

Annual Report 2016/2017

Investment Company under Luxembourg Law (SICAV)

R.C.S. Luxembourg N° B 43 925

Audited annual report as of 31 May 2017

UBS (Lux) Strategy SICAV
UBS (Lux) Strategy SICAV – Fixed Income (CHF)
UBS (Lux) Strategy SICAV – Fixed Income (EUR)
UBS (Lux) Strategy SICAV – Fixed Income (USD)
UBS (Lux) Strategy SICAV – Income (CHF)
UBS (Lux) Strategy SICAV – Income (EUR)
UBS (Lux) Strategy SICAV – Income (USD)
UBS (Lux) Strategy SICAV – Xtra Balanced (EUR)
UBS (Lux) Strategy SICAV – Xtra Yield (EUR)



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Table of contents	Page	ISIN
Management and Administration	2	
Features of the Company	4	
Audit report	9	
UBS (Lux) Strategy SICAV	11	
UBS (Lux) Strategy SICAV – Fixed Income (CHF)	13	P-acc LU0042743699 Q-acc LU1240800612
UBS (Lux) Strategy SICAV – Fixed Income (EUR)	21	P-acc LU0042744747 Q-acc LU0943062561
UBS (Lux) Strategy SICAV – Fixed Income (USD)	27	K-1-acc LU0937166048 P-acc LU0042745397 (JPY hedged) P-acc LU1203193534 Q-acc LU1240800885
UBS (Lux) Strategy SICAV – Income (CHF)	35	P-acc LU0994951381 P-dist LU0994669108 Q-acc LU1240800968 Q-dist LU1240801008
UBS (Lux) Strategy SICAV – Income (EUR)	43	K-1-acc LU1097600727 P-acc LU0994951464 (USD hedged) P-acc LU1474210108 P-dist LU0994669793 Q-acc LU1240801263 Q-dist LU1240801347
UBS (Lux) Strategy SICAV – Income (USD)	51	K-1-acc LU1097765488 P-acc LU0994951548 (JPY hedged) P-acc LU1411405076 P-dist LU0994670023 Q-acc LU1240801693 Q-dist LU1240801776
UBS (Lux) Strategy SICAV – Xtra Balanced (EUR)	59	P-acc LU1161073173 P-dist LU1161073256 Q-acc LU1240801859
UBS (Lux) Strategy SICAV – Xtra Yield (EUR)	66	P-acc LU1059709862 P-dist LU1060236970 Q-acc LU1240802071 Q-dist LU1240802154
Notes to the Financial Statements	73	
Unaudited Information	82	

Sales restrictions

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

Internet address

www.ubs.com/funds

Management and Administration

Registered Office

33A, avenue J.F. Kennedy
L-1855 Luxembourg
R.C.S. Luxembourg N° B 43 925

Board of Directors

Robert Süttinger, President
Managing Director, UBS AG, Basel and Zurich

Kai Gammelín, Member (until 20 February 2017)
Executive Director, UBS AG, Basel and Zurich

Michael Kehl, Member
Managing Director, UBS AG, Basel and Zurich

Thomas Portmann, Member
Managing Director, UBS Fund Management
(Switzerland) AG, Basel

Management Company

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

Portfolio Manager

UBS AG, UBS Asset Management, Basel and Zurich
UBS Switzerland AG, Zurich

Depositary and main paying agent

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

Administrative agent

UBS Fund Services (Luxembourg) S.A.
33A, avenue J.F. Kennedy
L-1855 Luxembourg

Sales Agencies

UBS AG, Basel and Zurich

Auditor of the Company

PricewaterhouseCoopers, Société coopérative
2, rue Gerhard Mercator, B.P. 1443, L-1014 Luxembourg

Auditor of 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, the articles of association of the Company, the annual and semi-annual reports as well as the portfolio movements of the Company mentioned in this publication are available free of charge from UBS Switzerland AG, P.O. Box, 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 Landstr. 2-4
D-60306 Frankfurt am Main

The sales prospectus, the KIID, the articles of association of the Company, the annual and semi-annual reports as well as the portfolio movements of the Company mentioned in this publication are available free of charge from UBS Europe SE, Bockenheimer Landstr. 2-4, D-60306 Frankfurt am Main.

Sale in Liechtenstein

Paying agent

Liechtensteinische Landesbank AG,
Städtle 44, FL-9490 Vaduz

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

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

* Restricted foreign scheme

Shares of this Company may be sold in these countries.

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

Features of the Company

UBS (Lux) Strategy SICAV (hereinafter called the "Company") offers investors various subfunds ("umbrella construction") which invest in accordance with the investment policy described in the sales prospectus. The specific details on each subfund are defined in the sales prospectus, which will be updated on the inception of each new subfund.

The Company was established on 24 May 1993 as an open-ended investment fund in the form of a SICAV pursuant to Part I of the Luxembourg Law of 30 March 1988 on undertakings for collective investment and adapted in October 2006 in line with the requirements of the Law of 2002. As of 1 July 2011, the Company shall be subject to the amended Law of 17 December 2010. With effect from 15 April 2011, the Company has appointed UBS Fund Management (Luxembourg) S.A. as its Management Company.

The consolidated version is held by the Commercial and Company Register (Registre de Commerce et des Sociétés) in Luxembourg for inspection. Any amendments are published by means of a notice of deposit in the "Mémorial", in a Luxembourg daily newspaper and, if necessary, in the official publications of the individual distribution countries. Amendments become legally binding following their approval by the General Meeting of Shareholders.

As at 31 May 2017, the following subfunds are active:

UBS (Lux) Strategy SICAV	Currency of account
- Fixed Income (CHF)	CHF
- Fixed Income (EUR)	EUR
- Fixed Income (USD)	USD
- Income (CHF)	CHF
- Income (EUR)	EUR
- Income (USD)	USD
- Xtra Balanced (EUR)	EUR
- Xtra Yield (EUR)	EUR

Information on which share classes are available for which subfund can be obtained from their Administrative Agent or at www.ubs.com/funds.

Only registered shares are issued.

The following share classes are currently available:

"P"

Shares in classes with "P" in their name are available to all investors. Their smallest tradable unit is 0.001. Unless the Company decides otherwise, the initial issue price of these shares 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"

Shares in classes with "N" in their name (shares 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 Company. Their smallest tradable unit is 0.001. Unless the Company decides otherwise, the initial issue price of these shares 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"

Shares in classes with "K-1" in their name are available to all investors. Their smallest tradable unit is 0.1. Unless the Company decides otherwise, the initial issue price of these shares 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"

Shares 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 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 Company decides otherwise, the initial issue price of these shares 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"

Shares in classes with "F" in their name are exclusively available to UBS AG and its subsidiaries. These shares 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 shares will be returned to the Company upon termination of the mandate at the prevailing net asset value and without being subject to charges. The smallest tradable unit of these shares is 0.001. Unless the Company decides otherwise, the initial issue price of these shares 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"

Shares 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 that specifically provide 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 Board of Directors of the Company. Any information in this regard will be disclosed at www.ubs.com/funds.

The smallest tradable unit of these shares is 0.001. Unless the Company decides otherwise, the initial issue price of these shares 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"

Shares 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 Company decides otherwise, the initial issue price of these shares 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"

Shares 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 Company decides otherwise, the initial issue price of these shares 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 shares is CHF 10 million (or foreign currency equivalent).

Upon subscription

- (i) a minimum subscription must be made in accordance with the list above, or
- (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"

Shares 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 Company decides otherwise, the initial issue price of these shares 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 shares is CHF 30 million (or foreign currency equivalent).

Upon subscription

- (i) a minimum subscription must be made in accordance with the list above, or
- (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 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"

Shares 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 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 Company decides otherwise, the initial issue price of these shares 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"

Shares 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 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 Company decides otherwise, the initial issue price of these shares 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"

Shares 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 of the Company, the administrative agent and the Depositary) and distribution are charged to investors under the aforementioned agreements. This share 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 Company decides otherwise, the initial issue price of these shares 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:

Currencies

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

"hedged"

For share classes with "hedged" in their name and denominated in a currency other than the subfund's currency of account, foreign exchange transactions and currency forwards are conducted in order to hedge the net asset value of the subfund, calculated in the currency of account, against the net asset values of the share classes denominated in other currencies.

Although it will not be possible to fully hedge the total net asset value of a share class against currency fluctuations of the currency of account, the aim is to secure a currency hedge for the currency of account against the corresponding currency of the share classes equivalent to between 90% and 110% of the net asset value. Changes in the value of the hedged sections of the portfolios and the volume of subscription and redemption orders for shares not denominated in the currency of account may, however, result in the level of currency hedging temporarily surpassing the stated limits. The Management Company and the Portfolio Manager will take all the necessary steps to bring the hedging back within the aforementioned limits.

"BRL hedged"

The Brazilian real (currency code pursuant to ISO 4217: 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. As a result, the hedging may not be between 90% and 110% of the total net assets. 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 share class and/or the subfund in accordance with the section "Liquidation of the Company and its subfunds; merger of subfunds" 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.

Shares in classes with "RMB hedged" in their name are shares 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 Company.

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 share class and/or the subfund in accordance with the section "Liquidation of the Company and its subfunds; merger of subfunds" of the sales prospectus.

"acc"

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

"dist"

The income of share classes with "-dist" in their name is distributed unless the Company decides otherwise.

"qdist"

Shares 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 share 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 shares. Some investors may therefore prefer to subscribe to accumulating (-acc) rather than distributing (-dist, -qdist) share classes. Investors may be taxed at a later point in time on income and capital arising on accumulating (-acc) share classes compared with distributing (-dist) share classes. Investors should consult qualified experts for tax advice regarding their individual situation.

"mdist"

Shares 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 share 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 shares. Some investors may therefore prefer to invest in accumulating (-acc) rather than distributing (-dist, -mdist) share classes. Investors may be taxed at a later point in time on income and capital arising on accumulating (-acc) share classes compared with distributing (-dist) share classes. Investors should consult qualified experts for tax advice regarding their individual situation. The maximum issuing commission for shares in classes with "-mdist" in their name is 6%.

"UKdist"

The aforementioned share classes can be issued as those with "UKdist" in their name. In these cases, the 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 share classes are subject to these reporting fund rules.

The Company does not intend to make taxable values for these share classes available in other countries, as they are intended for investors whose investment in the share class is liable to tax in the UK.

"2%", "4%", "6%", "8%"

Shares 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 share 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 share classes are suitable for investors who wish for more stable distributions, unrelated to past or expected returns or income.

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 share 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) share classes. Investors may be taxed at a later point in time on income and capital arising on accumulating (-acc) share classes compared with distributing (-dist, -qdist, -mdist) share classes. Investors should consult qualified experts for tax advice regarding their individual situation.

The entirety of the individual subfunds' net assets forms the total net assets of the Company, which corresponds, at all times, to the share capital of the Company and consists of fully paid in and non-par-value shares (the "shares").

At general meetings, shareholders have the right to one vote per share held, irrespective of the difference in value of shares in the respective subfunds. Shares of a particular subfund carry the right of one vote per share held when voting at meetings affecting this subfund.

The Company forms a legal entity. With respect to the shareholders, each subfund is regarded as being independent from the others. The assets of a subfund can be used to offset only the liabilities which the subfund concerned has assumed.

The Company is empowered at all times, to liquidate subfunds and/or to establish new subfunds as well as different share classes with specific characteristics within these subfunds. The sales prospectus will be updated each time a new subfund or an additional share class is launched.

The Company is unlimited with regard to duration and total assets.

The financial year of the Company ends on 31 May.

The ordinary general meeting takes place annually on 30 November, at 11:00 a.m. at the registered office of the Company. If 30 November happens to be no working day in Luxembourg, the ordinary general meeting takes place on the next following working day.

Information on whether a subfund of the Company 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 shares of the Company 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 shareholders at the registered office of the 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.



Audit report

To the Shareholders of

UBS (Lux) Strategy SICAV

We have audited the accompanying financial statements of UBS (Lux) Strategy SICAV and of each of its subfunds, which comprise the statement of net assets and the statement of investments and other net assets as at 31 May 2017 and the statement of operations and the statement of changes in net assets for the year then ended and a summary of significant accounting policies and other explanatory notes to the financial statements.

Responsibility of the Board of Directors of the SICAV for the financial statements

The Board of Directors of the SICAV is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements and for such internal control as the Board of Directors of the SICAV determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the “Réviseur d’entreprises agréé”

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier”. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the judgment of the “Réviseur d’entreprises agréé”, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the “Réviseur d’entreprises agréé” considers internal control relevant to the entity’s preparation and fair presentation of the financial statements 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 entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the SICAV, as well as evaluating the overall presentation of the financial statements.

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Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n° 10028256)
R.C.S. Luxembourg B 65 477 – TVA LU25482518



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of UBS (Lux) Strategy SICAV and of each of its subfunds as of 31 May 2017 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 of the financial statements.

Other information

The Board of Directors of the SICAV 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 audit report 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.

Luxembourg, 20 September 2017

PricewaterhouseCoopers, Société coopérative
Represented by

Alain Maechling

UBS (Lux) Strategy SICAV

Consolidated Statement of Net Assets

	EUR
Assets	31.5.2017
Investments in securities, cost	883 535 515.20
Investments in securities, unrealized appreciation (depreciation)	28 605 071.97
Total investments in securities (Note 1)	912 140 587.17
Cash at banks, deposits on demand and deposit accounts	14 703 550.01
Other liquid assets (Margins)	1 202 002.51
Receivable on securities sales (Note 1)	9 582 139.35
Receivable on subscriptions	1 665 233.87
Interest receivable on securities	3 005 683.91
Other assets	287 029.05
Unrealized gain (loss) on financial futures (Note 1)	1 547 113.94
Unrealized gain (loss) on forward foreign exchange contracts (Note 1)	15 026 997.89
Unrealized gain (loss) on swaps (Note 1)	762 111.52
Total Assets	959 922 449.22
Liabilities	
Bank overdraft	-99.28
Other short-term liabilities (Margins)	-100 123.65
Payable on securities purchases (Note 1)	-7 353 800.54
Payable on redemptions	-6 840 079.03
Other liabilities	-5 794.13
Provisions for flat fee (Note 2)	-521 786.76
Provisions for taxe d'abonnement (Note 3)	-39 418.86
Provisions for other commissions and fees (Note 2)	-73 977.57
Total provisions	-635 183.19
Total Liabilities	-14 935 079.82
Net assets at the end of the financial year	944 987 369.40

Consolidated Statement of Operations

EUR

	1.6.2016-31.5.2017
Income	
Interest on liquid assets	23 993.75
Interest on securities	11 940 924.86
Interest received on swaps (Note 1)	475 023.43
Dividends	1 088 387.85
Income on securities lending (Note 11)	398 563.13
Other income	450 344.06
Total income	14 377 237.08
Expenses	
Interest paid on swaps (Note 1)	-166 631.02
Cost on securities lending (Note 11)	-159 425.24
Flat fee (Note 2)	-12 923 243.08
Taxe d'abonnement (Note 3)	-288 644.36
Other commissions and fees (Note 2)	-374 629.09
Interest on cash and bank overdraft	-16 426.36
Total expenses	-13 928 999.15
Net income (loss) on investments	448 237.93
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	15 532 227.95
Realized gain (loss) on yield-evaluated securities and money market instruments	-125 830.23
Realized gain (loss) on financial futures	3 859 958.47
Realized gain (loss) on forward foreign exchange contracts	-17 348 943.59
Realized gain (loss) on swaps	103 711.52
Realized gain (loss) on foreign exchange	2 768 229.45
Total realized gain (loss)	4 789 353.57
Net realized gain (loss) of the financial year	5 237 591.50
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	7 136 359.08
Unrealized appreciation (depreciation) on yield-evaluated securities and money market instruments	-2 250.07
Unrealized appreciation (depreciation) on financial futures	788 988.50
Unrealized appreciation (depreciation) on forward foreign exchange contracts	17 604 530.24
Unrealized appreciation (depreciation) on swaps	-106 669.86
Total changes in unrealized appreciation (depreciation)	25 420 957.89
Net increase (decrease) in net assets as a result of operations	30 658 549.39

UBS (Lux) Strategy SICAV – Fixed Income (CHF)

Three-year comparison

	ISIN	31.5.2017	31.5.2016	31.5.2015
Net assets in CHF		64 844 740.87	77 695 352.14	104 291 312.35
Class P-acc	LU0042743699			
Shares outstanding		402 963.5300	486 440.1850	677 427.7500
Net asset value per share in CHF		153.97	153.53	153.95
Issue and redemption price per share in CHF ¹		153.83	153.53	153.95
Class Q-acc²	LU1240800612			
Shares outstanding		27 490.2740	29 774.5740	-
Net asset value per share in CHF		101.90	101.17	-
Issue and redemption price per share in CHF ¹		101.81	101.17	-

¹ See note 1

² First NAV: 13.10.2015

Performance

	Currency	2016/2017	2015/2016	2014/2015
Class P-acc	CHF	0.2%	-0.3%	0.9%
Class Q-acc	CHF	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 shares.

The performance data were not audited.

The subfund has no benchmark.

Report of the Portfolio Manager

The reporting year from 1 June 2016 to 31 May 2017 was marked by the diverging monetary policies of some central banks. Yields on US government bonds continued on their downward trend until the end of the 3rd quarter 2016. However, after the US election in autumn 2016, they rose sharply, as many investors hoped for economic stimulus measures in the US economy. The performance of the European bond market was based on the hope of strong economic growth, but turned out to be much weaker than in the USA. Corporate bonds and, in particular, high-yield bonds, were able to benefit the most from the rising risk tolerance.

In this challenging environment for bond investors, the subfund generated a positive return in the reporting year, not least thanks to the diversification in corporate bonds.

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets

Luxembourg	34.38
United States	18.32
Suprationals	7.55
The Netherlands	5.89
Germany	5.70
Australia	4.95
France	3.78
Switzerland	3.11
South Korea	1.97
Spain	1.50
Slovakia	1.12
Poland	1.11
Finland	0.83
United Kingdom	0.79
Austria	0.78
Norway	0.78
Sweden	0.78
Curacao	0.55
Italy	0.47
Canada	0.41
Hong Kong	0.32
New Zealand	0.32
Jersey	0.32
Chile	0.31
Ireland	0.23
Mexico	0.22
Peru	0.20
Guernsey	0.08
Total	96.77

Economic Breakdown as a % of net assets

Investment funds	33.66
Countries & central governments	19.96
Banks & credit institutions	16.48
Supranational organisations	7.55
Finance & holding companies	5.52
Telecommunications	2.21
Cantons, federal states	2.21
Mortgage & funding institutions	1.86
Traffic & transportation	1.65
Pharmaceuticals, cosmetics & medical products	1.17
Petroleum	1.02
Public, non-profit institutions	0.78
Building industry & materials	0.70
Computer hardware & network equipment providers	0.55
Lodging, catering & leisure	0.42
Energy & water supply	0.40
Food & soft drinks	0.39
Biotechnology	0.24
Total	96.77

Statement of Net Assets

	CHF
Assets	31.5.2017
Investments in securities, cost	61 687 973.06
Investments in securities, unrealized appreciation (depreciation)	1 059 028.40
Total investments in securities (Note 1)	62 747 001.46
Cash at banks, deposits on demand and deposit accounts	1 131 906.62
Receivable on securities sales (Note 1)	121 972.60
Interest receivable on securities	300 030.51
Other assets	14 426.92
Unrealized gain (loss) on forward foreign exchange contracts (Note 1)	971 683.87
Unrealized gain (loss) on swaps (Note 1)	53 628.88
Total Assets	65 340 650.86
Liabilities	
Other short-term liabilities (Margins)	-22 517.27
Payable on securities purchases (Note 1)	-349 912.50
Payable on redemptions	-87 650.81
Provisions for flat fee (Note 2)	-30 177.87
Provisions for taxe d'abonnement (Note 3)	-3 604.33
Provisions for other commissions and fees (Note 2)	-2 047.21
Total provisions	-35 829.41
Total Liabilities	-495 909.99
Net assets at the end of the financial year	64 844 740.87

Statement of Operations

	CHF
Income	1.6.2016-31.5.2017
Interest on liquid assets	1 240.20
Interest on securities	862 791.23
Interest received on swaps (Note 1)	32 515.31
Dividends	75 666.30
Income on securities lending (Note 11)	16 931.43
Other income	9 593.99
Total income	998 738.46
Expenses	
Interest paid on swaps (Note 1)	-11 380.43
Cost on securities lending (Note 11)	-6 772.57
Flat fee (Note 2)	-760 526.90
Taxe d'abonnement (Note 3)	-24 234.58
Other commissions and fees (Note 2)	-26 188.56
Interest on cash and bank overdraft	-173.86
Total expenses	-829 276.90
Net income (loss) on investments	169 461.56
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	1 805 051.51
Realized gain (loss) on yield-evaluated securities and money market instruments	-77 559.99
Realized gain (loss) on financial futures	49 015.53
Realized gain (loss) on forward foreign exchange contracts	-1 286 522.37
Realized gain (loss) on swaps	19 948.05
Realized gain (loss) on foreign exchange	491 245.23
Total realized gain (loss)	1 001 177.96
Net realized gain (loss) of the financial year	1 170 639.52
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	-2 196 671.58
Unrealized appreciation (depreciation) on yield-evaluated securities and money market instruments	-1 082.59
Unrealized appreciation (depreciation) on forward foreign exchange contracts	1 240 837.95
Unrealized appreciation (depreciation) on swaps	-15 289.69
Total changes in unrealized appreciation (depreciation)	-972 205.91
Net increase (decrease) in net assets as a result of operations	198 433.61

Statement of Changes in Net Assets

	CHF
	1.6.2016-31.5.2017
Net assets at the beginning of the financial year	77 695 352.14
Subscriptions	1 312 683.12
Redemptions	-14 361 728.00
Total net subscriptions (redemptions)	-13 049 044.88
Net income (loss) on investments	169 461.56
Total realized gain (loss)	1 001 177.96
Total changes in unrealized appreciation (depreciation)	-972 205.91
Net increase (decrease) in net assets as a result of operations	198 433.61
Net assets at the end of the financial year	64 844 740.87

Changes in the Number of Shares outstanding

	1.6.2016-31.5.2017
Class	P-acc
Number of shares outstanding at the beginning of the financial year	486 440.1850
Number of shares issued	4 457.7340
Number of shares redeemed	-87 934.3890
Number of shares outstanding at the end of the financial year	402 963.5300
Class	Q-acc
Number of shares outstanding at the beginning of the financial year	29 774.5740
Number of shares issued	6 232.2320
Number of shares redeemed	-8 516.5320
Number of shares outstanding at the end of the financial year	27 490.2740

Statement of Investments in Securities and other Net Assets as of 31 May 2017

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 AT&T INC-REG-S 0.50000% 14-04.12.19	350 000.00	355 250.00	0.55
CHF CENTRAL AMERICAN BK ECO INTEGRAT 1.50000% 13-04.02.20	200 000.00	209 400.00	0.32
CHF EUROPEAN INVESTMENT BANK 1.62500% 11-23.11.23	200 000.00	225 800.00	0.35
CHF EUROPEAN INVESTMENT BANK 1.62500% 14-04.02.25	400 000.00	457 800.00	0.71
CHF SLOVAKIA, REPUBLIC OF 2.12500% 12-25.04.18	200 000.00	204 900.00	0.31
CHF TEVA PHARMACEUTICAL FINANCE IV BV 1.50000% 12-25.10.18	350 000.00	357 840.00	0.55
Total CHF		1 810 990.00	2.79
Total Notes, fixed rate		1 810 990.00	2.79
Medium term notes, fixed rate			
CHF			
CHF AUSNET SERVICES HOLDINGS PTY LTD 1.12500% 12-18.04.19	400 000.00	410 800.00	0.63
CHF BANCO DE CREDITO E INVERSIONES-REG-S 0.87500% 14-23.11.18	200 000.00	202 700.00	0.31
CHF BANK NEDERLANDSE GEMEENTEN NV 2.25000% 05-14.10.20	1 000 000.00	1 096 000.00	1.69
CHF BANK NEDERLANDSE GEMEENTEN NV 1.25000% 14-30.04.24	200 000.00	220 100.00	0.34
CHF BANQUE FEDERATIVE DU CREDIT MUTUEL 0.40000% 17-19.12.25	350 000.00	350 682.50	0.54
CHF CENTRAL AMERICAN BK ECO INTEGRAT 0.19400% 15-19.11.21	200 000.00	202 100.00	0.31
CHF CHINA CONSTRUCT BK ASIA CORP LTD 1.37500% 14-28.05.19	200 000.00	206 100.00	0.32
CHF COMMONWEALTH BANK OF AUSTRALIA 0.87500% 13-11.02.20	1 500 000.00	1 545 750.00	2.38
CHF COMMONWEALTH BANK OF AUSTRALIA 1.50000% 14-07.02.22	100 000.00	107 850.00	0.17
CHF COMPAGNIE DE FINANCEMENT FONCIER 2.87500% 09-10.09.19	300 000.00	323 700.00	0.50
CHF CORP ANDINA DE FOMENTO 1.37500% 13-11.02.21	500 000.00	528 000.00	0.81
CHF CORPORACION ANDINA DE FOMENTO 0.50000% 15-26.02.26	250 000.00	253 125.00	0.39
CHF COUNCIL OF EUROPE DEVELOPMENT BANK 3.37500% 08-06.11.20	250 000.00	284 625.00	0.44
CHF CREDIT AGRICOLE SA LONDON 0.45000% 17-14.03.22	100 000.00	99 450.00	0.15
CHF CREDIT AGRICOLE SA LONDON-SUB 2.12500% 15-29.09.25	50 000.00	53 225.00	0.08
CHF CREDIT SUISSE GRP FDNG GUERNSEY 1.00000% 15-14.04.23	50 000.00	51 250.00	0.08
CHF CREDIT SUISSE LONDON BRANCH-REG-S 1.00000% 14-24.09.21	400 000.00	416 000.00	0.64
CHF CREDIT SUISSE NEW YORK BRANCH-SUB 4.87500% 08-14.03.18	400 000.00	415 600.00	0.64
CHF DEUTSCHE BAHN FINANCE BV 1.75000% 10-03.06.20	450 000.00	481 275.00	0.74
CHF DEUTSCHE BANK AG 0.62500% 15-19.12.23	20 000.00	19 940.00	0.03
CHF ELI LILLY & CO-REG-S 0.00000% 16-24.05.18	300 000.00	301 470.00	0.47
CHF ENEL FINANCE INTERNATIONAL NV-REG-S 0.55000% 17-03.09.24	100 000.00	101 500.00	0.16
CHF ENGIE SA 1.12500% 12-09.10.20	250 000.00	260 125.00	0.40
CHF EUROPEAN INVESTMENT BANK 2.37500% 05-10.07.20	500 000.00	547 750.00	0.85
CHF EUROPEAN INVESTMENT BANK 1.50000% 12-02.08.24	800 000.00	903 600.00	1.39
CHF GLENCORE FINANCE EUROPE SA 2.62500% 12-03.12.18	200 000.00	207 300.00	0.32
CHF GLENCORE FINANCE EUROPE SA 1.25000% 14-01.12.20	50 000.00	51 300.00	0.08
CHF GOLDMAN SACHS GROUP INC 1.50000% 12-29.11.18	300 000.00	307 650.00	0.48
CHF ILE DE FRANCE 3.25000% 07-27.11.18	500 000.00	528 250.00	0.82
CHF INSTITUTO DE CREDITO OFICIAL 3.25000% 07-28.06.24	300 000.00	359 400.00	0.55
CHF INSTITUTO DE CREDITO OFICIAL 2.25000% 09-07.11.17	200 000.00	202 420.00	0.31
CHF INTER-AMERICAN DEVELOPMENT BANK 2.75000% 09-15.04.19	500 000.00	532 750.00	0.82
CHF ITALY, REPUBLIC OF 2.50000% 06-30.01.18	300 000.00	305 880.00	0.47
CHF JPMORGAN CHASE & CO 0.50000% 15-04.12.23	400 000.00	410 200.00	0.63
CHF KOREA DEVELOPMENT BANK 1.00000% 12-29.10.18	500 000.00	508 600.00	0.78
CHF KOREA RAILROAD CORP 1.00000% 12-16.11.18	300 000.00	304 800.00	0.47
CHF KOREA RAILROAD CORP 1.50000% 13-02.12.19	250 000.00	261 250.00	0.40
CHF MCDONALD'S CORP 0.17000% 16-04.10.24	270 000.00	269 325.00	0.42
CHF METROPOLITAN LIFE GLOBAL FUNDING-REG-S 1.00000% 14-19.09.22	250 000.00	263 250.00	0.41
CHF MUNICIPALITY FINANCE PLC 2.25000% 10-10.12.19	500 000.00	537 000.00	0.83
CHF NATIONAL AUSTRALIA BANK LTD 0.25000% 16-19.01.23	200 000.00	202 900.00	0.31
CHF NEDERLANDSE WATERSCHAPS BANK NV 1.37500% 12-13.09.27	400 000.00	453 800.00	0.70
CHF NEW YORK LIFE GLOBAL FUNDING 0.37500% 15-02.02.22	350 000.00	358 050.00	0.55
CHF NORDEA BANK AB 1.50000% 12-29.09.17	500 000.00	503 700.00	0.78
CHF NORGES STATSBANER AS 1.37500% 10-15.11.17	500 000.00	504 350.00	0.78
CHF OESTERREICHISCHE KONTROLLBANK 1.12500% 12-24.05.18	500 000.00	508 900.00	0.79
CHF ONTARIO, PROVINCE OF 2.37500% 10-07.05.20	150 000.00	162 750.00	0.25
CHF PETROLEOS MEXICANOS 2.50000% 12-10.04.19	40 000.00	41 200.00	0.06
CHF PETROLEOS MEXICANOS 1.50000% 15-08.12.20	100 000.00	101 950.00	0.16
CHF POLAND, REPUBLIC OF 2.25000% 12-15.05.18	700 000.00	718 760.00	1.11
CHF RABOBANK NEDERLAND NV 1.12500% 14-08.04.21	250 000.00	262 250.00	0.41
CHF ROYAL BANK OF CANADA 0.62500% 14-09.04.19	100 000.00	102 000.00	0.16
CHF SANTANDER CONSUMER FINANCE SA 0.50000% 15-05.10.20	200 000.00	202 700.00	0.31
CHF SOCIETE GENERALE 0.40000% 17-22.02.22	150 000.00	150 150.00	0.23
CHF TELEFONICA EMISIONES SA 2.71800% 12-14.12.18	200 000.00	208 800.00	0.32
CHF TELSTRA CORP LTD 1.75000% 11-14.12.18	500 000.00	515 250.00	0.80
CHF TOTAL CAPITAL INTERNATIONAL SA-REG-S 1.00000% 14-29.08.24	100 000.00	106 400.00	0.16
CHF TRANSURBAN QUEENSLAND FINANCE PTY LTD 0.62500% 16-23.06.23	120 000.00	122 340.00	0.19
CHF TRANSURBAN QUEENSLAND FINANCE PTY LTD 0.65000% 16-02.11.26	50 000.00	51 125.00	0.08
CHF UNICREDIT BANK (IRELAND) PLC 3.375% 12-25.10.17	150 000.00	152 160.00	0.23
CHF VERIZON COMMUNICATIONS INC-REG-S 0.37500% 17-31.05.23	350 000.00	351 225.00	0.54
CHF VINCI SA 2.12500% 11-15.12.17	250 000.00	253 550.00	0.39
CHF WELLS FARGO & CO-REG-S 0.50000% 15-02.11.23	50 000.00	51 250.00	0.08
CHF WESTPAC BANKING CORP 0.50000% 15-02.02.22	250 000.00	257 000.00	0.40
CHF WESTPAC SECURITIES NZ LTD/LONDON-REG-S 0.62500% 14-02.09.20	200 000.00	205 600.00	0.32
Total CHF		20 980 252.50	32.36
Total Medium term notes, fixed rate		20 980 252.50	32.36

Description	Quantity/ Nominal	Valuation in CHF Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
Medium term notes, floating rate			
CHF			
CHF BANK OF AMERICA CORP 3.37500%/3M LIBOR+95BP 07-14.06.22	250 000.00	250 625.00	0.39
CHF CITIGROUP INC-SUB 2.750%/3M LIBOR+120BP 06-06.04.21	250 000.00	249 750.00	0.38
CHF KOREA EXPRESSWAY CORPORATION 3M LIBOR+47BP 14-15.03.18	200 000.00	200 520.00	0.31
Total CHF		700 895.00	1.08
Total Medium term notes, floating rate		700 895.00	1.08
Bonds, fixed rate			
CHF			
CHF AMGEN INC 0.41000% 16-08.03.23	150 000.00	152 850.00	0.24
CHF APPLE INC-REG-S 0.37500% 15-25.11.24	350 000.00	359 450.00	0.55
CHF CAISSE DES DEPOTS ET CONSIGNATIONS 1.25000% 13-16.12.20	400 000.00	423 600.00	0.65
CHF CENTRAL AMERICAN BK ECO INTEGRAT 1.12500% 14-24.02.23	200 000.00	211 900.00	0.33
CHF DH SWITZERLAND FINANCE SA-REG-S 0.50000% 15-08.12.23	200 000.00	205 400.00	0.32
CHF EL FONDO MIVIVIENDA 1.25000% 14-13.06.18	125 000.00	127 125.00	0.20
CHF EUROPEAN INVESTMENT BANK 2.62500% 10-11.02.25	250 000.00	305 625.00	0.47
CHF EUROPEAN INVESTMENT BANK 1.62500% 12-02.04.26	200 000.00	231 100.00	0.36
CHF GENERAL ELECTRIC CO 3.12500% 04-06.12.19	300 000.00	327 300.00	0.51
CHF GOLDMAN SACHS GROUP INC 1.62500% 13-06.02.20	100 000.00	104 700.00	0.16
CHF MONDELEZ INTL-REG-S 0.08000% 16-26.01.18	250 000.00	250 925.00	0.39
CHF PFANDBRIEFZENTR SCHWEIZ KANTONALBANKEN 0.00000% 16-27.01.27	100 000.00	98 740.00	0.15
CHF RABOBANK NEDERLAND NV 2.12500% 05-11.10.17	750 000.00	757 725.00	1.17
CHF RABOBANK NEDERLAND NV 3.12500% 06-15.09.26	100 000.00	125 750.00	0.19
CHF SLOVAKIA, REPUBLIC OF 1.37500% 13-16.10.19	500 000.00	521 500.00	0.80
CHF SONOVA HOLDING AG 0.00000% 16-11.10.19	100 000.00	100 300.00	0.16
CHF TEVA PHARMACEUTICAL FINANCE 0.12500% 16-27.07.18	255 000.00	255 867.00	0.39
CHF TEVA PHARMACEUTICAL FINANCE 0.50000% 16-28.07.22	30 000.00	30 285.00	0.05
CHF TEVA PHARMACEUTICAL FINANCE 1.00000% 16-28.07.25	35 000.00	35 280.00	0.05
CHF UBS GROUP FUNDING JERSEY LTD-REG-S 0.75000% 16-22.02.22	200 000.00	205 200.00	0.32
CHF UBS GROUP FUNDING SWITZERLAND AG 0.62500% 17-18.05.24	200 000.00	203 200.00	0.31
CHF ZUERICH, CANTON OF 0.01000% 17-07.09.26	100 000.00	100 000.00	0.15
Total CHF		5 133 822.00	7.92
EUR			
EUR GERMANY, REPUBLIC OF 2.00000% 13-15.08.23	330 000.00	409 269.87	0.63
EUR GERMANY, REPUBLIC OF 4.00000% 07-04.01.18	500 000.00	559 291.53	0.86
EUR GERMANY, REPUBLIC OF 3.50000% 09-04.07.19	750 000.00	888 566.87	1.37
EUR GERMANY, REPUBLIC OF 3.25000% 09-04.01.20	750 000.00	900 872.26	1.39
EUR GERMANY, REPUBLIC OF 3.25000% 11-04.07.21	730 000.00	920 064.00	1.42
Total EUR		3 678 064.53	5.67
Total Bonds, fixed rate		8 811 886.53	13.59
Bonds, zero coupon			
CHF			
CHF BASEL-STADT, CANTON OF 0.00000% 16-05.09.23	100 000.00	101 450.00	0.16
CHF PFANDBRIEFBK SCHWEIZERISCHER HYPO INST 0.00000% 16-26.03.21	100 000.00	101 470.00	0.16
CHF PFANDBRIEFZENTR SCHWEIZ KANTONALBANKEN 0.00000% 15-25.07.23	290 000.00	292 784.00	0.45
CHF PFANDBRIEFZENTR SCHWEIZ KANTONALBANKEN 0.00000% 16-07.11.22	300 000.00	303 300.00	0.47
CHF ROCHE KAPITALMARKT AG 0.00000% 17-23.09.18	300 000.00	301 620.00	0.46
Total CHF		1 100 624.00	1.70
Total Bonds, zero coupon		1 100 624.00	1.70
Treasury notes, fixed rate			
USD			
USD AMERICA, UNITED STATES OF 5.37500% 01-15.02.31	200 000.00	262 727.56	0.41
USD AMERICA, UNITED STATES OF 4.37500% 08-15.02.38	190 000.00	235 236.28	0.36
USD AMERICA, UNITED STATES OF 4.37500% 11-15.05.41	750 000.00	929 528.67	1.44
USD AMERICA, UNITED STATES OF 3.87500% 08-15.05.18	290 000.00	287 626.13	0.45
USD AMERICA, UNITED STATES OF 2.75000% 09-15.02.19	440 000.00	436 464.67	0.67
USD AMERICA, UNITED STATES OF 3.62500% 10-15.02.20	1 400 000.00	1 434 786.28	2.21
USD AMERICA, UNITED STATES OF 1.37500% 11-30.09.18	350 000.00	339 317.06	0.52
USD AMERICA, UNITED STATES OF 1.75000% 13-15.05.23	1 760 000.00	1 688 054.14	2.60
Total USD		5 613 740.79	8.66
Total Treasury notes, fixed rate		5 613 740.79	8.66
Treasury notes, floating rate			
USD			
USD AMERICA, UNITED STATES OF 2.375%/CPI LINKED 04-15.01.25	40 000.00	57 855.13	0.09
USD AMERICA, UNITED STATES OF 1.125%/CPI LINKED 11-15.01.21	160 000.00	180 925.96	0.28
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 12-15.01.22	90 000.00	94 605.54	0.14
Total USD		333 386.63	0.51
Total Treasury notes, floating rate		333 386.63	0.51
Total Transferable securities and money market instruments listed on an official stock exchange		39 351 775.45	60.69

Description	Quantity/ Nominal	Valuation in CHF 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

Treasury notes, floating rate

USD

USD	AMERICA, UNITED STATES OF 0.625%/CPI LINKED 14-15.01.24	90 000.00	93 506.64	0.15
USD	AMERICA, UNITED STATES OF 0.125%/CPI LINKED 14-15.04.19	120 000.00	121 610.50	0.19
USD	AMERICA, UNITED STATES OF 0.250%/CPI LINKED 15-15.01.25	130 000.00	128 939.58	0.20
USD	AMERICA, UNITED STATES OF 0.125%/CPI LINKED 15-15.04.20	370 000.00	376 039.26	0.58
USD	AMERICA, UNITED STATES OF 0.625%/CPI LINKED 16-15.01.26	370 000.00	375 515.22	0.58
USD	AMERICA, UNITED STATES OF 0.125%/CPI LINKED 12-15.07.22	100 000.00	103 626.52	0.16
USD	AMERICA, UNITED STATES OF 0.125%/CPI LINKED 13-15.01.23	90 000.00	92 180.81	0.14
USD	AMERICA, UNITED STATES OF 0.125%/CPI INDEX 13-15.04.18	70 000.00	71 486.76	0.11
USD	AMERICA, UNITED STATES OF 0.375%/CPI INDEX 13-15.07.23	90 000.00	92 968.82	0.14
USD	AMERICA, UNITED STATES OF 0.375%/CPI LINKED 15-15.07.25	110 000.00	110 166.20	0.17
Total USD			1 566 040.31	2.42

Total Treasury notes, floating rate

1 566 040.31 **2.42**

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

1 566 040.31 **2.42**

UCITS/Other UCIs in accordance with Article 41 (1) e) of the amended Luxembourg law of 17 December 2010

Investment funds, open end

Luxembourg

EUR	UBS (LUX) BOND SICAV - EUR CORPORATES (EUR) U-X-ACC	366.00	4 576 017.33	7.06
USD	UBS (LUX) BOND SICAV - USD HIGH YIELD U-X-ACC	188.00	3 137 631.86	4.84
USD	UBS (LUX) BOND SICAV - EMERGING ECONOMIES CORP (USD)-I-X-DIS	12 226.00	1 279 690.03	1.97
USD	UBS (LUX) BOND SICAV USD INVEST GRADE CORP USD U X ACC	971.08	9 627 345.06	14.84
USD	UBS (LUX) EMERGING ECONOMIES FUND-GLOBAL BONDS (USD)-U-X ACC	273.00	3 208 501.42	4.95
Total Luxembourg			21 829 185.70	33.66

Total Investment funds, open end

21 829 185.70 **33.66**

Total UCITS/Other UCIs in accordance with Article 41 (1) e) of the amended Luxembourg law of 17 December 2010

21 829 185.70 **33.66**

Total investments in securities

62 747 001.46 **96.77**

Derivative instruments

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

Credit default swaps*

USD	CME/CDX.NA.HY.28 JUN22 CDI REC 5.00000% 17-20.06.22	650 000.00	53 628.88	0.08
Total Credit default swaps			53 628.88	0.08

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

53 628.88 **0.08**

Total Derivative instruments

53 628.88 **0.08**

* Positive nominal: the subfund is "Receiver", negative nominal: the subfund is "Payer".

