# Cape Select Bond Fund

Cape Capital SICAV-UCITS

## Fund strategy

The Cape Select Bond Fund is an enhanced short-term bond strategy and alternative to holding cash, seeking to deliver higher returns over traditional money market funds and other short-term credit investments. The fund mainly invests in a mix of very short-term callable or bullet subordinated, or senior bonds issued by high quality Investment Grade rated issuers. Any FX exposure is fully hedged.

## Performance (NAV[1])


| Current month | YTD | 1Y (p.a.) | 3Y (p.a.) | 5Y (p.a.) | Since inception |
|---|---|---|---|---|---|
| 0.16 | 1.84 | 2.05 | 3.07 | 1.63 | 8.86 |

## Fund information

| | |
|---|---|
| Date | 30 November 2025 |
| Current AUM | EUR 73m |
| Fund type | SICAV-UCITS |
| ISIN | LU1968842036 |
| Bloomberg | CSBIBEA LX Equity |
| Fund inception | 02 September 2019 |
| Minimum investment | EUR 5,000 |
| Available currency | EUR, CHF, USD |
| Redemption | Daily by 3pm C.E.T |
| Management fee | 0.25% p.a. |
| Share class | Institutional B EUR Accumulating |
| Fund domicile | Luxembourg |
| Management company | MultiConcept Fund Management |
| Central administration | UBS Fund Administration Services Luxembourg S.A. |
| Auditor | PwC (Luxembourg) |
| Legal advisor | Arendt & Medernach |
| Depositary bank | UBS Europe SE, Luxembourg Branch |

## Fund statistics

| | |
|---|---|
| Average maturity (months) | 5.87 |
| Current running yield | 2.20 |
| Return (%, annualized since inception) | 1.37 |
| Return benchmark (%, annualized since inception)[3] | 1.33 |
| Volatility (%, annualized)[2] | 1.33 |
| Max drawdown (%, since inception) | -2.56 |
| Sharpe ratio | 0.03 |

Note: past performance is not a reliable indicator of future results.

Please see page 2 for detailed share class information.

1. Share class Institutional B EUR Acc., monthly NAV net of fees since fund inception 02 September 2019, indexed to 100.
2. Annualized standard deviation using monthly return since inception.
3. Risk free / Benchmark is calculated as the annualized return of EURIBOR 3 month since the inception of the Fund.

# Cape Select Bond Fund

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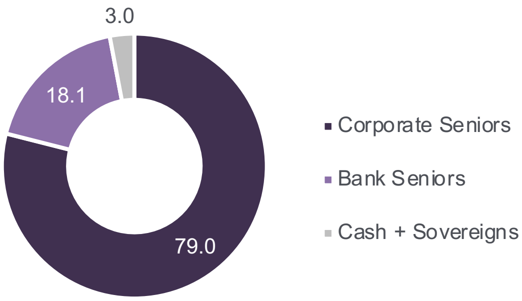
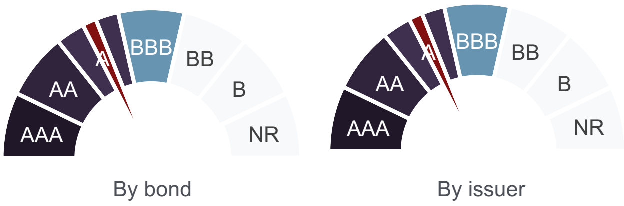
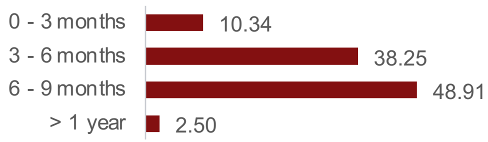
## Risk allocation (%)



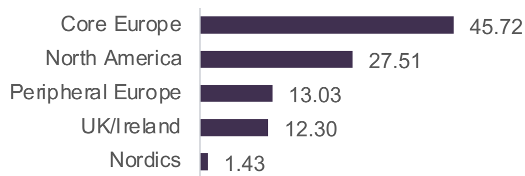

## Rating distribution




## Maturity split/exposure (%)




## Geographic exposure (%)




All allocations are calculated based on notional exposures.
Issuer Level Ratings refer to senior unsecured issuer ratings, based on data from S&P, Moody's, and Fitch.
Maturity exposure is calculated using next call date for callable bonds, call date for called bonds and maturity date for bullet bonds.
The Total Expense Ratio (TER) presented in this document reflects final TER for the previous year.

