

Swiss Life Asset Managers launches high-yield bond fund with focus on upper tier segment

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Swiss Life Asset Managers is expanding its product offering to include the “Swiss Life Funds (LUX) Bond Global High Yield Upper Tier”. The fund invests globally in high-yield bonds with a focus on bonds in the upper credit rating (BB) segment and offers investors access to an attractive investment segment with a manageable risk profile.

In today’s market environment, high-yield bonds are an attractive investment alternative. They combine high potential returns with diversification advantages. Higher interest rates and rising inflation have led investors to increasingly look for solutions that offer stable returns and inflation protection. The “Swiss Life Funds (LUX) Bond Global High Yield Upper Tier” fund aims to exploit these opportunities while ensuring solid risk management through focused credit analyses and active security selection.

Long-term and proven investment strategy

The fund’s investment strategy follows a long-term approach to generate attractive returns and invests primarily in bonds denominated in the US dollar and euro, predominantly in the higher BB credit segment and to a lesser extent in the B segment.

The fund management relies on a proven investment process, independent credit analyses, careful security selection and comprehensive risk monitoring. Foreign currency risks are hedged against the fund’s base currency (USD). In addition, investors can choose between currency-hedged unit classes in CHF and EUR. The fund is intended exclusively for qualified and professional investors in Switzerland, Germany and Luxembourg.

The fund strategy has already been successfully implemented in a similar fund with around USD 2 billion in assets under management.

Extensive high-yield expertise

With over 12 years of experience and a high-yield bond portfolio under management of over USD 3.5 billion, Swiss Life Asset Managers is one of the leading providers in this segment. Experienced portfolio managers supported by a network of credit analysts ensure well-founded investment decisions are made.

Alignment of interest with investors

Institutional investors of the Swiss Life Group are making strategic long-term investments in the new fund as anchor investors. This ensures an alignment of interests between investors and the asset manager.

Daniel Holtz, Head Credit at Swiss Life Asset Managers, says: “We are pleased to further expand our offering for our customers in the high-interest area. We can draw on many years of expertise in the high-yield segment and on a well-established team. We are confident that the new fund offers an attractive opportunity for investors, thanks to its investment strategy and high-quality portfolio.”

Information

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Swiss Life Asset Managers

Swiss Life Asset Managers has more than 165 years of experience in managing the assets of the Swiss Life Group. This insurance background has exerted a key influence on the investment philosophy of Swiss Life Asset Managers, which is governed by such principles as value preservation, the generation of consistent and sustainable performance and a responsible approach to risks. Swiss Life Asset Managers offers this proven approach to third-party clients in Switzerland, France, Germany, Luxembourg, the UK, Italy and the Nordic countries.

As at 30 June 2024 assets under management for third-party clients amount to CHF 116.7 billion. Together with insurance mandates for the Swiss Life Group, total assets under management at Swiss Life Asset Managers stood at CHF 262.2 billion. Swiss Life Asset Managers is a leading real estate investor and manager in Europe¹. Of the assets totalling CHF 262.2 billion, CHF 87.7 billion is invested in real estate. In addition, Swiss Life Asset Managers, in cooperation with Livit, manages real estate totalling CHF 20.8 billion in value. Total real estate assets under management and administration at the end of June 2024 thus came to CHF 108.5 billion.

Swiss Life Asset Managers employs more than 2200 people in Europe.

A financially self-determined life

Swiss Life enables people to lead a financially self-determined life and look to the future with confidence. Swiss Life Asset Managers pursues the same goal: We think long-term and act responsibly. We use our knowledge and experience to develop future-oriented investment solutions. This is how we support our customers in achieving their long-term investment objectives, which in turn also take account of their client's needs so they can plan their future in a financially self-determined manner.

¹ INREV Fund Manager Survey 2024 (AuM as of 31.12.2023)

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