Forward Foreign Exchange contracts

Forward Foreign Exchange contracts (Purchase/Sale)

USD	227 228.47	AUD	295 000.00	9.6.2017	7 399.60	0.01
INR	11 390 000.00	USD	173 163.99	9.6.2017	3 168.44	0.00
BRL	526 000.00	USD	167 617.88	9.6.2017	-5 509.71	-0.01
USD	223 015.33	CAD	297 000.00	9.6.2017	3 007.03	0.00
RUB	9 870 000.00	USD	168 836.39	9.6.2017	4 615.94	0.01
USD	231 153.15	SGD	323 000.00	9.6.2017	-2 274.19	0.00
ZAR	2 250 000.00	USD	175 801.76	9.6.2017	-5 225.53	-0.01
SEK	3 062 936.00	CHF	340 718.55	22.6.2017	837.59	0.00
CHF	3 735 506.75	EUR	3 500 152.96	22.6.2017	-71 637.13	-0.11
CHF	13 394 705.90	USD	13 314 817.00	22.6.2017	529 481.26	0.82
CHF	208 350.17	CAD	276 613.00	22.6.2017	10 397.92	0.02
USD	175 524.57	INR	11 390 000.00	9.6.2017	-884.94	0.00
SGD	323 000.00	USD	230 196.67	9.6.2017	3 199.83	0.00
USD	160 924.06	ZAR	2 250 000.00	9.6.2017	-9 181.83	-0.01
AUD	295 000.00	USD	221 323.46	9.6.2017	-1 685.16	0.00
USD	170 908.93	RUB	9 870 000.00	9.6.2017	-2 614.79	0.00
USD	165 363.36	BRL	526 000.00	9.6.2017	3 334.16	0.01
CAD	297 000.00	USD	223 152.57	9.6.2017	-3 140.11	0.00
CHF	122 426.69	USD	124 000.00	22.6.2017	2 613.71	0.00
USD	146 000.00	CHF	145 659.67	22.6.2017	-4 589.55	-0.01
USD	145 000.00	CHF	144 336.77	26.7.2017	-4 549.29	-0.01
CHF	3 220.97	AUD	4 408.80	26.7.2017	59.43	0.00
SEK	3 060 198.97	CHF	345 950.51	26.7.2017	-4 792.64	-0.01
CHF	3 930 498.01	EUR	3 597 436.54	26.7.2017	19 087.21	0.03

Description	Quantity/ Nominal	Valuation in CHF Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
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Forward Foreign Exchange contracts (Continued)

Forward Foreign Exchange contracts (Purchase/Sale)

CHF	13 733 614.44	USD	13 731 389.95	26.7.2017	495 846.15	0.76
CHF	452 420.35	CAD	621 038.52	26.7.2017	8 720.52	0.01
EUR	110 000.00	CHF	120 371.57	22.6.2017	-723.71	0.00
EUR	110 000.00	CHF	120 330.10	26.7.2017	-729.61	0.00
EUR	25 000.00	CHF	27 374.00	22.6.2017	-181.30	0.00
EUR	25 000.00	CHF	27 364.35	26.7.2017	-182.42	0.00
SEK	729 000.00	CHF	81 357.99	22.6.2017	-65.26	0.00
CAD	149 000.00	CHF	106 934.32	26.7.2017	-481.54	0.00
SEK	728 000.00	CHF	81 223.18	26.7.2017	-64.10	0.00
CAD	149 000.00	CHF	107 108.95	22.6.2017	-480.25	0.00
CAD	100 000.00	CHF	71 916.10	22.6.2017	-353.21	0.00
SEK	575 000.00	CHF	64 267.03	22.6.2017	-147.25	0.00
CAD	99 000.00	CHF	71 080.81	26.7.2017	-350.44	0.00
CAD	126 000.00	CHF	90 486.77	26.7.2017	-466.30	0.00
SEK	575 000.00	CHF	64 248.67	26.7.2017	-146.38	0.00
CAD	127 000.00	CHF	91 353.26	22.6.2017	-468.39	0.00
CHF	42 534.96	EUR	39 000.00	22.6.2017	114.35	0.00
CAD	80 000.00	CHF	57 509.84	22.6.2017	-259.53	0.00
CHF	74 965.20	USD	77 000.00	22.6.2017	565.21	0.00
CHF	42 516.24	EUR	39 000.00	26.7.2017	112.43	0.00
CAD	80 000.00	CHF	57 415.84	26.7.2017	-259.99	0.00
CHF	75 763.66	USD	78 000.00	26.7.2017	567.64	0.00
Total Forward Foreign Exchange contracts (Purchase/Sale)					971 683.87	1.50
Cash at banks, deposits on demand and deposit accounts and other liquid assets					1 131 906.62	1.75
Bank overdraft and other short-term liabilities					-22 517.27	-0.03
Other assets and liabilities					-36 962.69	-0.07
Total net assets					64 844 740.87	100.00

UBS (Lux) Strategy SICAV – Fixed Income (EUR)

Three-year comparison

	ISIN	31.5.2017	31.5.2016	31.5.2015
Net assets in EUR		82 523 931.91	105 851 124.15	136 138 198.18
Class P-acc	LU0042744747			
Shares outstanding		336 366.0830	442 715.8740	617 804.7790
Net asset value per share in EUR		222.59	220.90	220.15
Issue and redemption price per share in EUR ¹		222.59	220.90	220.15
Class Q-acc	LU0943062561			
Shares outstanding		71 892.4000	76 582.7010	1 203.0000
Net asset value per share in EUR		106.43	105.17	104.35
Issue and redemption price per share in EUR ¹		106.43	105.17	104.35

¹ See note 1

Performance

	Currency	2016/2017	2015/2016	2014/2015
Class P-acc	EUR	0.8%	0.3%	1.8%
Class Q-acc	EUR	1.2%	0.8%	2.3%

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 shares.
The performance data were not audited.
The subfund has no benchmark.

Report of the Portfolio Manager

The reporting year from 1 June 2016 to 31 May 2017 was marked by the diverging monetary policies of some central banks. Yields on US government bonds continued on their downward trend until the end of the 3rd quarter 2016. However, after the US election in autumn 2016, they rose sharply, as many investors hoped for economic stimulus measures in the US economy. The performance of the European bond market was based on the hope of strong economic growth, but turned out to be much weaker than in the USA. Corporate bonds and, in particular, high-yield bonds, were able to benefit the most from the rising risk tolerance.

In this challenging environment for bond investors, the subfund generated a positive return in the reporting year, not least thanks to the diversification in corporate bonds.

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets	
Luxembourg	41.54
United States	14.14
France	10.03
Germany	8.11
The Netherlands	3.59
Supranationals	2.85
Ireland	2.08
Spain	1.97
United Kingdom	1.96
Italy	1.72
Belgium	1.71
Australia	1.40
Poland	1.13
Finland	0.98
Norway	0.93
South Korea	0.87
Austria	0.82
Canada	0.74
Venezuela	0.24
Total	96.81

Economic Breakdown as a % of net assets	
Investment funds	41.54
Countries & central governments	31.06
Banks & credit institutions	12.04
Finance & holding companies	3.11
Supranational organisations	3.09
Cantons, federal states	2.49
Insurance	1.63
Public, non-profit institutions	0.82
Miscellaneous consumer goods	0.53
Energy & water supply	0.50
Total	96.81

Statement of Net Assets

EUR

Assets	31.5.2017
Investments in securities, cost	78 820 675.42
Investments in securities, unrealized appreciation (depreciation)	1 074 221.93
Total investments in securities (Note 1)	79 894 897.35
Cash at banks, deposits on demand and deposit accounts	584 040.87
Interest receivable on securities	460 934.62
Other assets	27 792.48
Unrealized gain (loss) on forward foreign exchange contracts (Note 1)	1 562 479.88
Unrealized gain (loss) on swaps (Note 1)	68 248.79
Total Assets	82 598 393.99
Liabilities	
Other short-term liabilities (Margins)	-28 594.02
Provisions for flat fee (Note 2)	-37 657.05
Provisions for taxe d'abonnement (Note 3)	-4 042.55
Provisions for other commissions and fees (Note 2)	-4 168.46
Total provisions	-45 868.06
Total Liabilities	-74 462.08
Net assets at the end of the financial year	82 523 931.91

Statement of Operations

EUR

Income	1.6.2016-31.5.2017
Interest on liquid assets	1 428.86
Interest on securities	1 408 472.81
Interest received on swaps (Note 1)	43 112.46
Dividends	139 028.31
Income on securities lending (Note 11)	47 293.55
Other income	21 240.29
Total income	1 660 576.28
Expenses	
Interest paid on swaps (Note 1)	-14 256.82
Cost on securities lending (Note 11)	-18 917.42
Flat fee (Note 2)	-956 332.61
Taxe d'abonnement (Note 3)	-29 092.58
Other commissions and fees (Note 2)	-33 982.55
Interest on cash and bank overdraft	-410.67
Total expenses	-1 052 992.65
Net income (loss) on investments	607 583.63
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	3 696 478.87
Realized gain (loss) on financial futures	59 391.18
Realized gain (loss) on forward foreign exchange contracts	-2 311 083.88
Realized gain (loss) on swaps	33 339.62
Realized gain (loss) on foreign exchange	407 147.73
Total realized gain (loss)	1 885 273.52
Net realized gain (loss) of the financial year	2 492 857.15
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	-3 518 222.44
Unrealized appreciation (depreciation) on forward foreign exchange contracts	1 787 729.64
Unrealized appreciation (depreciation) on swaps	-27 549.21
Total changes in unrealized appreciation (depreciation)	-1 758 042.01
Net increase (decrease) in net assets as a result of operations	734 815.14

Statement of Changes in Net Assets

	EUR
	1.6.2016-31.5.2017
Net assets at the beginning of the financial year	105 851 124.15
Subscriptions	3 733 997.52
Redemptions	-27 796 004.90
Total net subscriptions (redemptions)	-24 062 007.38
Net income (loss) on investments	607 583.63
Total realized gain (loss)	1 885 273.52
Total changes in unrealized appreciation (depreciation)	-1 758 042.01
Net increase (decrease) in net assets as a result of operations	734 815.14
Net assets at the end of the financial year	82 523 931.91

Changes in the Number of Shares outstanding

	1.6.2016-31.5.2017
Class	P-acc
Number of shares outstanding at the beginning of the financial year	442 715.8740
Number of shares issued	12 884.9600
Number of shares redeemed	-119 234.7510
Number of shares outstanding at the end of the financial year	336 366.0830
Class	Q-acc
Number of shares outstanding at the beginning of the financial year	76 582.7010
Number of shares issued	7 999.5280
Number of shares redeemed	-12 689.8290
Number of shares outstanding at the end of the financial year	71 892.4000

Statement of Investments in Securities and other Net Assets as of 31 May 2017

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 CITIGROUP INC 5.00000% 04-02.08.19	900 000.00	996 914.70	1.21
EUR MORGAN STANLEY 2.25000% 13-12.03.18	550 000.00	560 175.00	0.68
EUR PROCTER & GAMBLE CO-REG-S 2.00000% 12-16.08.22	400 000.00	434 584.00	0.52
Total EUR		1 991 673.70	2.41

Total Notes, fixed rate

1 991 673.70 2.41

Notes, floating rate

EUR

EUR BANK OF AMERICA CORP-SUB 4.750%/VAR 04-06.05.19	660 000.00	672 262.80	0.81
Total EUR		672 262.80	0.81

Total Notes, floating rate

672 262.80 0.81

Medium term notes, fixed rate

EUR

EUR ALLIANZ FINANCE II BV 4.75000% 09-22.07.19	700 000.00	773 185.00	0.94
EUR AUSTRALIA & NEW ZEALAND BANKING-REG-S 0.45000% 16-22.11.23	300 000.00	301 083.00	0.37
EUR BMW FINANCE NV-REG-S 0.12500% 17-03.07.20	360 000.00	361 155.60	0.44
EUR BMW US CAPITAL LLC 1.00000% 13-18.07.17	450 000.00	450 648.00	0.55
EUR COMMONWEALTH BANK OF AUSTRALIA 3.00000% 12-03.05.22	750 000.00	854 295.00	1.04
EUR COMPAGNIE DE FINANCEMENT FONCIER 3.50000% 10-05.11.20	500 000.00	562 325.00	0.68
EUR COMPAGNIE DE FINANCEMENT FONCIER-REG-S 0.20000% 17-16.09.22	400 000.00	401 424.00	0.49
EUR CORPORACION ANDINA DE FOMENTO-REG-S 0.50000% 17-25.01.22	200 000.00	200 686.00	0.24
EUR DEUTSCHE BANK AG 5.12500% 07-31.08.17	150 000.00	151 930.50	0.18
EUR DNB BOLIGKREDIT A-REG-S 1.87500% 12-21.11.22	700 000.00	765 898.00	0.93
EUR EUROPEAN FINANCIAL STABILITY FAC-REG-S 1.12500% 12-30.11.17	500 000.00	503 925.00	0.61
EUR EUROPEAN FINANCIAL STABILITY FAC-REG-S 1.25000% 14-22.01.19	360 000.00	370 170.00	0.45
EUR EUROPEAN INVESTMENT BANK 1.00000% 13-13.07.18	700 000.00	711 487.00	0.86
EUR EUROPEAN UNION 3.50000% 11-04.06.21	350 000.00	402 902.50	0.49
EUR GE CAPITAL EUROPEAN FUNDING 2.25000% 13-20.07.20	350 000.00	373 838.50	0.45
EUR INSTITUTO DE CREDITO OFICIAL-REG-S 0.50000% 16-26.10.23	244 000.00	237 958.56	0.29
EUR KBC BANK NV-REG-S 1.00000% 14-25.02.19	600 000.00	613 620.00	0.74
EUR KOREA DEVELOPMENT BANK-REG-S 1.50000% 13-30.05.18	300 000.00	304 656.00	0.37
EUR KOREA GAS CORPORATION-REG-S 2.37500% 13-15.04.19	400 000.00	416 336.00	0.50
EUR KREDITANSTALT FUER WIEDERAUFBAU 4.62500% 07-04.01.23	250 000.00	316 975.00	0.38
EUR KREDITANSTALT FUER WIEDERAUFBAU 1.25000% 12-17.10.19	400 000.00	416 860.00	0.51
EUR METROPOLITAN LIFE GLOBAL FUNDING-REG-S 1.25000% 14-17.09.21	550 000.00	572 770.00	0.69
EUR NATIONWIDE BUILDING SOCIETY 4.37500% 07-28.02.22	900 000.00	1 080 146.70	1.31
EUR NORDEA MORTGAGE BANK PLC-REG-S 4.00000% 11-10.02.21	700 000.00	806 092.00	0.98
EUR OEBB-INFRASTRUKTUR AG 3.50000% 05-19.10.20	600 000.00	676 314.60	0.82
EUR POLAND, REPUBLIC OF-REG-S 3.37500% 12-09.07.24	800 000.00	936 000.00	1.13
EUR RABOBANK NEDERLAND NV 4.37500% 06-07.06.21	600 000.00	703 644.60	0.85
EUR ROCHE FINANCE EUROPE BV 2.00000% 12-25.06.18	800 000.00	818 248.00	0.99
EUR SANTANDER UK PLC-REG-S 2.62500% 13-16.07.20	500 000.00	537 490.00	0.65
Total EUR		15 622 064.56	18.93

ITL

ITL KREDITANSTALT FUER WIEDERAUFBAU 5.50000% 98-29.01.18	400 000 000.00	214 412.25	0.26
Total ITL		214 412.25	0.26

Total Medium term notes, fixed rate

15 836 476.81 19.19

Bonds, fixed rate

EUR

EUR BELGIUM, KINGDOM OF 4.25000% 11-28.09.21	300 000.00	360 831.00	0.44
EUR BELGIUM, KINGDOM OF 3.00000% 12-28.09.19	400 000.00	433 492.00	0.52
EUR BUNDESLAENDER BUNDESREPUBLI DEUTSCHLAND 1.37500% 12-11.10.19	740 000.00	770 502.80	0.93
EUR EUROPEAN STABILITY MECHANISM-REG-S 0.87500% 14-15.10.19	350 000.00	361 350.50	0.44
EUR FRANCE, REPUBLIC OF OAT 2.25000% 12-25.10.22	800 000.00	903 944.00	1.10
EUR FRANCE, REPUBLIC OF OAT 4.00000% 06-25.10.38	300 000.00	439 998.00	0.53
EUR FRANCE, REPUBLIC OF OAT 3.50000% 10-25.04.20	500 000.00	558 715.00	0.68
EUR FRANCE, REPUBLIC OF OAT 1.00000% 12-25.05.18	1 900 000.00	1 928 956.00	2.34
EUR FRANCE, REPUBLIC OF OAT 1.00000% 14-25.05.19	1 900 000.00	1 959 280.00	2.37
EUR FRANCE, REPUBLIC OF OAT 0.50000% 15-25.05.25	400 000.00	404 256.00	0.49
EUR FRANCE, REPUBLIC OF OAT 0.00000% 15-25.05.20	600 000.00	609 114.00	0.74
EUR FRANCE, REPUBLIC OF OAT-REG-S 0.25000% 15-25.11.20	300 000.00	307 380.00	0.37
EUR FRANCE, REPUBLIC OF OAT-REG-S 0.00000% 16-25.05.21	200 000.00	202 982.00	0.25
EUR GERMANY, REPUBLIC OF 2.00000% 13-15.08.23	220 000.00	250 775.80	0.30
EUR GERMANY, REPUBLIC OF 1.00000% 14-15.08.24	800 000.00	863 344.00	1.05
EUR GERMANY, REPUBLIC OF 4.75000% 98-04.07.28	300 000.00	441 670.80	0.53
EUR GERMANY, REPUBLIC OF 5.50000% 00-04.01.31	300 000.00	493 917.00	0.60
EUR GERMANY, REPUBLIC OF 4.00000% 07-04.01.18	300 000.00	308 430.00	0.37
EUR GERMANY, REPUBLIC OF 3.50000% 09-04.07.19	500 000.00	544 460.00	0.66
EUR GERMANY, REPUBLIC OF 3.25000% 09-04.01.20	550 000.00	607 200.00	0.74
EUR GERMANY, REPUBLIC OF 3.25000% 10-04.07.42	100 000.00	148 174.00	0.18
EUR GERMANY, REPUBLIC OF 3.25000% 11-04.07.21	425 000.00	492 324.25	0.60
EUR IRELAND, REPUBLIC OF-REG-S 3.90000% 13-20.03.23	1 100 000.00	1 344 618.00	1.63
EUR ITALY, REPUBLIC OF-BTP 1.50000% 14-01.08.19	400 000.00	412 652.00	0.50
EUR ITALY, REPUBLIC OF-BTP 0.30000% 15-15.10.18	500 000.00	503 165.00	0.61
EUR ITALY, REPUBLIC OF-BTP 0.65000% 15-01.11.20	500 000.00	504 920.00	0.61
EUR NETHERLANDS, KINGDOM OF THE 3.75000% 06-15.01.23	250 000.00	306 482.50	0.37
EUR NORDRHEIN-WESTFALEN, STATE OF 4.37500% 07-29.04.22	550 000.00	669 659.65	0.81

UBS (Lux) Strategy SICAV – Fixed Income (EUR)
Annual Report as of 31 May 2017

Description	Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
EUR QUEBEC, PROVINCE OF-REG-S 2.25000% 13-17.07.23	550 000.00	615 065.00	0.75
EUR SPAIN, KINGDOM OF 0.25000% 15-30.04.18	500 000.00	502 535.00	0.61
EUR SPAIN, KINGDOM OF 4.30000% 09-31.10.19	800 000.00	886 248.00	1.07
Total EUR		19 136 442.30	23.19

Total Bonds, fixed rate 19 136 442.30 23.19

Treasury notes, fixed rate

USD

USD AMERICA, UNITED STATES OF 5.37500% 01-15.02.31	210 000.00	253 549.08	0.31
USD AMERICA, UNITED STATES OF 4.37500% 08-15.02.38	200 000.00	227 587.19	0.28
USD AMERICA, UNITED STATES OF 4.37500% 11-15.05.41	800 000.00	911 294.26	1.10
USD AMERICA, UNITED STATES OF 3.87500% 08-15.05.18	180 000.00	164 085.41	0.20
USD AMERICA, UNITED STATES OF 2.75000% 09-15.02.19	460 000.00	419 393.18	0.51
USD AMERICA, UNITED STATES OF 3.62500% 10-15.02.20	2 000 000.00	1 883 893.29	2.28
USD AMERICA, UNITED STATES OF 1.37500% 11-30.09.18	210 000.00	187 121.67	0.23
USD AMERICA, UNITED STATES OF 1.75000% 13-15.05.23	1 690 000.00	1 489 798.50	1.80
Total USD		5 536 722.58	6.71

Total Treasury notes, fixed rate 5 536 722.58 6.71

Treasury notes, floating rate

USD

USD AMERICA, UNITED STATES OF 2.375%/CPI LINKED 04-15.01.25	60 000.00	79 762.77	0.10
USD AMERICA, UNITED STATES OF 1.125%/CPI LINKED 11-15.01.21	210 000.00	218 256.56	0.26
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 12-15.01.22	130 000.00	125 598.52	0.15
Total USD		423 617.85	0.51

Total Treasury notes, floating rate 423 617.85 0.51

Total Transferable securities and money market instruments listed on an official stock exchange 43 597 196.04 52.82

Transferable securities and money market instruments traded on another regulated market

Treasury notes, floating rate

USD

USD AMERICA, UNITED STATES OF 0.625%/CPI LINKED 14-15.01.24	130 000.00	124 139.61	0.15
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 14-15.04.19	180 000.00	167 659.99	0.20
USD AMERICA, UNITED STATES OF 0.250%/CPI LINKED 15-15.01.25	170 000.00	154 974.04	0.19
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 15-15.04.20	520 000.00	485 737.84	0.59
USD AMERICA, UNITED STATES OF 0.625%/CPI LINKED 16-15.01.26	500 000.00	466 404.74	0.56
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 12-15.07.22	130 000.00	123 817.31	0.15
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 13-15.01.23	130 000.00	122 379.45	0.15
USD AMERICA, UNITED STATES OF 0.125%/CPI INDEX 13-15.04.18	120 000.00	112 635.66	0.14
USD AMERICA, UNITED STATES OF 0.375%/CPI INDEX 13-15.07.23	130 000.00	123 425.63	0.15
USD AMERICA, UNITED STATES OF 0.375%/CPI LINKED 15-15.07.25	150 000.00	138 074.69	0.17
Total USD		2 019 248.96	2.45

Total Treasury notes, floating rate 2 019 248.96 2.45

Total Transferable securities and money market instruments traded on another regulated market 2 019 248.96 2.45

UCITS/Other UCIs in accordance with Article 41 (1) e) of the amended Luxembourg law of 17 December 2010

Investment funds, open end

Luxembourg

EUR UBS (LUX) BOND SICAV - EUR CORPORATES (EUR) U-X-ACC	856.00	9 836 655.52	11.92
USD UBS (LUX) BOND SICAV-SHORT TERM USD CORPORATES (USD) U-X-ACC	91.00	816 187.86	0.99
USD UBS (LUX) BOND SICAV - USD CORPORATES U-X-ACC	83.00	758 042.06	0.92
USD UBS (LUX) BOND SICAV - USD HIGH YIELD U-X-ACC	266.00	4 080 307.53	4.95
USD UBS (LUX) BOND SICAV - EMERGING ECONOMIES CORP (USD)-I-X-DIS	16 823.00	1 618 418.98	1.96
USD UBS (LUX) BOND SICAV USD INVEST GRADE CORP USD U X ACC	1 438.45	13 107 264.66	15.88
USD UBS (LUX) EMERGING ECONOMIES FUND-GLOBAL BONDS (USD)-U-X-ACC	376.00	4 061 575.74	4.92
Total Luxembourg		34 278 452.35	41.54

Total Investment funds, open end 34 278 452.35 41.54

Total UCITS/Other UCIs in accordance with Article 41 (1) e) of the amended Luxembourg law of 17 December 2010 34 278 452.35 41.54

Total investments in securities 79 894 897.35 96.81

Derivative instruments

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

Credit default swaps*

USD CME/CDX.NA.HY.28 JUN22 CDI REC 5.00000% 17-20.06.22	900 000.00	68 248.79	0.08
Total Credit default swaps		68 248.79	0.08

Total Derivative instruments not listed on an official stock exchange and not traded on another regulated market 68 248.79 0.08

Total Derivative instruments 68 248.79 0.08

* Positive nominal: the subfund is "Receiver", negative nominal: the subfund is "Payer".

UBS (Lux) Strategy SICAV – Fixed Income (EUR)
Annual Report as of 31 May 2017

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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Forward Foreign Exchange contracts

Forward Foreign Exchange contracts (Purchase/Sale)

USD	308 106.40	AUD	400 000.00	9.6.2017	9 221.75	0.01
USD	316 314.83	SGD	442 000.00	9.6.2017	-2 860.32	0.00
BRL	714 000.00	USD	227 526.94	9.6.2017	-6 874.00	-0.01
USD	301 859.14	CAD	402 000.00	9.6.2017	3 740.90	0.00
RUB	13 364 000.00	USD	228 604.81	9.6.2017	5 744.42	0.01
ZAR	3 048 000.00	USD	238 152.78	9.6.2017	-6 506.24	-0.01
INR	15 380 000.00	USD	233 824.60	9.6.2017	3 932.28	0.00
SEK	4 192 183.00	EUR	436 882.10	22.6.2017	-7 096.23	-0.01
EUR	17 613 608.72	USD	18 689 060.44	22.6.2017	1 011 722.92	1.22
EUR	607 827.60	CAD	861 671.00	22.6.2017	40 913.70	0.05
SGD	442 000.00	USD	315 005.97	9.6.2017	4 024.52	0.00
USD	237 012.11	INR	15 380 000.00	9.6.2017	-1 098.27	0.00
USD	231 411.04	RUB	13 364 000.00	9.6.2017	-3 254.04	0.00
USD	217 998.46	ZAR	3 048 000.00	9.6.2017	-11 432.18	-0.01
AUD	400 000.00	USD	300 099.60	9.6.2017	-2 100.13	0.00
USD	224 466.61	BRL	714 000.00	9.6.2017	4 159.73	0.00
CAD	402 000.00	USD	302 044.89	9.6.2017	-3 906.44	0.00
CAD	240 000.00	EUR	169 225.26	22.6.2017	-11 323.54	-0.01
EUR	156 888.93	USD	172 000.00	22.6.2017	4 097.71	0.00
SEK	4 188 446.77	EUR	434 051.32	26.7.2017	-4 595.56	-0.01
AUD	225 577.38	EUR	151 095.37	26.7.2017	-2 319.22	0.00
EUR	17 200 519.56	USD	18 794 887.32	26.7.2017	535 726.11	0.65
EUR	393 741.57	CAD	591 065.16	26.7.2017	5 353.44	0.01
CAD	207 000.00	CHF	148 802.36	22.6.2017	-613.16	0.00
SEK	1 011 000.00	CHF	112 829.80	22.6.2017	-83.18	0.00
CAD	207 000.00	CHF	148 559.76	26.7.2017	-614.60	0.00
SEK	1 011 000.00	CHF	112 797.57	26.7.2017	-81.81	0.00
EUR	75 028.07	USD	84 000.00	22.6.2017	409.10	0.00
CAD	138 000.00	CHF	99 244.22	22.6.2017	-447.98	0.00
CAD	175 000.00	CHF	125 676.08	26.7.2017	-595.02	0.00
EUR	74 887.20	USD	84 000.00	26.7.2017	407.23	0.00
SEK	850 000.00	CHF	94 976.30	26.7.2017	-198.88	0.00
CAD	138 000.00	CHF	99 082.34	26.7.2017	-448.79	0.00
CAD	176 000.00	CHF	126 599.79	22.6.2017	-596.56	0.00
SEK	850 000.00	CHF	95 003.44	22.6.2017	-200.07	0.00
EUR	85 214.15	CHF	93 000.00	22.6.2017	-286.75	0.00
CAD	95 000.00	EUR	62 569.40	22.6.2017	-66.63	0.00
EUR	85 247.98	CHF	93 000.00	26.7.2017	-286.77	0.00
EUR	109 551.07	USD	123 000.00	26.7.2017	491.11	0.00
CAD	95 000.00	EUR	62 492.97	26.7.2017	-68.60	0.00
EUR	108 865.10	USD	122 000.00	22.6.2017	489.93	0.00
Total Forward Foreign Exchange contracts (Purchase/Sale)					1 562 479.88	1.89
Cash at banks, deposits on demand and deposit accounts and other liquid assets					584 040.87	0.71
Bank overdraft and other short-term liabilities					-28 594.02	-0.03
Other assets and liabilities					442 859.04	0.54
Total net assets					82 523 931.91	100.00

UBS (Lux) Strategy SICAV – Fixed Income (USD)

Three-year comparison

	ISIN	31.5.2017	31.5.2016	31.5.2015
Net assets in USD		173 189 450.50	104 987 080.00	68 727 962.39
Class K-1-acc	LU0937166048			
Shares outstanding		1.4000	1.4000	1.4000
Net asset value per share in USD		5 335 469.16	5 231 662.96	5 157 407.31
Issue and redemption price per share in USD ¹		5 329 066.60	5 231 662.96	5 157 407.31
Class P-acc	LU0042745397			
Shares outstanding		414 674.5680	235 500.0740	274 010.1710
Net asset value per share in USD		231.15	227.18	224.47
Issue and redemption price per share in USD ¹		230.87	227.18	224.47
Class (JPY hedged) P-acc²	LU1203193534			
Shares outstanding		741 969.8740	462 842.0000	-
Net asset value per share in JPY		10 121	10 098	-
Issue and redemption price per share in JPY ¹		10 109	10 098	-
Class Q-acc³	LU1240800885			
Shares outstanding		18 906.2010	19 880.4950	-
Net asset value per share in USD		103.87	101.64	-
Issue and redemption price per share in USD ¹		103.75	101.64	-

¹ See note 1

² First NAV: 3.6.2015

³ First NAV: 22.10.2015

Performance

	Currency	2016/2017	2015/2016	2014/2015
Class K-1-acc	USD	1.9%	1.4%	1.3%
Class P-acc	USD	1.6%	1.2%	1.1%
Class (JPY hedged) P-acc	JPY	0.1%	-	-
Class Q-acc	USD	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 shares.

The performance data were not audited.

The subfund has no benchmark.

Report of the Portfolio Manager

The reporting year from 1 June 2016 to 31 May 2017 was marked by the diverging monetary policies of some central banks. Yields on US government bonds continued on their downward trend until the end of the 3rd quarter 2016. However, after the US election in autumn 2016, they rose sharply, as many investors hoped for economic stimulus measures in the US economy. The performance of the European bond market was based on the hope of strong economic growth, but turned out to be much weaker than in the USA. Corporate bonds and, in particular, high-yield bonds, were able to benefit the most from the rising risk tolerance.

In this challenging environment for bond investors, the subfund generated a positive return in the reporting year, not least thanks to the diversification in corporate bonds.

