0.93
CHF	DEUTSCHE HYPOTHEKENBANK AG H/B 2.50000% 06-08.03.18	8 000 000.00	7 288 000.00	0.61
CHF	E.ON INTERNATIONAL FINANCE BV 3.00000% 07-17.12.10	8 500 000.00	8 500 000.00	0.71
CHF	EKSPORTFINANS ASA 2.37500% 03-26.06.13	7 500 000.00	7 275 000.00	0.61
CHF	ENERGIE BEHEER NEDERLAND BV 3.00000% 07-05.12.14	8 000 000.00	8 000 000.00	0.67
CHF	FRANCE TELECOM 2.75000% 06-11.04.12	11 000 000.00	10 543 500.00	0.88
CHF	GREECE, HELLENIC REPUBLIC OF 2.12500% 05-05.07.13	5 000 000.00	4 737 500.00	0.39
CHF	HOLCIM OVERSEAS FINANCE LTD 2.75000% 06-20.04.11	7 000 000.00	6 769 000.00	0.56
CHF	HOLCIM OVERSEAS FINANCE LTD 3.00000% 07-20.02.13	6 000 000.00	5 727 000.00	0.48
CHF	HSBC BANK PLC 2.75000% 07-03.04.17	11 000 000.00	10 032 000.00	0.84
CHF	HSBC FINANCE CORP 3.25000% 06-14.07.16	8 000 000.00	6 960 000.00	0.58
CHF	HSBC FINANCE CORP 3.50000% 07-19.07.13	5 000 000.00	4 537 500.00	0.38
CHF	HYPO ALPE-ADRIA-BANK INTERNATIONAL AG 2.87500% 04-15.10.14	10 000 000.00	9 745 000.00	0.81
CHF	HYPO TIROL BANK AG 2.37500% 05-21.03.17	10 000 000.00	9 210 000.00	0.77
CHF	ITALY, REPUBLIC OF 2.00000% 03-30.04.09	21 000 000.00	20 792 100.00	1.74
CHF	ITALY, REPUBLIC OF 2.50000% 05-02.03.15	12 000 000.00	11 460 000.00	0.95
CHF	ITALY, REPUBLIC OF 3.12500% 99-15.07.10	17 500 000.00	17 605 000.00	1.47
CHF	J.P.MORGAN CHASE & CO 2.75000% 07-23.01.14	10 000 000.00	9 165 000.00	0.76
CHF	JOHN HANCOCK GLOBAL FUNDING LTD 4.00000% 99-13.08.09	10 000 000.00	10 026 000.00	0.83
CHF	KOMMUNALKREDIT AUSTRIA AG 3.00000% 04-20.02.14	5 000 000.00	4 955 000.00	0.41
CHF	KOMMUNEKREDIT 2.75000% 03-07.05.13	10 000 000.00	9 900 000.00	0.82
CHF	KOREA DEVELOPMENT BANK 3.00000% 06-23.06.11	20 000 000.00	19 400 000.00	1.61
CHF	LANDESBANK HESSEN-THUERINGEN GZ 1.87500% 05-24.02.11	5 000 000.00	4 857 500.00	0.40
CHF	LANDESKREDITBANK B-WUERTT FOERDERBANK 2.12500% 05-24.08.15	10 000 000.00	9 165 000.00	0.76
CHF	LANDWIRTSCHAFTLICHE RENTENBANK 3.25000% 02-28.08.12	5 000 000.00	5 052 500.00	0.42
CHF	LB BADEN-WUERTTEMBERG 2.87500% 04-30.12.15	10 000 000.00	9 710 000.00	0.81
CHF	MANITOBA, PROVINCE OF 2.62500% 07-17.09.14	5 000 000.00	4 893 750.00	0.41
CHF	MASSMUTUAL GLOBAL FUNDING LLC 3.50000% 02-09.01.09	10 000 000.00	9 960 000.00	0.83
CHF	MERRILL LYNCH & CO INC 2.50000% 06-21.12.11	11 000 000.00	9 185 000.00	0.76
CHF	METROPOLITAN LIFE GLOBAL FUNDING I 2.00000% 05-14.09.11	9 000 000.00	8 244 000.00	0.69
CHF	METROPOLITAN LIFE GLOBAL FUNDING I 2.12500% 06-25.02.11	10 000 000.00	9 315 000.00	0.78
CHF	MEXICO, UNITED STATES OF 3.00000% 05-14.06.12	8 000 000.00	7 800 000.00	0.65
CHF	MORGAN STANLEY 2.50000% 05-17.11.15	7 500 000.00	5 925 000.00	0.49
CHF	MORGAN STANLEY 3.12500% 07-30.05.14	5 000 000.00	4 250 000.00	0.35
