

# Broad-based returns from the emerging markets

## UBS Key Selection SICAV – **Emerging Markets Income Fund**

The economic environment for the emerging markets is improving and investors can take advantage of the more favorable investment climate. With its risk-aware multi-asset strategy, the UBS Emerging Markets Income Fund opens up several solid sources of income for investors.

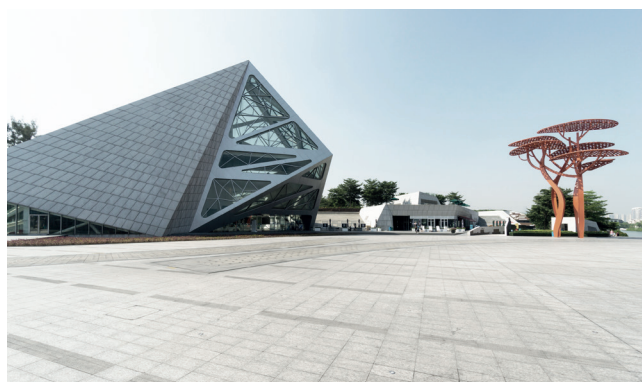
### Good reasons for investing in the emerging markets

Despite some temporary periods of difficulty, the emerging markets remain a growth story for investors. The situation has improved significantly in numerous countries, meaning that now is an opportune time to invest in this area. The most important reasons:

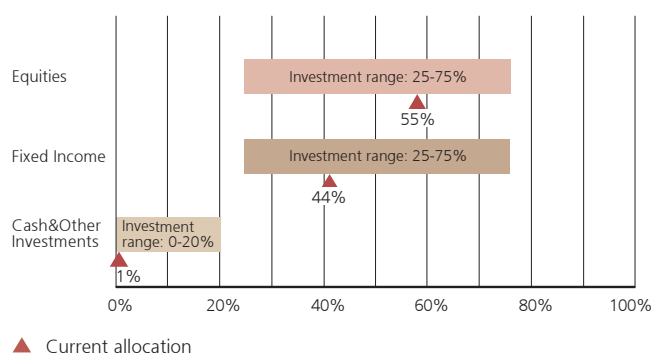
- After several years of falling corporate earnings, a turning point has been reached. Profits are on the rise as a result of declining unit labor costs and increasing margins
- The increasing level of stability on the commodities markets, in particular for oil, is positive overall for the emerging markets
- Equities are favorably valued and Asian bonds offer the chance to generate attractive returns

### Multi-asset funds with different sources of income

The UBS (Lux) Key Selection SICAV – Emerging Markets Income Fund primarily invests in the emerging markets and in various asset classes in order to generate high returns on a continuous basis. The portfolio is broadly diversified and currently includes investments in more than 30 different countries. The fund chiefly utilizes three sources of income: high-dividend equities, bonds with attractive coupons and an option strategy. (covered call strategy). The fund is managed by experienced specialists who are able to make use of the global asset allocation expertise of UBS Asset Management.



### Flexible asset allocation – high income potential



Source: UBS Asset Management  
Current allocation as at December 31, 2016. Allocations and holdings are subject to change.



### Opportunities

- Participation in the upside potential of some of the world's fastest-growing economies
- Broadly diversified investments in high-income equity and bond instruments in the emerging markets
- Income-oriented option strategy: the sale of call options allow us to earn the premium income
- Long-term experience of UBS Asset Management in the management of multi-asset portfolios and the application of cutting-edge risk management methods



### Risks

- Emerging market investments can be subject to significant value fluctuations
- Specific risks include a low level of market transparency as well as political and social challenges
- Emerging market bonds are generally considered to entail considerable credit risks and may even result in the loss of the invested capital should the issuer go bankrupt
- The fund may use derivatives, as a result of which there may be additional risks (e.g. counterparty risk)

### Characteristics

Fund name	<b>UBS (Lux) Key Selection SICAV – Emerging Markets Income (USD)</b>
Portfolio Management	UBS Asset Management
Fund Management	UBS Fund Management (Luxembourg) S.A.
Custodian Bank	UBS Europe SE, Luxembourg Branch
Financial year	1 October – 30 September
Valuation	daily, on every working day in the Swiss banking sector
Issue/redemption	daily, on every working day in the Swiss banking sector
Distribution	Distributing and accumulating share classes
Fund currency	USD
Reference index	–

### Share classes and fees

Share class	P-acc	P-dist	Q-acc	Q-dist	(CHF hedged) P-acc
Valor / ISIN	20 455 914 / LU0878005551	20 455 913 / LU0878005478	28 338 589 / LU1240793221	28 338 591 / LU1240793494	32 094 375 / LU1392922271
Management fee p.a.	1.66%	1.66%	0.90%	0.90%	1.66%
Launch date	15.03.2013	15.03.2013	15.10.2015	15.10.2015	13.05.2016
Share class	(CHF hedged) Q-acc	(EUR hedged) P-acc	(EUR hedged) P-dist	(EUR hedged) Q-acc	(EUR hedged) Q-dist
Valor / ISIN	32 094 389 / LU1392922354	20 456 687 / LU0878006104	20 456 684 / LU0878005809	21 580 125 / LU0943632330	28 338 516 / LU1240792926
Management fee p.a.	0.90%	1.66%	1.66%	0.90%	0.90%
Launch date	28.06.2016	15.03.2013	15.03.2013	27.06.2013	15.10.2015

Would you like to invest in this fund? Your UBS contact person would be pleased to advise you.

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