## Share class information

| Share class | Bloomberg | ISIN | Inception | Fee p.a. (%) | TER (bp) | Current NAV |
|---|---|---|---|---|---|---|
| Institutional B EUR Acc. | CSBIBEA LX Equity | LU1968842036 | 02/09/2019 | 0.25 | 54.0 | 108.86 |
| Institutional B USD Acc. | CCSBIBD LX Equity | LU1968842119 | 07/10/2019 | 0.25 | 56.0 | 120.66 |
| Institutional B CHF Acc. | CCSBIBC LX Equity | LU1968842200 | 27/12/2019 | 0.25 | 58.0 | 100.87 |
| Institutional A EUR Acc. | CACSBIA LX Equity | LU1968841145 | 24/01/2020 | 0.20 | 48.0 | 108.87 |

# Cape Select Bond Fund

Cape Capital SICAV-UCITS

Cape Capital

## Share class performance

| in % | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Institutional B EUR Acc. | | | | | | | | | | | | | |
| 2019 | | | | | | | | | -0.05 | 0.10 | 0.10 | 0.02 | 0.17 |
| 2020 | 0.11 | -0.18 | -2.39 | 0.91 | 0.77 | 0.31 | 0.08 | 0.31 | -0.01 | 0.03 | 0.31 | 0.03 | 0.25 |
| 2021 | 0.01 | -0.03 | 0.09 | 0.09 | -0.01 | 0.12 | 0.00 | 0.04 | -0.05 | -0.09 | -0.05 | 0.09 | 0.19 |
| 2022 | -0.12 | -0.47 | 0.14 | -0.16 | -0.11 | -0.79 | 0.34 | -0.17 | -0.44 | 0.19 | 0.41 | 0.07 | -1.10 |
| 2023 | 0.34 | 0.11 | -0.14 | 0.22 | 0.18 | 0.33 | 0.43 | 0.37 | 0.25 | 0.40 | 0.58 | 0.48 | 3.60 |
| 2024 | 0.41 | 0.31 | 0.34 | 0.28 | 0.35 | 0.28 | 0.37 | 0.30 | 0.30 | 0.24 | 0.25 | 0.21 | 3.70 |
| 2025 | 0.27 | 0.21 | 0.14 | 0.21 | 0.15 | 0.15 | 0.13 | 0.14 | 0.16 | 0.12 | 0.16 | | 1.84 |
| Institutional B USD Acc. | | | | | | | | | | | | | |
| 2019 | | | | | | | | | | 0.28 | 0.27 | 0.30 | 0.85 |
| 2020 | 0.29 | -0.04 | -2.10 | 1.05 | 0.84 | 0.38 | 0.19 | 0.37 | 0.05 | 0.08 | 0.39 | 0.15 | 1.63 |
| 2021 | 0.07 | 0.02 | 0.16 | 0.17 | 0.05 | 0.17 | 0.07 | 0.11 | 0.00 | -0.05 | -0.04 | 0.25 | 0.96 |
| 2022 | -0.08 | -0.44 | 0.27 | -0.13 | 0.07 | -0.70 | 0.57 | 0.08 | -0.28 | 0.44 | 0.72 | 0.37 | 0.88 |
| 2023 | 0.57 | 0.29 | 0.08 | 0.34 | 0.30 | 0.57 | 0.61 | 0.48 | 0.39 | 0.57 | 0.75 | 0.63 | 5.73 |
| 2024 | 0.53 | 0.42 | 0.45 | 0.40 | 0.47 | 0.39 | 0.53 | 0.45 | 0.45 | 0.36 | 0.35 | 0.32 | 5.23 |
| 2025 | 0.40 | 0.35 | 0.28 | 0.42 | 0.34 | 0.37 | 0.35 | 0.34 | 0.36 | 0.30 | 0.32 | | 3.91 |
| Institutional B CHF Acc. | | | | | | | | | | | | | |
| 2019 | | | | | | | | | | | | -0.01 | -0.01 |
| 2020 | 0.07 | -0.21 | -2.41 | 0.86 | 0.76 | 0.27 | 0.08 | 0.28 | -0.03 | 0.01 | 0.29 | 0.01 | -0.05 |
| 2021 | -0.03 | -0.06 | 0.08 | 0.07 | 0.00 | 0.10 | -0.01 | 0.02 | -0.07 | -0.11 | -0.06 | 0.09 | 0.02 |
| 2022 | -0.14 | -0.47 | 0.12 | -0.18 | -0.14 | -0.79 | 0.39 | -0.16 | -0.47 | 0.17 | 0.34 | -0.09 | -1.43 |
| 2023 | 0.24 | -0.1 | -0.27 | 0.05 | 0.01 | 0.15 | 0.29 | 0.17 | 0.11 | 0.22 | 0.36 | 0.28 | 1.62 |
| 2024 | 0.18 | 0.13 | 0.15 | 0.03 | 0.12 | 0.07 | 0.13 | 0.07 | 0.08 | 0.02 | 0.06 | -0.05 | 0.99 |
| 2025 | 0.04 | 0.03 | -0.05 | 0.02 | -0.02 | -0.04 | -0.05 | -0.04 | -0.03 | -0.07 | -0.02 | | -0.25 |
| Institutional A EUR Acc. | | | | | | | | | | | | | |
| 2020 | 0.01 | -0.18 | -2.38 | 0.91 | 0.77 | 0.31 | 0.09 | 0.31 | -0.01 | 0.03 | 0.32 | 0.04 | 0.19 |
| 2021 | -0.01 | -0.03 | 0.10 | 0.10 | -0.02 | 0.13 | 0.00 | 0.05 | -0.04 | -0.10 | -0.04 | 0.10 | 0.24 |
| 2022 | -0.12 | -0.47 | 0.14 | -0.15 | -0.10 | -0.79 | 0.35 | -0.17 | -0.44 | 0.20 | 0.41 | 0.07 | 5.45 |
| 2023 | 0.35 | 0.11 | -0.13 | 0.22 | 0.19 | 0.33 | 0.44 | 0.37 | 0.25 | 0.41 | 0.58 | 0.48 | 3.65 |
| 2024 | 0.41 | 0.32 | 0.34 | 0.28 | 0.36 | 0.28 | 0.38 | 0.30 | 0.30 | 0.25 | 0.26 | 0.21 | 3.75 |
| 2025 | 0.27 | 0.22 | 0.14 | 0.21 | 0.15 | 0.15 | 0.14 | 0.15 | 0.16 | 0.12 | 0.17 | | 1.89 |

