

# UC Bond Fund

## Benchmark

Bloomberg MSCI  
US Aggregate ex-  
Tobacco ex-Fossil  
Fuels Index

## Morningstar Category

Intermediate Core Bond

## Investment Information

### Investment Objective

The Fund seeks to provide long-term investment returns and limit downside risk by investing in intermediate-term debt securities. This Fund is fossil fuel free.

### Investment Strategy

The fund is a separate account managed by State Street Global Advisors. The fund employs an indexing investment approach designed to track the performance of the Bloomberg MSCI US Aggregate ex-Tobacco ex-Fossil Fuels Index. The fund excludes certain companies that, in the determination of the Chief Investment Officer, pose environmental, social or governance

risks that materially impact their potential returns. Such companies include, but are not limited to, those that own reserves of coal, oil or natural gas.

### Who May Want To Invest

The Bond Fund may be appropriate for investors interested in a fixed-income vehicle that seeks to provide long-term investment returns and limit downside risk through a diversified portfolio of intermediate-term debt securities. The Bond Fund may not be appropriate for investors with very long time horizons needing a return that is higher than fixed income holdings can provide.

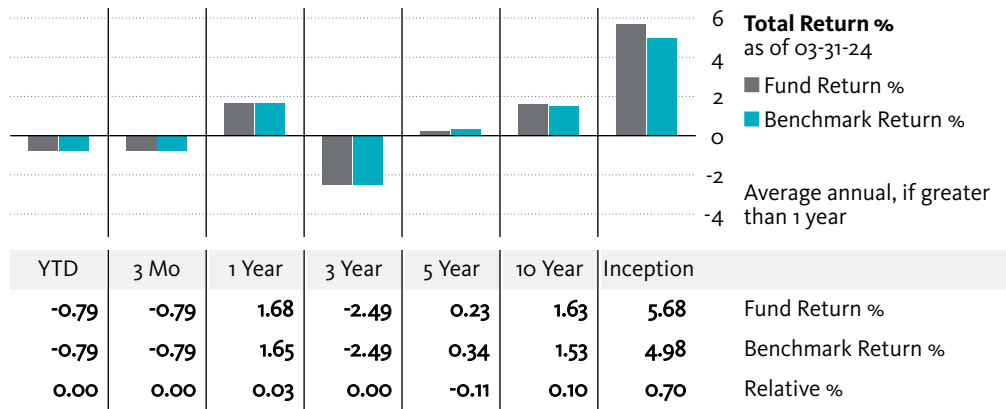
## Fees and Expenses as of 03-31-2024

Total Annual Operating Expense **0.01%**  
Gross

Gross expense ratio is a measure of what it costs to invest in the fund, expressed as a percentage of its assets, as a dollar amount, or in basis points.

These are costs the investor pays through a reduction in the investment's rate of return. This ratio also includes Acquired Fund Fees and Expenses, which are expenses indirectly incurred by a fund through its ownership of shares in underlying funds.

## Performance (Net of Fee Returns)



[Click here for current performance](#)

## Fund Characteristics

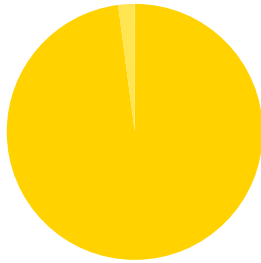
Inception Date	01/03/78
Fund AUM (\$M)	1,111.34
Total Number of Holdings	2,271
Beta	0.98
Standard Deviation (Risk) in %	7.15

The performance data featured represents past performance, which is no guarantee of future results. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your shares. Current performance may be higher or lower than the performance data quoted. Fund returns reflect all items of income, gain and loss and the reinvestment of dividends and other income and are calculated in US dollars. Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income, gain and loss and the reinvestment of dividends and other income. If performance for a time period is N/A, Fund's inception date is less than time period specified.