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets

Luxembourg	41.88
United States	30.39
Suprationals	9.45
Germany	4.70
Canada	4.24
Sweden	1.87
The Netherlands	1.61
South Korea	1.09
Qatar	0.55
United Kingdom	0.50
Singapore	0.47
Australia	0.45
Italy	0.28
Bermuda	0.26
France	0.20
Total	97.94

Economic Breakdown as a % of net assets

Investment funds	41.88
Countries & central governments	16.17
Banks & credit institutions	13.27
Supranational organisations	9.45
Finance & holding companies	5.96
Computer hardware & network equipment providers	2.38
Cantons, federal states	2.05
Mortgage & funding institutions	1.92
Internet, software & IT services	1.71
Petroleum	1.26
Miscellaneous services	0.47
Miscellaneous consumer goods	0.33
Pharmaceuticals, cosmetics & medical products	0.31
Public, non-profit institutions	0.23
Electrical devices & components	0.20
Healthcare & social services	0.18
Energy & water supply	0.17
Total	97.94

Statement of Net Assets

	USD
Assets	31.5.2017
Investments in securities, cost	168 306 413.59
Investments in securities, unrealized appreciation (depreciation)	1 311 026.50
Total investments in securities (Note 1)	169 617 440.09
Cash at banks, deposits on demand and deposit accounts	1 678 857.59
Receivable on subscriptions	1 255 238.51
Interest receivable on securities	550 261.46
Other assets	33 800.28
Unrealized gain (loss) on forward foreign exchange contracts (Note 1)	581 860.22
Unrealized gain (loss) on swaps (Note 1)	136 436.92
Total Assets	173 853 895.07
Liabilities	
Bank overdraft	-23.17
Other short-term liabilities (Margins)	-57 162.61
Payable on securities purchases (Note 1)	-503 012.42
Payable on redemptions	-10 730.88
Provisions for flat fee (Note 2)	-80 218.12
Provisions for taxe d'abonnement (Note 3)	-8 434.59
Provisions for other commissions and fees (Note 2)	-4 862.78
Total provisions	-93 515.49
Total Liabilities	-664 444.57
Net assets at the end of the financial year	173 189 450.50

Statement of Operations

	USD
Income	1.6.2016-31.5.2017
Interest on liquid assets	4 995.17
Interest on securities	2 557 813.49
Interest received on swaps (Note 1)	64 969.37
Dividends	148 621.20
Income on securities lending (Note 11)	82 096.93
Other income	139 209.01
Total income	2 997 705.17
Expenses	
Interest paid on swaps (Note 1)	-29 961.51
Cost on securities lending (Note 11)	-32 838.77
Flat fee (Note 2)	-1 776 150.95
Taxe d'abonnement (Note 3)	-60 836.69
Other commissions and fees (Note 2)	-61 155.66
Interest on cash and bank overdraft	-438.57
Total expenses	-1 961 382.15
Net income (loss) on investments	1 036 323.02
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	-1 239 227.18
Realized gain (loss) on financial futures	112 843.38
Realized gain (loss) on forward foreign exchange contracts	-1 343 636.98
Realized gain (loss) on swaps	-28 825.05
Realized gain (loss) on foreign exchange	-1 235 401.58
Total realized gain (loss)	-3 734 247.41
Net realized gain (loss) of the financial year	-2 697 924.39
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	505 702.67
Unrealized appreciation (depreciation) on forward foreign exchange contracts	1 175 118.84
Unrealized appreciation (depreciation) on swaps	67 116.29
Total changes in unrealized appreciation (depreciation)	1 747 937.80
Net increase (decrease) in net assets as a result of operations	-949 986.59

Statement of Changes in Net Assets

USD

1.6.2016-31.5.2017

Net assets at the beginning of the financial year		104 987 080.00
Subscriptions	116 474 421.36	
Redemptions	-47 322 064.27	
Total net subscriptions (redemptions)		69 152 357.09
Net income (loss) on investments	1 036 323.02	
Total realized gain (loss)	-3 734 247.41	
Total changes in unrealized appreciation (depreciation)	1 747 937.80	
Net increase (decrease) in net assets as a result of operations		-949 986.59
Net assets at the end of the financial year		173 189 450.50

Changes in the Number of Shares outstanding

1.6.2016-31.5.2017

Class		K-1-acc
Number of shares outstanding at the beginning of the financial year		1.4000
Number of shares issued		0.0000
Number of shares redeemed		0.0000
Number of shares outstanding at the end of the financial year		1.4000
Class		P-acc
Number of shares outstanding at the beginning of the financial year		235 500.0740
Number of shares issued		331 114.5810
Number of shares redeemed		-151 940.0870
Number of shares outstanding at the end of the financial year		414 674.5680
Class		(JPY hedged) P-acc
Number of shares outstanding at the beginning of the financial year		462 842.0000
Number of shares issued		416 551.6380
Number of shares redeemed		-137 423.7640
Number of shares outstanding at the end of the financial year		741 969.8740
Class		Q-acc
Number of shares outstanding at the beginning of the financial year		19 880.4950
Number of shares issued		1 554.9150
Number of shares redeemed		-2 529.2090
Number of shares outstanding at the end of the financial year		18 906.2010

Statement of Investments in Securities and other Net Assets as of 31 May 2017

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	ALPHABET INC 1.99800% 16-15.08.26	1 175 000.00	1 104 608.10	0.64
USD	ANHEUSER-BUSCH INBEV FINANCE INC 3.65000% 16-01.02.26	825 000.00	849 130.43	0.49
USD	APPLE INC 2.25000% 16-23.02.21	750 000.00	758 882.25	0.44
USD	APPLE INC 2.40000% 13-03.05.23	500 000.00	497 557.50	0.29
USD	APPLE INC 3.45000% 14-06.05.24	1 200 000.00	1 257 922.80	0.73
USD	ASIAN DEVELOPMENT BANK 1.87500% 11-23.10.18	2 000 000.00	2 014 126.00	1.16
USD	BERKSHIRE HATHAWAY INC 1.15000% 16-15.08.18	100 000.00	99 709.60	0.06
USD	BRITISH COLUMBIA, PROVINCE OF 2.00000% 12-23.10.22	1 100 000.00	1 098 528.20	0.63
USD	CHEVRON CORP 2.89500% 17-03.03.24	400 000.00	406 469.20	0.23
USD	CHEVRON CORP 3.19100% 13-24.06.23	175 000.00	180 961.90	0.10
USD	CISCO SYSTEMS INC 2.20000% 16-28.02.21	1 000 000.00	1 007 562.00	0.58
USD	CONOCOPHILLIPS CO 3.35000% 14-15.11.24	425 000.00	438 001.60	0.25
USD	EUROPEAN INVESTMENT BANK 1.00000% 13-15.03.18	1 750 000.00	1 746 218.25	1.01
USD	EUROPEAN INVESTMENT BANK 2.00000% 16-15.03.21	1 750 000.00	1 761 845.75	1.02
USD	EXPORT-IMPORT BANK OF KOREA 1.75000% 13-27.02.18	1 000 000.00	999 405.00	0.58
USD	EXXON MOBIL CORP 2.72600% 16-01.03.23	225 000.00	228 500.77	0.13
USD	FREDDIE MAC 6.25000% 02-15.07.32	200 000.00	284 506.60	0.16
USD	INTER-AMERICAN DEVELOPMENT BANK 0.87500% 13-15.03.18	1 000 000.00	996 513.00	0.58
USD	INTER-AMERICAN DEVELOPMENT BANK 1.75000% 14-15.10.19	550 000.00	552 353.45	0.32
USD	INTERNATIONAL BUSINESS MACHINES CORP 2.25000% 16-19.02.21	600 000.00	605 699.40	0.35
USD	JOHNSON & JOHNSON 3.37500% 13-05.12.23	500 000.00	531 445.00	0.31
USD	KOREA RESOURCES CORP-REG-S 3.00000% 17-24.04.22	400 000.00	400 522.79	0.23
USD	KREDITANSTALT FUER WIEDERAUFBAU 4.50000% 08-16.07.18	1 850 000.00	1 914 820.30	1.11
USD	KREDITANSTALT FUER WIEDERAUFBAU 2.12500% 13-17.01.23	2 050 000.00	2 060 721.50	1.19
USD	KREDITANSTALT FUER WIEDERAUFBAU 1.50000% 16-06.02.19	1 150 000.00	1 151 715.80	0.67
USD	KREDITANSTALT FUER WIEDERAUFBAU 1.62500% 16-15.03.21	1 550 000.00	1 540 806.95	0.89
USD	LANDWIRTSCHAFTLICHE RENTENBANK 2.00000% 15-13.01.25	350 000.00	343 829.15	0.20
USD	MICROSOFT CORP 2.65000% 15-03.11.22	600 000.00	613 392.60	0.35
USD	NOVARTIS CAPITAL CORP 2.40000% 12-21.09.22	1 000 000.00	1 011 330.00	0.58
USD	ORACLE CORP 2.65000% 16-15.07.26	675 000.00	655 262.33	0.38
USD	PROCTER & GAMBLE CO 1.85000% 16-02.02.21	100 000.00	100 067.80	0.06
USD	QATAR, STATE OF-REG-S 2.37500% 16-02.06.21	950 000.00	948 812.50	0.55
USD	SOUTHERN POWER CO 1.95000% 16-15.12.19	300 000.00	298 883.70	0.17
USD	TEXAS INSTRUMENTS INC 1.85000% 16-15.05.22	350 000.00	344 867.25	0.20
USD	TOTAL CAPITAL INTERNATIONAL SA 3.70000% 13-15.01.24	325 000.00	343 634.85	0.20
USD	WELLS FARGO & CO 2.15000% 13-15.01.19	500 000.00	502 994.00	0.29
USD	WELLS FARGO CO 3.50000% 12-08.03.22	750 000.00	784 242.00	0.45
USD	WESTPAC BANKING CORP 2.25000% 14-17.01.19	550 000.00	552 821.50	0.32
Total USD			30 988 671.82	17.90

Total Notes, fixed rate

30 988 671.82 17.90

Notes, floating rate

USD

USD	CITIGROUP INC 3M LIBOR+143BP 16-01.09.23	325 000.00	330 715.77	0.19
Total USD			330 715.77	0.19

Total Notes, floating rate

330 715.77 0.19

Medium term notes, fixed rate

USD

USD	AUSTRALIA & NEW ZEALAND BANKING GRP/NY 2.30000% 16-01.06.21	1 250 000.00	1 244 112.50	0.72
USD	BANK OF AMERICA CORP 3.24800% 16-21.10.27	375 000.00	363 702.75	0.21
USD	HENKEL AG & CO KGAA-REG-S 1.50000% 16-13.09.19	475 000.00	472 088.25	0.27
USD	INTER-AMERICAN DEVELOPMENT BANK 1.12500% 12-12.09.19	1 500 000.00	1 482 355.50	0.86
USD	KOMMUNINVEST I SVERIGE AB-REG-S 1.00000% 12-24.10.17	2 000 000.00	1 998 180.00	1.15
USD	MDC-GMTN B.V-REG-S 3.00000% 17-19.04.24	275 000.00	271 906.25	0.16
USD	NESTLE HOLDINGS INC-REG-S 2.00000% 14-30.09.19	475 000.00	477 489.00	0.28
USD	NESTLE HOLDINGS INC-REG-S 2.37500% 17-18.01.22	1 000 000.00	1 012 210.00	0.58
USD	SP POWERASSETS LTD-REG-S 3.25000% 15-24.11.25	800 000.00	815 784.00	0.47
USD	TORONTO-DOMINION BANK 2.50000% 15-14.12.20	1 060 000.00	1 074 460.52	0.62
USD	TOYOTA MOTOR CREDIT CORP 2.60000% 17-11.01.22	575 000.00	582 284.10	0.34
Total USD			9 794 572.87	5.66

Total Medium term notes, fixed rate

9 794 572.87 5.66

Bonds, fixed rate

USD

USD	AFRICAN DEVELOPMENT BANK 7.37500% 93-06.04.23	900 000.00	1 138 509.00	0.66
USD	BANK NEDERLANDSE GEMEENTEN NV-REG-S 2.62500% 14-28.04.21	1 520 000.00	1 556 267.20	0.90
USD	BANK OF NOVA SCOTIA 1.85000% 15-14.04.20	1 100 000.00	1 097 580.00	0.63
USD	COUNCIL OF EUROPE DEVELOPMENT BANK 1.12500% 13-31.05.18	600 000.00	598 523.40	0.34
USD	EUROPEAN BANK FOR RECONSTR & DEVT 1.00000% 13-15.06.18	500 000.00	498 346.00	0.29
USD	EUROPEAN INVESTMENT BANK 3.25000% 14-29.01.24	75 000.00	79 862.18	0.05
USD	EUROPEAN INVESTMENT BANK 1.87500% 15-10.02.25	1 200 000.00	1 167 938.40	0.67
USD	FANNIE MAE 1.62500% 15-21.01.20	1 275 000.00	1 280 988.68	0.74
USD	ING BANK NV-REG-S 2.62500% 12-05.12.22	950 000.00	963 034.00	0.56
USD	INTER-AMERICAN DEVELOPMENT BANK 3.87500% 10-14.02.20	950 000.00	1 006 226.70	0.58
USD	INTER-AMERICAN DEVELOPMENT BANK 3.00000% 14-21.02.24	350 000.00	367 367.00	0.21
USD	INTL BK FOR RECONSTR & DEVT WORLD BANK 7.62500% 93-19.01.23	1 900 000.00	2 452 121.00	1.42
USD	INTL BK FOR RECONSTR & DEVT 2.50000% 15-29.07.25	500 000.00	505 105.00	0.29
USD	ITALY, REPUBLIC OF 6.87500% 93-27.09.23	405 000.00	477 381.60	0.28
USD	KOREA NATIONAL OIL CORP-REG-S 3.25000% 14-10.07.24	475 000.00	481 091.88	0.28
USD	LANDWIRTSCHAFTLICHE RENTENBANK 1.87500% 11-17.09.18	650 000.00	654 246.45	0.38

UBS (Lux) Strategy SICAV – Fixed Income (USD)

Annual Report as of 31 May 2017

The notes are an integral part of the financial statements.

Description	Quantity/ Nominal	Valuation in USD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
USD MICROSOFT CORP 2.40000% 16-08.08.26	600 000.00	578 499.00	0.33
USD MORGAN STANLEY 5.50000% 10-24.07.20	1 000 000.00	1 094 960.00	0.63
USD ONTARIO, PROVINCE OF 1.65000% 12-27.09.19	175 000.00	174 994.75	0.10
USD ONTARIO, PROVINCE OF 3.20000% 14-16.05.24	1 000 000.00	1 050 062.00	0.61
USD ONTARIO, PROVINCE OF 2.40000% 17-08.02.22	1 200 000.00	1 217 571.60	0.70
USD SWEDBANK HYPOTEK AB-REG-S 2.00000% 15-12.05.20	1 250 000.00	1 249 237.50	0.72
USD UNITEDHEALTH GROUP INC 3.75000% 15-15.07.25	300 000.00	317 507.40	0.18
Total USD		20 007 420.74	11.55
Total Bonds, fixed rate		20 007 420.74	11.55
Treasury notes, fixed rate			
USD			
USD AMERICA, UNITED STATES OF 6.25000% 99-15.05.30	400 000.00	575 593.59	0.33
USD AMERICA, UNITED STATES OF 3.50000% 09-15.02.39	500 000.00	566 133.00	0.33
USD AMERICA, UNITED STATES OF 3.00000% 15-15.05.45	550 000.00	565 039.20	0.32
USD AMERICA, UNITED STATES OF 1.50000% 15-31.01.22	350 000.00	346 349.50	0.20
USD AMERICA, UNITED STATES OF 0.87500% 15-15.10.18	2 750 000.00	2 737 108.00	1.58
USD AMERICA, UNITED STATES OF 2.62500% 10-15.11.20	3 775 000.00	3 911 402.08	2.26
USD AMERICA, UNITED STATES OF 1.50000% 11-31.08.18	2 050 000.00	2 057 207.80	1.19
USD AMERICA, UNITED STATES OF 1.12500% 16-31.07.21	2 800 000.00	2 739 296.00	1.58
USD AMERICA, UNITED STATES OF 0.62500% 13-30.04.18	525 000.00	522 231.67	0.30
Total USD		14 020 360.84	8.09
Total Treasury notes, fixed rate		14 020 360.84	8.09
Treasury notes, floating rate			
USD			
USD AMERICA, UNITED STATES OF 2.375%/CPI LINKED 04-15.01.25	220 000.00	328 875.17	0.19
USD AMERICA, UNITED STATES OF 1.125%/CPI LINKED 11-15.01.21	530 000.00	619 417.34	0.36
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 12-15.01.22	320 000.00	347 656.71	0.20
Total USD		1 295 949.22	0.75
Total Treasury notes, floating rate		1 295 949.22	0.75
Total Transferable securities and money market instruments listed on an official stock exchange		76 437 691.26	44.14
Transferable securities and money market instruments traded on another regulated market			
Notes, fixed rate			
USD			
USD CHEVRON CORP 1.71800% 13-24.06.18	450 000.00	451 377.00	0.26
USD GENERAL ELECTRIC CO 2.70000% 12-09.10.22	1 560 000.00	1 596 212.28	0.92
USD HSBC HOLDINGS PLC 4.87500% 11-14.01.22	800 000.00	875 294.40	0.51
USD SCENTRE GROUP TRUST 1 / 2-REG-S 3.75000% 17-23.03.27	225 000.00	228 307.50	0.13
USD TOYOTA MOTOR CREDIT CORP 1.25000% 12-05.10.17	800 000.00	799 869.60	0.46
Total USD		3 951 060.78	2.28
Total Notes, fixed rate		3 951 060.78	2.28
Medium term notes, fixed rate			
USD			
USD BANK OF AMERICA CORP 2.00000% 13-11.01.18	800 000.00	801 982.40	0.46
USD FREDDIE MAC 2.37500% 12-13.01.22	500 000.00	512 713.50	0.30
USD GENERAL ELECTRIC CO 3.10000% 13-09.01.23	200 000.00	208 165.40	0.12
USD ROYAL BANK OF CANADA 1.50000% 13-16.01.18	1 375 000.00	1 375 493.62	0.79
USD TOYOTA MOTOR CREDIT CORP 1.37500% 13-10.01.18	1 100 000.00	1 100 433.40	0.64
Total USD		3 998 788.32	2.31
Total Medium term notes, fixed rate		3 998 788.32	2.31
Medium term notes, floating rate			
USD			
USD AMERICAN HONDA FINANCE CORP 3M LIBOR+61BP 16-09.09.21	200 000.00	202 367.40	0.12
USD GOLDMAN SACHS GROUP 3M LIBOR+160BP 13-29.11.23	525 000.00	541 303.88	0.31
Total USD		743 671.28	0.43
Total Medium term notes, floating rate		743 671.28	0.43
Bonds, fixed rate			
USD			
USD NATIONAL BANK OF CANADA 2.10000% 15-14.12.18	250 000.00	250 836.00	0.14
USD NOVARTIS SECURITIES INVESTMENT LTD 5.12500% 09-10.02.19	425 000.00	449 114.08	0.26
Total USD		699 950.08	0.40
Total Bonds, fixed rate		699 950.08	0.40
Treasury notes, fixed rate			
USD			
USD AMERICA, UNITED STATES OF 1.62500% 14-31.08.19	4 100 000.00	4 128 667.20	2.38
USD AMERICA, UNITED STATES OF 1.75000% 12-15.05.22	1 525 000.00	1 524 524.20	0.88
Total USD		5 653 191.40	3.26
Total Treasury notes, fixed rate		5 653 191.40	3.26

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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Treasury notes, floating rate

USD				
USD	AMERICA, UNITED STATES OF 0.625%/CPI LINKED 14-15.01.24	330 000.00	354 356.54	0.21
USD	AMERICA, UNITED STATES OF 0.125%/CPI LINKED 14-15.04.19	460 000.00	481 808.25	0.28
USD	AMERICA, UNITED STATES OF 0.250%/CPI LINKED 15-15.01.25	350 000.00	358 787.69	0.21
USD	AMERICA, UNITED STATES OF 0.125%/CPI LINKED 15-15.04.20	1 290 000.00	1 355 026.42	0.78
USD	AMERICA, UNITED STATES OF 0.625%/CPI LINKED 16-15.01.26	1 240 000.00	1 300 690.87	0.75
USD	AMERICA, UNITED STATES OF 0.125%/CPI LINKED 12-15.07.22	330 000.00	353 436.53	0.21
USD	AMERICA, UNITED STATES OF 0.125%/CPI LINKED 13-15.01.23	330 000.00	349 332.14	0.20
USD	AMERICA, UNITED STATES OF 0.125%/CPI INDEX 13-15.04.18	300 000.00	316 647.00	0.18
USD	AMERICA, UNITED STATES OF 0.375%/CPI INDEX 13-15.07.23	330 000.00	352 318.44	0.20
USD	AMERICA, UNITED STATES OF 0.375%/CPI LINKED 15-15.07.25	370 000.00	382 986.98	0.22
Total USD			5 605 390.86	3.24

Total Treasury notes, floating rate **5 605 390.86** **3.24**

Total Transferable securities and money market instruments traded on another regulated market **20 652 052.72** **11.92**

UCITS/Other UCIs in accordance with Article 41 (1) e) of the amended Luxembourg law of 17 December 2010

Investment funds, open end

Luxembourg				
USD	UBS (LUX) BOND SICAV-SHORT TERM USD CORPORATES (USD) U-X-ACC	1 681.00	16 954 145.75	9.79
USD	UBS (LUX) BOND SICAV - USD CORPORATES U-X-ACC	697.00	7 158 259.70	4.13
USD	UBS (LUX) BOND SICAV - USD HIGH YIELD U-X-ACC	500.00	8 624 635.00	4.98
USD	UBS (LUX) BOND SICAV - EMERGING ECONOMIES CORP (USD)-I-X-DIS	32 322.00	3 496 593.96	2.02
USD	UBS (LUX) BOND SICAV USD INVEST GRADE CORP USD U X ACC	2 697.00	27 634 945.35	15.96
USD	UBS (LUX) EMERGING ECONOMIES FUND-GLOBAL BONDS (USD)-U-X-ACC	712.00	8 648 607.04	4.99
USD	UBS (LUX) MONEY MARKET FUND - USD U-X-ACC	1.00	10 509.31	0.01
Total Luxembourg			72 527 696.11	41.88

Total Investment funds, open end **72 527 696.11** **41.88**

Total UCITS/Other UCIs in accordance with Article 41 (1) e) of the amended Luxembourg law of 17 December 2010 **72 527 696.11** **41.88**

Total investments in securities **169 617 440.09** **97.94**

Derivative instruments

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

Credit default swaps*

USD	CME/CDX.NA.HY.28 JUN22 CDI REC 5.00000% 17-20.06.22	1 600 000.00	136 436.92	0.08
Total Credit default swaps			136 436.92	0.08

Total Derivative instruments not listed on an official stock exchange and not traded on another regulated market **136 436.92** **0.08**

Total Derivative instruments **136 436.92** **0.08**

* Positive nominal: the subfund is "Receiver", negative nominal: the subfund is "Payer".

Forward Foreign Exchange contracts

Forward Foreign Exchange contracts (Purchase/Sale)

USD	573 848.17	AUD	745 000.00	9.6.2017	19 311.15	0.01
ZAR	5 667 000.00	USD	442 786.02	9.6.2017	-13 602.77	-0.01
BRL	1 340 000.00	USD	427 011.33	9.6.2017	-14 506.91	-0.01
USD	562 419.14	CAD	749 000.00	9.6.2017	7 838.48	0.00
USD	593 984.87	SGD	830 000.00	9.6.2017	-6 040.43	0.00
RUB	24 840 000.00	USD	424 913.46	9.6.2017	12 006.63	0.01
INR	28 690 000.00	USD	436 178.66	9.6.2017	8 248.56	0.00
SEK	7 894 727.00	USD	873 316.11	22.6.2017	37 810.76	0.02
EUR	1 227 370.00	USD	1 302 310.76	22.6.2017	79 362.51	0.05
USD	1 563 305.86	CAD	2 086 277.00	22.6.2017	18 131.22	0.01
USD	442 124.66	INR	28 690 000.00	9.6.2017	-2 302.56	0.00
SGD	830 000.00	USD	591 527.05	9.6.2017	8 498.25	0.00
USD	405 314.07	ZAR	5 667 000.00	9.6.2017	-23 869.18	-0.01
USD	430 129.46	RUB	24 840 000.00	9.6.2017	-6 790.63	0.00
AUD	745 000.00	USD	558 935.51	9.6.2017	-4 398.49	0.00
USD	421 267.87	BRL	1 340 000.00	9.6.2017	8 763.45	0.00
CAD	749 000.00	USD	562 765.23	9.6.2017	-8 184.57	0.00
CAD	500 000.00	USD	375 583.75	22.6.2017	-5 265.08	0.00
SEK	7 887 734.60	USD	895 483.99	26.7.2017	16 645.14	0.01
USD	30 022.07	AUD	40 914.49	26.7.2017	-411.65	0.00
EUR	1 147 981.02	USD	1 254 390.82	26.7.2017	40 321.79	0.02
USD	519 470.46	CAD	712 932.69	26.7.2017	-8 875.72	-0.01
CAD	390 000.00	CHF	280 352.28	22.6.2017	-1 299.07	0.00
SEK	1 900 000.00	CHF	212 044.14	22.6.2017	-175.78	0.00
SEK	1 900 000.00	CHF	211 983.57	26.7.2017	-172.89	0.00
CAD	390 000.00	CHF	279 895.20	26.7.2017	-1 302.09	0.00
CAD	330 000.00	CHF	236 989.17	26.7.2017	-1 261.74	0.00
SEK	1 550 000.00	CHF	173 241.56	22.6.2017	-410.25	0.00
CAD	260 000.00	CHF	186 676.88	26.7.2017	-950.83	0.00
SEK	1 550 000.00	CHF	173 192.07	26.7.2017	-407.80	0.00

UBS (Lux) Strategy SICAV – Fixed Income (USD)
Annual Report as of 31 May 2017

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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Forward Foreign Exchange contracts (Continued)

Forward Foreign Exchange contracts (Purchase/Sale)

CAD	260 000.00	CHF	186 981.86	22.6.2017	-949.09	0.00
CAD	330 000.00	CHF	237 374.61	22.6.2017	-1 257.82	0.00
CAD	190 000.00	USD	140 183.12	22.6.2017	537.97	0.00
USD	174 528.49	CHF	170 000.00	22.6.2017	-1 412.26	0.00
USD	56 010.60	EUR	50 000.00	22.6.2017	-275.33	0.00
USD	67 338.12	EUR	60 000.00	26.7.2017	-330.91	0.00
CAD	180 000.00	USD	132 890.66	26.7.2017	505.26	0.00
USD	185 216.25	CHF	180 000.00	26.7.2017	-1 495.06	0.00
JPY	7 447 852 600.00	USD	66 990 525.98	27.6.2017	429 827.96	0.25
Total Forward Foreign Exchange contracts (Purchase/Sale)					581 860.22	0.34

Cash at banks, deposits on demand and deposit accounts and other liquid assets	1 678 857.59	0.97
Bank overdraft and other short-term liabilities	-57 185.78	-0.03
Other assets and liabilities	1 232 041.46	0.70
Total net assets	173 189 450.50	100.00

UBS (Lux) Strategy SICAV – Income (CHF)

Three-year comparison

	ISIN	31.5.2017	31.5.2016	31.5.2015
Net assets in CHF		172 795 694.89	220 672 405.63	232 337 938.82
Class P-acc	LU0994951381			
Shares outstanding		872 880.7390	1 218 986.9620	1 189 609.9420
Net asset value per share in CHF		106.31	103.26	105.54
Issue and redemption price per share in CHF ¹		106.31	103.26	105.73
Class P-dist	LU0994669108			
Shares outstanding		671 487.4840	861 519.7720	1 011 690.3590
Net asset value per share in CHF		103.63	101.95	105.55
Issue and redemption price per share in CHF ¹		103.63	101.95	105.74
Class Q-acc²	LU1240800968			
Shares outstanding		56 176.3980	29 142.0810	-
Net asset value per share in CHF		104.19	100.65	-
Issue and redemption price per share in CHF ¹		104.19	100.65	-
Class Q-dist³	LU1240801008			
Shares outstanding		44 502.8110	40 064.4900	-
Net asset value per share in CHF		102.51	100.65	-
Issue and redemption price per share in CHF ¹		102.51	100.65	-

¹ See note 1

² First NAV: 9.9.2015

³ First NAV: 9.10.2015

Performance

	Currency	2016/2017	2015/2016	2014/2015
Class P-acc	CHF	3.0%	-2.3%	2.4%
Class P-dist	CHF	3.0%	-2.3%	2.4%
Class Q-acc	CHF	3.5%	-	-
Class Q-dist	CHF	3.5%	-	-

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 shares.

The performance data were not audited.

The subfund has no benchmark.

Report of the Portfolio Manager

The reporting year from 1 June 2016 to 31 May 2017 was marked by the diverging monetary policies of some central banks. At the beginning of the reporting year, the uncertainty surrounding the Brexit referendum unsettled everything, in particular the European stock markets for a short time. In November 2016, Donald Trump's victory boosted the markets, with many investors hoping for economic stimulus measures in the US-Market. This euphoria continued until the end of the reporting period. Yields on US government bonds increased significantly after the US presidential election and the hope of strong economic growth even affected the European equity market.

In this environment, which was challenging for bond investors and generally friendly for equity investors, the subfund generated a positive return in the reporting year.

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets

Luxembourg	50.13
United States	25.24
Suprationals	3.39
Germany	3.13
The Netherlands	2.91
France	2.41
Switzerland	1.54
Australia	1.07
South Korea	1.06
Austria	0.76
United Kingdom	0.52
Poland	0.50
Finland	0.43
Canada	0.42
Spain	0.34
Italy	0.31
Slovakia	0.30
Jersey	0.24
Curacao	0.24
New Zealand	0.24
Sweden	0.23
Mexico	0.15
Chile	0.13
Peru	0.07
Hong Kong	0.06
Guernsey	0.06
Total	95.88

Economic Breakdown as a % of net assets

Investment funds	50.13
Countries & central governments	24.89
Banks & credit institutions	8.20
Finance & holding companies	3.60
Supranational organisations	3.39
Cantons, federal states	1.24
Mortgage & funding institutions	0.96
Traffic & transportation	0.71
Pharmaceuticals, cosmetics & medical products	0.66
Telecommunications	0.59
Computer hardware & network equipment providers	0.30
Food & soft drinks	0.29
Public, non-profit institutions	0.24
Building industry & materials	0.23
Energy & water supply	0.18
Petroleum	0.15
Biotechnology	0.12
Total	95.88

Statement of Net Assets

	CHF
	31.5.2017
Assets	
Investments in securities, cost	160 197 439.21
Investments in securities, unrealized appreciation (depreciation)	5 472 681.88
Total investments in securities (Note 1)	165 670 121.09
Cash at banks, deposits on demand and deposit accounts	3 475 487.85
Other liquid assets (Margins)	260 667.61
Receivable on securities sales (Note 1)	6 537 261.61
Receivable on subscriptions	77 760.32
Interest receivable on securities	510 503.08
Other assets	40 603.48
Unrealized gain (loss) on financial futures (Note 1)	582 697.68
Unrealized gain (loss) on forward foreign exchange contracts (Note 1)	4 054 104.74
Unrealized gain (loss) on swaps (Note 1)	148 510.73
Total Assets	181 357 718.19
Liabilities	
Bank overdraft	-23.09
Payable on securities purchases (Note 1)	-4 187 895.98
Payable on redemptions	-4 263 532.68
Provisions for flat fee (Note 2)	-98 331.92
Provisions for taxe d'abonnement (Note 3)	-7 220.24
Provisions for other commissions and fees (Note 2)	-5 019.39
Total provisions	-110 571.55
Total Liabilities	-8 562 023.30
Net assets at the end of the financial year	172 795 694.89

Statement of Operations

	CHF
	1.6.2016-31.5.2017
Income	
Interest on liquid assets	4 079.67
Interest on securities	1 966 467.51
Interest received on swaps (Note 1)	112 895.88
Dividends	215 518.99
Income on securities lending (Note 11)	50 489.25
Other income	32 520.29
Total income	2 381 971.59
Expenses	
Interest paid on swaps (Note 1)	-32 027.29
Cost on securities lending (Note 11)	-20 195.70
Flat fee (Note 2)	-2 538 315.48
Taxe d'abonnement (Note 3)	-52 522.14
Other commissions and fees (Note 2)	-73 055.46
Interest on cash and bank overdraft	-4 523.70
Total expenses	-2 720 639.77
Net income (loss) on investments	-338 668.18
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	4 786 007.27
Realized gain (loss) on yield-evaluated securities and money market instruments	-59 344.56
Realized gain (loss) on financial futures	877 131.16
Realized gain (loss) on forward foreign exchange contracts	-4 404 532.52
Realized gain (loss) on swaps	-64 420.24
Realized gain (loss) on foreign exchange	1 389 634.97
Total realized gain (loss)	2 524 476.08
Net realized gain (loss) of the financial year	2 185 807.90
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	-1 794 721.33
Unrealized appreciation (depreciation) on yield-evaluated securities and money market instruments	-1 365.51
Unrealized appreciation (depreciation) on financial futures	235 942.62
Unrealized appreciation (depreciation) on forward foreign exchange contracts	5 037 085.35
Unrealized appreciation (depreciation) on swaps	-42 090.70
Total changes in unrealized appreciation (depreciation)	3 434 850.43
Net increase (decrease) in net assets as a result of operations	5 620 658.33

Statement of Changes in Net Assets

	CHF
	1.6.2016-31.5.2017
Net assets at the beginning of the financial year	220 672 405.63
Subscriptions	14 783 693.34
Redemptions	-67 119 717.93
Total net subscriptions (redemptions)	-52 336 024.59
Dividend paid	-1 161 344.48
Net income (loss) on investments	-338 668.18
Total realized gain (loss)	2 524 476.08
Total changes in unrealized appreciation (depreciation)	3 434 850.43
Net increase (decrease) in net assets as a result of operations	5 620 658.33
Net assets at the end of the financial year	172 795 694.89

Changes in the Number of Shares outstanding

	1.6.2016-31.5.2017
Class	P-acc
Number of shares outstanding at the beginning of the financial year	1 218 986.9620
Number of shares issued	62 245.4040
Number of shares redeemed	-408 351.6270
Number of shares outstanding at the end of the financial year	872 880.7390
Class	P-dist
Number of shares outstanding at the beginning of the financial year	861 519.7720
Number of shares issued	30 138.3620
Number of shares redeemed	-220 170.6500
Number of shares outstanding at the end of the financial year	671 487.4840
Class	Q-acc
Number of shares outstanding at the beginning of the financial year	29 142.0810
Number of shares issued	40 003.6720
Number of shares redeemed	-12 969.3550
Number of shares outstanding at the end of the financial year	56 176.3980
Class	Q-dist
Number of shares outstanding at the beginning of the financial year	40 064.4900
Number of shares issued	11 591.8750
Number of shares redeemed	-7 153.5540
Number of shares outstanding at the end of the financial year	44 502.8110

Annual Distribution

UBS (Lux) Strategy SICAV – Income (CHF)	Ex-Date	Pay-Date	Currency	Amount per share
P-dist	2.8.2016	5.8.2016	CHF	1.31
Q-dist	2.8.2016	5.8.2016	CHF	1.65

Statement of Investments in Securities and other Net Assets as of 31 May 2017

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 AT&T INC-REG-S 0.50000% 14-04.12.19	450 000.00	456 750.00	0.26
CHF CAISSE DE REFINANCEMENT DE L'HABITAT 1.37500% 13-15.03.23	500 000.00	545 000.00	0.31
CHF EUROPEAN INVESTMENT BANK 3.00000% 09-14.04.21	750 000.00	855 375.00	0.49
CHF EUROPEAN INVESTMENT BANK 1.62500% 11-23.11.23	300 000.00	338 700.00	0.20
CHF SLOVAKIA, REPUBLIC OF 2.12500% 12-25.04.18	500 000.00	512 250.00	0.30
CHF TEVA PHARMACEUTICAL FINANCE IV BV 1.50000% 12-25.10.18	400 000.00	408 960.00	0.24
Total CHF		3 117 035.00	1.80

Total Notes, fixed rate **3 117 035.00** **1.80**

Medium term notes, fixed rate

CHF			
CHF ABN AMRO BANK NV 1.12500% 13-25.10.18	350 000.00	357 350.00	0.21
CHF AGENCE FRANCAISE DE DEVELOPPEMENT 2.62500% 10-18.02.25	100 000.00	120 350.00	0.07
CHF BANCO DE CREDITO E INVERSIONES-REG-S 0.87500% 14-23.11.18	225 000.00	228 037.50	0.13
CHF BANK NEDERLANDSE GEMEENTEN NV 2.25000% 05-14.10.20	550 000.00	602 800.00	0.35
CHF BANK NEDERLANDSE GEMEENTEN NV 1.25000% 14-30.04.24	200 000.00	220 100.00	0.13
CHF BANK OF AMERICA CORP 2.50000% 05-28.09.17	350 000.00	353 640.00	0.20
CHF BANQUE FEDERATIVE DU CREDIT MUTUEL 0.40000% 17-19.12.25	450 000.00	450 877.50	0.26
CHF BNZ INTERNATIONAL FUND LTD/LONDON 1.50000% 12-22.01.18	250 000.00	253 300.00	0.15
CHF CENTRAL AMERICAN BK ECO INTEGRAT 0.19400% 15-19.11.21	500 000.00	505 250.00	0.29
CHF CHINA CONSTRUCT BK ASIA CORP LTD 1.37500% 14-28.05.19	100 000.00	103 050.00	0.06
CHF CITIGROUP INC 3.00000% 07-21.03.19	100 000.00	105 900.00	0.06
CHF COMMONWEALTH BANK OF AUSTRALIA 3.00000% 09-09.11.17	200 000.00	203 200.00	0.12
CHF COMMONWEALTH BANK OF AUSTRALIA 0.87500% 13-11.02.20	500 000.00	515 250.00	0.30
CHF COMMONWEALTH BANK OF AUSTRALIA 1.50000% 14-07.02.22	200 000.00	215 700.00	0.12
CHF COMPAGNIE DE FINANCEMENT FONCIER 2.37500% 05-24.08.18	600 000.00	621 840.00	0.36
CHF CORP ANDINA DE FOMENTO 1.37500% 13-11.02.21	250 000.00	264 000.00	0.15
CHF CORPORACION ANDINA DE FOMENTO-REG-S 1.50000% 14-01.12.28	100 000.00	110 950.00	0.06
CHF CORPORACION ANDINA DE FOMENTO 0.50000% 15-26.02.26	350 000.00	354 375.00	0.21
CHF CREDIT AGRICOLE SA LONDON-REG-S 1.00000% 14-08.10.21	400 000.00	417 600.00	0.24
CHF CREDIT AGRICOLE SA LONDON 0.45000% 17-14.03.22	170 000.00	169 065.00	0.10
CHF CREDIT AGRICOLE SA LONDON-SUB 2.12500% 15-29.09.25	150 000.00	159 675.00	0.09
CHF CREDIT SUISSE GRP FDNG GUERNSEY 1.00000% 15-14.04.23	100 000.00	102 500.00	0.06
CHF CREDIT SUISSE LONDON BRANCH-REG-S 1.00000% 14-24.09.21	500 000.00	520 000.00	0.30
CHF CREDIT SUISSE NEW YORK BRANCH-SUB 4.87500% 08-14.03.18	200 000.00	207 800.00	0.12
CHF DEUTSCHE BAHN FINANCE BV 1.75000% 10-03.06.20	500 000.00	534 750.00	0.31
CHF DEUTSCHE BANK AG 0.62500% 15-19.12.23	75 000.00	74 775.00	0.04
CHF ELI LILLY & CO-REG-S 0.00000% 16-24.05.18	520 000.00	522 548.00	0.30
CHF ENEL FINANCE INTERNATIONAL NV-REG-S 0.55000% 17-03.09.24	175 000.00	177 625.00	0.10
CHF ENGIE SA 1.12500% 12-09.10.20	300 000.00	312 150.00	0.18
CHF EUROPEAN INVESTMENT BANK 2.37500% 05-10.07.20	550 000.00	602 525.00	0.35
CHF EUROPEAN INVESTMENT BANK 1.50000% 12-02.08.24	700 000.00	790 650.00	0.46
CHF GENERAL ELECTRIC CO 3.37500% 06-19.06.18	700 000.00	729 540.00	0.42
CHF GOLDMAN SACHS GROUP INC 1.50000% 12-29.11.18	300 000.00	307 650.00	0.18
CHF ILE DE FRANCE 3.25000% 07-27.11.18	500 000.00	528 250.00	0.31
CHF INSTITUTO DE CREDITO OFICIAL 3.25000% 07-28.06.24	100 000.00	119 800.00	0.07
CHF INTER-AMERICAN DEVELOPMENT BANK 2.75000% 09-15.04.19	500 000.00	532 750.00	0.31
CHF ITALY, REPUBLIC OF 2.50000% 06-30.01.18	525 000.00	535 290.00	0.31
CHF JPMORGAN CHASE & CO 0.50000% 15-04.12.23	200 000.00	205 100.00	0.12
CHF KOREA DEVELOPMENT BANK 1.00000% 12-29.10.18	400 000.00	406 880.00	0.24
CHF KOREA RAILROAD CORP 1.00000% 12-16.11.18	750 000.00	762 000.00	0.44
CHF KOREA RAILROAD CORP 1.50000% 13-02.12.19	450 000.00	470 250.00	0.27
CHF METROPOLITAN LIFE GLOBAL FUNDING-REG-S 1.00000% 14-19.09.22	300 000.00	315 900.00	0.18
CHF MUNICIPALITY FINANCE PLC 2.25000% 10-10.12.19	500 000.00	537 000.00	0.31
CHF MUNICIPALITY FINANCE PLC 0.87500% 13-01.02.23	200 000.00	214 000.00	0.12
CHF NATIONAL AUSTRALIA BANK LTD 0.25000% 16-19.01.23	300 000.00	304 350.00	0.18
CHF NEDERLANDSE WATERSCHAPS BANK NV 2.37500% 06-27.01.23	400 000.00	461 800.00	0.27
CHF NEDERLANDSE WATERSCHAPS BANK NV 2.50000% 06-27.12.18	500 000.00	525 250.00	0.30
CHF NEDERLANDSE WATERSCHAPS BANK NV 1.37500% 12-13.09.27	100 000.00	113 450.00	0.07
CHF NEW YORK LIFE GLOBAL FUNDING 0.37500% 15-02.02.22	500 000.00	511 500.00	0.30
CHF NORDEA BANK AB 0.25000% 15-27.11.23	400 000.00	406 000.00	0.24
CHF ONTARIO, PROVINCE OF 2.37500% 10-07.05.20	300 000.00	325 500.00	0.19
CHF PETROLEOS MEXICANOS 2.50000% 12-10.04.19	70 000.00	72 100.00	0.04
CHF PETROLEOS MEXICANOS 1.50000% 15-08.12.20	175 000.00	178 412.50	0.10
CHF POLAND, REPUBLIC OF 3.25000% 07-15.05.19	425 000.00	455 812.50	0.26
CHF POLAND, REPUBLIC OF 2.25000% 12-15.05.18	200 000.00	205 360.00	0.12
CHF POLAND, REPUBLIC OF-REG-S 1.00000% 14-17.09.21	209 000.00	209 600.00	0.12
CHF RABOBANK NEDERLAND NV 3.62500% 09-02.07.19	450 000.00	487 125.00	0.28
CHF RABOBANK NEDERLAND NV 1.12500% 14-08.04.21	300 000.00	314 700.00	0.18
CHF ROYAL BANK OF CANADA 0.62500% 14-09.04.19	200 000.00	204 000.00	0.12
CHF SANTANDER CONSUMER FINANCE SA 0.50000% 15-05.10.20	350 000.00	354 725.00	0.21
CHF SOCIETE GENERALE 0.40000% 17-22.02.22	175 000.00	175 175.00	0.10
CHF TELEFONICA EMISIONES SA 2.71800% 12-14.12.18	100 000.00	104 400.00	0.06
CHF TRANSURBAN QUEENSLAND FINANCE PTY LTD 0.62500% 16-23.06.23	122 000.00	122 340.00	0.07
CHF TRANSURBAN QUEENSLAND FINANCE PTY LTD 0.65000% 16-02.11.26	75 000.00	76 687.50	0.04
CHF VERIZON COMMUNICATIONS INC-REG-S 0.37500% 17-31.05.23	450 000.00	451 575.00	0.26
CHF VINCI SA 2.12500% 11-15.12.17	200 000.00	202 840.00	0.12
CHF WELLS FARGO & CO-REG-S 0.62500% 14-03.09.20	200 000.00	205 000.00	0.12
CHF WELLS FARGO & CO-REG-S 0.50000% 15-02.11.23	100 000.00	102 500.00	0.06
CHF WESTPAC BANKING CORP 0.50000% 15-02.02.22	400 000.00	411 200.00	0.24
CHF WESTPAC SECURITIES NZ LTD/LONDON-REG-S 0.62500% 14-02.09.20	150 000.00	154 200.00	0.09
Total CHF		22 977 645.50	13.30

Total Medium term notes, fixed rate **22 977 645.50** **13.30**

UBS (Lux) Strategy SICAV – Income (CHF)
Annual Report as of 31 May 2017

The notes are an integral part of the financial statements.