MONTHLY COMMENT – NOVEMBER 2025

# Cape Select Bond Fund

## Missing signals

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- **Volatility with no data**: The US federal government shutdown created an information vacuum producing disproportionate volatility – expectations aren't purely data driven.
- **Europe's golden ticket**: Defence spending is Europe's best pathway out of stagnation toward strategic autonomy. Combined with broader fiscal mobilisation, it can be a catalyst for growth, competitiveness, and resilience.
- **Position steady, focus intact**: The Fund keeps an up-in-quality tilt, concentrates on EUR IG bonds, and maintains its defensive positioning.

### Market

November was a choppy month. At the beginning of the month, markets priced in a two-thirds probability of a 25bp December rate cut by the FOMC; by mid-month, this had fallen to one-third. Much of this volatility stemmed from the longest-ever US federal government shutdown, which delayed reports and created an information vacuum. In the absence of hard data, markets tend to fill the gap with their own estimates, expectations, and fantasies, which can generate significant volatility. When the delayed figures – the devil you know – finally arrived three weeks into the month, they showed downward revisions to payrolls and a rise in unemployment. With that, markets again moved to price in a near-certain December cut. These swings illustrate how far the current environment is from being purely data-driven.

Labour market fragility became more visible in November, and it is primarily demand driven. This time around, softer hiring reflects a mix of business caution – driven by trade war uncertainty and sluggish non-tech demand – and the early effects of AI that trim labour needs at the margin. A notable development is the extent to which this is affecting college-educated workers. Unemployment for degree-holders aged 25+ is now roughly 50% above its 2022 low (an increase of +20% for the whole labour market). While the absolute numbers don't seem as bad, it's a meaningful development given that this cohort represents roughly 40% of the US labour force and an estimated 55-65% of total labour income. The result of all this is a deterioration in purchasing power: private-sector labour income growth is slowing, inflation is firming, and a concentrated near-term public-sector drag is emerging. These pressures are contributing to an imbalance in the economy as aggregate demand rotates toward tech investment while job gains stall.