# UC Bond Fund

Portfolio Analysis as of 03-31-24

## Composition



	% Fund
Bonds	97.92
Cash	2.05
Other	0.03
Non-U.S. Stocks	0.00
U.S. Stocks	0.00

## Top 10 Holdings

	% Fund
United States Tre 4.875% 11-30-25	1.96
United States Tre 4.625% 11-15-26	0.98
Federal Home Loan Mor 3% 12-01-46	0.97
United States Tre 4.625% 09-15-26	0.74
United States Trea 4.25% 12-31-25	0.73
United States Tre 4.375% 12-15-26	0.73
United States Tre 2.125% 05-15-25	0.71
United States Treas 2.5% 03-31-27	0.70
Fnma Pass-Thru I 3.5% 08-01-49	0.69
United States Trea 2.25% 02-15-27	0.69

## Fixed Income Sectors

	% Fund
Government	45.3
Securitized	29.2
Corporate	23.1
Cash/Cash Equivalent	2.0
Municipal	0.3
Derivative	0.0

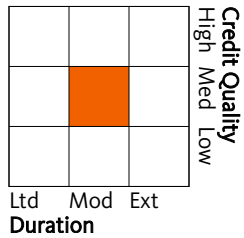
## Credit Analysis: % Bonds as of 03-31-24

AAA	5	BB	1
AA	72	B	0
A	11	Below B	0
BBB	13	Not Rated	0

## Fixed Income Statistics

Avg Eff Duration	6.13
Avg Credit Quality	A
Avg Wtd Price	89.23
Yield to Maturity	4.89

## Morningstar Fixed Income Style Box™ as of 03-31-24



# UC Bond Fund

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## **Risk**

The bond market is volatile and bonds entail interest rate risk (as interest rates rise bond prices usually fall and vice versa). This effect is usually pronounced for longer-term securities. Bonds also entail the risk of issuer default, issuer credit risk and inflation risk.

"Risk" refers to the possibility of loss of principal, or alternatively to a rate of investment return below expectations or requirements. While volatility (price fluctuation) is not synonymous with risk, it is true that high volatility on the downside results in loss, and therefore higher volatility is associated with higher risk. Volatility, however results in realized losses only if securities are sold after a fall in price.

For more information on risk, see the "Investment Risk Factor Guide" available online in the "UCRSP Fund Menu" section at [www.myucretirement.com](http://www.myucretirement.com).

## **Short-term redemption fee**

None

## **Definition of "Fossil Fuel Free"**

UC Investments defines "fossil fuel free" as excluding publicly traded companies that own any amount of reserves in thermal coal (not metallurgical coal), oil or gas.

## **Statement on sustainability**

As reflected in the UCRSP Investment Policy Statement (IPS) of the UC Board of Regents, UC Investments incorporates "environmental sustainability, social responsibility, and governance (ESG) into the investment evaluation process as part of its overall risk assessment in its investments decision making. ESG factors are considered with the same weight as other material risk factors influencing investment decision making." In cases in which the Chief Investment Officer finds that investment risks negatively impact investment returns, he may screen out certain companies or sectors. Such companies and sectors, include, for example, companies that manufacture civil firearms; operate private prisons; or own fossil fuel reserves. The UC Chief Investment Officer, in his fiduciary duty, has determined that companies that own fossil fuel reserves face, in the long run, strong secular headwinds for demand, continued price volatility and declining profitability. Removing fossil fuel reserve owning companies from the fund will reduce material risks and therefore have a positive long-term effect. This decision for the fund is consistent with the "de-risking" strategy already undertaken in the UC Pension and Endowment. In selecting and monitoring the type of companies included in the funds, the fund managers are responsible for complying with UC Investments' screens. Mutual funds and collective investment trusts that include assets from other organizations are not subject to UC Investments' screens.

Please access [myUCretirement.com](http://myUCretirement.com) website for more information about the University's commitment to sustainability.

## **This fund is screened.**

## **Fees and Expenses**

Gross expense ratio is a measure of what it costs to invest in the fund, expressed as a percentage of its assets, as a dollar amount, or in basis points.

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## **Additional Disclosures**

The Fund is a separate account managed by State Street Global Advisors: available exclusively to UC Retirement Savings Program participants.

This description is only intended to provide a brief overview of the fund. The Bloomberg MSCI US Aggregate ex-Tobacco ex-Fossil Fuels Index is an unmanaged market value-weighted index for U.S. dollar denominated investment-grade fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities with maturities of at least one year.

**The information contained herein regarding the UC Funds has been provided by the University of California Office of the Chief Investment Officer of the Regents and is solely the responsibility of the University of California Office of the Chief Investment Officer of the Regents.**

This investment option is not a mutual fund.