Description	Quantity/ Nominal	Valuation in CHF Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
Medium term notes, floating rate			
CHF			
CHF BANK OF AMERICA CORP 3.37500%/3M LIBOR+95BP 07-14.06.22	200 000.00	200 500.00	0.12
CHF CITIGROUP INC-SUB 2.750%/3M LIBOR+120BP 06-06.04.21	750 000.00	749 250.00	0.43
CHF KOREA EXPRESSWAY CORPORATION 3M LIBOR+47BP 14-15.03.18	200 000.00	200 520.00	0.12
Total CHF		1 150 270.00	0.67
Total Medium term notes, floating rate		1 150 270.00	0.67
Bonds, fixed rate			
CHF			
CHF AMGEN INC 0.41000% 16-08.03.23	200 000.00	203 800.00	0.12
CHF APPLE INC-REG-S 0.37500% 15-25.11.24	500 000.00	513 500.00	0.30
CHF BP CAPITAL MARKETS PLC 1.00000% 14-28.08.20	200 000.00	207 100.00	0.12
CHF CAISSE DES DEPOTS ET CONSIGNATIONS 1.25000% 13-16.12.20	600 000.00	635 400.00	0.37
CHF CENTRAL AMERICAN BANK ECO INTEGRAT 1.50000% 13-16.12.19	200 000.00	209 300.00	0.12
CHF CENTRAL AMERICAN BK ECO INTEGRAT 1.12500% 14-24.02.23	200 000.00	211 900.00	0.12
CHF EBN NV 0.62500% 12-04.07.19	500 000.00	511 000.00	0.30
CHF EL FONDO MIVIVIENDA 1.25000% 14-13.06.18	125 000.00	127 125.00	0.07
CHF EUROPEAN INVESTMENT BANK 2.62500% 10-11.02.25	700 000.00	855 750.00	0.49
CHF EUROPEAN INVESTMENT BANK 1.62500% 12-02.04.26	200 000.00	231 100.00	0.13
CHF GENERAL ELECTRIC CO 3.12500% 04-06.12.19	650 000.00	709 150.00	0.41
CHF GOLDMAN SACHS GROUP INC 1.62500% 13-06.02.20	400 000.00	418 800.00	0.24
CHF KREDITANSTALT FUER WIEDERAUFBAU 2.25000% 10-12.08.20	250 000.00	273 625.00	0.16
CHF MONDELEZ INTL-REG-S 0.08000% 16-26.01.18	500 000.00	501 850.00	0.29
CHF NEW BRUNSWICK, PROVINCE OF 0.20000% 16-07.11.31	100 000.00	98 075.00	0.06
CHF NEW BRUNSWICK, PROVINCE OF 0.25000% 17-19.01.29	100 000.00	100 200.00	0.06
CHF OESTERREICHISCHE KONTROLLBANK AG 2.62500% 06-22.11.24	200 000.00	241 900.00	0.14
CHF OESTERREICHISCHE KONTROLLBANK AG 1.00000% 12-28.09.21	1 000 000.00	1 063 500.00	0.61
CHF RABOBANK NEDERLAND NV 3.12500% 06-15.09.26	120 000.00	150 900.00	0.09
CHF SONOVA HOLDING AG 0.00000% 16-11.10.19	200 000.00	200 600.00	0.12
CHF TEVA PHARMACEUTICAL FINANCE 0.12500% 16-27.07.18	485 000.00	486 649.00	0.28
CHF TEVA PHARMACEUTICAL FINANCE 1.00000% 16-28.07.25	90 000.00	90 720.00	0.05
CHF UBS GROUP FUNDING JERSEY LTD-REG-S 0.75000% 16-22.02.22	400 000.00	410 400.00	0.24
CHF UBS GROUP FUNDING SWITZERLAND AG 0.62500% 17-18.05.24	200 000.00	203 200.00	0.12
CHF ZUERICH, CANTON OF 0.01000% 17-07.09.26	200 000.00	200 000.00	0.11
Total CHF		8 855 544.00	5.12
EUR			
EUR GERMANY, REPUBLIC OF 2.00000% 13-15.08.23	400 000.00	496 084.67	0.29
EUR GERMANY, REPUBLIC OF 4.00000% 07-04.01.18	600 000.00	671 149.84	0.39
EUR GERMANY, REPUBLIC OF 3.50000% 09-04.07.19	1 100 000.00	1 303 231.41	0.75
EUR GERMANY, REPUBLIC OF 3.25000% 09-04.01.20	1 100 000.00	1 321 279.32	0.77
EUR GERMANY, REPUBLIC OF 3.25000% 11-04.07.21	1 000 000.00	1 260 361.64	0.73
Total EUR		5 052 106.88	2.93
Total Bonds, fixed rate		13 907 650.88	8.05
Bonds, zero coupon			
CHF			
CHF BASEL-STADT, CANTON OF 0.00000% 16-05.09.23	250 000.00	253 625.00	0.14
CHF BASEL-STADT, CANTON OF 0.00000% 16-04.09.26	100 000.00	100 050.00	0.06
CHF PFANDBRIEFBK SCHWEIZERISCHER HYPO INST 0.00000% 16-26.03.21	200 000.00	202 940.00	0.12
CHF PFANDBRIEFZENTR SCHWEIZ KANTONALBANKEN 0.00000% 15-25.07.23	390 000.00	393 744.00	0.23
CHF PFANDBRIEFZENTR SCHWEIZ KANTONALBANKEN 0.00000% 16-07.11.22	500 000.00	505 500.00	0.29
CHF ROCHE KAPITALMARKT AG 0.00000% 17-23.09.18	390 000.00	392 106.00	0.23
Total CHF		1 847 965.00	1.07
Total Bonds, zero coupon		1 847 965.00	1.07
Treasury notes, fixed rate			
USD			
USD AMERICA, UNITED STATES OF 5.37500% 01-15.02.31	910 000.00	1 195 410.40	0.69
USD AMERICA, UNITED STATES OF 4.37500% 08-15.02.38	860 000.00	1 064 753.69	0.62
USD AMERICA, UNITED STATES OF 4.37500% 11-15.05.41	3 460 000.00	4 288 225.60	2.48
USD AMERICA, UNITED STATES OF 3.87500% 08-15.05.18	790 000.00	783 533.23	0.45
USD AMERICA, UNITED STATES OF 2.75000% 09-15.02.19	1 970 000.00	1 954 171.36	1.13
USD AMERICA, UNITED STATES OF 0.87500% 15-15.10.18	1 200 000.00	1 155 616.95	0.67
USD AMERICA, UNITED STATES OF 3.62500% 10-15.02.20	7 900 000.00	8 096 294.02	4.68
USD AMERICA, UNITED STATES OF 2.62500% 10-15.11.20	1 650 000.00	1 654 142.30	0.96
USD AMERICA, UNITED STATES OF 1.50000% 11-31.08.18	850 000.00	825 309.12	0.48
USD AMERICA, UNITED STATES OF 1.37500% 11-30.09.18	890 000.00	862 834.85	0.50
USD AMERICA, UNITED STATES OF 1.12500% 16-31.07.21	1 250 000.00	1 183 216.90	0.68
USD AMERICA, UNITED STATES OF 1.75000% 13-15.05.23	7 400 000.00	7 097 500.38	4.11
Total USD		30 161 008.80	17.45
Total Treasury notes, fixed rate		30 161 008.80	17.45
Treasury notes, floating rate			
USD			
USD AMERICA, UNITED STATES OF 2.375%/CPI LINKED 04-15.01.25	60 000.00	86 782.68	0.05
USD AMERICA, UNITED STATES OF 1.125%/CPI LINKED 11-15.01.21	280 000.00	316 620.44	0.18
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 12-15.01.22	170 000.00	178 699.34	0.11
Total USD		582 102.46	0.34
Total Treasury notes, floating rate		582 102.46	0.34
Total Transferable securities and money market instruments listed on an official stock exchange		73 743 677.64	42.68

Description	Quantity/ Nominal	Valuation in CHF 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

Treasury notes, fixed rate

USD				
USD	AMERICA, UNITED STATES OF 1.62500% 14-31.08.19	1 800 000.00	1 753 767.20	1.02
USD	AMERICA, UNITED STATES OF 1.75000% 12-15.05.22	700 000.00	677 073.68	0.39
Total USD			2 430 840.88	1.41

Total Treasury notes, fixed rate **2 430 840.88** **1.41**

Treasury notes, floating rate

USD				
USD	AMERICA, UNITED STATES OF 0.625%/CPI LINKED 14-15.01.24	170 000.00	176 623.65	0.10
USD	AMERICA, UNITED STATES OF 0.125%/CPI LINKED 14-15.04.19	200 000.00	202 684.17	0.12
USD	AMERICA, UNITED STATES OF 0.250%/CPI LINKED 15-15.01.25	200 000.00	198 368.58	0.12
USD	AMERICA, UNITED STATES OF 0.125%/CPI LINKED 15-15.04.20	700 000.00	711 425.64	0.41
USD	AMERICA, UNITED STATES OF 0.625%/CPI LINKED 16-15.01.26	670 000.00	679 987.03	0.39
USD	AMERICA, UNITED STATES OF 0.125%/CPI LINKED 12-15.07.22	170 000.00	176 165.09	0.10
USD	AMERICA, UNITED STATES OF 0.125%/CPI LINKED 13-15.01.23	180 000.00	184 361.62	0.11
USD	AMERICA, UNITED STATES OF 0.125%/CPI INDEX 13-15.04.18	160 000.00	163 398.30	0.09
USD	AMERICA, UNITED STATES OF 0.375%/CPI INDEX 13-15.07.23	170 000.00	175 607.79	0.10
USD	AMERICA, UNITED STATES OF 0.375%/CPI LINKED 15-15.07.25	200 000.00	200 302.19	0.12
Total USD			2 868 924.06	1.66

Total Treasury notes, floating rate **2 868 924.06** **1.66**

Total Transferable securities and money market instruments traded on another regulated market **5 299 764.94** **3.07**

UCITS/Other UCIs in accordance with Article 41 (1) e) of the amended Luxembourg law of 17 December 2010

Investment funds, open end

Luxembourg

EUR	UBS (LUX) BOND SICAV - EUR CORPORATES (EUR) U-X-ACC	1 105.00	13 815 571.44	8.00
USD	UBS (LUX) BOND SICAV-SHORT TERM USD CORPORATES (USD) U-X-ACC	188.00	1 834 591.87	1.06
USD	UBS (LUX) BOND SICAV - USD CORPORATES U-X-ACC	161.00	1 599 830.48	0.93
USD	UBS (LUX) BOND SICAV - USD HIGH YIELD U-X-ACC	401.00	6 692 502.01	3.87
USD	UBS (LUX) BOND SICAV - EMERGING ECONOMIES CORP (USD)-I-X-DIS	32 836.00	3 436 929.64	1.99
USD	UBS (LUX) BOND SICAV USD INVEST GRADE CORP USD U X ACC	2 774.49	27 506 450.89	15.92
USD	UBS (LUX) EMERGING ECONOMIES FUND-GLOBAL BONDS (USD)-U-X-ACC	438.00	5 147 705.57	2.98
USD	UBS (LUX) EQUITY SICAV-GLOBAL QUANTITATIVE (USD) U-X-ACC	1 066.00	13 482 321.76	7.80
USD	UBS (LUX) INST FUND-KEY SEL. GLOBAL EQUITY FA-USD	635.00	12 550 931.75	7.26
USD	UBS (LUX) INST SICAV - EMERG. MARKETS EQUITY PASSIVE XA USD	5 306.00	559 843.10	0.32
Total Luxembourg			86 626 678.51	50.13

Total Investment funds, open end **86 626 678.51** **50.13**

Total UCITS/Other UCIs in accordance with Article 41 (1) e) of the amended Luxembourg law of 17 December 2010 **86 626 678.51** **50.13**

Total investments in securities **165 670 121.09** **95.88**

Derivative instruments

Derivative instruments listed on an official stock exchange

Financial Futures on Indices

USD	S&P500 EMINI FUTURE 16.06.17	-27.00	-55 444.57	-0.03
GBP	FTSE 100 INDEX FUTURE 16.06.17	35.00	105 078.06	0.06
CAD	S&P/TSX 60 INDEX FUTURE 15.06.17	-4.00	5 160.06	0.00
EUR	EURO STOXX 50 INDEX FUTURE 16.06.17	-13.00	-13 340.93	-0.01
AUD	SPI 200 INDEX FUTURE 15.06.17	-3.00	6 501.69	0.00
CHF	SWISS MARKET INDEX FUTURE 16.06.17	109.00	582 677.44	0.34
JPY	NIKKEI 225 (OSE) INDEX FUTURE 08.06.17	-10.00	-47 934.07	-0.03
Total Financial Futures on Indices			582 697.68	0.33

Total Derivative instruments listed on an official stock exchange **582 697.68** **0.33**

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

Credit default swaps*

USD	CME/CDX.NA.HY.28 JUN22 CDI REC. 5.00000% 17-20.06.22	1 800 000.00	148 510.73	0.09
Total Credit default swaps			148 510.73	0.09

Total Derivative instruments not listed on an official stock exchange and not traded on another regulated market **148 510.73** **0.09**

Total Derivative instruments **731 208.41** **0.42**

* Positive nominal: the subfund is "Receiver", negative nominal: the subfund is "Payer".

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

Forward Foreign Exchange contracts (Purchase/Sale)

BRL	1 460 000.00	USD	465 251.16	9.6.2017	-15 293.13	-0.01
USD	614 230.78	CAD	818 000.00	9.6.2017	8 281.99	0.00
INR	31 380 000.00	USD	477 075.16	9.6.2017	8 729.20	0.00
USD	644 079.97	SGD	900 000.00	9.6.2017	-6 336.76	0.00
RUB	27 200 000.00	USD	465 283.66	9.6.2017	12 720.72	0.01
ZAR	6 202 000.00	USD	484 587.77	9.6.2017	-14 403.88	-0.01
USD	626 996.52	AUD	814 000.00	9.6.2017	20 417.89	0.01
CHF	143 514.59	DKK	1 000 000.00	22.6.2017	-2 701.09	0.00
CHF	1 055 242.76	GBP	845 000.00	22.6.2017	546.95	0.00
CHF	350 358.63	AUD	465 952.00	22.6.2017	15 306.95	0.01
CHF	1 520 246.20	JPY	167 722 618.00	22.6.2017	53 457.98	0.03
CHF	265 674.85	HKD	2 050 000.00	22.6.2017	11 358.29	0.01
SEK	7 044 276.06	CHF	783 599.63	22.6.2017	1 926.33	0.00
CHF	10 803 962.38	EUR	10 123 263.99	22.6.2017	-207 191.41	-0.12
CHF	53 959 193.56	USD	53 637 369.34	22.6.2017	2 132 960.75	1.23
CHF	1 239 513.78	CAD	1 645 622.03	22.6.2017	61 859.12	0.04
USD	483 578.67	INR	31 380 000.00	9.6.2017	-2 438.05	0.00
SGD	900 000.00	USD	641 414.88	9.6.2017	8 915.94	0.00
USD	443 578.24	ZAR	6 202 000.00	9.6.2017	-25 309.21	-0.01
AUD	814 000.00	USD	610 702.69	9.6.2017	-4 649.91	0.00
USD	470 995.22	RUB	27 200 000.00	9.6.2017	-7 205.91	0.00
CAD	818 000.00	USD	614 608.75	9.6.2017	-8 648.50	-0.01
USD	458 993.35	BRL	1 460 000.00	9.6.2017	9 254.49	0.01
CHF	102 082.24	GBP	80 000.00	22.6.2017	2 229.38	0.00
CHF	270 494.50	EUR	250 000.00	22.6.2017	-1 432.46	0.00
CHF	375 178.56	USD	380 000.00	22.6.2017	8 009.76	0.00
USD	140 000.00	CHF	138 478.76	22.6.2017	-3 206.04	0.00
CAD	50 000.00	CHF	36 088.80	22.6.2017	-307.36	0.00
EUR	150 000.00	CHF	162 511.20	22.6.2017	644.98	0.00
GBP	55 000.00	CHF	70 242.32	22.6.2017	-1 593.48	0.00
CHF	120 271.43	SGD	170 000.00	26.7.2017	1 723.86	0.00
CHF	1 095 498.13	GBP	848 000.00	26.7.2017	38 304.78	0.02
SEK	7 036 683.28	CHF	795 485.58	26.7.2017	-11 020.29	-0.01
CHF	262 659.24	HKD	2 050 000.00	26.7.2017	8 703.17	0.00
CHF	146 593.01	DKK	1 000 000.00	26.7.2017	422.58	0.00
CHF	150 800.44	AUD	206 412.80	26.7.2017	2 782.49	0.00
CHF	1 482 386.90	JPY	168 685 575.00	26.7.2017	8 159.77	0.00
CHF	10 750 173.86	EUR	9 839 228.56	26.7.2017	52 204.80	0.03
CHF	54 022 279.44	USD	54 013 529.25	26.7.2017	1 950 450.80	1.13
CHF	1 267 631.98	CAD	1 740 081.51	26.7.2017	24 433.94	0.01
USD	160 000.00	CHF	160 662.08	26.6.2017	-6 064.69	0.00
USD	150 000.00	CHF	150 283.35	26.7.2017	-5 675.61	0.00
GBP	40 000.00	CHF	51 901.40	22.6.2017	-1 974.97	0.00
GBP	35 000.00	CHF	45 363.89	26.7.2017	-1 729.73	0.00
USD	320 000.00	CHF	314 319.04	22.6.2017	-5 124.26	0.00
USD	310 000.00	CHF	303 808.37	26.7.2017	-4 952.38	0.00
USD	100 000.00	CHF	97 787.10	22.6.2017	-1 163.73	0.00
USD	90 000.00	CHF	87 806.34	26.7.2017	-1 041.70	0.00
CAD	410 000.00	CHF	294 729.32	22.6.2017	-1 321.48	0.00
CAD	410 000.00	CHF	294 248.80	26.7.2017	-1 325.05	0.00
SEK	2 000 000.00	CHF	223 204.36	22.6.2017	-179.04	0.00
SEK	1 990 000.00	CHF	222 024.90	26.7.2017	-175.22	0.00
CAD	270 000.00	CHF	193 856.76	26.7.2017	-955.76	0.00
CAD	350 000.00	CHF	251 760.95	22.6.2017	-1 290.84	0.00
SEK	1 870 000.00	CHF	208 947.85	26.7.2017	-476.04	0.00
SEK	1 880 000.00	CHF	210 125.25	22.6.2017	-481.45	0.00
CAD	350 000.00	CHF	251 352.15	26.7.2017	-1 295.29	0.00
CAD	280 000.00	CHF	201 365.08	22.6.2017	-988.99	0.00
USD	260 000.00	CHF	253 518.46	22.6.2017	-2 297.70	0.00
JPY	16 000 000.00	CHF	139 812.96	22.6.2017	112.18	0.00
CAD	230 000.00	CHF	165 070.54	26.7.2017	-747.46	0.00
CAD	230 000.00	CHF	165 340.79	22.6.2017	-746.15	0.00
CHF	262 864.98	USD	270 000.00	22.6.2017	1 981.89	0.00
SGD	70 000.00	CHF	49 202.86	22.6.2017	-299.85	0.00
CHF	50 739.08	GBP	40 000.00	22.6.2017	812.65	0.00
SGD	70 000.00	CHF	49 113.96	26.7.2017	-300.26	0.00
CHF	262 258.83	USD	270 000.00	26.7.2017	1 964.90	0.00
CHF	63 348.85	GBP	50 000.00	26.7.2017	1 014.34	0.00
JPY	16 000 000.00	CHF	139 732.00	26.7.2017	99.96	0.00
USD	250 000.00	CHF	243 214.25	26.7.2017	-2 201.35	0.00
GBP	100 000.00	CHF	124 767.50	26.7.2017	-98.47	0.00
GBP	100 000.00	CHF	124 909.40	22.6.2017	-93.33	0.00
USD	170 000.00	CHF	164 872.29	26.7.2017	-983.52	0.00
USD	180 000.00	CHF	174 975.30	22.6.2017	-1 053.24	0.00
CHF	87 337.25	GBP	70 000.00	26.7.2017	68.93	0.00
CHF	74 945.64	GBP	60 000.00	22.6.2017	56.00	0.00
EUR	370 000.00	CHF	403 262.63	26.7.2017	-970.06	0.00
USD	1 510 000.00	CHF	1 477 616.54	22.6.2017	-18 603.68	-0.01
USD	1 510 000.00	CHF	1 474 199.41	26.7.2017	-18 481.51	-0.01
EUR	380 000.00	CHF	414 311.72	22.6.2017	-982.73	0.00
Total Forward Foreign Exchange contracts (Purchase/Sale)					4 054 104.74	2.35
Cash at banks, deposits on demand and deposit accounts and other liquid assets					3 736 155.46	2.16
Bank overdraft and other short-term liabilities					-23.09	0.00
Other assets and liabilities					-1 395 871.72	-0.81
Total net assets					172 795 694.89	100.00

UBS (Lux) Strategy SICAV – Income (EUR)

Three-year comparison

	ISIN	31.5.2017	31.5.2016	31.5.2015
Net assets in EUR		159 099 790.15	195 966 422.73	199 325 562.88
Class K-1-acc	LU1097600727			
Shares outstanding		0.1000	1.7000	1.3000
Net asset value per share in EUR		3 185 736.70	3 061 369.02	3 096 113.99
Issue and redemption price per share in EUR ¹		3 185 736.70	3 061 369.02	3 096 113.99
Class P-acc	LU0994951464			
Shares outstanding		1 015 610.2210	1 343 269.8310	1 463 021.2730
Net asset value per share in EUR		109.25	105.44	107.11
Issue and redemption price per share in EUR ¹		109.25	105.44	107.11
Class (USD hedged) P-acc²	LU1474210108			
Shares outstanding		62 298.6040	-	-
Net asset value per share in USD		102.94	-	-
Issue and redemption price per share in USD ¹		102.94	-	-
Class P-dist	LU0994669793			
Shares outstanding		187 304.8810	293 065.0760	360 396.1480
Net asset value per share in EUR		105.96	103.91	107.11
Issue and redemption price per share in EUR ¹		105.96	103.91	107.11
Class Q-acc³	LU1240801263			
Shares outstanding		119 501.4530	150 664.8360	-
Net asset value per share in EUR		105.66	101.42	-
Issue and redemption price per share in EUR ¹		105.66	101.42	-
Class Q-dist⁴	LU1240801347			
Shares outstanding		93 030.1820	33 442.1880	-
Net asset value per share in EUR		103.74	101.53	-
Issue and redemption price per share in EUR ¹		103.74	101.53	-

¹ See note 1

² First NAV: 25.8.2016

³ First NAV: 9.9.2015

⁴ First NAV: 11.9.2015

Performance

	Currency	2016/2017	2015/2016	2014/2015
Class K-1-acc	EUR	4.1%	-1.1%	-
Class P-acc	EUR	3.6%	-1.6%	3.5%
Class (USD hedged) P-acc ¹	USD	-	-	-
Class P-dist	EUR	3.6%	-1.5%	3.5%
Class Q-acc	EUR	4.2%	-	-
Class Q-dist	EUR	4.2%	-	-

¹ 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 shares.

The performance data were not audited.

The subfund has no benchmark.

Report of the Portfolio Manager

The reporting year from 1 June 2016 to 31 May 2017 was marked by the diverging monetary policies of some central banks. At the beginning of the reporting year, the uncertainty surrounding the Brexit referendum unsettled everything, in particular the European stock markets for a short time. In November 2016, Donald Trump's victory boosted the markets, with many investors hoping for economic stimulus measures in the US-Market. This euphoria continued until the end of the reporting period. Yields on US government bonds increased significantly after the US presidential election and the hope of strong economic growth even affected the European equity market.

In this environment, which was challenging for bond investors and generally friendly for equity investors, the subfund generated a positive return in the reporting year.

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets

Luxembourg	56.44
United States	21.17
France	4.35
Germany	2.93
The Netherlands	1.67
Finland	1.23
Spain	1.03
Supranationals	1.02
United Kingdom	0.98
Italy	0.89
Australia	0.83
Ireland	0.78
Belgium	0.61
South Korea	0.45
Poland	0.44
Norway	0.41
Austria	0.39
Canada	0.35
Venezuela	0.13
Total	96.10

Economic Breakdown as a % of net assets

Investment funds	56.44
Countries & central governments	27.38
Banks & credit institutions	6.48
Finance & holding companies	1.69
Cantons, federal states	1.29
Supranational organisations	1.15
Insurance	0.78
Public, non-profit institutions	0.39
Energy & water supply	0.26
Miscellaneous consumer goods	0.24
Total	96.10

Statement of Net Assets

EUR

Assets	31.5.2017
Investments in securities, cost	147 339 134.05
Investments in securities, unrealized appreciation (depreciation)	5 560 213.36
Total investments in securities (Note 1)	152 899 347.41
Cash at banks, deposits on demand and deposit accounts	1 849 989.98
Other liquid assets (Margins)	428 203.74
Receivable on securities sales (Note 1)	3 271 268.99
Receivable on subscriptions	19 999.90
Interest receivable on securities	492 450.90
Other assets	62 466.85
Unrealized gain (loss) on financial futures (Note 1)	315 478.14
Unrealized gain (loss) on forward foreign exchange contracts (Note 1)	4 195 444.85
Unrealized gain (loss) on swaps (Note 1)	136 497.58
Total Assets	163 671 148.34
Liabilities	
Bank overdraft	-21.23
Payable on securities purchases (Note 1)	-1 942 872.76
Payable on redemptions	-2 511 002.82
Provisions for flat fee (Note 2)	-86 768.38
Provisions for taxe d'abonnement (Note 3)	-5 807.34
Provisions for other commissions and fees (Note 2)	-24 885.66
Total provisions	-117 461.38
Total Liabilities	-4 571 358.19
Net assets at the end of the financial year	159 099 790.15

Statement of Operations

EUR

Income	1.6.2016-31.5.2017
Interest on liquid assets	3 363.79
Interest on securities	2 178 458.88
Interest received on swaps (Note 1)	82 678.42
Dividends	190 297.31
Income on securities lending (Note 11)	92 655.11
Other income	77 234.68
Total income	2 624 688.19
Expenses	
Interest paid on swaps (Note 1)	-29 656.57
Cost on securities lending (Note 11)	-37 062.04
Flat fee (Note 2)	-2 235 533.95
Taxe d'abonnement (Note 3)	-44 993.16
Other commissions and fees (Note 2)	-67 413.51
Interest on cash and bank overdraft	-4 816.67
Total expenses	-2 419 475.90
Net income (loss) on investments	205 212.29
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	4 461 370.43
Realized gain (loss) on financial futures	772 050.36
Realized gain (loss) on forward foreign exchange contracts	-5 433 099.32
Realized gain (loss) on swaps	44 011.95
Realized gain (loss) on foreign exchange	962 438.97
Total realized gain (loss)	806 772.39
Net realized gain (loss) of the financial year	1 011 984.68
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	483 595.04
Unrealized appreciation (depreciation) on financial futures	54 108.59
Unrealized appreciation (depreciation) on forward foreign exchange contracts	4 750 865.81
Unrealized appreciation (depreciation) on swaps	-26 359.02
Total changes in unrealized appreciation (depreciation)	5 262 210.42
Net increase (decrease) in net assets as a result of operations	6 274 195.10

Statement of Changes in Net Assets

EUR

	1.6.2016-31.5.2017
Net assets at the beginning of the financial year	195 966 422.73
Subscriptions	38 112 193.35
Redemptions	-80 720 535.83
Total net subscriptions (redemptions)	-42 608 342.48
Dividend paid	-532 485.20
Net income (loss) on investments	205 212.29
Total realized gain (loss)	806 772.39
Total changes in unrealized appreciation (depreciation)	5 262 210.42
Net increase (decrease) in net assets as a result of operations	6 274 195.10
Net assets at the end of the financial year	159 099 790.15

Changes in the Number of Shares outstanding

	1.6.2016-31.5.2017
Class	K-1-acc
Number of shares outstanding at the beginning of the financial year	1.7000
Number of shares issued	0.0000
Number of shares redeemed	-1.6000
Number of shares outstanding at the end of the financial year	0.1000
Class	P-acc
Number of shares outstanding at the beginning of the financial year	1 343 269.8310
Number of shares issued	166 444.8980
Number of shares redeemed	-494 104.5080
Number of shares outstanding at the end of the financial year	1 015 610.2210
Class	(USD hedged) P-acc
Number of shares outstanding at the beginning of the financial year	0.0000
Number of shares issued	72 298.6040
Number of shares redeemed	-10 000.0000
Number of shares outstanding at the end of the financial year	62 298.6040
Class	P-dist
Number of shares outstanding at the beginning of the financial year	293 065.0760
Number of shares issued	9 164.9690
Number of shares redeemed	-114 925.1640
Number of shares outstanding at the end of the financial year	187 304.8810
Class	Q-acc
Number of shares outstanding at the beginning of the financial year	150 664.8360
Number of shares issued	57 689.3200
Number of shares redeemed	-88 852.7030
Number of shares outstanding at the end of the financial year	119 501.4530
Class	Q-dist
Number of shares outstanding at the beginning of the financial year	33 442.1880
Number of shares issued	68 334.7760
Number of shares redeemed	-8 746.7820
Number of shares outstanding at the end of the financial year	93 030.1820

Annual Distribution

UBS (Lux) Strategy SICAV – Income (EUR)	Ex-Date	Pay-Date	Currency	Amount per share
P-dist	2.8.2016	5.8.2016	EUR	1.66
Q-dist	2.8.2016	5.8.2016	EUR	1.97