CHF	NATIXIS 2.37500% 03-19.12.13	6 500 000.00	6 233 500.00	0.52
CHF	NEW YORK LIFE FUNDING 2.12500% 05-08.12.10	5 000 000.00	4 747 500.00	0.40
CHF	NEW YORK LIFE FUNDING 2.37500% 04-11.12.09	5 000 000.00	4 875 000.00	0.41
CHF	NEW YORK LIFE FUNDINGS 2.37500% 06-22.02.16	7 000 000.00	5 974 500.00	0.50
CHF	NIPPON TELEGRAPH & TELEPHONE CORP 1.87500% 05-27.06.12	5 000 000.00	4 787 500.00	0.40
CHF	NIPPON TELEGRAPH & TELEPHONE CORP 2.25000% 06-15.03.13	7 000 000.00	6 744 500.00	0.56
CHF	NV BANK NEDERLANDSE GEMEENTEN 2.25000% 05-17.03.14	10 000 000.00	9 575 000.00	0.80
CHF	NV BANK NEDERLANDSE GEMEENTEN 2.25000% 05-14.10.20	15 000 000.00	13 140 000.00	1.09
CHF	PFANDBRIEFST DER OESTER LANDES-HYPOBANK 2.87500% 03-21.07.17	12 000 000.00	11 514 000.00	0.96
CHF	PFANDBRIEFST DER OESTER LANDES-HYPOBANK 2.50000% 03-29.10.10	6 500 000.00	6 438 250.00	0.54
CHF	PFANDBRIEFST DER OESTER LANDES-HYPOBANK 2.12500% 05-07.11.16	6 500 000.00	5 889 000.00	0.49
CHF	POLAND, REPUBLIC OF 1.87500% 05-12.05.10	7 000 000.00	6 828 500.00	0.57
CHF	POLAND, REPUBLIC OF 2.87500% 07-15.05.12	2 000 000.00	1 974 000.00	0.16
CHF	POLAND, REPUBLIC OF 3.25000% 07-15.05.19	6 000 000.00	5 673 000.00	0.47
CHF	PRINCIPAL FINANCIAL GLOBAL FUNDING LLC 2.75000% 04-12.07.10	6 000 000.00	5 811 000.00	0.48
CHF	QUEBEC, PROVINCE OF 2.25000% 05-05.10.15	20 000 000.00	18 750 000.00	1.56
CHF	REGIE AUTONOME DES TRANSPORTS PARISIENS 2.62500% 06-06.11.19	18 000 000.00	16 614 000.00	1.38
CHF	ROYAL BANK OF SCOTLAND PLC-SUB 2.37500% 05-02.11.15	6 500 000.00	5 297 500.00	0.44
CHF	SANOFI-AVENTIS 3.37500% 07-21.12.15	4 000 000.00	3 838 000.00	0.32
CHF	SLM CORP 2.62500% 04-13.07.09	15 000 000.00	13 687 500.00	1.14

Description	Quantity/ Nominal	Valuation in CHF Unrealized gain (loss) on Futures/ Options/Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
CHF STE NATL DES CHEMINS DE FER FRANCAIS 1.75000% 05-24.02.12	7 500 000.00	7 237 500.00	0.60
CHF SWEDISH COVERED BOND CORP 2.37500% 06-19.12.12	5 000 000.00	4 827 500.00	0.40
CHF THE EXPORT-IMPORT BANK OF KOREA 2.75000% 07-18.01.12	8 500 000.00	8 138 750.00	0.68
CHF UNILEVER NV 3.50000% 08-17.03.15	5 500 000.00	5 458 750.00	0.45
CHF VORARLBERGER LANDES-& HYPOTHEKENBANK AG 2.37500% 06-09.08.17	8 000 000.00	7 348 000.00	0.61
CHF VORARLBERGER LANDES-& HYPOTHEKENBANK AG 2.62500% 06-09.11.15	8 000 000.00	7 644 000.00	0.64
CHF ZURICH FINANCE (USA) INC 3.50000% 98-22.07.08	15 500 000.00	15 523 250.00	1.29
<b>Total CHF</b>		<b>760 072 150.00</b>	<b>63.26</b>
<b>Total Medium term notes, fixed rate</b>		<b>760 072 150.00</b>	<b>63.26</b>
<b>Medium term notes, floating rate</b>			
<b>CHF</b>			
CHF BANK OF AMERICA CORP 3.37500%/3M LIBOR+95BP 07-14.06.22	11 000 000.00	9 504 000.00	0.79
CHF CITIGROUP INC-SUB 2.75000% FLR 06-06.04.21	10 000 000.00	8 055 000.00	0.67