AI-related debt-financed capital expenditure is accelerating, but history suggests that productivity gains from such investments only materialise after a delay. Ideally, this wave of capital expenditure will eventually align with demographic shifts that are set to tighten labour supply, thereby supporting both growth and labour demand. The pessimistic scenario is that business caution persists, job growth weakens further, and narrowly concentrated capital expenditure yields limited benefits that fail to broaden overall total factor productivity or hiring. The Fed must therefore walk a tightrope: supporting the economy without encouraging a further rise in inflation. Markets reflected this macro uncertainty in November with modestly wider credit spreads.

Across the Atlantic, the ECB remains in hold-and-observe mode. Steepening pressure is mounting as pension fund reforms reduce structural demand for long-dated sovereign bonds, adding to the case for caution against the long-end. Despite a soft data pulse, the euro area managed trend like growth through 2025, even amid tariff uncertainty. Germany – particularly exposed to trade tensions – now finds an opportunity to reboot its economy owing to geopolitical developments, though its promised fiscal boost has so far underdelivered. November showed a slight uptick in fiscal activity, but the reawakening still depends on overcoming persistent bottlenecks in planning, permitting, and labour supply. Defence spending has emerged as Europe's "golden ticket" out of stagnation and toward strategic autonomy. So far, Europe remains well-buffered from the labour market strains visible in the US, and neither the benefits nor the challenges of AI-related capex are likely to spill over meaningfully into Europe.

Across the Atlantic, the ECB remains in a hold-and-observe mode. Steepening pressure is mounting as pension fund reforms reduce the structural demand for long-dated sovereign bonds, adding to the case for caution at the long end. Despite a soft data pulse, the euro area managed trend-like growth through 2025, even amid tariff uncertainty. Germany – particularly exposed to trade tensions – now finds an opportunity to reboot its economy owing to geopolitical developments, though its promised fiscal boost has so far underdelivered. November showed a slight uptick in fiscal activity, but the reawakening still depends on overcoming persistent bottlenecks in planning, permitting, and labour supply. Defence spending has emerged as Europe's "golden ticket" out of stagnation and towards strategic autonomy. So far, Europe remains well-buffered from the labour market strains visible in the US, and neither the benefits nor the challenges of AI-related capital expenditure are likely to spill over meaningfully into Europe.

Overall, November closed on a positive note for Europe, and the outlook remains 'okay'. Any inflationary consequences resulting from stronger growth should be modest, as an upswing in German defence and infrastructure spending coincides with a slowdown in the automobile sector. Higher public outlays and reforms are expected to lift the region's trajectory. The trend of convergence in the EU continues: political noise is keeping French volatility elevated; Spain's solid growth and fiscal discipline are bringing it closer to the core; and Italy's sovereign upgrade directly reinforces this theme. Finally, a potential peace deal in Ukraine – still speculative – would bring meaningful upside potential.

## Portfolio and positioning

The Fund continues to provide an almost risk-free carry, which is higher than T-Bill rates. With money market curves remaining relatively flat, we continue to position the Fund in the middle of the 0–12 month range, as reflected in the current average duration of six months. We have taken advantage of strong credit conditions and have maintained most of the exposure in corporate bonds, avoiding sovereigns. Short-duration products – particularly in EUR – offer compelling all-in yields, and our maturity profile helps us to mitigate left-tail risk and rate sensitivity. The Fund delivers a solid carry of approximately 3.1% in EUR terms (gross), derived from a diversified portfolio of roughly 40 high-quality, investment-grade, large-cap companies across developed markets. With a clear "safety-first" approach, we focus on standard bullet bonds that do not incorporate any extension risk.

# Cape Select Bond Fund

Cape Capital SICAV-UCITS

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Management Company: MultiConcept Fund Management S.A.
Fund type: SICAV-UCITS
Domicile: Luxembourg

Central administration: UBS Fund Administration Services Luxembourg S.A.
Independent auditor: PwC (Luxembourg)
Legal advisor: Arendt & Medernach, Luxembourg

Depositary bank: UBS Europe SE, Luxembourg Branch
Swiss representative: ACOLIN Fund Services AG
Paying agency: UBS AG

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