Statement of Investments in Securities and other Net Assets as of 31 May 2017

Description	Quantity/ Nominal	Valuation in EUR 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			
EUR			
EUR CITIGROUP INC 5.00000% 04-02.08.19	800 000.00	886 146.40	0.56
EUR FINLAND, REPUBLIC OF 3.50000% 11-15.04.21	1 000 000.00	1 153 160.00	0.72
EUR MORGAN STANLEY 2.25000% 13-12.03.18	520 000.00	529 620.00	0.33
EUR PROCTER & GAMBLE CO-REG-S 2.00000% 12-16.08.22	350 000.00	380 261.00	0.24
Total EUR		2 949 187.40	1.85
Total Notes, fixed rate		2 949 187.40	1.85
Notes, floating rate			
EUR			
EUR BANK OF AMERICA CORP-SUB 4.750%VAR 04-06.05.19	700 000.00	713 006.00	0.45
Total EUR		713 006.00	0.45
Total Notes, floating rate		713 006.00	0.45
Medium term notes, fixed rate			
EUR			
EUR ALLIANZ FINANCE II BV 4.75000% 09-22.07.19	650 000.00	717 957.50	0.45
EUR AUSTRALIA & NEW ZEALAND BANKING-REG-S 0.45000% 16-22.11.23	400 000.00	401 444.00	0.25
EUR BMW FINANCE NV-REG-S 0.12500% 17-03.07.20	420 000.00	421 348.20	0.27
EUR BMW US CAPITAL LLC 1.00000% 13-18.07.17	600 000.00	600 864.00	0.38
EUR COMMONWEALTH BANK OF AUSTRALIA 3.00000% 12-03.05.22	800 000.00	911 248.00	0.57
EUR COMPAGNIE DE FINANCEMENT FONCIER 3.50000% 10-05.11.20	1 000 000.00	1 124 650.00	0.71
EUR COMPAGNIE DE FINANCEMENT FONCIER-REG-S 0.20000% 17-16.09.22	400 000.00	401 424.00	0.25
EUR CORPORACION ANDINA DE FOMENTO-REG-S 0.50000% 17-25.01.22	200 000.00	200 686.00	0.13
EUR DEUTSCHE BANK AG 5.12500% 07-31.08.17	250 000.00	253 217.50	0.16
EUR DNB BOLIGKREDIT A-REG-S 1.87500% 12-21.11.22	600 000.00	656 484.00	0.41
EUR EUROPEAN FINANCIAL STABILITY FAC-REG-S 1.12500% 12-30.11.17	500 000.00	503 925.00	0.32
EUR EUROPEAN FINANCIAL STABILITY FAC-REG-S 1.25000% 14-22.01.19	350 000.00	359 887.50	0.23
EUR EUROPEAN UNION 3.50000% 11-04.06.21	350 000.00	402 902.50	0.25
EUR GE CAPITAL EUROPEAN FUNDING 2.25000% 13-20.07.20	300 000.00	320 433.00	0.20
EUR INSTITUTO DE CREDITO OFICIAL-REG-S 0.50000% 16-26.10.23	230 000.00	224 305.20	0.14
EUR KBC BANK NV-REG-S 1.00000% 14-25.02.19	500 000.00	511 350.00	0.32
EUR KOREA DEVELOPMENT BANK-REG-S 1.50000% 13-30.05.18	300 000.00	304 656.00	0.19
EUR KOREA GAS CORPORATION-REG-S 2.37500% 13-15.04.19	400 000.00	416 336.00	0.26
EUR KREDITANSTALT FUER WIEDERAUFBAU 4.62500% 07-04.01.23	500 000.00	633 950.00	0.40
EUR METROPOLITAN LIFE GLOBAL FUNDING-REG-S 1.25000% 14-17.09.21	500 000.00	520 700.00	0.33
EUR NATIONWIDE BUILDING SOCIETY 4.37500% 07-28.02.22	850 000.00	1 020 138.55	0.64
EUR NORDEA MORTGAGE BANK PLC-REG-S 4.00000% 11-10.02.21	700 000.00	806 092.00	0.51
EUR OEBB-INFRASTRUKTUR AG 3.50000% 05-19.10.20	550 000.00	619 955.05	0.39
EUR POLAND, REPUBLIC OF-REG-S 3.37500% 12-09.07.24	600 000.00	702 000.00	0.44
EUR RABOBANK NEDERLAND NV 4.37500% 06-07.06.21	600 000.00	703 644.60	0.44
EUR ROCHE FINANCE EUROPE BV 2.00000% 12-25.06.18	800 000.00	818 248.00	0.51
EUR SANTANDER UK PLC-REG-S 2.62500% 13-16.07.20	500 000.00	537 490.00	0.34
Total EUR		15 095 336.60	9.49
ITL			
ITL KREDITANSTALT FUER WIEDERAUFBAU 5.50000% 98-29.01.18	400 000 000.00	214 412.25	0.13
Total ITL		214 412.25	0.13
Total Medium term notes, fixed rate		15 309 748.85	9.62
Bonds, fixed rate			
EUR			
EUR BELGIUM, KINGDOM OF 4.25000% 11-28.09.21	200 000.00	240 554.00	0.15
EUR BELGIUM, KINGDOM OF 3.00000% 12-28.09.19	200 000.00	216 746.00	0.14
EUR BUNDESLAENDER BUNDESREPUBLI DEUTSCHLAND 1.37500% 12-11.10.19	800 000.00	832 976.00	0.52
EUR EUROPEAN STABILITY MECHANISM-REG-S 0.87500% 14-15.10.19	350 000.00	361 350.50	0.23
EUR FRANCE, REPUBLIC OF OAT 2.25000% 12-25.10.22	1 400 000.00	1 581 902.00	0.99
EUR FRANCE, REPUBLIC OF-OAT 1.00000% 12-25.05.18	400 000.00	406 096.00	0.26
EUR FRANCE, REPUBLIC OF-OAT 1.00000% 14-25.05.19	300 000.00	309 360.00	0.19
EUR FRANCE, REPUBLIC OF-OAT 0.00000% 15-25.05.20	500 000.00	507 595.00	0.32
EUR FRANCE, REPUBLIC OF-OAT-REG-S 1.00000% 15-25.11.25	2 000 000.00	2 089 180.00	1.31
EUR FRANCE, REPUBLIC OF-OAT-REG-S 0.00000% 16-25.05.21	500 000.00	507 455.00	0.32
EUR GERMANY, REPUBLIC OF 1.00000% 14-15.08.24	1 600 000.00	1 726 688.00	1.09
EUR GERMANY, REPUBLIC OF 5.50000% 00-04.01.31	200 000.00	329 278.00	0.21
EUR IRELAND, REPUBLIC OF-REG-S 3.90000% 13-20.03.23	750 000.00	916 785.00	0.58
EUR ITALY, REPUBLIC OF-BTP 0.30000% 15-15.10.18	700 000.00	704 431.00	0.44
EUR ITALY, REPUBLIC OF-BTP 0.65000% 15-01.11.20	700 000.00	706 888.00	0.44
EUR NORDRHEIN-WESTFALEN, STATE OF 4.37500% 07-29.04.22	550 000.00	669 659.65	0.42
EUR QUEBEC, PROVINCE OF-REG-S 2.25000% 13-17.07.23	500 000.00	559 150.00	0.35
EUR SPAIN, KINGDOM OF 0.25000% 15-30.04.18	500 000.00	502 535.00	0.32
EUR SPAIN, KINGDOM OF 4.30000% 09-31.10.19	825 000.00	913 943.25	0.57
Total EUR		14 082 572.40	8.85
Total Bonds, fixed rate		14 082 572.40	8.85
Treasury notes, fixed rate			
USD			
USD AMERICA, UNITED STATES OF 5.37500% 01-15.02.31	750 000.00	905 532.45	0.57
USD AMERICA, UNITED STATES OF 4.37500% 08-15.02.38	700 000.00	796 555.18	0.50
USD AMERICA, UNITED STATES OF 4.37500% 11-15.05.41	2 800 000.00	3 189 529.92	2.00
USD AMERICA, UNITED STATES OF 3.87500% 08-15.05.18	625 000.00	569 741.01	0.36

UBS (Lux) Strategy SICAV – Income (EUR)
Annual Report as of 31 May 2017

Description	Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
USD AMERICA, UNITED STATES OF 2.75000% 09-15.02.19	1 650 000.00	1 504 345.13	0.95
USD AMERICA, UNITED STATES OF 0.87500% 15-15.10.18	1 250 000.00	1 106 393.96	0.70
USD AMERICA, UNITED STATES OF 3.62500% 10-15.02.20	7 000 000.00	6 593 626.50	4.14
USD AMERICA, UNITED STATES OF 2.62500% 10-15.11.20	1 650 000.00	1 520 337.43	0.96
USD AMERICA, UNITED STATES OF 1.50000% 11-31.08.18	930 000.00	829 942.09	0.52
USD AMERICA, UNITED STATES OF 1.37500% 11-30.09.18	750 000.00	668 291.69	0.42
USD AMERICA, UNITED STATES OF 1.12500% 16-31.07.21	1 250 000.00	1 087 505.55	0.68
USD AMERICA, UNITED STATES OF 1.75000% 13-15.05.23	6 650 000.00	5 862 224.86	3.68
Total USD		24 634 025.77	15.48
Total Treasury notes, fixed rate		24 634 025.77	15.48
Treasury notes, floating rate			
USD			
USD AMERICA, UNITED STATES OF 2.375%/CPI LINKED 04-15.01.25	120 000.00	159 525.53	0.10
USD AMERICA, UNITED STATES OF 1.125%/CPI LINKED 11-15.01.21	280 000.00	291 008.76	0.18
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 12-15.01.22	170 000.00	164 244.21	0.11
Total USD		614 778.50	0.39
Total Treasury notes, floating rate		614 778.50	0.39
Total Transferable securities and money market instruments listed on an official stock exchange		58 303 318.92	36.64
Transferable securities and money market instruments traded on another regulated market			
Treasury notes, fixed rate			
USD			
USD AMERICA, UNITED STATES OF 1.62500% 14-31.08.19	1 750 000.00	1 567 128.50	0.98
USD AMERICA, UNITED STATES OF 1.75000% 12-15.05.22	710 000.00	631 194.73	0.40
Total USD		2 198 323.23	1.38
Total Treasury notes, fixed rate		2 198 323.23	1.38
Treasury notes, floating rate			
USD			
USD AMERICA, UNITED STATES OF 0.625%/CPI LINKED 14-15.01.24	170 000.00	162 336.42	0.10
USD AMERICA, UNITED STATES OF 0.125% CPI LINKED 14-15.04.19	200 000.00	186 288.88	0.12
USD AMERICA, UNITED STATES OF 0.250%/CPI LINKED 15-15.01.25	180 000.00	164 090.16	0.10
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 15-15.04.20	700 000.00	653 877.87	0.41
USD AMERICA, UNITED STATES OF 0.625%/CPI LINKED 16-15.01.26	680 000.00	634 310.44	0.40
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 12-15.07.22	170 000.00	161 914.96	0.10
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 13-15.01.23	180 000.00	169 448.46	0.11
USD AMERICA, UNITED STATES OF 0.125%/CPI INDEX 13-15.04.18	160 000.00	150 180.88	0.10
USD AMERICA, UNITED STATES OF 0.375%/CPI INDEX 13-15.07.23	170 000.00	161 402.74	0.10
USD AMERICA, UNITED STATES OF 0.375%/CPI LINKED 15-15.07.25	175 000.00	161 087.14	0.10
Total USD		2 604 937.95	1.64
Total Treasury notes, floating rate		2 604 937.95	1.64
Total Transferable securities and money market instruments traded on another regulated market		4 803 261.18	3.02
UCITS/Other UCIs in accordance with Article 41 (1) e) of the amended Luxembourg law of 17 December 2010			
Investment funds, open end			
Luxembourg			
EUR UBS (LUX) BOND SICAV - EUR CORPORATES (EUR) U-X-ACC	2 083.00	23 936 627.86	15.04
USD UBS (LUX) BOND SICAV - USD HIGH YIELD U-X-ACC	412.00	6 319 874.82	3.97
USD UBS (LUX) BOND SICAV - EMERGING ECONOMIES CORP (USD)-I-X-DIS	33 444.00	3 217 405.00	2.02
USD UBS (LUX) BOND SICAV USD INVEST GRADE CORP USD U-X-ACC	2 789.12	25 414 715.24	15.97
USD UBS (LUX) EMERGING ECONOMIES FUND-GLOBAL BONDS (USD)-U-X-ACC	440.00	4 752 907.78	2.99
EUR UBS (LUX) EQUITY FUND - EURO COUNTRIES OPPORT U-X-ACC	200.00	4 052 400.00	2.55
USD UBS (LUX) EQUITY SICAV-GLOBAL QUANTITATIVE (USD) U-X-ACC	1 007.00	11 705 880.23	7.36
USD UBS (LUX) INST FUND-KEY SEL. GLOBAL EQUITY FA-USD	543.62	9 875 684.08	6.21
USD UBS (LUX) INST SICAV - EMERG. MARKETS EQUITY PASSIVE XA USD	5 334.00	517 272.30	0.33
Total Luxembourg		89 792 767.31	56.44
Total Investment funds, open end		89 792 767.31	56.44
Total UCITS/Other UCIs in accordance with Article 41 (1) e) of the amended Luxembourg law of 17 December 2010		89 792 767.31	56.44
Total investments in securities		152 899 347.41	96.10

Derivative instruments

Derivative instruments listed on an official stock exchange

Financial Futures on Indices

USD S&P500 EMINI FUTURE 16.06.17	5.00	3 023.57	0.00
GBP FTSE 100 INDEX FUTURE 16.06.17	-28.00	-42 238.70	-0.03
CAD S&P/TSX 60 INDEX FUTURE 15.06.17	-4.00	4 742.66	0.00
EUR EURO STOXX 50 INDEX FUTURE 16.06.17	146.00	172 667.06	0.11

Description	Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
AUD SPI 200 INDEX FUTURE 15.06.17	-3.00	5 975.76	0.00
CHF SWISS MARKET INDEX FUTURE 16.06.17	45.00	214 170.33	0.14
JPY NIKKEI 225 (OSE) INDEX FUTURE 08.06.17	-9.00	-42 862.54	-0.03
Total Financial Futures on Indices		315 478.14	0.19
Total Derivative instruments listed on an official stock exchange		315 478.14	0.19

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

Credit default swaps*

USD CME/CDX.NA.HY.28 JUN22 CDI REC 5.00000% 17-20.06.22	1 800 000.00	136 497.58	0.09
Total Credit default swaps		136 497.58	0.09

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

136 497.58 0.09

Total Derivative instruments

451 975.72 0.28

* Positive nominal: the subfund is "Receiver", negative nominal: the subfund is "Payer".

Forward Foreign Exchange contracts

Forward Foreign Exchange contracts (Purchase/Sale)

USD 636 923.53 SGD 890 000.00 9.6.2017 -5 759.45 0.00
USD 606 199.34 AUD 787 000.00 9.6.2017 18 143.80 0.01
BRL 1 410 000.00 USD 449 317.90 9.6.2017 -13 574.69 -0.01
INR 30 340 000.00 USD 461 263.87 9.6.2017 7 757.18 0.00
USD 593 956.66 CAD 791 000.00 9.6.2017 7 360.80 0.00
ZAR 5 997 000.00 USD 468 570.28 9.6.2017 -12 801.14 -0.01
RUB 26 280 000.00 USD 449 546.13 9.6.2017 11 296.27 0.01
EUR 310 133.93 AUD 440 357.00 22.6.2017 19 019.78 0.01
EUR 224 611.82 HKD 1 850 000.00 22.6.2017 13 612.88 0.01
EUR 1 012 137.46 GBP 865 000.00 22.6.2017 19 537.23 0.01
SEK 6 339 426.69 EUR 660 653.90 22.6.2017 -10 730.93 -0.01
EUR 127 762.18 DKK 950 000.00 22.6.2017 57.95 0.00
EUR 1 227 251.99 JPY 144 493 704.00 22.6.2017 65 502.61 0.04
EUR 46 598 380.13 USD 49 443 584.02 22.6.2017 2 676 603.63 1.68
EUR 348 651.64 CHF 372 095.33 22.6.2017 6 560.41 0.00
EUR 1 634 207.77 CAD 2 316 692.15 22.6.2017 110 000.76 0.07
SGD 890 000.00 USD 634 288.04 9.6.2017 8 103.67 0.00
USD 467 551.84 INR 30 340 000.00 9.6.2017 -2 166.57 0.00
AUD 787 000.00 USD 590 445.96 9.6.2017 -4 132.01 0.00
USD 455 064.50 RUB 26 280 000.00 9.6.2017 -6 399.01 0.00
USD 428 916.27 ZAR 5 997 000.00 9.6.2017 -22 493.03 -0.01
CAD 791 000.00 USD 594 322.16 9.6.2017 -7 686.54 0.00
USD 443 274.40 BRL 1 410 000.00 9.6.2017 8 214.59 0.01
GBP 70 000.00 EUR 82 240.90 22.6.2017 -1 914.87 0.00
CAD 300 000.00 EUR 211 531.57 22.6.2017 -14 154.42 -0.01
USD 160 000.00 EUR 148 818.11 22.6.2017 -6 686.74 0.00
USD 500 000.00 EUR 459 557.13 22.6.2017 -15 396.60 -0.01
USD 230 000.00 EUR 210 369.57 22.6.2017 -6 055.73 0.00
USD 400 000.00 EUR 365 900.29 22.6.2017 -10 571.87 -0.01
CHF 70 000.00 EUR 64 674.15 22.6.2017 -318.64 0.00
EUR 355 736.53 USD 390 000.00 22.6.2017 9 291.32 0.01
EUR 144 444.06 AUD 215 647.33 26.7.2017 2 217.12 0.00
SEK 6 886 683.28 EUR 713 671.23 26.7.2017 -7 556.07 0.00
EUR 847 723.52 GBP 716 000.00 26.7.2017 26 745.74 0.02
EUR 217 330.04 HKD 1 850 000.00 26.7.2017 6 546.69 0.00
EUR 1 159 285.93 JPY 143 867 152.00 26.7.2017 2 886.58 0.00
EUR 110 269.67 SGD 170 000.00 26.7.2017 1 238.03 0.00
EUR 127 689.37 DKK 950 000.00 26.7.2017 -25.90 0.00
EUR 44 352 164.85 USD 48 463 300.07 26.7.2017 1 381 389.24 0.87
CHF 20 000.00 EUR 18 305.25 26.7.2017 89.32 0.00
EUR 943 057.04 CAD 1 415 670.07 26.7.2017 12 822.11 0.01
EUR 88 872.73 JPY 11 000 000.00 22.6.2017 431.21 0.00
EUR 88 843.59 JPY 11 000 000.00 26.7.2017 425.96 0.00
USD 6 268 500.00 EUR 5 610 309.69 23.6.2017 -42 196.07 -0.03
SEK 2 000 000.00 CHF 223 204.36 22.6.2017 -164.56 0.00
SEK 2 000 000.00 CHF 223 140.60 26.7.2017 -161.84 0.00
CAD 410 000.00 CHF 294 248.80 26.7.2017 -1 217.32 0.00
CAD 410 000.00 CHF 294 729.32 22.6.2017 -1 214.49 0.00
SEK 2 000 000.00 CHF 223 537.50 22.6.2017 -470.75 0.00
CAD 350 000.00 CHF 251 760.95 22.6.2017 -1 186.34 0.00
CAD 270 000.00 CHF 193 856.76 26.7.2017 -878.08 0.00
SEK 2 000 000.00 CHF 223 473.64 26.7.2017 -467.94 0.00
CAD 340 000.00 CHF 244 170.66 26.7.2017 -1 156.04 0.00
CAD 280 000.00 CHF 201 365.08 26.7.2017 -908.93 0.00
JPY 6 500 000.00 EUR 52 088.09 22.6.2017 172.81 0.00
GBP 50 000.00 EUR 58 142.44 22.6.2017 -766.70 0.00
CAD 240 000.00 EUR 158 070.07 22.6.2017 -168.35 0.00
SGD 70 000.00 EUR 45 099.55 22.6.2017 -139.85 0.00
EUR 265 721.55 CHF 290 000.00 22.6.2017 -894.15 0.00
JPY 6 500 000.00 EUR 52 079.41 26.7.2017 167.37 0.00
GBP 40 000.00 EUR 46 478.71 26.7.2017 -614.03 0.00
EUR 265 827.02 CHF 290 000.00 26.7.2017 -894.26 0.00
EUR 142 505.46 USD 160 000.00 26.7.2017 638.85 0.00
CAD 240 000.00 EUR 157 876.98 26.7.2017 -173.30 0.00
EUR 133 850.53 USD 150 000.00 22.6.2017 602.37 0.00
SGD 70 000.00 EUR 45 036.64 26.7.2017 -141.26 0.00
JPY 1 000 000.00 EUR 7 987.71 22.6.2017 52.43 0.00
USD 380 000.00 EUR 337 827.63 22.6.2017 -265.63 0.00
JPY 1 000 000.00 EUR 7 986.35 26.7.2017 51.62 0.00
CHF 20 000.00 EUR 18 357.03 22.6.2017 30.26 0.00

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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Forward Foreign Exchange contracts (Continued)

Forward Foreign Exchange contracts (Purchase/Sale)

USD	370 000.00	EUR	328 325.34	26.7.2017	-258.80	0.00
CHF	20 000.00	EUR	18 364.93	26.7.2017	29.64	0.00
CAD	50 000.00	EUR	33 041.71	22.6.2017	-145.52	0.00
CAD	50 000.00	EUR	32 999.77	26.7.2017	-144.84	0.00
CHF	40 000.00	EUR	36 744.17	22.6.2017	30.41	0.00
EUR	34 393.85	GBP	30 000.00	22.6.2017	-31.59	0.00
CHF	35 000.00	EUR	32 164.51	26.7.2017	25.99	0.00
EUR	51 551.53	GBP	45 000.00	26.7.2017	-46.24	0.00
JPY	5 000 000.00	EUR	40 145.68	22.6.2017	55.01	0.00
JPY	5 000 000.00	EUR	40 137.37	26.7.2017	52.46	0.00
USD	950 000.00	EUR	852 710.81	22.6.2017	-8 805.81	-0.01
USD	950 000.00	EUR	851 059.26	26.7.2017	-8 726.26	-0.01
USD	64 200.00	EUR	57 346.77	23.6.2017	-319.91	0.00
CHF	30 000.00	EUR	27 562.53	22.6.2017	18.40	0.00
USD	50 000.00	EUR	44 602.83	26.7.2017	-269.51	0.00
AUD	20 000.00	EUR	13 277.93	26.7.2017	-87.23	0.00
USD	50 000.00	EUR	44 688.62	22.6.2017	-272.57	0.00
CHF	20 000.00	EUR	18 382.93	26.7.2017	11.64	0.00
JPY	2 000 000.00	EUR	16 141.05	26.7.2017	-65.12	0.00
CAD	40 000.00	EUR	26 594.47	22.6.2017	-277.52	0.00
JPY	2 000 000.00	EUR	16 144.47	22.6.2017	-64.19	0.00
CAD	35 000.00	EUR	23 240.60	26.7.2017	-242.15	0.00
AUD	20 000.00	EUR	13 309.66	22.6.2017	-87.93	0.00
Total Forward Foreign Exchange contracts (Purchase/Sale)					4 195 444.85	2.64
Cash at banks, deposits on demand and deposit accounts and other liquid assets					2 278 193.72	1.43
Bank overdraft and other short-term liabilities					-21.23	0.00
Other assets and liabilities					-725 150.32	-0.45
Total net assets					159 099 790.15	100.00

UBS (Lux) Strategy SICAV – Income (USD)

Three-year comparison

	ISIN	31.5.2017	31.5.2016	31.5.2015
Net assets in USD		157 883 452.57	179 886 757.95	120 874 919.35
Class K-1-acc	LU1097765488			
Shares outstanding		7.7000	1.7000	1.2000
Net asset value per share in USD		5 400 016.88	5 130 311.06	5 119 197.96
Issue and redemption price per share in USD ¹		5 400 016.88	5 124 154.69	5 119 197.96
Class P-acc	LU0994951548			
Shares outstanding		774 644.3880	1 398 975.0080	929 906.0740
Net asset value per share in USD		110.89	105.79	106.04
Issue and redemption price per share in USD ¹		110.89	105.66	106.04
Class (JPY hedged) P-acc²	LU1411405076			
Shares outstanding		35 661.9460	-	-
Net asset value per share in JPY		10 297	-	-
Issue and redemption price per share in JPY ¹		10 297	-	-
Class P-dist	LU0994670023			
Shares outstanding		159 133.4780	171 413.5090	152 071.8440
Net asset value per share in USD		108.06	104.50	106.04
Issue and redemption price per share in USD ¹		108.06	104.37	106.04
Class Q-acc³	LU1240801693			
Shares outstanding		88 230.4490	49 996.0830	-
Net asset value per share in USD		107.91	102.39	-
Issue and redemption price per share in USD ¹		107.91	102.27	-
Class Q-dist⁴	LU1240801776			
Shares outstanding		3 431.8480	1 341.3240	-
Net asset value per share in USD		106.58	102.85	-
Issue and redemption price per share in USD ¹		106.58	102.73	-

¹ See note 1

² First NAV: 7.6.2016

³ First NAV: 9.9.2015

⁴ First NAV: 28.9.2015

Performance

	Currency	2016/2017	2015/2016	2014/2015
Class K-1-acc	USD	5.4%	0.1%	-
Class P-acc	USD	4.9%	-0.4%	2.6%
Class (JPY hedged) P-acc ¹	JPY	-	-	-
Class P-dist	USD	4.9%	-0.4%	2.6%
Class Q-acc	USD	5.5%	-	-
Class Q-dist	USD	5.5%	-	-

¹ 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 shares.

The performance data were not audited.

The subfund has no benchmark.

Report of the Portfolio Manager

The reporting year from 1 June 2016 to 31 May 2017 was marked by the diverging monetary policies of some central banks. At the beginning of the reporting year, the uncertainty surrounding the Brexit referendum unsettled everything, in particular the European stock markets for a short time. In November 2016, Donald Trump's victory boosted the markets, with many investors hoping for economic stimulus measures in the US-Market. This euphoria continued until the end of the reporting period. Yields on US government bonds increased significantly after the US presidential election and the hope of strong economic growth even affected the European equity market.

In this environment, which was challenging for bond investors and generally friendly for equity investors, the subfund generated a positive return in the reporting year.

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets

Luxembourg	61.55
United States	25.96
Supranationals	3.51
Canada	1.76
The Netherlands	1.47
Germany	1.43
South Korea	1.09
Qatar	0.38
Singapore	0.32
United Kingdom	0.26
Italy	0.15
France	0.10
Australia	0.10
Total	98.08

Economic Breakdown as a % of net assets

Investment funds	61.56
Countries & central governments	15.17
Banks & credit institutions	4.94
Finance & holding companies	4.10
Supranational organisations	3.51
Computer hardware & network equipment providers	2.09
Petroleum	1.77
Internet, software & IT services	1.58
Cantons, federal states	1.13
Mortgage & funding institutions	0.73
Public, non-profit institutions	0.38
Miscellaneous consumer goods	0.38
Miscellaneous services	0.32
Pharmaceuticals, cosmetics & medical products	0.18
Electrical devices & components	0.14
Healthcare & social services	0.10
Total	98.08

Statement of Net Assets

	USD
Assets	31.5.2017
Investments in securities, cost	149 691 545.38
Investments in securities, unrealized appreciation (depreciation)	5 167 087.14
Total investments in securities (Note 1)	154 858 632.52
Cash at banks, deposits on demand and deposit accounts	2 044 995.68
Other liquid assets (Margins)	169 723.64
Receivable on subscriptions	249 384.37
Interest receivable on securities	333 751.18
Other assets	50 250.95
Unrealized gain (loss) on financial futures (Note 1)	327 009.82
Unrealized gain (loss) on forward foreign exchange contracts (Note 1)	-114 738.05
Unrealized gain (loss) on swaps (Note 1)	123 645.96
Total Assets	158 042 656.07
Liabilities	
Bank overdraft	-21.07
Payable on redemptions	-69 864.50
Provisions for flat fee (Note 2)	-79 699.91
Provisions for taxe d'abonnement (Note 3)	-5 085.89
Provisions for other commissions and fees (Note 2)	-4 532.13
Total provisions	-89 317.93
Total Liabilities	-159 203.50
Net assets at the end of the financial year	157 883 452.57

Statement of Operations

	USD
Income	1.6.2016-31.5.2017
Interest on liquid assets	6 826.61
Interest on securities	2 204 908.51
Interest received on swaps (Note 1)	81 782.85
Dividends	186 988.62
Income on securities lending (Note 11)	74 538.65
Other income	143 668.32
Total income	2 698 713.56
Expenses	
Interest paid on swaps (Note 1)	-29 511.27
Cost on securities lending (Note 11)	-29 815.46
Flat fee (Note 2)	-2 172 880.30
Taxe d'abonnement (Note 3)	-47 376.50
Other commissions and fees (Note 2)	-65 085.99
Interest on cash and bank overdraft	-1 677.08
Total expenses	-2 346 346.60
Net income (loss) on investments	352 366.96
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	320 228.89
Realized gain (loss) on financial futures	1 219 625.64
Realized gain (loss) on forward foreign exchange contracts	2 222 213.95
Realized gain (loss) on swaps	49 466.18
Realized gain (loss) on foreign exchange	-183 798.92
Total realized gain (loss)	3 627 735.74
Net realized gain (loss) of the financial year	3 980 102.70
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	4 760 179.85
Unrealized appreciation (depreciation) on financial futures	281 041.83
Unrealized appreciation (depreciation) on forward foreign exchange contracts	-617 574.43
Unrealized appreciation (depreciation) on swaps	-30 992.37
Total changes in unrealized appreciation (depreciation)	4 392 654.88
Net increase (decrease) in net assets as a result of operations	8 372 757.58

Statement of Changes in Net Assets

	USD
	1.6.2016-31.5.2017
Net assets at the beginning of the financial year	179 886 757.95
Subscriptions	61 744 062.96
Redemptions	-91 865 278.34
Total net subscriptions (redemptions)	-30 121 215.38
Dividend paid	-254 847.58
Net income (loss) on investments	352 366.96
Total realized gain (loss)	3 627 735.74
Total changes in unrealized appreciation (depreciation)	4 392 654.88
Net increase (decrease) in net assets as a result of operations	8 372 757.58
Net assets at the end of the financial year	157 883 452.57

Changes in the Number of Shares outstanding

	1.6.2016-31.5.2017
Class	K-1-acc
Number of shares outstanding at the beginning of the financial year	1.7000
Number of shares issued	6.0000
Number of shares redeemed	0.0000
Number of shares outstanding at the end of the financial year	7.7000
Class	P-acc
Number of shares outstanding at the beginning of the financial year	1 398 975.0080
Number of shares issued	153 566.4870
Number of shares redeemed	-777 897.1070
Number of shares outstanding at the end of the financial year	774 644.3880
Class	(JPY hedged) P-acc
Number of shares outstanding at the beginning of the financial year	0.0000
Number of shares issued	35 661.9460
Number of shares redeemed	0.0000
Number of shares outstanding at the end of the financial year	35 661.9460
Class	P-dist
Number of shares outstanding at the beginning of the financial year	171 413.5090
Number of shares issued	40 790.7290
Number of shares redeemed	-53 070.7600
Number of shares outstanding at the end of the financial year	159 133.4780
Class	Q-acc
Number of shares outstanding at the beginning of the financial year	49 996.0830
Number of shares issued	59 651.0310
Number of shares redeemed	-21 416.6650
Number of shares outstanding at the end of the financial year	88 230.4490
Class	Q-dist
Number of shares outstanding at the beginning of the financial year	1 341.3240
Number of shares issued	2 190.5240
Number of shares redeemed	-100.0000
Number of shares outstanding at the end of the financial year	3 431.8480

Annual Distribution

UBS (Lux) Strategy SICAV – Income (USD)	Ex-Date	Pay-Date	Currency	Amount per share
P-dist	2.8.2016	5.8.2016	USD	1.43
Q-dist	2.8.2016	5.8.2016	USD	1.75

Statement of Investments in Securities and other Net Assets as of 31 May 2017

Description	Quantity/ Nominal	Valuation in USD 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			
USD			
USD ALPHABET INC 1.99800% 16-15.08.26	785 000.00	737 972.22	0.47
USD ANHEUSER-BUSCH INBEV FINANCE INC 3.65000% 16-01.02.26	500 000.00	514 624.50	0.33
USD APPLE INC 2.40000% 13-03.05.23	300 000.00	298 534.50	0.19
USD APPLE INC 3.00000% 17-09.02.24	400 000.00	409 217.20	0.26
USD APPLE INC 3.45000% 14-06.05.24	1 050 000.00	1 100 682.45	0.70
USD BRITISH COLUMBIA, PROVINCE OF 2.00000% 12-23.10.22	750 000.00	748 996.50	0.47
USD CHEVRON CORP 2.89500% 17-03.03.24	200 000.00	203 234.60	0.13
USD CHEVRON CORP 3.19100% 13-24.06.23	450 000.00	465 330.60	0.29
USD CISCO SYSTEMS INC 2.20000% 16-28.02.21	775 000.00	780 860.55	0.49
USD CONOCOPHILLIPS CO 3.35000% 14-15.11.24	225 000.00	231 883.20	0.15
USD EUROPEAN INVESTMENT BANK 2.00000% 16-15.03.21	450 000.00	453 046.05	0.29
USD EXXON MOBIL CORP 2.72600% 16-01.03.23	550 000.00	558 557.45	0.35
USD FREDDIE MAC 6.25000% 02-15.07.32	250 000.00	355 633.25	0.23
USD INTERNATIONAL BUSINESS MACHINES CORP 2.25000% 16-19.02.21	700 000.00	706 649.30	0.45
USD JOHNSON & JOHNSON 3.37500% 13-05.12.23	275 000.00	292 294.75	0.19
USD KOREA RESOURCES CORP-REG-S 3.00000% 17-24.04.22	600 000.00	600 784.20	0.38
USD KREDITANSTALT FUER WIEDERAUFBAU 2.12500% 13-17.01.23	845 000.00	849 419.35	0.54
USD KREDITANSTALT FUER WIEDERAUFBAU 1.62500% 16-15.03.21	800 000.00	795 255.20	0.50
USD LANDWIRTSCHAFTLICHE RENTENBANK 2.00000% 15-13.01.25	370 000.00	363 476.53	0.23
USD MICROSOFT CORP 2.65000% 15-03.11.22	650 000.00	664 508.65	0.42
USD NOVARTIS CAPITAL CORP 2.40000% 12-21.09.22	250 000.00	252 832.50	0.16
USD NOVARTIS CAPITAL CORP 2.40000% 17-17.05.22	835 000.00	841 700.88	0.53
USD ORACLE CORP 2.65000% 16-15.07.26	550 000.00	533 917.45	0.34
USD PROCTER & GAMBLE CO 1.85000% 16-02.02.21	335 000.00	335 227.13	0.21
USD QATAR, STATE OF-REG-S 2.37500% 16-02.06.21	600 000.00	599 250.00	0.38
USD TEXAS INSTRUMENTS INC 1.85000% 16-15.05.22	225 000.00	221 700.38	0.14
USD TOTAL CAPITAL INTERNATIONAL SA 3.70000% 13-15.01.24	150 000.00	158 600.70	0.10
USD WELLS FARGO CO 3.50000% 12-08.03.22	1 150 000.00	1 202 504.40	0.76
Total USD		15 276 694.49	9.68
Total Notes, fixed rate		15 276 694.49	9.68
Medium term notes, fixed rate			
USD			
USD AUSTRALIA & NEW ZEALAND BANKING GRP/NY 2.30000% 16-01.06.21	1 100 000.00	1 094 819.00	0.69
USD BANK OF AMERICA CORP 3.24800% 16-21.10.27	300 000.00	290 962.20	0.19
USD HENKEL AG & CO KGAA-REG-S 1.50000% 16-13.09.19	260 000.00	258 406.20	0.17
USD MDC-GMTN B.V-REG-S 3.00000% 17-19.04.24	750 000.00	741 562.50	0.47
USD NESTLE HOLDINGS INC-REG-S 2.37500% 17-18.01.22	800 000.00	809 768.00	0.51
USD SP POWERASSETS LTD-REG-S 3.25000% 15-24.11.25	500 000.00	509 865.00	0.32
USD TOYOTA MOTOR CREDIT CORP 2.60000% 17-11.01.22	500 000.00	506 334.00	0.32
Total USD		4 211 716.90	2.67
Total Medium term notes, fixed rate		4 211 716.90	2.67
Bonds, fixed rate			
USD			
USD AFRICAN DEVELOPMENT BANK 7.37500% 93-06.04.23	575 000.00	727 380.75	0.46
USD BANK NEDERLANDSE GEMEENTEN NV-REG-S 2.62500% 14-28.04.21	700 000.00	716 702.00	0.45
USD BANK OF NOVA SCOTIA 1.85000% 15-14.04.20	1 000 000.00	997 800.00	0.63
USD EUROPEAN INVESTMENT BANK 3.25000% 14-29.01.24	1 250 000.00	1 331 036.25	0.84
USD EUROPEAN INVESTMENT BANK 1.87500% 15-10.02.25	500 000.00	486 641.00	0.31
USD FANNIE MAE 1.62500% 15-21.01.20	150 000.00	150 704.55	0.10
USD ING BANK NV-REG-S 2.62500% 12-05.12.22	850 000.00	861 662.00	0.55
USD INTER-AMERICAN DEVELOPMENT BANK 3.00000% 14-21.02.24	120 000.00	125 954.40	0.08
USD INTL BK FOR RECONSTR & DEVT WORLD BANK 7.62500% 93-19.01.23	500 000.00	645 295.00	0.41
USD INTL BK FOR RECONSTR & DEVT 2.50000% 15-29.07.25	1 750 000.00	1 767 867.50	1.12
USD ITALY, REPUBLIC OF 6.87500% 93-27.09.23	200 000.00	235 744.00	0.15
USD KOREA NATIONAL OIL CORP-REG-S 3.25000% 14-10.07.24	1 100 000.00	1 114 107.50	0.71
USD MICROSOFT CORP 2.40000% 16-08.08.26	575 000.00	554 394.87	0.35
USD MORGAN STANLEY 5.50000% 10-24.07.20	800 000.00	875 968.00	0.55
USD ONTARIO, PROVINCE OF 3.20000% 14-16.05.24	25 000.00	26 251.55	0.02
USD ONTARIO, PROVINCE OF 2.40000% 17-08.02.22	1 000 000.00	1 014 643.00	0.64
USD UNITEDHEALTH GROUP INC 3.75000% 15-15.07.25	150 000.00	158 753.70	0.10
Total USD		11 790 906.07	7.47
Total Bonds, fixed rate		11 790 906.07	7.47
Treasury notes, fixed rate			
USD			
USD AMERICA, UNITED STATES OF 6.25000% 99-15.05.30	675 000.00	971 314.20	0.61
USD AMERICA, UNITED STATES OF 5.37500% 01-15.02.31	125 000.00	169 711.87	0.11
USD AMERICA, UNITED STATES OF 4.37500% 08-15.02.38	120 000.00	153 553.08	0.10
USD AMERICA, UNITED STATES OF 4.37500% 11-15.05.41	485 000.00	621 254.93	0.39
USD AMERICA, UNITED STATES OF 1.50000% 15-31.01.22	300 000.00	296 871.00	0.19
USD AMERICA, UNITED STATES OF 3.87500% 08-15.05.18	120 000.00	123 009.36	0.08
USD AMERICA, UNITED STATES OF 2.75000% 09-15.02.19	300 000.00	307 570.20	0.19
USD AMERICA, UNITED STATES OF 0.87500% 15-15.10.18	1 960 000.00	1 950 811.52	1.24

UBS (Lux) Strategy SICAV – Income (USD)
Annual Report as of 31 May 2017

Description	Quantity/ Nominal	Valuation in USD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
USD AMERICA, UNITED STATES OF 3.62500% 10-15.02.20	1 200 000.00	1 271 062.80	0.80
USD AMERICA, UNITED STATES OF 2.62500% 10-15.11.20	2 520 000.00	2 611 055.16	1.65
USD AMERICA, UNITED STATES OF 1.50000% 11-31.08.18	1 670 000.00	1 675 871.72	1.06
USD AMERICA, UNITED STATES OF 1.37500% 11-30.09.18	125 000.00	125 249.00	0.08
USD AMERICA, UNITED STATES OF 1.12500% 16-31.07.21	1 870 000.00	1 829 458.40	1.16
USD AMERICA, UNITED STATES OF 1.75000% 13-15.05.23	1 125 000.00	1 115 200.12	0.71
Total USD		13 221 993.36	8.37

