INSURANCE ASIA NEWS
Institutional Asset Management Awards 2026
★★★★★

UBS Asset Management

Best Emerging Markets Fixed Income Manager

The UBS EM Fixed Income investment team ventures beyond conventional channels and gains fresh perspectives when making investment decisions.

UBS Asset Management operates a globally integrated Emerging Markets (EM) and Asia Fixed Income platform, whose physical footprint spans major financial centres, including Hong Kong, Singapore, Shanghai, Beijing, Tokyo, Taipei, Sydney, London, Zurich, New York and Chicago.

This global network also underpins UBS Asset Management's longstanding commitment to emerging markets, particularly in Asia, where the firm has more than 20 years of dedicated EM investment history, including being among the earliest foreign asset manager operating onshore in China.

UBS Asset Management's Emerging Markets Fixed Income investment process combines top-down macro allocation and bottom-up credit selection, supported by deep global and Asian macro research capabilities.

A core differentiator is the use of forward looking stress testing as a core risk management and alpha generation tool to identify downside risks early, assess resilience under adverse scenarios, and ensure capital is deployed only where risks are adequately compensated. Stress testing is fundamental, forward looking, and embedded in investment decisions, not a backward looking exercise. The emphasis is on anticipating potential shocks

rather than reacting after they occur. In recent years, UBS AM has observed that mis-pricing of default risk in certain emerging market countries has created pockets of compelling value which were a big driver of the returns.

The investment team ventures beyond conventional networking channels and gains fresh perspectives when making investment decisions. For example, in Venezuela, it has been engaging in a constructive dialogue with all the major oil companies on the ground and relevant stakeholders over the last couple of years.

They will take contrarian positions and are willing to go to zero exposure in a country if they think it has negative convexity. They also manage position-ing to avoid drawdowns due to domestic and geopolitical risks; for example,

reducing Argentina exposure going into elections in Fall 2025 and portfolio beta going into Liberation Day (April 2025). Portfolio alpha is not concentrated to only a few exposures, and UBS maintains diversified positions despite its high convic-tion, contrarian views.

During the most recent review period, the team successfully navigated a challenging EM environment by identifying undervalued sectors and issuers, capturing both carry and capital appreciation opportunities — a clear demon-stration of the platform's ability to translate global insights and local expertise into results.