CHF ROYAL BANK OF SCOTLAND-SUB 2.75000%/3M LIBOR+62B 06-04.12.17	10 000 000.00	8 775 250.00	0.73
<b>Total CHF</b>		<b>26 334 000.00</b>	<b>2.19</b>
<b>Total Medium term notes, floating rate</b>		<b>26 334 000.00</b>	<b>2.19</b>
<b>Bonds, fixed rate</b>			
<b>CHF</b>			
CHF BAYERISCHE LANDESBANK 3.12500% 99-10.02.09	9 000 000.00	9 011 700.00	0.75
CHF CITIBANK CREDIT CARD ISSUANCE TRUST 2.50000% 04-19.10.11	9 500 000.00	7 932 500.00	0.66
CHF CREDIT SUISSE GROUP CAPITAL IV 6.50000%/FLR 00-PRP	6 500 000.00	6 750 250.00	0.56
CHF DEKABANK DEUTSCHE GIROZENTRALE 3.50000% 02-11.05.09	9 000 000.00	9 036 000.00	0.75
CHF DEXIA MUNICIPAL AGENCY 2.37500% 05-11.03.15	15 000 000.00	14 212 500.00	1.18
CHF ENBW INTERNATIONAL FINANCE BV 3.12500% 08-25.02.13	11 000 000.00	10 835 000.00	0.90
CHF EUROHYPO SA LUXEMBOURG 2.50000% 05-29.08.25	13 000 000.00	10 790 000.00	0.90
CHF EUROHYPO SA LUXEMBOURG 4.25000% 00-20.10.10	8 000 000.00	8 280 000.00	0.69
CHF EUROPEAN INVESTMENT BANK 2.00000% 05-29.08.16	15 000 000.00	13 792 500.00	1.15
CHF EUROPEAN INVESTMENT BANK 3.50000% 99-28.01.14	7 000 000.00	7 238 000.00	0.60
CHF GENERAL ELECTRIC CAPITAL CORP 1.75000% 05-25.10.11	19 900 000.00	18 815 450.00	1.59
CHF GENERAL ELECTRIC CAPITAL CORP 2.12500% 05-18.12.12	10 000 000.00	9 400 000.00	0.78
CHF GENERAL ELECTRIC CAPITAL CORP 2.37500% 06-11.01.12	2 000 000.00	1 923 000.00	0.16
CHF GENERAL ELECTRIC CAPITAL CORP 3.87500% 01-07.05.14	11 000 000.00	11 027 500.00	0.92
CHF GENERAL ELECTRIC CAPITAL CORP 4.37500% 00-05.12.12	10 000 000.00	10 310 000.00	0.86
CHF GREECE, HELLENIC REPUBLIC OF 2.12500% 03-10.04.09	17 000 000.00	16 835 100.00	1.40
CHF GREECE, HELLENIC REPUBLIC OF 2.37500% 04-18.03.11	13 500 000.00	13 297 500.00	1.11
CHF HYPO INVESTMENTBANK AG 2.25000% 05-02.08.17	10 000 000.00	9 115 000.00	0.76
CHF HYPO REAL ESTATE BANK AG 3.00000% 02-24.10.12	10 000 000.00	9 945 000.00	0.83
CHF INTL BK FOR RECONSTR & DEVT WORLD BANK 5.50000% 86-05.02.16	5 000 000.00	5 822 500.00	0.48
CHF KFW INTERNATIONAL FINANCE INC 4.00000% 00-15.02.12	8 000 000.00	8 396 000.00	0.70
CHF KOMMUNALBANKEN A/S 3.50000% 02-03.04.09	5 000 000.00	5 029 000.00	0.42
CHF KOMMUNINVEST I SVERIGE AB 3.50000% 98-07.08.08	5 000 000.00	5 012 500.00	0.42
CHF KREDITANSTALT FUER WIEDERAUFBAU 2.75000% 06-29.03.21	2 000 000.00	1 811 000.00	0.15
CHF LANDESBANK HESSEN-THUERINGEN GZ 3.75000% 01-01.02.11	10 000 000.00	10 210 000.00	0.85
CHF LANDESBANK HESSEN-THUERINGEN GZ 3.25000% 07-30.07.10	12 000 000.00	11 946 000.00	0.99
CHF MCDONALD'S CORP 2.12500% 05-20.04.10	9 000 000.00	8 793 000.00	0.73
CHF OESTERREICHISCHE KONTROLLBANK AG 3.00000% 03-23.10.15	15 000 000.00	14 955 000.00	1.24