Total Treasury notes, fixed rate **13 221 993.36** **8.37**

Treasury notes, floating rate

USD			
USD AMERICA, UNITED STATES OF 2.375%/CPI LINKED 04-15.01.25	275 000.00	411 093.96	0.26
USD AMERICA, UNITED STATES OF 1.125%/CPI LINKED 11-15.01.21	470 000.00	549 294.62	0.35
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 12-15.01.22	280 000.00	304 199.62	0.19
Total USD		1 264 588.20	0.80

Total Treasury notes, floating rate **1 264 588.20** **0.80**

Total Transferable securities and money market instruments listed on an official stock exchange **45 765 899.02** **28.99**

Transferable securities and money market instruments traded on another regulated market

Notes, fixed rate

USD			
USD CHEVRON CORP 1.71800% 13-24.06.18	225 000.00	225 688.50	0.14
USD GENERAL ELECTRIC CO 2.70000% 12-09.10.22	1 150 000.00	1 176 694.95	0.74
USD HSBC HOLDINGS PLC 4.87500% 11-14.01.22	375 000.00	410 294.25	0.26
USD SCENTRE GROUP TRUST 1 / 2-REG-S 3.75000% 17-23.03.27	150 000.00	152 205.00	0.10
Total USD		1 964 882.70	1.24

Total Notes, fixed rate **1 964 882.70** **1.24**

Medium term notes, fixed rate

USD			
USD BANK OF AMERICA CORP 2.00000% 13-11.01.18	225 000.00	225 557.55	0.14
USD FREDDIE MAC 2.37500% 12-13.01.22	625 000.00	640 891.87	0.41
USD GENERAL ELECTRIC CO 3.10000% 13-09.01.23	425 000.00	442 351.47	0.28
Total USD		1 308 800.89	0.83

Total Medium term notes, fixed rate **1 308 800.89** **0.83**

Treasury notes, fixed rate

USD			
USD AMERICA, UNITED STATES OF 1.62500% 14-31.08.19	2 950 000.00	2 970 626.40	1.88
USD AMERICA, UNITED STATES OF 1.75000% 12-15.05.22	660 000.00	659 794.08	0.42
Total USD		3 630 420.48	2.30

Total Treasury notes, fixed rate **3 630 420.48** **2.30**

Treasury notes, floating rate

USD			
USD AMERICA, UNITED STATES OF 0.625%/CPI LINKED 14-15.01.24	290 000.00	311 404.23	0.20
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 14-15.04.19	410 000.00	429 437.79	0.27
USD AMERICA, UNITED STATES OF 0.250%/CPI LINKED 15-15.01.25	235 000.00	240 900.31	0.15
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 15-15.04.20	1 200 000.00	1 260 489.70	0.80
USD AMERICA, UNITED STATES OF 0.625%/CPI LINKED 16-15.01.26	1 160 000.00	1 216 775.33	0.77
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 12-15.07.22	290 000.00	310 595.75	0.20
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 13-15.01.23	290 000.00	306 988.83	0.19
USD AMERICA, UNITED STATES OF 0.125%/CPI INDEX 13-15.04.18	260 000.00	274 427.40	0.17
USD AMERICA, UNITED STATES OF 0.375%/CPI INDEX 13-15.07.23	290 000.00	309 613.18	0.20
USD AMERICA, UNITED STATES OF 0.375%/CPI LINKED 15-15.07.25	330 000.00	341 582.98	0.22
Total USD		5 002 215.50	3.17

Total Treasury notes, floating rate **5 002 215.50** **3.17**

Total Transferable securities and money market instruments traded on another regulated market **11 906 319.57** **7.54**

UCITS/Other UCIs in accordance with Article 41 (1) e) of the amended Luxembourg law of 17 December 2010

Investment funds, open end

Luxembourg

USD UBS (LUX) BOND SICAV-SHORT TERM USD CORPORATES (USD) U-X-ACC	2 021.00	20 383 300.75	12.91
USD UBS (LUX) BOND SICAV - USD CORPORATES U-X-ACC	786.00	8 072 298.60	5.11
USD UBS (LUX) BOND SICAV - USD HIGH YIELD U-X-ACC	368.00	6 347 731.36	4.02
USD UBS (LUX) BOND SICAV - EMERGING ECONOMIES CORP (USD)-H-X-DIS	29 246.00	3 163 832.28	2.01
USD UBS (LUX) BOND SICAV USD INVEST GRADE CORP USD U X ACC	2 470.00	25 308 978.50	16.03
USD UBS (LUX) EMERGING ECONOMIES FUND-GLOBAL BONDS (USD)-U-X-ACC	393.00	4 773 739.56	3.02

Description	Quantity/ Nominal	Valuation in USD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
USD UBS (LUX) EQUITY SICAV-GLOBAL QUANTITATIVE (USD) U-X-ACC	980.00	12 810 324.80	8.11
USD UBS (LUX) INST FUND-KEY SEL. GLOBAL EQUITY FA-USD	542.00	11 072 051.88	7.01
USD UBS (LUX) INST SICAV - EMERG. MARKETS EQUITY PASSIVE XA USD	4 814.00	524 966.70	0.33
USD UBS (LUX) MONEY MARKET FUND - USD U-X-ACC	450.00	4 729 189.50	3.00
Total Luxembourg		97 186 413.93	61.55
Total Investment funds, open end		97 186 413.93	61.55
Total UCITS/Other UCIs in accordance with Article 41 (1) e) of the amended Luxembourg law of 17 December 2010		97 186 413.93	61.55
Total investments in securities		154 858 632.52	98.08

Derivative instruments

Derivative instruments listed on an official stock exchange

Financial Futures on Indices

USD S&P500 EMINI FUTURE 16.06.17	6.00	18 105.00	0.01
GBP FTSE 100 INDEX FUTURE 16.06.17	49.00	143 851.55	0.09
CAD S&P/TSX 60 INDEX FUTURE 15.06.17	-5.00	6 666.40	0.01
EUR EURO STOXX 50 INDEX FUTURE 16.06.17	-6.00	-9 662.50	-0.01
AUD SPI 200 INDEX FUTURE 15.06.17	-4.00	8 959.65	0.01
CHF SWISS MARKET INDEX FUTURE 16.06.17	38.00	193 476.38	0.12
JPY NIKKEI 225 (OSE) INDEX FUTURE 08.06.17	-8.00	-34 386.66	-0.02
Total Financial Futures on Indices		327 009.82	0.21

Total Derivative instruments listed on an official stock exchange		327 009.82	0.21
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Derivative instruments not listed on an official stock exchange and not traded on another regulated market

Credit default swaps*

USD CME/CDX.NA.HY.28 JUN22 CDI REC 5.00000% 17-20.06.22	1 450 000.00	123 645.96	0.08
Total Credit default swaps		123 645.96	0.08

Total Derivative instruments not listed on an official stock exchange and not traded on another regulated market		123 645.96	0.08
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Total Derivative instruments		450 655.78	0.29
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* Positive nominal: the subfund is "Receiver", negative nominal: the subfund is "Payer".

Forward Foreign Exchange contracts

Forward Foreign Exchange contracts (Purchase/Sale)

RUB	22 320 000.00	USD	381 806.30	9.6.2017	10 788.57	0.01
ZAR	5 093 000.00	USD	397 937.04	9.6.2017	-12 224.97	-0.01
BRL	1 200 000.00	USD	382 398.21	9.6.2017	-12 991.26	-0.01
USD	520 989.14	SGD	728 000.00	9.6.2017	-5 298.11	0.00
USD	503 849.45	CAD	671 000.00	9.6.2017	7 022.18	0.00
USD	514 537.69	AUD	668 000.00	9.6.2017	17 315.23	0.01
INR	25 700 000.00	USD	390 721.21	9.6.2017	7 388.92	0.00
USD	1 405 904.42	AUD	1 879 956.00	22.6.2017	6 844.88	0.00
USD	119 190.50	DKK	835 000.00	22.6.2017	-7 166.12	-0.01
SEK	5 673 824.17	USD	627 639.44	22.6.2017	27 174.04	0.02
USD	1 641 624.36	GBP	1 321 772.58	22.6.2017	-65 813.59	-0.04
USD	232 004.12	HKD	1 800 000.00	22.6.2017	898.23	0.00
USD	1 278 710.38	JPY	141 852 074.00	22.6.2017	-5 183.39	0.00
USD	315 099.77	CHF	316 990.37	22.6.2017	-12 968.02	-0.01
USD	449 140.86	EUR	423 295.30	22.6.2017	-27 370.54	-0.02
USD	1 843 210.41	CAD	2 459 817.75	22.6.2017	21 377.54	0.01
USD	396 047.54	INR	25 700 000.00	9.6.2017	-2 062.59	0.00
SGD	728 000.00	USD	518 833.37	9.6.2017	7 453.88	0.00
AUD	668 000.00	USD	501 166.33	9.6.2017	-3 943.87	0.00
USD	386 493.14	RUB	22 320 000.00	9.6.2017	-6 101.73	0.00
USD	364 260.55	ZAR	5 093 000.00	9.6.2017	-21 451.52	-0.01
CAD	671 000.00	USD	504 159.50	9.6.2017	-7 332.23	-0.01
USD	377 254.80	BRL	1 200 000.00	9.6.2017	7 847.85	0.00
AUD	650 000.00	USD	486 695.95	22.6.2017	-2 967.24	0.00
GBP	300 000.00	USD	375 391.50	22.6.2017	12 142.17	0.01
CAD	500 000.00	USD	375 583.75	22.6.2017	-5 265.08	0.00
USD	175 419.04	EUR	160 000.00	22.6.2017	-4 695.94	0.00
USD	87 529.44	EUR	80 000.00	22.6.2017	-2 528.05	0.00
USD	87 693.68	EUR	80 000.00	26.7.2017	-2 531.69	0.00
USD	106 037.95	DKK	720 000.00	26.7.2017	-3 128.79	0.00
AUD	484 555.06	USD	355 554.87	26.7.2017	4 875.17	0.00
USD	232 907.16	HKD	1 810 000.00	26.7.2017	321.78	0.00
SEK	5 665 631.96	USD	643 211.64	26.7.2017	11 955.93	0.01
USD	733 176.59	GBP	566 000.00	26.7.2017	1 239.14	0.00
USD	1 246 442.08	JPY	141 229 989.00	26.7.2017	-33 858.55	-0.02
USD	99 983.80	CHF	100 000.00	26.7.2017	-3 744.70	0.00
USD	488 857.35	EUR	447 387.65	26.7.2017	-15 714.09	-0.01
USD	709 900.93	CAD	974 283.66	26.7.2017	-12 129.43	-0.01
GBP	70 000.00	USD	90 717.62	26.7.2017	-195.32	0.00
GBP	80 000.00	USD	103 558.88	22.6.2017	-216.57	0.00
GBP	60 000.00	USD	78 381.84	26.7.2017	-791.30	0.00
CHF	60 000.00	USD	61 496.96	26.7.2017	740.14	0.00

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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Forward Foreign Exchange contracts (Continued)

Forward Foreign Exchange contracts (Purchase/Sale)

CHF	70 000.00	USD	71 581.96	22.6.2017	864.23	0.00
GBP	70 000.00	USD	91 343.91	22.6.2017	-919.39	0.00
JPY	361 190 700.00	USD	3 243 410.19	23.6.2017	25 870.01	0.02
CAD	360 000.00	CHF	258 786.72	22.6.2017	-1 199.14	0.00
SEK	1 720 000.00	CHF	191 955.75	22.6.2017	-159.13	0.00
CAD	350 000.00	CHF	251 188.00	26.7.2017	-1 168.54	0.00
SEK	1 710 000.00	CHF	190 785.21	26.7.2017	-155.60	0.00
CAD	300 000.00	CHF	215 444.70	26.7.2017	-1 147.03	0.00
SEK	1 720 000.00	CHF	192 242.25	22.6.2017	-455.24	0.00
SEK	1 710 000.00	CHF	191 069.96	26.7.2017	-449.90	0.00
CAD	240 000.00	CHF	172 598.64	22.6.2017	-876.08	0.00
CAD	310 000.00	CHF	222 988.27	22.6.2017	-1 181.58	0.00
CAD	230 000.00	CHF	165 137.24	26.7.2017	-841.12	0.00
JPY	4 500 000.00	USD	40 401.72	22.6.2017	327.48	0.00
CAD	130 000.00	USD	95 914.77	22.6.2017	368.08	0.00
CAD	130 000.00	USD	95 976.59	26.7.2017	364.91	0.00
USD	143 308.44	GBP	110 000.00	22.6.2017	1 212.76	0.00
USD	267 534.58	CHF	260 000.00	26.7.2017	-2 159.53	0.00
SEK	400 000.00	USD	45 912.88	26.7.2017	342.69	0.00
SEK	400 000.00	USD	45 821.24	22.6.2017	342.58	0.00
USD	266 925.93	CHF	260 000.00	22.6.2017	-2 159.93	0.00
USD	143 469.37	GBP	110 000.00	26.7.2017	1 220.04	0.00
JPY	4 500 000.00	USD	40 469.05	26.7.2017	325.07	0.00
USD	77 097.18	GBP	60 000.00	22.6.2017	-409.55	0.00
USD	77 185.44	GBP	60 000.00	26.7.2017	-405.10	0.00
Total Forward Foreign Exchange contracts (Purchase/Sale)					-114 738.05	-0.07

Cash at banks, deposits on demand and deposit accounts and other liquid assets	2 214 719.32	1.40
Bank overdraft and other short-term liabilities	-21.07	0.00
Other assets and liabilities	474 204.07	0.30
Total net assets	157 883 452.57	100.00

UBS (Lux) Strategy SICAV – Xtra Balanced (EUR)

Three-year comparison

	ISIN	31.5.2017	31.5.2016	31.5.2015
Net assets in EUR		37 977 145.92	31 709 875.20	23 010 362.27
Class P-acc	LU1161073173			
Shares outstanding		211 580.5990	262 816.4510	223 566.8760
Net asset value per share in EUR		101.59	93.65	99.31
Issue and redemption price per share in EUR ¹		101.49	93.55	99.45
Class P-dist	LU1161073256			
Shares outstanding		12 139.5320	18 943.0800	8 140.0000
Net asset value per share in EUR		100.27	92.43	99.31
Issue and redemption price per share in EUR ¹		100.17	92.33	99.45
Class Q-acc²	LU1240801859			
Shares outstanding		140 619.7900	53 925.1540	-
Net asset value per share in EUR		108.56	99.15	-
Issue and redemption price per share in EUR ¹		108.45	99.04	-

¹ See note 1

² First NAV: 19.10.2015

Performance

	Currency	2016/2017	2015/2016	2015
Class P-acc	EUR	8.5%	-5.9%	-
Class P-dist	EUR	8.5%	-5.9%	-
Class Q-acc	EUR	9.5%	-	-

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 shares.
The performance data were not audited.

The subfund has no benchmark.

Report of the Portfolio Manager

The reporting year from 1 June 2016 to 31 May 2017 was marked by the diverging monetary policies of some central banks. At the beginning of the reporting year, the uncertainty surrounding the Brexit referendum unsettled everything, in particular the European stock markets for a short time. In November 2016, Donald Trump's victory boosted the markets, with many investors hoping for economic stimulus measures in the US-Market. This euphoria continued until the end of the reporting period. Yields on US government bonds increased significantly after the US presidential election and the hope of strong economic growth even affected the European equity market.

In this environment, which was challenging for bond investors and generally friendly for equity investors, the subfund generated a positive return in the reporting year.

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets	
Luxembourg	60.10
Ireland	13.98
United States	9.66
Germany	4.95
France	1.89
The Netherlands	0.68
Finland	0.61
United Kingdom	0.60
Spain	0.41
Italy	0.40
Supranationals	0.31
Australia	0.30
Canada	0.29
Norway	0.29
South Korea	0.27
Belgium	0.27
Poland	0.15
Austria	0.15
Total	95.31

Economic Breakdown as a % of net assets	
Investment funds	68.49
Countries & central governments	15.63
Finance & holding companies	6.14
Banks & credit institutions	3.23
Cantons, federal states	0.65
Supranational organisations	0.31
Miscellaneous consumer goods	0.29
Energy & water supply	0.27
Public, non-profit institutions	0.15
Insurance	0.15
Total	95.31

Statement of Net Assets

EUR

Assets	31.5.2017
Investments in securities, cost	34 217 867.97
Investments in securities, unrealized appreciation (depreciation)	1 977 404.13
Total investments in securities (Note 1)	36 195 272.10
Cash at banks, deposits on demand and deposit accounts	649 858.53
Other liquid assets (Margins)	100 558.65
Receivable on securities sales (Note 1)	190 306.80
Receivable on subscriptions	206 229.00
Interest receivable on securities	83 326.14
Other assets	12 468.43
Unrealized gain (loss) on financial futures (Note 1)	84 048.96
Unrealized gain (loss) on forward foreign exchange contracts (Note 1)	810 661.49
Unrealized gain (loss) on swaps (Note 1)	26 541.20
Total Assets	38 359 271.30
Liabilities	
Payable on securities purchases (Note 1)	-352 138.69
Other liabilities	-1 164.28
Provisions for flat fee (Note 2)	-26 633.99
Provisions for taxe d'abonnement (Note 3)	-1 269.66
Provisions for other commissions and fees (Note 2)	-918.76
Total provisions	-28 822.41
Total Liabilities	-382 125.38
Net assets at the end of the financial year	37 977 145.92

Statement of Operations

EUR

Income	1.6.2016-31.5.2017
Interest on liquid assets	626.61
Interest on securities	204 703.57
Interest received on swaps (Note 1)	14 999.82
Dividends	33 377.15
Income on securities lending (Note 11)	1 805.90
Other income	24 947.64
Total income	280 460.69
Expenses	
Interest paid on swaps (Note 1)	-5 442.57
Cost on securities lending (Note 11)	-722.36
Flat fee (Note 2)	-592 242.82
Taxe d'abonnement (Note 3)	-8 077.26
Other commissions and fees (Note 2)	-12 896.80
Interest on cash and bank overdraft	-741.10
Total expenses	-620 122.91
Net income (loss) on investments	-339 662.22
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	67 564.24
Realized gain (loss) on financial futures	205 177.49
Realized gain (loss) on forward foreign exchange contracts	-797 621.79
Realized gain (loss) on swaps	5 857.08
Realized gain (loss) on foreign exchange	123 325.44
Total realized gain (loss)	-395 697.54
Net realized gain (loss) of the financial year	-735 359.76
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	2 844 135.83
Unrealized appreciation (depreciation) on financial futures	51 624.79
Unrealized appreciation (depreciation) on forward foreign exchange contracts	896 470.91
Unrealized appreciation (depreciation) on swaps	-2 198.20
Total changes in unrealized appreciation (depreciation)	3 790 033.33
Net increase (decrease) in net assets as a result of operations	3 054 673.57

Statement of Changes in Net Assets

	EUR
	1.6.2016-31.5.2017
Net assets at the beginning of the financial year	31 709 875.20
Subscriptions	14 641 884.36
Redemptions	-11 429 287.21
Total net subscriptions (redemptions)	3 212 597.15
Net income (loss) on investments	-339 662.22
Total realized gain (loss)	-395 697.54
Total changes in unrealized appreciation (depreciation)	3 790 033.33
Net increase (decrease) in net assets as a result of operations	3 054 673.57
Net assets at the end of the financial year	37 977 145.92

Changes in the Number of Shares outstanding

	1.6.2016-31.5.2017
Class	P-acc
Number of shares outstanding at the beginning of the financial year	262 816.4510
Number of shares issued	42 749.3730
Number of shares redeemed	-93 985.2250
Number of shares outstanding at the end of the financial year	211 580.5990
Class	P-dist
Number of shares outstanding at the beginning of the financial year	18 943.0800
Number of shares issued	50.0000
Number of shares redeemed	-6 853.5480
Number of shares outstanding at the end of the financial year	12 139.5320
Class	Q-acc
Number of shares outstanding at the beginning of the financial year	53 925.1540
Number of shares issued	103 117.2220
Number of shares redeemed	-16 422.5860
Number of shares outstanding at the end of the financial year	140 619.7900

Annual Distribution

UBS (Lux) Strategy SICAV – Xtra Balanced (EUR)	Ex-Date	Pay-Date	Currency	Amount per share
P-dist	2.8.2016	5.8.2016	EUR	0.00

Statement of Investments in Securities and other Net Assets as of 31 May 2017

Description	Quantity/ Nominal	Valuation in EUR 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			
Certificates on investment funds			
Ireland			
USD STAR COMPASS PLC/UBS DYNMC DIVERSIFIED LTD NOTE DUE 30.03.18	1 700 000.00	2 005 833.70	5.28
Total Ireland		2 005 833.70	5.28
Total Certificates on investment funds		2 005 833.70	5.28
Notes, fixed rate			
EUR			
EUR CITIGROUP INC 5.00000% 04-02.08.19	70 000.00	77 537.81	0.21
EUR FINLAND, REPUBLIC OF 3.50000% 11-15.04.21	100 000.00	115 316.00	0.30
EUR MORGAN STANLEY 2.25000% 13-12.03.18	50 000.00	50 925.00	0.13
EUR PROCTER & GAMBLE CO-REG-S 2.00000% 12-16.08.22	100 000.00	108 646.00	0.29
Total EUR		352 424.81	0.93
Total Notes, fixed rate		352 424.81	0.93
Notes, floating rate			
EUR			
EUR BANK OF AMERICA CORP-SUB 4.7500%/VAR 04-06.05.19	70 000.00	71 300.60	0.19
Total EUR		71 300.60	0.19
Total Notes, floating rate		71 300.60	0.19
Medium term notes, fixed rate			
EUR			
EUR ALLIANZ FINANCE II BV 4.75000% 09-22.07.19	50 000.00	55 227.50	0.15
EUR BMW FINANCE NV-REG-S 0.12500% 17-03.07.20	40 000.00	40 128.40	0.11
EUR BMW US CAPITAL LLC 1.00000% 13-18.07.17	80 000.00	80 115.20	0.21
EUR CAISSE FRANCAISE DE FIN LOCAL 4.87500% 09-02.06.21	50 000.00	59 922.50	0.16
EUR COMMONWEALTH BANK OF AUSTRALIA 3.00000% 12-03.05.22	100 000.00	113 906.00	0.30
EUR COMPAGNIE DE FINANCEMENT FONCIER 3.50000% 10-05.11.20	50 000.00	56 232.50	0.15
EUR COMPAGNIE DE FINANCEMENT FONCIER-REG-S 0.20000% 17-16.09.22	100 000.00	100 356.00	0.26
EUR DEUTSCHE BANK AG 5.12500% 07-31.08.17	50 000.00	50 643.50	0.13
EUR DNB BOLIGKREDIT A-REG-S 1.87500% 12-21.11.22	100 000.00	109 414.00	0.29
EUR EUROPEAN FINANCIAL STABILITY FAC-REG-S 1.25000% 14-22.01.19	50 000.00	51 412.50	0.14
EUR EUROPEAN UNION 3.50000% 11-04.06.21	30 000.00	34 534.50	0.09
EUR GE CAPITAL EUROPEAN FUNDING 2.25000% 13-20.07.20	50 000.00	53 405.50	0.14
EUR INSTITUTO DE CREDITO OFICIAL-REG-S 0.50000% 16-26.10.23	20 000.00	19 504.80	0.05
EUR KBC BANK NV-REG-S 1.00000% 14-25.02.19	100 000.00	102 270.00	0.27
EUR KOREA GAS CORPORATION-REG-S 2.37500% 13-15.04.19	100 000.00	104 084.00	0.27
EUR KREDITANSTALT FUER WIEDERAUFBAU 4.62500% 07-04.01.23	50 000.00	63 395.00	0.17
EUR NATIONWIDE BUILDING SOCIETY 4.37500% 07-28.02.22	100 000.00	120 016.30	0.32
EUR NORDEA MORTGAGE BANK PLC-REG-S 4.00000% 11-10.02.21	100 000.00	115 156.00	0.30
EUR OEBB-INFRASTRUKTUR AG 3.50000% 05-19.10.20	50 000.00	56 359.55	0.15
EUR POLAND, REPUBLIC OF-REG-S 3.37500% 12-09.07.24	50 000.00	58 500.00	0.15
EUR RABOBANK NEDERLAND NV 4.37500% 06-07.06.21	50 000.00	58 637.05	0.15
EUR ROCHE FINANCE EUROPE BV 2.00000% 12-25.06.18	100 000.00	102 281.00	0.27
EUR SANTANDER UK PLC-REG-S 2.62500% 13-16.07.20	100 000.00	107 498.00	0.28
Total EUR		1 712 999.80	4.51
Total Medium term notes, fixed rate		1 712 999.80	4.51
Bonds, fixed rate			
EUR			
EUR BUNDESLAENDER BUNDESREPUBLI DEUTSCHLAND 1.37500% 12-11.10.19	70 000.00	72 885.40	0.19
EUR EUROPEAN STABILITY MECHANISM-REG-S 0.87500% 14-15.10.19	30 000.00	30 972.90	0.08
EUR FRANCE, REPUBLIC OF OAT 2.25000% 12-25.10.22	100 000.00	112 993.00	0.30
EUR FRANCE, REPUBLIC OF OAT 3.50000% 10-25.04.20	70 000.00	78 220.10	0.21
EUR FRANCE, REPUBLIC OF OAT 1.00000% 12-25.05.18	100 000.00	101 524.00	0.27
EUR FRANCE, REPUBLIC OF OAT 1.00000% 14-25.05.19	75 000.00	77 340.00	0.20
EUR FRANCE, REPUBLIC OF OAT 0.00000% 15-25.05.20	50 000.00	50 759.50	0.13
EUR FRANCE, REPUBLIC OF OAT-REG-S 1.00000% 15-25.11.25	30 000.00	31 337.70	0.08
EUR FRANCE, REPUBLIC OF OAT-REG-S 0.00000% 16-25.05.21	50 000.00	50 745.50	0.13
EUR GERMANY, REPUBLIC OF 2.00000% 13-15.08.23	130 000.00	148 185.70	0.39
EUR GERMANY, REPUBLIC OF 1.00000% 14-15.08.24	80 000.00	86 334.40	0.23
EUR GERMANY, REPUBLIC OF 4.00000% 07-04.01.18	200 000.00	205 620.00	0.54
EUR GERMANY, REPUBLIC OF 3.50000% 09-04.07.19	360 000.00	392 011.20	1.03
EUR GERMANY, REPUBLIC OF 3.25000% 09-04.01.20	350 000.00	386 400.00	1.02
EUR GERMANY, REPUBLIC OF 3.00000% 10-04.07.20	50 000.00	55 744.00	0.15
EUR GERMANY, REPUBLIC OF 3.25000% 11-04.07.21	310 000.00	359 107.10	0.95
EUR IRELAND, REPUBLIC OF-REG-S 3.90000% 13-20.03.23	50 000.00	61 119.00	0.16
EUR ITALY, REPUBLIC OF-BTP 0.30000% 15-15.10.18	100 000.00	100 633.00	0.26
EUR ITALY, REPUBLIC OF-BTP 0.65000% 15-01.11.20	50 000.00	50 492.00	0.13
EUR NORDRHEIN-WESTFALEN, STATE OF 4.37500% 07-29.04.22	50 000.00	60 878.15	0.16
EUR QUEBEC, PROVINCE OF-REG-S 2.25000% 13-17.07.23	100 000.00	111 830.00	0.29
EUR SPAIN, KINGDOM OF 0.25000% 15-30.04.18	70 000.00	70 354.90	0.19
EUR SPAIN, KINGDOM OF 4.30000% 09-31.10.19	60 000.00	66 468.60	0.18
Total EUR		2 761 956.15	7.27
Total Bonds, fixed rate		2 761 956.15	7.27

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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Treasury notes, fixed rate

USD

USD AMERICA, UNITED STATES OF 5.37500% 01-15.02.31	100 000.00	120 737.66	0.32
USD AMERICA, UNITED STATES OF 4.37500% 08-15.02.38	90 000.00	102 414.24	0.27
USD AMERICA, UNITED STATES OF 4.37500% 11-15.05.41	330 000.00	375 908.89	0.99
USD AMERICA, UNITED STATES OF 3.87500% 08-15.05.18	80 000.00	72 926.85	0.19
USD AMERICA, UNITED STATES OF 2.75000% 09-15.02.19	210 000.00	191 462.11	0.51
USD AMERICA, UNITED STATES OF 3.62500% 10-15.02.20	880 000.00	828 913.05	2.18
USD AMERICA, UNITED STATES OF 1.37500% 11-30.09.18	90 000.00	80 195.01	0.21
USD AMERICA, UNITED STATES OF 1.75000% 13-15.05.23	880 000.00	775 753.07	2.04
Total USD		2 548 310.88	6.71

Total Treasury notes, fixed rate

2 548 310.88 6.71

Treasury notes, floating rate

USD

USD AMERICA, UNITED STATES OF 2.375%/CPI LINKED 04-15.01.25	30 000.00	39 881.39	0.11
USD AMERICA, UNITED STATES OF 1.125%/CPI LINKED 11-15.01.21	60 000.00	62 359.02	0.16
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 12-15.01.22	40 000.00	38 645.70	0.10
Total USD		140 886.11	0.37

Total Treasury notes, floating rate

140 886.11 0.37

Total Transferable securities and money market instruments listed on an official stock exchange

9 593 712.05 25.26

Transferable securities and money market instruments traded on another regulated market

Treasury notes, floating rate

USD

USD AMERICA, UNITED STATES OF 0.625%/CPI LINKED 14-15.01.24	40 000.00	38 196.81	0.10
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 14-15.04.19	50 000.00	46 572.22	0.12
USD AMERICA, UNITED STATES OF 0.250%/CPI LINKED 15-15.01.25	40 000.00	36 464.47	0.10
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 15-15.04.20	160 000.00	149 457.79	0.39
USD AMERICA, UNITED STATES OF 0.625%/CPI LINKED 16-15.01.26	150 000.00	139 921.42	0.37
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 12-15.07.22	40 000.00	38 097.63	0.10
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 13-15.01.23	40 000.00	37 655.21	0.10
USD AMERICA, UNITED STATES OF 0.125%/CPI INDEX 13-15.04.18	30 000.00	28 158.92	0.07
USD AMERICA, UNITED STATES OF 0.375%/CPI INDEX 13-15.07.23	40 000.00	37 977.11	0.10
USD AMERICA, UNITED STATES OF 0.375%/CPI LINKED 15-15.07.25	40 000.00	36 819.92	0.10
Total USD		589 321.50	1.55

Total Treasury notes, floating rate

589 321.50 1.55

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

589 321.50 1.55

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 EGERTON CAPITAL EQUITY FUND-EUR HEDGED	1 055.43	254 950.68	0.67
EUR FINISTERRE EMERGING DEBT FUND EURO HEDGED-I-ACC	29 504.58	269 117.19	0.71
EUR LYXOR NEWUCITS IRL PLC-LYXOR/TIEDEMANN ARBITRAGE STRAT-EUR-I	2 725.45	287 950.42	0.76
EUR MARSHALL WACE UCITS FUND - MW DEVELOPED EUROPE TOPS FUND-F	4 804.09	660 222.15	1.74
EUR MARSHALL WACE UCITS FUND PLC MW LIQUID ALPHA FUND-B-EUR-ACC	3 655.39	374 363.28	0.99
EUR SPINNAKER CAPITAL UCITS PLC - SPIN EMG MRTS MAC FD-S1-EUR	3 666.72	384 235.18	1.01
USD UBS (IRL) INVESTOR SELECTION PLC - GLOB EMER MKT OPP-I-X USD	5 407.00	956 959.66	2.52
Total Ireland		3 187 798.56	8.40

Luxembourg

EUR AQR UCITS FUNDS-GLOBAL RISK UCITS FUND-B2-CAPITALISATION	3 750.00	378 112.50	1.00
EUR BG UCITS SICAV-BOUSSARD & GAVALDAN ABSOLUTE RETURN-Z-EUR-CAP	221.86	251 809.35	0.66
EUR DB PLATINUM IV BASSO-I2C-E (EUR)-CAP	2 217.61	229 411.74	0.60
EUR DB PLATINUM IV BASSO-I3C-E (EUR)-CAP	403.46	41 426.81	0.11
EUR DB PLATINUM IV SYSTEMATIC ALPHA-SHS I1 C-E-CAPITALISATION	581.56	73 840.08	0.19
EUR HENDERSON GARTMORE UK FD-I HEDGED	27 511.23	198 317.46	0.52
EUR INVESCO FUNDS SICAV - BALANCED RISK ALLOCATION FUND-I-CAP	36 945.81	381 280.76	1.00
EUR MERRILL LYNCH INV SL SICAV-YORK AS EVT-DR UCITS FD-EUR-D-CAP	1 933.29	249 936.28	0.66
EUR MLIS MILLBURN DIVERSIF UCITS FUND-EUR-D-ACC	2 369.58	245 773.04	0.65
EUR SCHRODER GAIA INDUS PACIFICHOICE-H(EUR HDG)-CAPT	2 269.14	252 963.64	0.67
EUR SCHRODER GAIA SICAV - INDUS PACIFICHOICE-C-EUR (HGD)-CAP	213.03	23 639.84	0.06
EUR SCHRODER GAIA TWO SIGMA DIVERSIFIED-C EUR HEDGED-CAP	5 827.28	642 981.62	1.69
EUR UBS (LUX) BOND SICAV - EUR CORPORATES (EUR) U-X-ACC	33.00	379 216.86	1.00
USD UBS (LUX) BOND SICAV - USD HIGH YIELD U-X-ACC	100.00	1 533 950.20	4.04
USD UBS (LUX) BOND SICAV - EMERGING ECONOMIES CORP (USD)-H-X-DIS	7 778.00	748 265.04	1.97
USD UBS (LUX) BOND SICAV USD INVEST GRADE CORP USD U X ACC	125.00	1 139 011.78	3.00
USD UBS (LUX) EMERGING ECONOMIES FUND-GLOBAL BONDS (USD)-U-X ACC	70.00	756 144.42	1.99
EUR UBS (LUX) EQUITY FUND - EURO COUNTRIES OPPORT U-X-ACC	242.00	4 903 404.00	12.91
USD UBS (LUX) EQUITY SICAV - GLB EM OPP(USD)-U-X-ACC	27.00	571 837.43	1.51
USD UBS (LUX) EQUITY SICAV-GLOBAL QUANTITATIVE (USD) U-X-ACC	461.30	5 362 385.85	14.12
USD UBS (LUX) INST FUND-KEY SEL. GLOBAL EQUITY FA-USD	241.00	4 378 107.37	11.53
USD UBS (LUX) INST SICAV - EMERG. MARKETS EQUITY PASSIVE XA USD	852.00	82 623.92	0.22
Total Luxembourg		22 824 439.99	60.10

Total Investment funds, open end

26 012 238.55 68.50

Total UCITS/Other UCIs in accordance with Article 41 (1) e) of the amended Luxembourg law of 17 December 2010

26 012 238.55 68.50

Total investments in securities

36 195 272.10 95.31

UBS (Lux) Strategy SICAV – Xtra Balanced (EUR)
Annual Report as of 31 May 2017

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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Derivative instruments

Derivative instruments listed on an official stock exchange

Financial Futures on Indices

USD	S&P500 EMINI FUTURE 16.06.17	-6.00	-14 423.21	-0.04
GBP	FTSE 100 INDEX FUTURE 16.06.17	10.00	26 341.36	0.07
CAD	S&P/TSX 60 INDEX FUTURE 15.06.17	-2.00	2 371.33	0.01
EUR	EURO STOXX 50 INDEX FUTURE 16.06.17	29.00	48 029.42	0.13
AUD	SPI 200 INDEX FUTURE 15.06.17	-2.00	3 983.84	0.01
CHF	SWISS MARKET INDEX FUTURE 16.06.17	5.00	23 479.12	0.06
JPY	NIKKEI 225 (OSE) INDEX FUTURE 08.06.17	-1.00	-5 732.90	-0.02
Total Financial Futures on Indices			84 048.96	0.22

Total Derivative instruments listed on an official stock exchange **84 048.96** **0.22**

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

Credit default swaps*

USD	CME/CDX.NA.HY.28 JUN22 CDI REC 5.00000% 17-20.06.22	350 000.00	26 541.20	0.07
Total Credit default swaps			26 541.20	0.07

Total Derivative instruments not listed on an official stock exchange and not traded on another regulated market **26 541.20** **0.07**

Total Derivative instruments **110 590.16** **0.29**

* Positive nominal: the subfund is "Receiver", negative nominal: the subfund is "Payer".

