

## UBB ExpertEase Defensive Tolerant (LEVA)

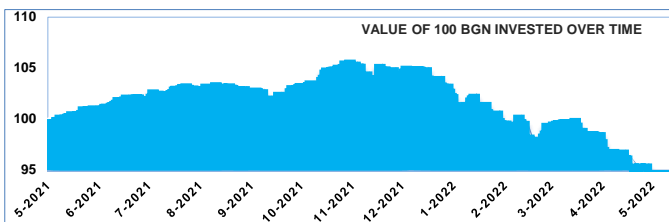
UBB ExpertEase Defensive Tolerant (BGN) is a global mixed "balanced" investment sub-fund of the umbrella mutual fund UBB ExpertEase, which is a feeder collective investment scheme within the meaning of Article 67 of the Law on the Activity of Collective Investment Schemes and Other Collective Investment 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 sub-fund **Horizon ExpertEase Defensive Tolerant** follow 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 sub-fund Horizon KBC ExpertEase Defensive Tolerant follows multi-signal strategy in which the target allocation is **30% equities and 70% bonds**.



FUND INFORMATION	as of 31 05 2022 r.
Launch date	05 March 2021
Last confirmed NAV	18 833 733.04
Last confirmed NAV per unit	9.4677
Lowest - Highest NAV per unit for the last year	9.9951-10.5825
Standard deviation for the last year	-

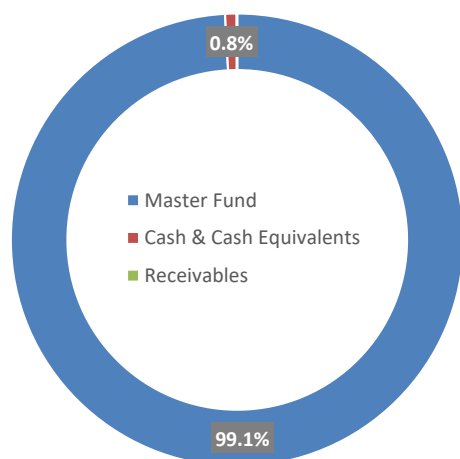
RETURN	
Year to date /not annualized/	-9.96%
For the last 12 months /not annualized/	-
For the last 3 years /annualized/	-
Since inception /annualized/	-

PORTFOLIO	
HORIZON KBC EXPORTEASE DEFENSIVE BALANCED BGN	SHARES
CASH	ASSETS
RECEIVABLES	ASSETS



### 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 Defensive Tolerant Institutional F share BG class in BGN

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	30.00%
BONDS	70.00%

### COMMENT

After the dismal results in April, the equity markets in the developed world stabilized during the second half of May and finished the month with modest gains. Volatility remained quite high, and many indices got near to entering bear-market territory (a drop of 20% or more). Although there were no major negative surprises, the adverse prospects of tighter monetary policy, high inflation and slowing economy continued to weigh on the markets. The returns of fixed income instruments were flat or slightly negative for longer durations, including the inflation-linked bonds. The yields of the 10-year US government bonds hardly changed, but in Europe they rose by roughly 20 bps. Again, commodities and energy in particular were the best performing asset class, and this was reflected in strong equity returns for the energy sector and some emerging markets.

Geopolitically the month was relatively uneventful, as there were no major events or surprises. Relations between the US and China were again strained over Taiwan. The conflict in Ukraine dragged on, now just more confined to the east of the country. Some European governments reshuffled their budgets in attempts to reduce their reliance on Russia, with increased spending on defense and energy this year. Commodity shortages and supply chain issues continued to raise prices. Energy prices in Europe jumped close to 190% above pre-COVID-19 levels and roughly 1.25 million tons of grains and oilseeds continue to be blocked on vessels in Ukrainian seaports. While the duration of supply problems is the immediate unknown, a truly persistent high inflation will be driven mainly by high price expectations and wage growth.

Indeed, inflation remained high (but seemed to peak in major developed regions). Markets would normally look at policy support to ease the pain. This time though, sky high inflation is leaving central banks little choice but to maintain their plans to continue tightening. Monetary authorities maintained their hawkish stance without further major impact on market sentiment as there were no further interest rate surprises. In the Euro area, the ECB strengthened its guidance to end asset purchases in Q3, setting the stage for multiple hikes beginning in July this year. Across the ocean, investors became more optimistic throughout the second half of the month amid encouraging results from a number of large US retailers, leading to the conclusion that the US consumer still remains in a strong position. This confirmed our expectations to see the Federal Reserve hike 50 bps in the next two months.

The Bulgarian market again showed its diversification advantages, as its performance diverged from that of the global developed markets. The blue chip index, SOFIX, and the broad BGBX40 closed the month with slight losses. The best performer for the month was Oil and Gas Exploration and Production AD, which added more than 52% to its share price, and the worst was Speedy AD, which lost a little more than 12%.

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