

Zurich investment foundation

Bonds US Corporate

Well-proven basis for successful investment

Bonds and money market investments are the basis for the successful occupational retirement provision investments. Our professionally managed portfolios are optimized with regard to risk and return.

Your advantages at a glance

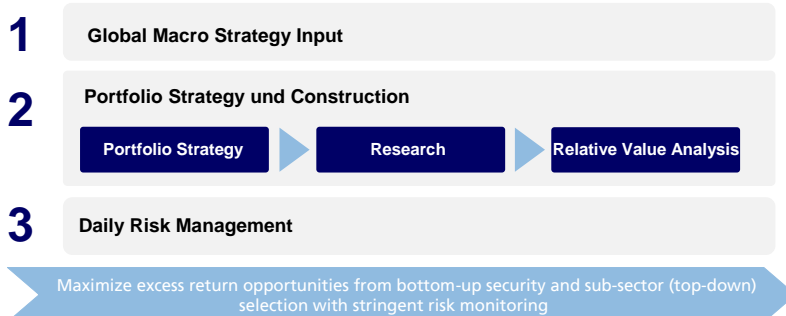
- **Module for flexibly implementing the investment strategy of a pension plan;**
- **Broadly diversified and transparent investments;**
- **Independent investment management process, which meets the highest compliance requirements;**
- **Attractive terms**

Investment universe

The US Corporate portfolio enables investors to invest in US-Dollar denominated corporate bonds, mainly in the US, where the credit spreads are significantly higher than in the Swiss market. The investment universe comprises mainly debt issues of private and public corporations with an investment grade rating. The portfolio is fully hedged in Swiss Franc.

Investment process

PGIM Fixed Income incorporated a structure investment process. Besides an in depth fundamental company analysis, it also considers the macroeconomic environment. With this investment process, Pramerica Fixed Income has generated consistent outperformance relative the benchmark in the past.



Manager

PGIM Fixed Income

PGIM Fixed Income is a subsidiary of Prudential Financial Inc and was founded in 1875. The firm manages over USD 560bn in fixed income securities whereof 40% are related to corporate debt. With over 96 analysts and 100 portfolio managers, PGIM Fixed Income operates one of the largest and most experienced teams in the fixed income universe globally.

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As of 31.10.2017

Key characteristics

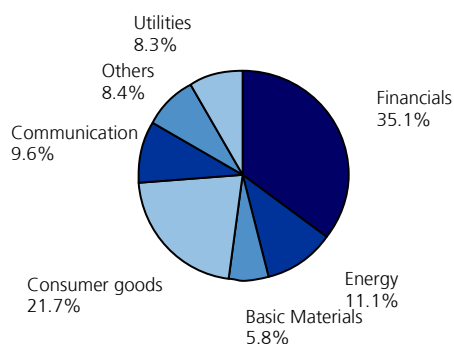
Manager	PGIM Fixed Income
ISIN	CH0192556410
Bloomberg Ticker	ZIFUCPN SW
Benchmark	Barclays US Aggregate Corp.
First issue	08.2012
Financial year	1.1. - 31.12.
Currency	CHF
Risk currency	Hegded in CHF
AuM (in mio.)	1,264.40
Net asset value	1,135.35
Management Fee	0.55%
TER (KGAST)	0.57%
Spread	0.25%
Issue/Redemption	Daily
Number of issuers	279
Off-BM positions	5.47%

For further information please visit: www.zurichinvest.ch

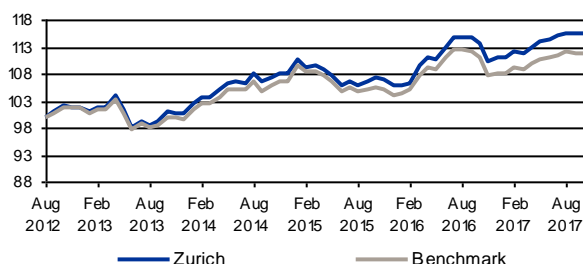
Maturities (in %)

	Zurich
>10	36.69
7-10	19.02
5-7	13.83
3-5	16.84
1-3	11.66
<1	1.96

Sectors (in %)



Performance (gross of fees, indexed)



Performance (net of fees in %, in CHF)

	Zurich	Benchmark
1 month	0.23	0.21
3 month	0.41	0.40
Current year	3.72	3.55
1 year p.a.	1.31	0.94
5 years p.a.	1.98	1.89
10 years p.a.	-	-
Since inception p.a.	2.29	2.19

Volatility (in %)

	Zurich	Benchmark
1 year p.a.	3.67	3.66
5 years p.a.	4.17	3.99
10 years p.a.	-	-
Since inception p.a.	4.13	3.96

Risk figures since inception

	Zurich	Benchmark
Sharpe Ratio	0.65	0.65
Tracking Error p.a.	0.58	-
Information Ratio	0.16	-
Jensen's Alpha (in %)	0.00	-
Max. Drawdown (in %)	6.03	5.42
Recovery Period*	10	10
Modified Duration	7.21	7.34

*) in months

Rating (in %)

	Zurich
AAA	0.02
AA	1.90
A	13.34
BBB	76.96
BB	7.33

Risk figures for other time periods

	1 year p.a.	5 years p.a.	10 years p.a.	Since inception p.a.
Sharpe Ratio	0.56	0.57		0.65
Tracking Error p.a.	0.31	0.58		0.58
Tracking Error Ex Ante	1.07	-		-
Information Ratio	1.19	0.15		0.16
Jensen's Alpha (in %)	0.37	0.00		0.00

Overview performance (net of fees in %)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017	0.07	1.03	-0.52	0.88	0.98	0.20	0.61	0.43	-0.25	0.23			3.72
2016	-0.17	0.49	2.90	1.31	-0.28	2.03	1.45	0.09	-0.26	-1.04	-2.90	0.59	4.17
2015	2.57	-1.30	0.24	-0.75	-1.06	-1.72	0.62	-0.87	0.66	0.69	-0.27	-1.13	-2.37
2014	1.85	1.09	-0.10	1.12	1.30	0.12	-0.16	1.49	-1.52	0.79	0.73	-0.26	6.59
2013	-0.84	0.78	-0.04	1.84	-2.46	-3.31	1.12	-0.91	0.92	1.58	-0.15	-0.12	-1.71
2012									0.85	1.05	-0.22	0.00	1.68

¹ TER according to KGAST: The figure corresponds to the Total Expense Ratio (TER) from the last year and is no guarantee for a similar TER in the future.

² Spread: Settlement with an additional subscription or redemption charge (protection of the fund performance)

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