Forward Foreign Exchange contracts

Forward Foreign Exchange contracts (Purchase/Sale)

USD	133 256.02	AUD	173 000.00	9.6.2017	3 988.41	0.01
USD	130 655.45	CAD	174 000.00	9.6.2017	1 619.19	0.00
BRL	292 000.00	USD	93 050.23	9.6.2017	-2 811.21	-0.01
ZAR	1 218 000.00	USD	95 167.35	9.6.2017	-2 599.93	-0.01
INR	6 680 000.00	USD	101 557.11	9.6.2017	1 707.90	0.01
USD	130 247.28	SGD	182 000.00	9.6.2017	-1 177.78	0.00
RUB	5 760 000.00	USD	98 530.66	9.6.2017	2 475.90	0.01
EUR	22 798.29	SGD	34 000.00	22.6.2017	960.72	0.00
EUR	482 666.71	GBP	412 500.00	22.6.2017	9 316.89	0.03
EUR	78 128.49	HKD	643 500.00	22.6.2017	4 735.07	0.01
EUR	49 087.58	DKK	365 000.00	22.6.2017	22.27	0.00
EUR	511 313.22	JPY	60 200 791.00	22.6.2017	27 290.53	0.07
SEK	931 340.15	EUR	97 058.22	22.6.2017	-1 576.50	0.00
EUR	191 829.05	AUD	272 376.72	22.6.2017	11 764.43	0.03
EUR	8 172 523.76	USD	8 671 521.72	22.6.2017	469 428.48	1.24
EUR	87 140.58	CHF	93 000.00	22.6.2017	1 639.68	0.00
EUR	363 406.76	CAD	515 174.14	22.6.2017	24 461.41	0.06
USD	102 941.54	INR	6 680 000.00	9.6.2017	-477.01	0.00
SGD	182 000.00	USD	129 708.34	9.6.2017	1 657.16	0.00
USD	87 113.56	ZAR	1 218 000.00	9.6.2017	-4 568.37	-0.01
AUD	173 000.00	USD	129 793.08	9.6.2017	-908.31	0.00
USD	99 740.16	RUB	5 760 000.00	9.6.2017	-1 402.52	0.00
CAD	174 000.00	USD	130 735.85	9.6.2017	-1 690.85	0.00
USD	91 798.67	BRL	292 000.00	9.6.2017	1 701.17	0.00
CAD	40 000.00	EUR	28 204.21	22.6.2017	-1 887.26	-0.01
AUD	65 000.00	EUR	45 695.00	22.6.2017	-2 724.37	-0.01
GBP	37 000.00	EUR	43 470.19	22.6.2017	-1 012.15	0.00
EUR	11 955.14	GBP	10 000.00	22.6.2017	479.99	0.00
EUR	62 025.86	USD	68 000.00	22.6.2017	1 620.03	0.00
EUR	75 595.61	HKD	643 500.00	26.7.2017	2 277.19	0.01
EUR	49 059.60	DKK	365 000.00	26.7.2017	-9.95	0.00
EUR	387 750.63	GBP	327 500.00	26.7.2017	12 233.56	0.03
EUR	40 180.16	AUD	59 986.85	26.7.2017	616.74	0.00
SEK	929 801.61	EUR	96 355.91	26.7.2017	-1 020.17	0.00
EUR	485 589.37	JPY	60 261 544.00	26.7.2017	1 209.10	0.00
EUR	50 594.32	SGD	78 000.00	26.7.2017	568.04	0.00
EUR	80 543.08	CHF	88 000.00	26.7.2017	-393.03	0.00
EUR	7 992 507.70	USD	8 733 357.22	26.7.2017	248 934.05	0.66
EUR	273 989.13	CAD	411 298.78	26.7.2017	3 725.25	0.01
SEK	460 000.00	CHF	51 337.00	22.6.2017	-37.84	0.00
CAD	94 000.00	CHF	67 572.09	22.6.2017	-278.44	0.00
SEK	460 000.00	CHF	51 322.34	26.7.2017	-37.23	0.00
CAD	94 000.00	CHF	67 461.92	26.7.2017	-279.09	0.00
SEK	460 000.00	CHF	51 413.63	22.6.2017	-108.27	0.00
CAD	63 000.00	CHF	45 307.14	22.6.2017	-204.51	0.00
CAD	80 000.00	CHF	57 451.92	26.7.2017	-272.01	0.00
CAD	63 000.00	CHF	45 233.24	26.7.2017	-204.88	0.00
CAD	80 000.00	CHF	57 545.36	22.6.2017	-271.16	0.00
SEK	460 000.00	CHF	51 398.94	26.7.2017	-107.63	0.00
CAD	44 000.00	EUR	28 979.51	22.6.2017	-30.86	0.00
EUR	55 893.15	CHF	61 000.00	22.6.2017	-188.08	0.00
JPY	3 100 000.00	EUR	24 842.01	22.6.2017	82.42	0.00
SGD	23 000.00	EUR	14 818.42	22.6.2017	-45.95	0.00
EUR	32 559.77	GBP	28 000.00	22.6.2017	429.36	0.00
JPY	3 100 000.00	EUR	24 837.87	26.7.2017	79.83	0.00
EUR	35 693.48	USD	40 000.00	22.6.2017	160.64	0.00
EUR	56 831.98	CHF	62 000.00	26.7.2017	-191.19	0.00
CAD	44 000.00	EUR	28 944.11	26.7.2017	-31.77	0.00

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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Forward Foreign Exchange contracts (Continued)

Forward Foreign Exchange contracts (Purchase/Sale)

EUR	35 626.36	USD	40 000.00	26.7.2017	159.71	0.00
EUR	32 535.10	GBP	28 000.00	26.7.2017	429.82	0.00
SGD	22 000.00	EUR	14 154.37	26.7.2017	-44.39	0.00
USD	47 000.00	EUR	42 002.76	22.6.2017	-251.67	0.00
USD	46 000.00	EUR	41 030.65	26.7.2017	-244.00	0.00
EUR	28 665.39	GBP	25 000.00	26.7.2017	-0.04	0.00
EUR	27 540.65	GBP	24 000.00	22.6.2017	0.30	0.00
EUR	95 856.15	USD	107 000.00	26.7.2017	982.85	0.00
EUR	96 042.17	USD	107 000.00	22.6.2017	991.82	0.00
Total Forward Foreign Exchange contracts (Purchase/Sale)					810 661.49	2.13
Cash at banks, deposits on demand and deposit accounts and other liquid assets					750 417.18	1.98
Other assets and liabilities					110 204.99	0.29
Total net assets					37 977 145.92	100.00

UBS (Lux) Strategy SICAV – Xtra Yield (EUR)

Three-year comparison

	ISIN	31.5.2017	31.5.2016	31.5.2015
Net assets in EUR		152 551 108.46	163 401 945.73	160 919 576.52
Class P-acc	LU1059709862			
Shares outstanding		1 111 402.9190	1 326 337.0820	1 410 218.4550
Net asset value per share in EUR		104.30	98.70	102.91
Issue and redemption price per share in EUR ¹		104.43	98.70	102.91
Class P-dist	LU1060236970			
Shares outstanding		101 890.3890	138 788.7510	153 444.4970
Net asset value per share in EUR		103.50	98.41	102.91
Issue and redemption price per share in EUR ¹		103.62	98.41	102.91
Class Q-acc²	LU1240802071			
Shares outstanding		211 283.0470	163 429.3650	-
Net asset value per share in EUR		103.63	97.23	-
Issue and redemption price per share in EUR ¹		103.75	97.23	-
Class Q-dist²	LU1240802154			
Shares outstanding		40 923.9390	30 307.2130	-
Net asset value per share in EUR		102.29	97.23	-
Issue and redemption price per share in EUR ¹		102.41	97.23	-

¹ See note 1

² First NAV: 12.8.2015

Performance

	Currency	2016/2017	2015/2016	2014/2015
Class P-acc	EUR	5.8%	-4.1%	-
Class P-dist	EUR	5.8%	-4.1%	-
Class Q-acc	EUR	6.7%	-	-
Class Q-dist	EUR	6.7%	-	-

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 shares.

The performance data were not audited.

The subfund has no benchmark.

Report of the Portfolio Manager

The reporting year from 1 June 2016 to 31 May 2017 was marked by the diverging monetary policies of some central banks. At the beginning of the reporting year, the uncertainty surrounding the Brexit referendum unsettled everything, in particular the European stock markets for a short time. In November 2016, Donald Trump's victory boosted the markets, with many investors hoping for economic stimulus measures in the US-Market. This euphoria continued until the end of the reporting period. Yields on US government bonds increased significantly after the US presidential election and the hope of strong economic growth even affected the European equity market.

In this environment, which was challenging for bond investors and generally friendly for equity investors, the subfund generated a positive return in the reporting year.

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets	
Luxembourg	50.50
United States	15.44
Ireland	13.12
Germany	5.50
France	3.47
The Netherlands	0.78
Italy	0.76
Finland	0.68
Spain	0.67
Australia	0.65
Belgium	0.64
Supranationals	0.62
United Kingdom	0.60
Poland	0.31
Norway	0.29
South Korea	0.27
Canada	0.24
Austria	0.22
Venezuela	0.07
Total	94.83

Economic Breakdown as a % of net assets	
Investment funds	57.62
Countries & central governments	24.02
Finance & holding companies	6.44
Banks & credit institutions	4.30
Cantons, federal states	0.78
Supranational organisations	0.68
Insurance	0.49
Public, non-profit institutions	0.22
Miscellaneous consumer goods	0.14
Energy & water supply	0.14
Total	94.83

UBS (Lux) Strategy SICAV – Xtra Yield (EUR)
Annual Report as of 31 May 2017

Statement of Net Assets

EUR

Assets	31.5.2017
Investments in securities, cost	136 430 372.39
Investments in securities, unrealized appreciation (depreciation)	8 228 993.78
Total investments in securities (Note 1)	144 659 366.17
Cash at banks, deposits on demand and deposit accounts	4 073 398.29
Other liquid assets (Margins)	282 725.58
Receivable on subscriptions	29 497.50
Interest receivable on securities	437 864.95
Other assets	58 976.92
Unrealized gain (loss) on financial futures (Note 1)	321 219.39
Unrealized gain (loss) on forward foreign exchange contracts (Note 1)	3 423 758.69
Unrealized gain (loss) on swaps (Note 1)	113 747.99
Total Assets	153 400 555.48
Liabilities	
Bank overdraft	-17.49
Payable on securities purchases (Note 1)	-440 726.52
Payable on redemptions	-258 191.15
Other liabilities	-4 629.85
Provisions for flat fee (Note 2)	-110 400.24
Provisions for taxe d'abonnement (Note 3)	-6 326.80
Provisions for other commissions and fees (Note 2)	-29 154.97
Total provisions	-145 882.01
Total Liabilities	-849 447.02
Net assets at the end of the financial year	152 551 108.46

Statement of Operations

EUR

Income	1.6.2016-31.5.2017
Interest on liquid assets	3 172.03
Interest on securities	1 313 478.73
Interest received on swaps (Note 1)	70 079.55
Dividends	159 601.51
Income on securities lending (Note 11)	55 548.06
Other income	36 655.51
Total income	1 638 535.39
Expenses	
Interest paid on swaps (Note 1)	-24 490.42
Cost on securities lending (Note 11)	-22 219.22
Flat fee (Note 2)	-2 595 326.45
Taxe d'abonnement (Note 3)	-39 701.28
Other commissions and fees (Note 2)	-56 855.44
Interest on cash and bank overdraft	-4 258.94
Total expenses	-2 742 851.75
Net income (loss) on investments	-1 104 316.36
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	2 066 162.11
Realized gain (loss) on financial futures	787 165.93
Realized gain (loss) on forward foreign exchange contracts	-4 357 742.13
Realized gain (loss) on swaps	43 021.84
Realized gain (loss) on foreign exchange	808 655.45
Total realized gain (loss)	-652 736.80
Net realized gain (loss) of the financial year	-1 757 053.16
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	6 312 510.94
Unrealized appreciation (depreciation) on financial futures	216 472.04
Unrealized appreciation (depreciation) on forward foreign exchange contracts	3 903 551.30
Unrealized appreciation (depreciation) on swaps	-29 949.01
Total changes in unrealized appreciation (depreciation)	10 402 585.27
Net increase (decrease) in net assets as a result of operations	8 645 532.11

Statement of Changes in Net Assets

EUR

	1.6.2016-31.5.2017
Net assets at the beginning of the financial year	163 401 945.73
Subscriptions	33 044 048.63
Redemptions	-52 436 637.13
Total net subscriptions (redemptions)	-19 392 588.50
Dividend paid	-103 780.88
Net income (loss) on investments	-1 104 316.36
Total realized gain (loss)	-652 736.80
Total changes in unrealized appreciation (depreciation)	10 402 585.27
Net increase (decrease) in net assets as a result of operations	8 645 532.11
Net assets at the end of the financial year	152 551 108.46

Changes in the Number of Shares outstanding

	1.6.2016-31.5.2017
Class	P-acc
Number of shares outstanding at the beginning of the financial year	1 326 337.0820
Number of shares issued	202 497.5100
Number of shares redeemed	-417 431.6730
Number of shares outstanding at the end of the financial year	1 111 402.9190
Class	P-dist
Number of shares outstanding at the beginning of the financial year	138 788.7510
Number of shares issued	6 860.3850
Number of shares redeemed	-43 758.7470
Number of shares outstanding at the end of the financial year	101 890.3890
Class	Q-acc
Number of shares outstanding at the beginning of the financial year	163 429.3650
Number of shares issued	107 962.3780
Number of shares redeemed	-60 108.6960
Number of shares outstanding at the end of the financial year	211 283.0470
Class	Q-dist
Number of shares outstanding at the beginning of the financial year	30 307.2130
Number of shares issued	11 360.7610
Number of shares redeemed	-744.0350
Number of shares outstanding at the end of the financial year	40 923.9390

Annual Distribution

UBS (Lux) Strategy SICAV – Xtra Yield (EUR)	Ex-Date	Pay-Date	Currency	Amount per share
P-dist	2.8.2016	5.8.2016	EUR	0.48
Q-dist	2.8.2016	5.8.2016	EUR	1.27

Statement of Investments in Securities and other Net Assets as of 31 May 2017

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

Certificates on investment funds

Ireland				
USD	STAR COMPASS PLC/UBS STABLE DIVERSIFIED LTD NOTE DUE 30.03.18	7 100 000.00	8 456 229.43	5.54
Total Ireland			8 456 229.43	5.54

Total Certificates on investment funds			8 456 229.43	5.54
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Notes, fixed rate

EUR				
EUR	CITIGROUP INC 5.00000% 04-02.08.19	450 000.00	498 457.35	0.33
EUR	FINLAND, REPUBLIC OF 3.50000% 11-15.04.21	500 000.00	576 580.00	0.38
EUR	MORGAN STANLEY 2.25000% 13-12.03.18	300 000.00	305 550.00	0.20
EUR	PROCTER & GAMBLE CO-REG-S 2.00000% 12-16.08.22	200 000.00	217 292.00	0.14
Total EUR			1 597 879.35	1.05

Total Notes, fixed rate			1 597 879.35	1.05
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Notes, floating rate

EUR				
EUR	BANK OF AMERICA CORP-SUB 4.7500%/NAR 04-06.05.19	400 000.00	407 432.00	0.27
Total EUR			407 432.00	0.27

Total Notes, floating rate			407 432.00	0.27
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Medium term notes, fixed rate

EUR				
EUR	ALLIANZ FINANCE II BV 4.75000% 09-22.07.19	400 000.00	441 820.00	0.29
EUR	AUSTRALIA & NEW ZEALAND BANKING-REG-S 0.45000% 16-22.11.23	200 000.00	200 722.00	0.13
EUR	BMW FINANCE NV-REG-S 0.12500% 17-03.07.20	240 000.00	240 770.40	0.16
EUR	BMW US CAPITAL LLC 1.00000% 13-18.07.17	500 000.00	500 720.00	0.33
EUR	COMMONWEALTH BANK OF AUSTRALIA 3.00000% 12-03.05.22	690 000.00	785 951.40	0.51
EUR	COMPAGNIE DE FINANCEMENT FONCIER 3.50000% 10-05.11.20	900 000.00	1 012 185.00	0.66
EUR	COMPAGNIE DE FINANCEMENT FONCIER-REG-S 0.20000% 17-16.09.22	200 000.00	200 712.00	0.13
EUR	CORPORACION ANDINA DE FOMENTO-REG-S 0.50000% 17-25.01.22	100 000.00	100 343.00	0.07
EUR	DEUTSCHE BANK AG 5.12500% 07-31.08.17	50 000.00	50 643.50	0.03
EUR	DNB BOLIGKREDIT A-REG-S 1.87500% 12-21.11.22	400 000.00	437 656.00	0.29
EUR	EUROPEAN FINANCIAL STABILITY FAC-REG-S 1.12500% 12-30.11.17	300 000.00	302 355.00	0.20
EUR	EUROPEAN FINANCIAL STABILITY FAC-REG-S 1.25000% 14-22.01.19	200 000.00	205 650.00	0.13
EUR	EUROPEAN UNION 3.50000% 11-04.06.21	200 000.00	230 230.00	0.15
EUR	GE CAPITAL EUROPEAN FUNDING 2.25000% 13-20.07.20	200 000.00	213 622.00	0.14
EUR	INSTITUTO DE CREDITO OFICIAL-REG-S 0.50000% 16-26.10.23	140 000.00	136 533.60	0.09
EUR	KBC BANK NV-REG-S 1.00000% 14-25.02.19	500 000.00	511 350.00	0.34
EUR	KOREA DEVELOPMENT BANK-REG-S 1.50000% 13-30.05.18	200 000.00	203 104.00	0.13
EUR	KOREA GAS CORPORATION-REG-S 2.37500% 13-15.04.19	200 000.00	208 168.00	0.14
EUR	KREDITANSTALT FUER WIEDERAUFBAU 1.25000% 12-17.10.19	200 000.00	208 430.00	0.14
EUR	METROPOLITAN LIFE GLOBAL FUNDING-REG-S 1.25000% 14-17.09.21	300 000.00	312 420.00	0.20
EUR	NATIONWIDE BUILDING SOCIETY 4.37500% 07-28.02.22	500 000.00	600 081.50	0.39
EUR	NORDEA MORTGAGE BANK PLC-REG-S 0.40000% 11-10.02.21	400 000.00	460 624.00	0.30
EUR	OEBB-INFRASTRUKTUR AG 3.50000% 05-19.10.20	300 000.00	338 157.30	0.22
EUR	POLAND, REPUBLIC OF-REG-S 3.37500% 12-09.07.24	400 000.00	468 000.00	0.31
EUR	RABOBANK NEDERLAND NV 4.37500% 06-07.06.21	350 000.00	410 459.35	0.27
EUR	ROCHE FINANCE EUROPE BV 2.00000% 12-25.06.18	100 000.00	102 281.00	0.07
EUR	SANTANDER UK PLC-REG-S 2.62500% 13-16.07.20	300 000.00	322 494.00	0.21
Total EUR			9 205 483.05	6.03

ITL				
ITL	KREDITANSTALT FUER WIEDERAUFBAU 5.50000% 98-29.01.18	200 000 000.00	107 206.12	0.07
Total ITL			107 206.12	0.07

Total Medium term notes, fixed rate			9 312 689.17	6.10
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Bonds, fixed rate

EUR				
EUR	BELGIUM, KINGDOM OF 4.25000% 11-28.09.21	200 000.00	240 554.00	0.16
EUR	BELGIUM, KINGDOM OF 3.00000% 12-28.09.19	200 000.00	216 746.00	0.14
EUR	BUNDESLAENDER BUNDESREPUBLI DEUTSCHLAND 1.37500% 12-11.10.19	400 000.00	416 488.00	0.27
EUR	EUROPEAN STABILITY MECHANISM-REG-S 0.87500% 14-15.10.19	200 000.00	206 486.00	0.14
EUR	FRANCE, REPUBLIC OF OAT 2.25000% 12-25.10.22	500 000.00	564 965.00	0.37
EUR	FRANCE, REPUBLIC OF OAT 3.50000% 10-25.04.20	900 000.00	1 005 687.00	0.66
EUR	FRANCE, REPUBLIC OF OAT 1.00000% 12-25.05.18	350 000.00	355 334.00	0.23
EUR	FRANCE, REPUBLIC OF OAT 1.00000% 14-25.05.19	300 000.00	309 360.00	0.20
EUR	FRANCE, REPUBLIC OF OAT 0.00000% 15-25.05.20	700 000.00	710 633.00	0.47
EUR	FRANCE, REPUBLIC OF OAT-REG-S 1.00000% 15-25.11.25	400 000.00	417 836.00	0.27
EUR	FRANCE, REPUBLIC OF OAT-REG-S 0.25000% 15-25.11.20	500 000.00	512 300.00	0.34
EUR	FRANCE, REPUBLIC OF OAT-REG-S 0.00000% 16-25.05.21	200 000.00	202 982.00	0.13
EUR	GERMANY, REPUBLIC OF 2.00000% 13-15.08.23	540 000.00	615 540.60	0.40
EUR	GERMANY, REPUBLIC OF 1.00000% 14-15.08.24	500 000.00	539 590.00	0.35
EUR	GERMANY, REPUBLIC OF 4.00000% 07-04.01.18	830 000.00	853 323.00	0.56
EUR	GERMANY, REPUBLIC OF 3.50000% 09-04.07.19	1 450 000.00	1 578 934.00	1.05
EUR	GERMANY, REPUBLIC OF 3.25000% 09-04.01.20	1 440 000.00	1 589 760.00	1.04
EUR	GERMANY, REPUBLIC OF 3.00000% 10-04.07.20	500 000.00	557 440.00	0.37
EUR	GERMANY, REPUBLIC OF 3.25000% 11-04.07.21	1 270 000.00	1 471 180.70	0.96
EUR	IRELAND, REPUBLIC OF-REG-S 3.90000% 13-20.03.23	400 000.00	488 952.00	0.32
EUR	ITALY, REPUBLIC OF-BTP 1.50000% 14-01.08.19	350 000.00	361 070.50	0.24
EUR	ITALY, REPUBLIC OF-BTP 0.30000% 15-15.10.18	150 000.00	150 949.50	0.10

UBS (Lux) Strategy SICAV – Xtra Yield (EUR)
Annual Report as of 31 May 2017

Description	Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
EUR ITALY, REPUBLIC OF-BTP 0.65000% 15-01.11.20	400 000.00	403 936.00	0.27
EUR ITALY, REPUBLIC OF-BTP 0.45000% 16-01.06.21	250 000.00	249 110.00	0.16
EUR NORDRHEIN-WESTFALEN, STATE OF 4.37500% 07-29.04.22	330 000.00	401 795.79	0.26
EUR QUEBEC, PROVINCE OF-REG-S 2.25000% 13-17.07.23	330 000.00	369 039.00	0.24
EUR SPAIN, KINGDOM OF 0.25000% 15-30.04.18	300 000.00	301 521.00	0.20
EUR SPAIN, KINGDOM OF 0.75000% 16-30.07.21	300 000.00	308 190.00	0.20
EUR SPAIN, KINGDOM OF 4.30000% 09-31.10.19	250 000.00	276 952.50	0.18
Total EUR		15 676 655.59	10.28
Total Bonds, fixed rate		15 676 655.59	10.28
Treasury notes, fixed rate			
USD			
USD AMERICA, UNITED STATES OF 5.37500% 01-15.02.31	660 000.00	796 868.56	0.52
USD AMERICA, UNITED STATES OF 4.37500% 08-15.02.38	630 000.00	716 899.66	0.47
USD AMERICA, UNITED STATES OF 4.37500% 11-15.05.41	2 520 000.00	2 870 576.93	1.88
USD AMERICA, UNITED STATES OF 3.87500% 08-15.05.18	580 000.00	528 719.65	0.35
USD AMERICA, UNITED STATES OF 2.75000% 09-15.02.19	1 600 000.00	1 458 758.91	0.95
USD AMERICA, UNITED STATES OF 3.62500% 10-15.02.20	6 150 000.00	5 792 917.85	3.80
USD AMERICA, UNITED STATES OF 1.37500% 11-30.09.18	750 000.00	668 291.68	0.44
USD AMERICA, UNITED STATES OF 1.75000% 13-15.05.23	6 300 000.00	5 553 686.70	3.64
Total USD		18 386 773.94	12.05
Total Treasury notes, fixed rate		18 386 773.94	12.05
Treasury notes, floating rate			
USD			
USD AMERICA, UNITED STATES OF 2.375%/CPI LINKED 04-15.01.25	130 000.00	172 819.32	0.11
USD AMERICA, UNITED STATES OF 1.125%/CPI LINKED 11-15.01.21	250 000.00	259 829.25	0.17
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 12-15.01.22	150 000.00	144 921.37	0.10
Total USD		577 569.94	0.38
Total Treasury notes, floating rate		577 569.94	0.38
Total Transferable securities and money market instruments listed on an official stock exchange		54 415 229.42	35.67

Transferable securities and money market instruments traded on another regulated market

Treasury notes, floating rate			
USD			
USD AMERICA, UNITED STATES OF 0.625%/CPI LINKED 14-15.01.24	150 000.00	143 238.02	0.09
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 14-15.04.19	220 000.00	204 917.77	0.14
USD AMERICA, UNITED STATES OF 0.250%/CPI LINKED 15-15.01.25	140 000.00	127 625.67	0.08
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 15-15.04.20	620 000.00	579 148.95	0.38
USD AMERICA, UNITED STATES OF 0.625%/CPI LINKED 16-15.01.26	600 000.00	559 685.68	0.37
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 12-15.07.22	150 000.00	142 866.14	0.09
USD AMERICA, UNITED STATES OF 0.125%/CPI LINKED 13-15.01.23	160 000.00	150 620.87	0.10
USD AMERICA, UNITED STATES OF 0.125%/CPI INDEX 13-15.04.18	140 000.00	131 408.27	0.09
USD AMERICA, UNITED STATES OF 0.375%/CPI INDEX 13-15.07.23	150 000.00	142 414.19	0.09
USD AMERICA, UNITED STATES OF 0.375%/CPI LINKED 15-15.07.25	180 000.00	165 689.63	0.11
Total USD		2 347 615.19	1.54
Total Treasury notes, floating rate		2 347 615.19	1.54
Total Transferable securities and money market instruments traded on another regulated market		2 347 615.19	1.54

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 EGERTON CAPITAL EQUITY FUND-I-EUR HEDGED	4 197.04	1 013 835.97	0.66
EUR FINISTERRE EMERGING DEBT FUND EURO HEDGED-I-ACC	117 327.81	1 070 170.42	0.70
EUR LYXOR NEWUCITS IRL PLC-LYXOR/TIEDEMANN ARBITRAGE STRAT-EUR-I	10 838.01	1 145 062.62	0.75
EUR MARSHALL WACE UCITS FUND - MW DEVELOPED EUROPE TOPS FUND-F	19 103.94	2 625 437.17	1.72
EUR MARSHALL WACE UCITS FUND PLC MW LIQUID ALPHA FUND-B-EUR-ACC	14 536.02	1 488 691.68	0.98
EUR SPINNAKER CAPITAL UCITS PLC - SPIN EMG MRTS MAC FD-S1-EUR	14 581.05	1 527 948.22	1.00
EUR UBS (IRL) INVESTOR SELECTION PLC - GLOB EMER MKT OPP-I-X-USD	11 191.00	1 980 642.79	1.30
Total Ireland		10 851 788.87	7.11
Luxembourg			
EUR AQR UCITS FUNDS-GLOBAL RISK UCITS FUND-B2-CAPITALISATION	15 250.00	1 537 657.50	1.01
EUR BG UCITS SICAV-BOUSSARD & GAUJUDAN ABSOLUTE RETURN-Z-EUR-CAP	882.24	1 001 344.15	0.66
EUR DB PLATINUM IV BASSO-I2C-E (EUR)-CAP	8 818.54	912 277.87	0.60
EUR DB PLATINUM IV BASSO-I3C-E (EUR)-CAP	1 604.38	164 737.69	0.11
EUR DB PLATINUM IV SYSTEMATIC ALPHA-SHS I1C-E-CAPITALISATION	2 312.61	293 632.18	0.19
EUR HENDERSON GARTMORE UK FD-I HEDGED	109 401.06	788 628.47	0.52
EUR INVESCO FUNDS SICAV - BALANCED RISK ALLOCATION FUND-I-CAP	150 246.31	1 550 541.92	1.02
EUR MERRILL LYNCH INV SL SICAV-YORK AS EVT-DR UCITS FD-EUR-D-CAP	7 687.93	993 895.69	0.65
EUR MLIS MILLBURN DIVERSIF UCITS FUND-EUR-D-ACC	9 422.87	977 340.19	0.64
EUR SCHRODER GAIA INDUS PACIFICCHOICE-H-(EUR HDG)-CAPT	9 023.45	1 005 934.29	0.66
EUR SCHRODER GAIA SICAV - INDUS PACIFICCHOICE-C-EUR (HGD)-CAP	847.13	94 006.12	0.06
EUR SCHRODER GAIA TWO SIGMA DIVERSIFIED-C EUR HEDGED-CAP	23 172.72	2 556 878.38	1.67
EUR UBS (LUX) BOND SICAV - EUR CORPORATES (EUR) U-X-ACC	532.00	6 113 435.44	4.01
USD UBS (LUX) BOND SICAV - USD HIGH YIELD U-X-ACC	397.00	6 089 782.29	3.99
USD UBS (LUX) BOND SICAV - EMERGING ECONOMIES CORP (USD)-I-X-DIS	31 690.00	3 048 665.36	2.00
USD UBS (LUX) BOND SICAV USD INVEST GRADE CORP USD U X ACC	1 002.43	9 134 236.66	5.99
USD UBS (LUX) EMERGING ECONOMIES FUND-GLOBAL BONDS (USD)-U-X-ACC	424.00	4 580 074.77	3.00
EUR UBS (LUX) EQUITY FUND - EURO COUNTRIES OPPORT U-X-ACC	489.00	9 908 118.00	6.50

Description	Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
USD UBS (LUX) EQUITY SICAV - GLB EM OPP(USD)-U-X-ACC	53.00	1 122 495.70	0.73
USD UBS (LUX) EQUITY SICAV-GLOBAL QUANTITATIVE (USD) U-X-ACC	1 081.00	12 566 093.87	8.24
USD UBS (LUX) INST FUND-KEY SEL. GLOBAL EQUITY FA-USD	666.00	12 098 836.14	7.93
USD UBS (LUX) INST SICAV - EMERG. MARKETS EQUITY PASSIVE XA USD	5 219.00	506 120.01	0.33
Total Luxembourg		77 044 732.69	50.51
Total Investment funds, open end		87 896 521.56	57.62
Total UCITS/Other UCIs in accordance with Article 41 (1) e) of the amended Luxembourg law of 17 December 2010		87 896 521.56	57.62
Total investments in securities		144 659 366.17	94.83

Derivative instruments

Derivative instruments listed on an official stock exchange

Financial Futures on Indices

USD S&P500 EMINI FUTURE 16.06.17	-2.00	-2 730.16	0.00
GBP FTSE 100 INDEX FUTURE 16.06.17	17.00	46 362.58	0.03
CAD S&P/TSX 60 INDEX FUTURE 15.06.17	-5.00	5 928.32	0.00
EUR EURO STOXX 50 INDEX FUTURE 16.06.17	129.00	194 141.51	0.13
AUD SPI 200 INDEX FUTURE 15.06.17	-5.00	8 123.25	0.01
CHF SWISS MARKET INDEX FUTURE 16.06.17	26.00	120 000.67	0.08
JPY NIKKEI 225 (OSE) INDEX FUTURE 08.06.17	-10.00	-50 606.78	-0.03
Total Financial Futures on Indices		321 219.39	0.22
Total Derivative instruments listed on an official stock exchange		321 219.39	0.22

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

Credit default swaps*

USD CME/CDX.NA.HY.28 JUN22 CDI REC 5.00000% 17-20.06.22	1 500 000.00	113 747.99	0.07
Total Credit default swaps		113 747.99	0.07
Total Derivative instruments not listed on an official stock exchange and not traded on another regulated market		113 747.99	0.07
Total Derivative instruments		434 967.38	0.29

* Positive nominal: the subfund is "Receiver", negative nominal: the subfund is "Payer".

Forward Foreign Exchange contracts

Forward Foreign Exchange contracts (Purchase/Sale)

RUB 23 230 000.00 USD 397 372.78 9.6.2017 9 985.25 0.01
USD 524 874.47 CAD 699 000.00 9.6.2017 6 504.68 0.00
USD 536 733.31 SGD 750 000.00 9.6.2017 -4 853.48 0.00
USD 535 334.87 AUD 695 000.00 9.6.2017 16 022.80 0.01
ZAR 5 294 000.00 USD 413 642.00 9.6.2017 -11 300.52 -0.01
INR 26 780 000.00 USD 407 140.62 9.6.2017 6 846.98 0.00
BRL 1 250 000.00 USD 398 331.47 9.6.2017 -12 034.29 -0.01
EUR 2 287 547.67 GBP 1 955 000.00 22.6.2017 44 156.40 0.03
EUR 94 140.56 DKK 700 000.00 22.6.2017 42.71 0.00
EUR 959 130.24 AUD 1 361 862.32 22.6.2017 58 821.18 0.04
EUR 197 901.23 HKD 1 630 000.00 22.6.2017 11 994.05 0.01
EUR 1 405 489.00 JPY 165 478 902.00 22.6.2017 75 015.73 0.05
SEK 4 640 330.47 EUR 483 585.12 22.6.2017 -7 854.82 -0.01
EUR 40 232.27 SGD 60 000.00 22.6.2017 1 695.39 0.00
EUR 36 419 772.48 USD 38 643 490.95 22.6.2017 2 091 946.00 1.37
EUR 334 106.94 CHF 356 572.62 22.6.2017 6 286.74 0.00
EUR 1 210 292.88 CAD 1 715 740.23 22.6.2017 81 466.47 0.05
USD 412 690.78 INR 26 780 000.00 9.6.2017 -1 912.35 0.00
SGD 750 000.00 USD 534 512.40 9.6.2017 6 828.94 0.00
AUD 695 000.00 USD 521 423.06 9.6.2017 -3 648.99 0.00
USD 402 250.70 RUB 23 230 000.00 9.6.2017 -5 656.35 0.00
USD 378 636.44 ZAR 5 294 000.00 9.6.2017 -19 856.28 -0.01
USD 392 973.76 BRL 1 250 000.00 9.6.2017 7 282.44 0.01
CAD 699 000.00 USD 525 197.46 9.6.2017 -6 792.53 0.00
AUD 500 000.00 EUR 351 500.03 22.6.2017 -20 956.68 -0.01
CAD 200 000.00 EUR 141 021.05 22.6.2017 -9 436.28 -0.01
GBP 490 000.00 EUR 575 686.30 22.6.2017 -13 404.09 -0.01
EUR 419 586.67 USD 460 000.00 22.6.2017 10 958.99 0.01
USD 340 000.00 EUR 310 114.00 26.7.2017 -8 647.45 -0.01
USD 350 000.00 EUR 319 833.91 22.6.2017 -8 921.54 -0.01
EUR 191 485.39 HKD 1 630 000.00 26.7.2017 5 768.17 0.00
SEK 4 833 785.92 EUR 500 928.21 26.7.2017 -5 303.63 0.00
EUR 383 606.73 GBP 324 000.00 26.7.2017 12 102.82 0.01
EUR 178 377.41 SGD 275 000.00 26.7.2017 2 002.70 0.00
EUR 1 329 088.37 JPY 164 939 601.00 26.7.2017 3 309.38 0.00
AUD 134 702.43 EUR 90 225.86 26.7.2017 -1 384.91 0.00
EUR 94 086.91 DKK 700 000.00 26.7.2017 -19.08 0.00
EUR 35 243 646.52 USD 38 510 485.85 26.7.2017 1 097 696.01 0.72
EUR 114 407.78 CHF 125 000.00 26.7.2017 -558.29 0.00
EUR 1 019 177.53 CAD 1 529 938.35 26.7.2017 13 857.07 0.01
CAD 380 000.00 CHF 273 163.76 22.6.2017 -1 125.62 0.00
SEK 1 850 000.00 CHF 206 464.03 22.6.2017 -152.21 0.00
SEK 1 850 000.00 CHF 206 405.06 26.7.2017 -149.70 0.00
CAD 380 000.00 CHF 272 718.40 26.7.2017 -1 128.25 0.00
SEK 1 850 000.00 CHF 206 713.12 26.7.2017 -432.84 0.00
SEK 1 860 000.00 CHF 207 889.88 22.6.2017 -437.80 0.00

UBS (Lux) Strategy SICAV – Xtra Yield (EUR)
Annual Report as of 31 May 2017

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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Forward Foreign Exchange contracts (Continued)

Forward Foreign Exchange contracts (Purchase/Sale)

CAD	330 000.00	CHF	237 374.61	22.6.2017	-1 118.55	0.00
CAD	320 000.00	CHF	229 807.68	26.7.2017	-1 088.04	0.00
CAD	260 000.00	CHF	186 981.86	22.6.2017	-844.00	0.00
CAD	250 000.00	CHF	179 497.00	26.7.2017	-813.04	0.00
CAD	170 000.00	EUR	111 966.30	22.6.2017	-119.25	0.00
JPY	12 500 000.00	EUR	100 169.41	22.6.2017	332.32	0.00
EUR	69 770.93	GBP	60 000.00	22.6.2017	920.05	0.00
EUR	116 003.79	USD	130 000.00	22.6.2017	522.05	0.00
SGD	100 000.00	EUR	64 338.06	26.7.2017	-201.80	0.00
EUR	69 718.07	GBP	60 000.00	26.7.2017	921.05	0.00
SGD	110 000.00	EUR	70 870.72	22.6.2017	-219.76	0.00
SEK	700 000.00	EUR	71 556.15	22.6.2017	208.40	0.00
EUR	210 744.68	CHF	230 000.00	22.6.2017	-709.15	0.00
CAD	170 000.00	EUR	111 829.52	26.7.2017	-122.75	0.00
JPY	12 500 000.00	EUR	100 152.71	26.7.2017	321.87	0.00
SEK	700 000.00	EUR	71 565.58	26.7.2017	207.81	0.00
EUR	124 692.28	USD	140 000.00	26.7.2017	559.00	0.00
EUR	219 994.78	CHF	240 000.00	26.7.2017	-740.07	0.00
EUR	98 116.78	USD	110 000.00	26.7.2017	583.49	0.00
EUR	89 367.58	USD	100 000.00	22.6.2017	535.47	0.00
EUR	68 796.93	GBP	60 000.00	26.7.2017	-0.09	0.00
EUR	68 851.64	GBP	60 000.00	22.6.2017	0.76	0.00
Total Forward Foreign Exchange contracts (Purchase/Sale)					3 423 758.69	2.24

Cash at banks, deposits on demand and deposit accounts and other liquid assets	4 356 123.87	2.86
Bank overdraft and other short-term liabilities	-17.49	0.00
Other assets and liabilities	-323 090.16	-0.22
Total net assets	152 551 108.46	100.00

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, redemption and conversion price per share of each subfund or share class are in the currency of account of the subfund or share class concerned and are calculated every business day by dividing the total net assets of the subfund attributable to each share class by the number of shares issued in this share class of the subfund.