CHF OESTERREICHISCHE KONTROLLBANK AG 2.75000% 05-28.01.20	10 000 000.00	9 425 000.00	0.78
CHF OESTERREICHISCHE KONTROLLBANK AG 3.25000% 06-25.07.36	8 500 000.00	8 019 750.00	0.67
CHF OESTERREICHISCHE KONTROLLBANK AG 2.62500% 06-22.11.24	17 500 000.00	15 575 000.00	1.30
CHF POLAND, REPUBLIC OF 2.12500% 04-25.03.09	9 000 000.00	8 941 500.00	0.74
CHF QUEBEC, PROVINCE OF 3.50000% 98-17.09.08	15 000 000.00	15 048 000.00	1.25
CHF STEWAEK-STEG GMBH 4.37500% 94-21.01.09	13 000 000.00	13 062 400.00	1.09
CHF TOTAL CAPITAL 1.62500% 05-12.07.11	10 000 000.00	9 610 000.00	0.80
CHF UBS JERSEY BRANCH-SUB 2.37500% 05-30.06.15	14 000 000.00	11 830 000.00	0.98
<b>Total CHF</b>		<b>362 033 650.00</b>	<b>30.14</b>
<b>Total Bonds, fixed rate</b>		<b>362 033 650.00</b>	<b>30.14</b>
<b>Bonds, zero coupon</b>			
<b>CHF</b>			
CHF ASIAN DEVELOPMENT BANK 0.00000% 86-07.02.16	10 000 000.00	7 845 000.00	0.65
CHF INTL BK FOR RECONSTR & DEVT WORLD BANK 0.00000% 86-26.11.21	30 000 000.00	18 795 000.00	1.57
<b>Total CHF</b>		<b>26 640 000.00</b>	<b>2.22</b>
<b>Total Bonds, zero coupon</b>		<b>26 640 000.00</b>	<b>2.22</b>

Description	Quantity/ Nominal	Valuation in CHF Unrealized gain (loss) on Futures/ Options/Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
<b>Bonds, floating rate</b>			
CHF			
CHF UBS AG JERSEY-SUB 2.75000%/3M LIBOR+62.5BP 06-23.10.18	11 000 000.00	9 724 000.00	0.81
<b>Total CHF</b>		<b>9 724 000.00</b>	<b>0.81</b>
<b>Total Bonds, floating rate</b>		<b>9 724 000.00</b>	<b>0.81</b>
<b>Total Transferable securities and money market instruments listed on an official stock exchange</b>		<b>1 184 803 800.00</b>	<b>98.62</b>
<b>Total investments in securities</b>		<b>1 184 803 800.00</b>	<b>98.62</b>

## Derivative instruments

### Derivative instruments not listed on an official stock exchange and not traded on another regulated market

#### Swaps and forward swaps on interest rates

CHF UBS/INTEREST RATE SWAP PAYER 1.64000% 04-18.04.08			
CHF UBS/INTEREST RATE SWAP REC 3M LIBOR 04-18.04.08	-60 000 000.00	-581 446.20	-0.05
CHF UBS/INTEREST RATE SWAP PAYER 6M LIBOR 07-04.07.14			
CHF UBS/INTEREST RATE SWAP REC 3.44000% 07-04.07.14	-45 000 000.00	1 418 810.85	0.12
<b>Total Swaps and forward swaps on interest rates</b>		<b>837 364.65</b>	<b>0.07</b>
<b>Total Derivative instruments not listed on an official stock exchange and not traded on another regulated market</b>		<b>837 364.65</b>	<b>0.07</b>
<b>Total Derivative instruments</b>		<b>837 364.65</b>	<b>0.07</b>
<b>Cash at banks, deposits on demand and deposit accounts and other liquid assets</b>		<b>1 647 984.57</b>	<b>0.14</b>
<b>Other assets and liabilities</b>		<b>14 014 194.21</b>	<b>1.17</b>
<b>Total net assets</b>		<b>1 201 303 343.43</b>	<b>100.00</b>