UBB ExpertEase Highly Dynamic Tolerant (LEVA)

UBB ExpertEase Highly Dynamic Tolerant (BGN) is a global mixed “balanced” investment sub-fund of the umbrella mutual fund UBB ExpertEase, which is a feeder collective investment scheme within the meaning of Article 67 of the Law on the Activity of Collective Investment Schemes and Other Collective Investment Enterprises (LACISOCIE). The investment objective of the sub-fund is to invest at least 85% of its assets in the main sub-fund and up to 15% of its assets in cash and derivatives. The main fund **Horizon ExpertEase Highly Dynamic Tolerant** follows a multi-signal strategy which investment objective is to generate the highest possible return for its shareholders in accordance with its investment policy. The main fund Horizon KBC ExpertEase Highly Dynamic Tolerant folows multi-signal strategy in which the target allocation is **75% equities and 25% bonds**.

FUND INFORMATION	as of 30.04.2022
Launch date	05 March 2021
Last confirmed NAV	5 647 967.87
Last confirmed NAV per unit	9.9896
Lowest - Highest NAV per unit for the last year	9.9929-11.1953
Standard deviation for the last year	-

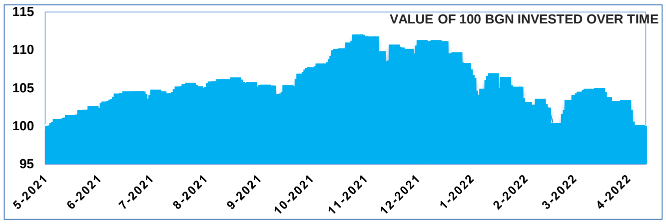
RETURN	
Year to date /not annualized/	-10.10%
For the last 12 months /not annualized/	-
For the last 3 years /annualized/	-
Since inception /annualized/	-

PORTFOLIO	
HORIZON KBC EXPERTEASE HIGHLY DYNAMIC TOLERANT BGN	SHARES
CASH	ASSETS
RECEIVABLES	ASSETS

5 Product rating

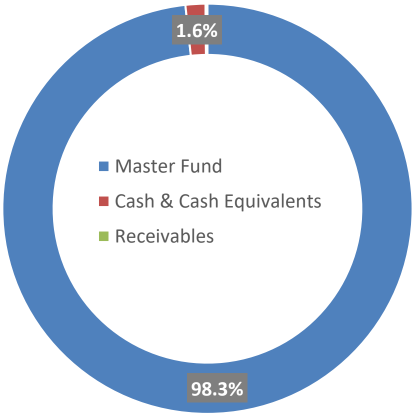
100 Minimum investment

BGN Currency



ANNUAL RETURNS

As the sub-fund was established in 2021, there is insufficient data to give investors a useful indication of past performance.



MASTER FUND	
Horizon KBC ExpertEase Highly Dynamic Tolerant Institutional F share BG class in EUR	

MASTER FUND CURRENCY	
BGN	

COUNTRY OF ORIGIN OF THE MASTER FUND	
BELGIUM	

STRATEGY OF THE MASTER FUND	
MULTI-SIGNAL	

TARGET WEIGHT OF THE MASTER FUND	
EQUITIES	75.00%
BONDS	25.00%

COMMENT

After the end of a difficult quarter for the financial markets, the month of April did not bring any relief. Global equity markets had their worst month since March 2020, when COVID-19 fears brought havoc and dismay to the world’s stock markets. The factors that continued to weigh on sentiment were the war in Ukraine, the lockdowns in China, and the prospects that US interest rates could rise quite quickly. Overall, the worldwide index MSCI All Country World fell by 8.0% over the month, deepening the recent decline of global equities. Similarly, in the US all three major indexes were down for the month, with the NASDAQ sustaining the biggest decline at more than 13% - its worst month since October 2008.

The only asset class that performed moderately well was commodities. The commodity-heavy FTSE All-Share Index was a relative bright spot, returning 0.3% in April. However, the commodity rally stalled towards the end of the month because of US dollar strength and concerns that disrupted supply chains and fading economic momentum will ultimately take its toll on commodity demand.

Aside from the inflation and monetary tightening concerns, the global economy is in a reasonably good shape. Consumer spending is strong, as labor markets across the developed world remain quite tight. Unemployment is now close to pre-pandemic levels, and at 3.6% in the USA, it is at one of its lowest levels ever after the Second World War. Forward-looking purchasing manager indices also indicate expansion ahead for many regions, with the exception of China.

In spite of these positives, overall gloomy news flow was prevalent. The conflict in Ukraine continued. Lockdowns have closed down many parts of China’s economy which has led to a downward revision in growth projections. This will likely lead to a continuation of supply chain stress. A number of large US tech companies published disappointing results for Q1. This time, however, the financial markets cannot look at policy support to ease these pains. Sky-high inflation is forcing central banks to stay on course for further monetary tightening. With little reason for investors to remain optimistic, this somber mood was reflected in the month’s price movement.

Fixed income also came under pressure during the month, with global bonds delivering -5.5% in April. Bond yields continued to rise (meaning prices moved lower) as markets anticipated rising inflation and significant interest rate hikes. The yield curve slightly steepened in the US, as the 10-year Treasury yields approached 3% – just over a year and a half ago it was around 0.5%

Expectations for the path of monetary policy have seen a major shift this year. Markets are now pricing interest rates of well over 2% in both the US and the UK by year-end, while in the Eurozone rates are expected to move into positive territory as early as October.

The Bulgarian market showed some resilience in April, with the broad local index BGBX40 closing in positive territory, in the midst of all the carnage globally. The best performer for the month was Petrol AD, which added more than 36% to its share price, and the worst was Doverie United Holding AD, which fell by over 20%.