In this context, "business day" refers to normal banking days in Luxembourg (i.e. each day on which the banks are open during normal business hours) with the exception of individual, non-statutory rest days as well as days on which exchanges in the main countries in which the subfund invests are closed or 50% or more of the subfund's investments cannot be adequately valued.

The percentage of the net asset value attributable to each share class of a subfund changes each time shares are issued or redeemed. It is determined by the ratio of the shares issued in each share class to the total number of shares issued in the subfund, taking into account the fees charged to that share class.

If the total subscriptions or redemptions affecting all the unit classes of a subfund on a single trading day come to a net capital inflow or outflow, the net asset value of the subfund may be increased or reduced respectively (so-called 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/offer spread of the assets in which the Fund invests may be taken into account. The adjustment leads to an increase in net asset value if the net movements result in a rise in all units of the affected subfund. It results in a reduction of net asset value if the net movements bring about a fall in the number of units. This may consist in the net movement on a trading day in relation to the net Fund assets or to an absolute amount in the currency of the subfund concerned. The net asset value would be adjusted only if this threshold were to be exceeded on a trading day. This adjustment is in favour of the subfund and mentioned in the Statement of Operations as "Other income".

b) Valuation principles

- Liquid funds – whether in the form of cash, bank deposits, bills of exchange and sight securities and receivables, prepaid expenses, cash dividends and declared or accrued interest that has not yet been received – are valued at their full value unless it is unlikely that this value will be fully paid or received, in which case their value is determined by taking into consideration a deduction that seems appropriate in order to portray their true value.
- Securities, derivatives and other investments listed on a stock exchange are valued at the last-known market prices. If these securities, derivatives or other assets are listed on several stock exchanges, the latest available price on the stock exchange that represents the major market for these investments will 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 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 which are traded on another regulated market which operates regularly and is recognised and open to the public are valued at the last available price on this market.
- Securities and other investments that are 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 Company according to other principles chosen by it in good faith on the basis of the likely sales prices.
- Derivatives not listed on a stock exchange (OTC derivatives) are valued on the basis of independent pricing sources. In case only one independent pricing source of a derivative is available, the plausibility of the valuation obtained will be verified by means of calculation methods recognised by the Company, based on the market value of the underlying instrument from which the derivative originates.
- Units of other undertakings for collective investment in transferable securities (UCITS) and/or undertakings for collective investment (UCI) are valued at their last-known net asset value. Certain units or shares of other UCITS and/or UCI can be valued on the basis of an estimation of their value that has been provided by reliable service providers, which are independent from the portfolio manager or the investment advisor (value estimation).
- 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.

The valuation based on the curves refers to the interest rate and credit spread components. The following principles are applied in this process: for each money market instrument, the interest rates nearest the residual maturity are interpolated. The interest rate calculated in this way is converted into a market price by adding a credit spread that reflects the underlying borrower. This credit spread is adjusted if there is a significant change in the credit rating of the borrower.

Interest income earned by subfunds between the order date concerned and the value date concerned is included in the valuation of the assets of the subfund concerned. The asset value per share on a given valuation date therefore includes projected interest income.

- Securities, money market instruments, derivatives and other assets denominated in a currency other than the reference currency of the relevant subfund and not hedged by foreign-exchange transactions, are valued at the middle-market rate of exchange (midway between the bid and offer rate) known in Luxembourg or, if not available, on the most representative market for this currency.
- Fixed-term deposits and fiduciary investments 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. The calculation is 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 methods depend on the respective security and are determined pursuant to the UBS Valuation Policy.

The Company is authorised to apply other generally recognised and auditable valuation criteria in good faith in order to achieve an appropriate valuation of the net assets if, due to extraordinary circumstances, a valuation in accordance with the aforementioned regulations proves to be unfeasible or inaccurate.

In extraordinary circumstances, additional valuations can be carried out over the course of the day. These new valuations will then be authoritative for subsequent issues and redemptions of shares.

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 gains (losses) 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 Company, 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 quasi-governmental 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 Company'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.

i) Consolidated financial statements

The consolidated financial statements are expressed in EUR. The various items of the consolidated statement of net assets and the consolidated statement of operations as of 31 May 2017 of the Company are equal to the sum of the corresponding items in the financial statements of each subfund converted into EUR at the exchange rates prevailing at closing date.

The following exchange rates were used for the conversion of the consolidated financial statements as of 31 May 2017:

Exchange rates	
EUR 1 = CHF	1.088010
EUR 1 = USD	1.124500

*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 Company 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.

The value of swaps is calculated by an external service provider and a second independent valuation is provided by another external service provider. The calculation is 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 from Bloomberg), and/or broker statement valuations may be used.

The valuation methods depend on the respective security and are determined pursuant to the UBS Valuation Policy.

This valuation method is recognised by the Company.

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 Company charges a monthly flat fee for the various subfunds, calculated on the average net asset value of the subfunds as set out in the table below:

UBS (Lux) Strategy SICAV – Fixed Income (CHF)
UBS (Lux) Strategy SICAV – Fixed Income (EUR)
UBS (Lux) Strategy SICAV – Fixed Income (USD)

UBS (Lux) Strategy SICAV
Annual Report as of 31 May 2017

	"Maximum flat fee p.a."
Share classes with "P" in their name	1.080%
Share classes with "N" in their name	1.500%
Share classes with "K-1" in their name	0.850%
Share classes with "K-X" in their name	0.000%
Share classes with "F" in their name	0.570%
Share classes with "Q" in their name	0.850%*
Share classes with "I-A1" in their name	0.650%
Share classes with "I-A2" in their name	0.600%
Share classes with "I-A3" in their name	0.570%
Share classes with "I-B" in their name	0.065%
Share classes with "I-X" in their name	0.000%
Share classes with "U-X" in their name	0.000%

* Effective: 0.650% p.a.

UBS (Lux) Strategy SICAV – Income (CHF)
UBS (Lux) Strategy SICAV – Income (EUR)
UBS (Lux) Strategy SICAV – Income (USD)

	"Maximum flat fee p.a."
Share classes with "P" in their name	1.300%
Share classes with "N" in their name	1.600%
Share classes with "K-1" in their name	0.880%
Share classes with "K-X" in their name	0.000%
Share classes with "F" in their name	0.670%
Share classes with "Q" in their name	0.950%*
Share classes with "I-A1" in their name	0.750%
Share classes with "I-A2" in their name	0.700%
Share classes with "I-A3" in their name	0.670%
Share classes with "I-B" in their name	0.065%
Share classes with "I-X" in their name	0.000%
Share classes with "U-X" in their name	0.000%

* Effective: 0.750% p.a.

UBS (Lux) Strategy SICAV – Xtra Balanced (EUR)

	"Maximum flat fee p.a."
Share classes with "P" in their name	1.980%
Share classes with "N" in their name	2.100%
Share classes with "K-1" in their name	1.300%
Share classes with "K-X" in their name	0.000%
Share classes with "F" in their name	0.940%
Share classes with "Q" in their name	1.250%*
Share classes with "I-A1" in their name	1.050%
Share classes with "I-A2" in their name	1.000%
Share classes with "I-A3" in their name	0.940%
Share classes with "I-B" in their name	0.065%
Share classes with "I-X" in their name	0.000%
Share classes with "U-X" in their name	0.000%

* Effective: 1.050% p.a.

UBS (Lux) Strategy SICAV – Xtra Yield (EUR)

	"Maximum flat fee p.a."
Share classes with "P" in their name	1.800%
Share classes with "N" in their name	1.980%
Share classes with "K-1" in their name	1.100%
Share classes with "K-X" in their name	0.000%
Share classes with "F" in their name	0.850%

	"Maximum flat fee p.a."
Share classes with "Q" in their name	1.150%*
Share classes with "I-A1" in their name	0.950%
Share classes with "I-A2" in their name	0.900%
Share classes with "I-A3" in their name	0.850%
Share classes with "I-B" in their name	0.065%
Share classes with "I-X" in their name	0.000%
Share classes with "U-X" in their name	0.000%

* Effective: 0.950% p.a.

In the aforementioned maximum Flat fee the following is included:

1. For the management, the administration, portfolio management and distribution of the Company (if applicable), as well as for all the tasks of the Depositary, such as the safekeeping and supervision of the Company's assets, the handling of payment transactions and all other tasks listed in the section "Depositary and main paying agent" of the sales prospectus, a maximum flat fee based on the net asset value of the Company is paid from the Company's assets, in accordance with the following provisions: This fee is charged to the Company's assets on a pro rata basis upon every calculation of the net asset value and is paid on a monthly basis (maximum flat fee).

The relevant maximum flat fee will not be charged until the corresponding share classes have been launched. An overview of the maximum flat fees can be seen in "The Subfunds and their special investment policies" section of the sales prospectus.

2. The maximum flat fee does not include the following fees and additional expenses which are also charged to the Company:
 - a) all additional expenses related to management of the Company's assets for the sale and purchase of assets (bid/offer spread, brokerage fees in line with the market, commissions, fees, etc.). These expenses are generally 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 entitled "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 Company, as well as all fees of the supervisory authorities and any stock exchanges on which the subfunds are listed;
 - c) auditor's fees for the annual audit and certification in connection with the establishment, modification, liquidation and merger of the Company, as well as any other fees paid to the auditor for the services it provides in relation to the administration of the Fund and as permissible by law;

- d) fees for legal and tax advisers, as well as notaries, in connection with the establishment, registration in distribution countries, modification, liquidation and merger of the Company, as well as for the general safeguarding of the interests of the Company and its investors, insofar as this is not expressly prohibited by law;
- e) costs for the publication of the Company's net asset value and all costs for notices to investors, including translation costs;
- f) costs for the Company's legal documents (prospectuses, KIID, annual and semi-annual reports, as well as all other documents legally required in the countries of domiciliation and distribution);
- g) costs for the Company's registration with any foreign supervisory authorities, if applicable, including fees, translation costs and fees for the foreign representative or paying agent;
- h) expenses incurred through use of voting or creditors' rights by the Company, including fees for external advisers;
- i) costs and fees related to any intellectual property registered in the Company's name or usufructuary rights of the Company;
- j) all expenses arising in connection with any extraordinary measures taken by the Management Company, Portfolio Manager or Depositary for protecting the interests of the investors;
- k) if the Management Company participates in class-action suits in the interests of investors, it may charge the Company's assets for the expenses arising in connection with third parties (e.g. legal and Depositary costs). Furthermore, the Management Company may charge for all administrative costs, provided these are verifiable and disclosed, and taken into account in the disclosure of the Company's total expense ratio (TER).

3. The Management Company may pay retrocessions in order to cover the distribution activities of the Company.

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

The Depositary, Administrative Agent and 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 directly to the Company.

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

All costs which can be allocated to individual subfunds will be charged to these subfunds. Costs which can be allocated to the individual share classes will be charged to these share classes. If costs pertain to several or all

subfunds/share classes, however, these costs will be charged to the subfunds/share classes concerned in proportion to their relative net asset values.

In the 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 subfund as well as at the level of the relevant target fund. The upper limit for management fees of the target fund in which the subfund's assets are invested amounts to a maximum of 3%, taking into account any trail fees.

In the case of investments in units of funds managed directly or indirectly by the Management Company or another Company related to it by common management or control, or by a substantial direct or indirect holding, the subfund making the investment may not be charged with any of the target fund's issue or redemption commissions.

Details on the ongoing charges of the Company can be found in the KIID.

Note 3 – Taxe d'abonnement

In accordance with the law and the regulations currently in force, the Company is subject in Luxembourg to the subscription tax at the annual rate of 0.05%, or a reduced tax d'abonnement amounting to 0.01% p.a. for some share classes, payable quarterly and calculated on the basis of its 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 – Income Distribution

The general meeting of shareholders of the respective subfunds shall decide, at the proposal of the Board of Directors and after closing the annual accounts per subfund, 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 Company falling below the minimum amount of 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 Board of Directors is authorized to pay interim dividends and to suspend the payment of distributions.

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

Note 5 – Soft commission arrangements

During the financial year from 1 June 2016 until 31 May 2017, no "soft commission arrangements" were entered into on behalf of UBS (Lux) Strategy SICAV and "soft commissions" amount to nil.

Note 6 – Commitments on Financial Futures and Swaps

Commitments on Financial Futures and Swaps per subfund and respective currency as of 31 May 2017 can be summarised as follows:

a) Financial Futures

UBS (Lux) Strategy SICAV	Financial Future on indices (bought)	Financial Future on indices (sold)
– Income (CHF)	13 114 076.38 CHF	6 200 797.28 CHF
– Income (EUR)	9 454 082.57 EUR	4 598 031.32 EUR
– Income (USD)	9 015 187.71 USD	2 759 386.57 USD
– Xtra Balanced (EUR)	2 306 822.68 EUR	1 229 708.98 EUR
– Xtra Yield (EUR)	8 204 153.46 EUR	2 866 311.99 EUR

b) Swaps

UBS (Lux) Strategy SICAV	Credit default swaps (bought)	Credit default swaps (sold)
– Fixed Income (CHF)	- CHF	676 247.30 CHF
– Fixed Income (EUR)	- EUR	860 600.94 EUR
– Fixed Income (USD)	- USD	1 720 436.92 USD
– Income (CHF)	- CHF	1 872 684.83 CHF
– Income (EUR)	- EUR	1 721 201.89 EUR
– Income (USD)	- USD	1 559 145.96 USD
– Xtra Balanced (EUR)	- EUR	334 678.15 EUR
– Xtra Yield (EUR)	- EUR	1 434 334.92 EUR

Note 7 – 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) Strategy SICAV	Total Expense Ratio (TER)
– Fixed Income (CHF) P-acc	1.15%
– Fixed Income (CHF) Q-acc	0.72%
– Fixed Income (EUR) P-acc	1.17%
– Fixed Income (EUR) Q-acc	0.74%
– Fixed Income (USD) K-1-acc	0.94%
– Fixed Income (USD) P-acc	1.17%
– Fixed Income (USD) (JPY hedged) P-acc	1.17%
– Fixed Income (USD) Q-acc	0.74%
– Income (CHF) P-acc	1.37%
– Income (CHF) P-dist	1.37%

UBS (Lux) Strategy SICAV	Total Expense Ratio (TER)
– Income (CHF) Q-acc	0.83%
– Income (CHF) Q-dist	0.82%
– Income (EUR) K-1-acc	0.93%
– Income (EUR) P-acc	1.37%
– Income (EUR) (USD hedged) P-acc	1.38%
– Income (EUR) P-dist	1.37%
– Income (EUR) Q-acc	0.82%
– Income (EUR) Q-dist	0.83%
– Income (USD) K-1-acc	0.97%
– Income (USD) P-acc	1.37%
– Income (USD) (JPY hedged) P-acc	1.43%
– Income (USD) P-dist	1.37%
– Income (USD) Q-acc	0.83%
– Income (USD) Q-dist	0.83%
– Xtra Balanced (EUR) P-acc	2.28%
– Xtra Balanced (EUR) P-dist	2.27%
– Xtra Balanced (EUR) Q-acc	1.36%
– Xtra Yield (EUR) P-acc	2.12%
– Xtra Yield (EUR) P-dist	2.12%
– Xtra Yield (EUR) Q-acc	1.28%
– Xtra Yield (EUR) Q-dist	1.28%

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

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

Note 8 – Transaction costs

Transaction costs include brokerage fees, which also include costs from Commission Sharing Arrangements, as well as 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 31 May 2017, the fund incurred transaction costs relating to purchase or sale of investments in securities and similar transactions, as follows:

UBS (Lux) Strategy SICAV	Transaction costs
– Fixed Income (CHF)	1 127.62 CHF
– Fixed Income (EUR)	329.11 EUR
– Fixed Income (USD)	150.80 USD
– Income (CHF)	22 923.40 CHF
– Income (EUR)	16 679.66 EUR
– Income (USD)	16 862.79 USD
– Xtra Balanced (EUR)	3 161.62 EUR
– Xtra Yield (EUR)	12 005.53 EUR

Furthermore, in accordance with the standard market practices on bond markets, purchases and redemptions underlies the “Bid-Offer-Spread”. According to this principle a difference results between the purchase/redemption price and the market value which corresponds to the wage of the Broker.

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 9 – Pooling

The Company may invest and manage all or part of the portfolio assets of two or more subfunds (for this purpose referred to as “participating subfunds”) in the form of a pool. Such an asset pool is created by transferring cash and other assets (if these assets are in line with the investment policy of the pool concerned) from each participating subfund to the asset pool. The Company can then make further transfers to the individual asset pools. Equally, assets up to the amount of its participation can also be transferred back to a participating subfund.

The share of a participating subfund in the respective asset pool is evaluated by reference to notional units of the same value. When an asset pool is created, the Company shall specify the initial value of the notional units (in a currency that the Company considers appropriate) and allot to each participating subfund notional units in the total value of the cash (or other assets) it has contributed. The value of the notional units will then be determined by dividing the net assets of the asset pool by the number of existing notional units.

If additional cash or assets are contributed to or withdrawn from an asset pool, the notional units assigned to the participating subfund concerned increase or diminish by a number, which is determined by dividing the contributed or withdrawn cash amount or assets by the current value of the holding of the participating subfund in the pool. If cash is contributed to the asset pool, for calculation purposes it is reduced by an amount that the Company considers appropriate in order to take account of any tax expenses as well as the closing charges and acquisition costs relating to the investment of the cash concerned. If cash is withdrawn, a corresponding deduction may be made in order to take account of any costs related to the disposal of securities or other assets of the asset pool.

Dividends, interest and other income-like distributions, which are obtained from the assets of an asset pool, are allocated to the asset pool concerned and thus lead to an increase in the respective net assets. If the Company is liquidated, the assets of an asset pool are allocated to the participating subfunds in proportion to their respective share in the asset pool.

Currently, the participating subfunds are:

UBS (Lux) Strategy SICAV – Xtra Balanced (EUR)
UBS (Lux) Strategy SICAV – Xtra Yield (EUR)

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 shareholders, the Company and the depositary. Luxembourg law applies. However, in matters concerning the claims of investors from other countries, the Company and/or the depositary can elect to make themselves subject to the jurisdiction of the countries in which the Company shares were bought and sold.

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

Note 11 – OTC Derivatives and Securities Lending

If the Company enters into OTC transactions, it may be exposed to risks related to the creditworthiness of the OTC counterparties: when the Company 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 can not meet) its obligations under a specific or multiple contracts. Counterparty risk can be reduced by depositing a security. If the Company is owed a security pursuant to an applicable agreement, such security shall be held in custody by the Depositary in favour of the Company. 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 Company in connection with the security to be delayed, restricted or even eliminated, which would force the Company 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 Company 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*

The OTC-Derivatives of the below mentioned subfunds have margin-accounts as collateral.

Subfund Counterparty	Unrealized gain (loss)	Collateral received
UBS (Lux) Strategy SICAV – Fixed Income (CHF)		
UBS AG	971 683.87 CHF	0.00 CHF
UBS (Lux) Strategy SICAV – Fixed Income (EUR)		
UBS AG	1 562 479.88 EUR	0.00 EUR
UBS (Lux) Strategy SICAV – Fixed Income (USD)		
UBS AG	581 860.22 USD	0.00 USD
UBS (Lux) Strategy SICAV – Income (CHF)		
UBS AG	4 054 104.74 CHF	0.00 CHF
UBS (Lux) Strategy SICAV – Income (EUR)		
UBS AG	4 237 640.92 EUR	0.00 EUR
Westpac Banking Corp	-42 196.07 EUR	0.00 EUR
UBS (Lux) Strategy SICAV – Income (USD)		
Citibank	25 870.01 USD	0.00 USD
UBS AG	-140 608.06 USD	0.00 USD
UBS (Lux) Strategy SICAV – Xtra Balanced (EUR)		
UBS AG	810 661.49 EUR	0.00 EUR
UBS (Lux) Strategy SICAV – Xtra Yield (EUR)		
UBS AG	3 423 758.69 EUR	0.00 EUR

* 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

Counterparty Exposure from Securities Lending as of 31 May 2017

Collateral Breakdown (Weight in %) as of 31 May 2017

UBS (Lux) Strategy SICAV	Market value of securities lent	Collateral (UBS Switzerland AG)	Equities	Bonds	Cash
- Fixed Income (CHF)	10 510 948.99 CHF	11 165 207.29 CHF	35.52	64.48	0.00
- Fixed Income (EUR)	22 800 020.08 EUR	24 219 216.61 EUR	35.52	64.48	0.00
- Fixed Income (USD)	30 778 026.66 USD	32 693 817.46 USD	35.52	64.48	0.00
- Income (CHF)	41 343 262.03 CHF	43 916 690.22 CHF	35.52	64.48	0.00
- Income (EUR)	39 666 348.66 EUR	42 135 396.69 EUR	35.52	64.48	0.00
- Income (USD)	25 855 419.26 USD	27 464 800.37 USD	35.52	64.48	0.00
- Xtra Balanced (EUR)	5 719 709.07 EUR	6 075 734.69 EUR	35.52	64.48	0.00
- Xtra Yield (EUR)	33 199 133.35 EUR	35 265 626.93 EUR	35.52	64.48	0.00

Unaudited Information

1) Global Exposure

Risk management

Risk management in accordance with the commitment approach and the value-at-risk 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.

Subfunds	Global risk calculation method
UBS (Lux) Strategy SICAV – Fixed Income (CHF)	Commitment approach
UBS (Lux) Strategy SICAV – Fixed Income (EUR)	Commitment approach
UBS (Lux) Strategy SICAV – Fixed Income (USD)	Commitment approach
UBS (Lux) Strategy SICAV – Income (CHF)	Commitment approach
UBS (Lux) Strategy SICAV – Income (EUR)	Commitment approach
UBS (Lux) Strategy SICAV – Income (USD)	Commitment approach
UBS (Lux) Strategy SICAV – Xtra Balanced (EUR)	Commitment approach
UBS (Lux) Strategy SICAV – Xtra Yield (EUR)	Commitment approach

2) Remuneration Policy and quantitative disclosure

The Board of Directors of the UBS Fund Management (Luxembourg) S.A. has adopted a remuneration policy (the "Policy") on 9 March 2016, 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; 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 2016 and in the compensation report 2016. 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.

As at the end of the Company's financial year on 31 May 2017, the Management Company has not completed its first annual performance period in which it has to comply with the UCITS Law remuneration rules.

As a consequence, the aggregate amount of remuneration broken down by categories of employees or other members of staff as well as the other information required to be disclosed by the UCITS Law in the annual report of the Company is not yet available and will be disclosed once a full performance year has been completed.

Unaudited Information

3) Collateral

	UBS (Lux) Strategy SICAV – Fixed Income (CHF) (in %)	UBS (Lux) Strategy SICAV – Fixed Income (EUR) (in %)	UBS (Lux) Strategy SICAV – Fixed Income (USD) (in %)	UBS (Lux) Strategy SICAV – Income (CHF) (in %)	UBS (Lux) Strategy SICAV – Income (EUR) (in %)
by Country in %:					
– Australia	1.22	1.22	1.22	1.22	1.22
– Belgium	2.77	2.77	2.77	2.77	2.77
– British Virgin Islands	0.09	0.09	0.09	0.09	0.09
– Cayman Islands	0.25	0.25	0.25	0.25	0.25
– China	1.25	1.25	1.25	1.25	1.25
– Denmark	3.20	3.20	3.20	3.20	3.20
– Germany	11.24	11.24	11.24	11.24	11.24
– Finland	0.43	0.43	0.43	0.43	0.43
– France	16.97	16.97	16.97	16.97	16.97
– United Kingdom	9.31	9.31	9.31	9.31	9.31
– Guernsey	0.00	0.00	0.00	0.00	0.00
– Hong Kong	0.64	0.64	0.64	0.64	0.64
– Japan	7.97	7.97	7.97	7.97	7.97
– Canada	1.08	1.08	1.08	1.08	1.08
– Liechtenstein	0.00	0.00	0.00	0.00	0.00
– Luxembourg	0.49	0.49	0.49	0.49	0.49
– New Zealand	0.13	0.13	0.13	0.13	0.13
– The Netherlands	6.75	6.75	6.75	6.75	6.75
– Norway	0.77	0.77	0.77	0.77	0.77
– Austria	0.27	0.27	0.27	0.27	0.27
– Sweden	1.59	1.59	1.59	1.59	1.59
– Switzerland	2.54	2.54	2.54	2.54	2.54
– Singapore	0.53	0.53	0.53	0.53	0.53
– Supranationals	0.35	0.35	0.35	0.35	0.35
– United States	30.16	30.16	30.16	30.16	30.16
Total	100.00	100.00	100.00	100.00	100.00
by Credit Rating (Bonds):					
– Rating > AA-	63.92	63.92	63.92	63.92	63.92
– Rating <=AA-	25.07	25.07	25.07	25.07	25.07
– without Rating	11.01	11.01	11.01	11.01	11.01
Total	100.00	100.00	100.00	100.00	100.00
Securities Lending					
Assets and Revenues / Ratios					
Average Invested Assets (1)	71 624 475.78 CHF	91 744 354.21 EUR	166 704 867.58 USD	199 827 282.29 CHF	182 482 599.39 EUR
Average Securities Lent (2)	12 032 736.46 CHF	27 905 168.13 EUR	52 720 691.06 USD	36 634 389.84 CHF	52 112 810.25 EUR
Average Collateral Ratio	105.76%	105.76%	105.76%	105.76%	105.76%
Average Securities Lending Ratio (2)/(1)	16.80%	30.42%	31.63%	18.33%	28.56%
Securities Lending revenues	16 931.43 CHF	47 293.55 EUR	82 096.93 USD	50 489.25 CHF	92 655.11 EUR
Securities Lending costs	6 772.57 CHF	18 917.42 EUR	32 838.77 USD	20 195.70 CHF	37 062.04 EUR
Net Securities Lending revenues	10 158.86 CHF	28 376.13 EUR	49 258.16 USD	30 293.55 CHF	55 593.07 EUR

Unaudited Information

	UBS (Lux) Strategy SICAV – Income (USD) (in %)	UBS (Lux) Strategy SICAV – Xtra Balanced (EUR) (in %)	UBS (Lux) Strategy SICAV – Xtra Yield (EUR) (in %)
by Country in %:			
– Australia	1.22	1.22	1.22
– Belgium	2.77	2.77	2.77
– British Virgin Islands	0.09	0.09	0.09
– Cayman Islands	0.25	0.25	0.25
– China	1.25	1.25	1.25
– Denmark	3.20	3.20	3.20
– Germany	11.24	11.24	11.24
– Finland	0.43	0.43	0.43
– France	16.97	16.97	16.97
– United Kingdom	9.31	9.31	9.31
– Guernsey	0.00	0.00	0.00
– Hong Kong	0.64	0.64	0.64
– Japan	7.97	7.97	7.97
– Canada	1.08	1.08	1.08
– Liechtenstein	0.00	0.00	0.00
– Luxembourg	0.49	0.49	0.49
– New Zealand	0.13	0.13	0.13
– The Netherlands	6.75	6.75	6.75
– Norway	0.77	0.77	0.77
– Austria	0.27	0.27	0.27
– Sweden	1.59	1.59	1.59
– Switzerland	2.54	2.54	2.54
– Singapore	0.53	0.53	0.53
– Supranationals	0.35	0.35	0.35
– United States	30.16	30.16	30.16
Total	100.00	100.00	100.00
by Credit Rating (Bonds):			
– Rating > AA-	63.92	63.92	63.92
– Rating <=AA-	25.07	25.07	25.07
– without Rating	11.01	11.01	11.01
Total	100.00	100.00	100.00
Securities Lending			
Assets and Revenues / Ratios			
Average Invested Assets (1)	177 961 107.29 USD	34 881 737.04 EUR	154 926 899.78 EUR
Average Securities Lent (2)	49 299 173.00 USD	1 473 092.33 EUR	30 619 619.12 EUR
Average Collateral Ratio	105.76%	105.76%	105.76%
Average Securities Lending Ratio (2)/(1)	27.70%	4.22%	19.76%
Securities Lending revenues	74 538.65 USD	1 805.90 EUR	55 548.06 EUR
Securities Lending costs	29 815.46 USD	722.36 EUR	22 219.22 EUR
Net Securities Lending revenues	44 723.19 USD	1 083.54 EUR	33 328.84 EUR

Unaudited Information

4) Securities Financing Transaction Regulation (SFTR)

The Company 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 31 May 2017.

UBS (Lux) Strategy SICAV	Securities lent in % of Net Assets	Securities lent in % of Total Lendable Securities
– Fixed Income (CHF)	16.21%	16.80%
– Fixed Income (EUR)	27.63%	28.47%
– Fixed Income (USD)	17.77%	18.25%
– Income (CHF)	23.93%	24.60%
– Income (EUR)	24.93%	25.75%
– Income (USD)	16.38%	16.81%
– Xtra Balanced (EUR)	15.06%	19.36%
– Xtra Yield (EUR)	21.76%	28.07%

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 Company: None

Concentration Data

Ten largest collateral issuers of SFTs per subfund:

	UBS (Lux) Strategy SICAV – Fixed Income (CHF)	UBS (Lux) Strategy SICAV – Fixed Income (EUR)	UBS (Lux) Strategy SICAV – Fixed Income (USD)	UBS (Lux) Strategy SICAV – Income (CHF)	UBS (Lux) Strategy SICAV – Income (EUR)
United States Treasury Note/Bond	1 269 973.04	2 754 785.58	3 718 718.83	4 995 250.95	4 792 639.87
French Republic	1 143 057.11	2 479 483.54	3 347 085.24	4 496 045.95	4 313 682.99
United Kingdom	868 291.09	1 883 469.74	2 542 518.89	3 415 294.49	3 276 767.61
Japan Government Ten	680 619.77	1 476 379.01	1 992 982.12	2 677 117.12	2 568 531.27
FMS Wertmanagement Aocer	310 230.11	672 941.40	908 411.84	1 220 244.21	1 170 750.20
Anheuser-Busch Inbev SA/NV	232 293.31	503 883.34	680 198.30	913 691.35	876 631.35
Federal Republic Of Germany	205 703.58	446 205.74	602 338.60	809 104.59	776 286.71
Akzo Nobel NV	170 056.13	368 880.41	497 956.18	668 890.61	641 759.91
State Of North Rhine-Westphalia Germany	164 313.63	356 423.97	481 141.09	646 303.36	620 088.82
Kreditanstalt Fuer Wiederaufbau	124 118.19	269 233.28	363 441.31	488 200.54	468 398.76

Unaudited Information

	UBS (Lux) Strategy SICAV – Income (USD)	UBS (Lux) Strategy SICAV – Xtra Balanced (EUR)	UBS (Lux) Strategy SICAV – Xtra Yield (EUR)
United States Treasury Note/Bond	3 123 950.59	691 077.11	4 011 246.20
French Republic	2 811 755.71	622 013.69	3 610 378.61
United Kingdom	2 135 870.91	472 495.15	2 742 522.28
Japan Government Ten	1 674 226.52	370 370.66	2 149 757.03
FMS Wertmanagement Aoer	763 121.34	168 816.91	979 870.68
Anheuser-Busch Inbev SA/NV	571 408.05	126 406.30	733 705.07
Federal Republic Of Germany	506 001.16	111 937.05	649 720.66
Akzo Nobel NV	418 313.56	92 538.89	537 127.15
State Of North Rhine-Westphalia Germany	404 187.85	89 414.02	518 989.32
Kreditanstalt Fuer Wiederaufbau	305 312.86	67 540.99	392 030.86

The ten largest issuers of SFTs

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

Safekeeping of collateral received by the Company as part of SFTs

100% held by UBS Switzerland AG

Safekeeping of collateral granted by the Company 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 “by Credit Rating (Bonds)”

Maturity tenor of collateral

	UBS (Lux) Strategy SICAV – Fixed Income (CHF)	UBS (Lux) Strategy SICAV – Fixed Income (EUR)	UBS (Lux) Strategy SICAV – Fixed Income (USD)	UBS (Lux) Strategy SICAV – Income (CHF)	UBS (Lux) Strategy SICAV – Income (EUR)
Up to 1 day	-	-	-	-	-
1 day to 1 week	-	-	-	-	-
1 week to 1 month	234 351.93	508 348.83	686 226.32	921 788.62	884 400.19
1 month to 3 months	540 776.43	1 173 035.23	1 583 494.64	2 127 064.04	2 040 788.75
3 months to 1 year	819 849.67	1 778 392.13	2 400 673.34	3 224 757.33	3 093 958.78
Above 1 year	5 583 245.52	12 111 000.66	16 348 788.28	21 960 869.86	21 070 120.68
Unlimited	3 986 983.74	8 648 439.76	11 674 634.88	15 682 210.37	15 046 128.29

	UBS (Lux) Strategy SICAV – Income (USD)	UBS (Lux) Strategy SICAV – Xtra Balanced (EUR)	UBS (Lux) Strategy SICAV – Xtra Yield (EUR)
Up to 1 day	-	-	-
1 day to 1 week	-	-	-
1 week to 1 month	576 471.96	127 526.53	740 207.28
1 month to 3 months	1 330 232.06	294 272.56	1 708 057.84
3 months to 1 year	2 016 712.00	446 134.94	2 589 518.66
Above 1 year	13 733 979.12	3 038 216.63	17 634 840.86
Unlimited	9 807 405.23	2 169 584.03	12 593 002.29

Unaudited Information

Currency of collateral

Currency of collateral	Percentage
EUR	38.11%
USD	33.76%
GBP	9.80%
JPY	7.91%
DKK	3.01%
CHF	2.53%
HKD	1.92%
SEK	1.33%
AUD	0.83%
SGD	0.42%
CAD	0.21%
NOK	0.17%
NZD	0.00%
TRY	0.00%
Total	100.00%

Maturity tenor of SFTs broken down by maturity buckets:

	UBS (Lux) Strategy SICAV – Fixed Income (CHF)	UBS (Lux) Strategy SICAV – Fixed Income (EUR)	UBS (Lux) Strategy SICAV – Fixed Income (USD)	UBS (Lux) Strategy SICAV – Income (CHF)	UBS (Lux) Strategy SICAV – Income (EUR)
Up to 1 day	10 510 948.99	22 800 020.08	30 778 026.66	41 343 262.03	39 666 348.66
1 day to 1 week	-	-	-	-	-
1 week to 1 month	-	-	-	-	-
1 month to 3 months	-	-	-	-	-
3 months to 1 year	-	-	-	-	-
Above 1 year	-	-	-	-	-
Unlimited	-	-	-	-	-

	UBS (Lux) Strategy SICAV – Income (USD)	UBS (Lux) Strategy SICAV – Xtra Balanced (EUR)	UBS (Lux) Strategy SICAV – Xtra Yield (EUR)
Up to 1 day	25 855 419.26	5 719 709.07	33 199 133.35
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) Strategy SICAV – Fixed Income (CHF) Securities Lending	UBS (Lux) Strategy SICAV – Fixed Income (EUR) Securities Lending	UBS (Lux) Strategy SICAV – Fixed Income (USD) Securities Lending	UBS (Lux) Strategy SICAV – Income (CHF) Securities Lending	UBS (Lux) Strategy SICAV – Income (EUR) Securities Lending
Settlement and clearing of trade					
Central counterparty	-	-	-	-	-
Bilateral	-	-	-	-	-
Tri-party	10 510 948.99 CHF	22 800 020.08 EUR	30 778 026.66 USD	41 343 262.03 CHF	39 666 348.66 EUR

Unaudited Information

	UBS (Lux) Strategy SICAV – Income (USD) Securities Lending	UBS (Lux) Strategy SICAV – Xtra Balanced (EUR) Securities Lending	UBS (Lux) Strategy SICAV – Xtra Yield (EUR) Securities Lending
Settlement and clearing of trade			
Central counterparty	-	-	-
Bilateral	-	-	-
Tri-party	25 855 419.26 USD	5 719 709.07 EUR	33 199 133.35 EUR

Data on income and expense for each type of SFT and total return swaps

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 Company
- 40% payable to the Securities Lending Agent

Income-Ratio (Company)

UBS (Lux) Strategy SICAV	Percentage
– Fixed Income (CHF)	0.16%
– Fixed Income (EUR)	0.21%
– Fixed Income (USD)	0.27%
– Income (CHF)	0.12%
– Income (EUR)	0.23%
– Income (USD)	0.29%
– Xtra Balanced (EUR)	0.03%
– Xtra Yield (EUR)	0.17%

Expense-Ratio (Securities Lending Agent)

UBS (Lux) Strategy SICAV	Percentage
– Fixed Income (CHF)	0.06%
– Fixed Income (EUR)	0.08%
– Fixed Income (USD)	0.11%
– Income (CHF)	0.05%
– Income (EUR)	0.09%
– Income (USD)	0.12%
– Xtra Balanced (EUR)	0.01%
– Xtra Yield (EUR)	0.07%

