

European Growth & Income

All European opportunities in one solution

Europe offers both growth and income opportunities. Combining different sources of growth and income in an investor portfolio can generate more stable yield and lower price volatility. Our European Growth & Income solution is an innovatively structured multi asset strategy focused on opportunities in Europe.



Opportunity

- **Growth potential:** offered by European equities with relatively attractive valuations that can benefit from global demand
- **Income potential:** offered by Euro high yield bonds with relatively higher coupons while default rates are relatively low and central bank policy is conducive
- **Both growth and income potential combined:** offered by convertible bonds, which combine the defensive characteristics of bonds with the upside participation of equities

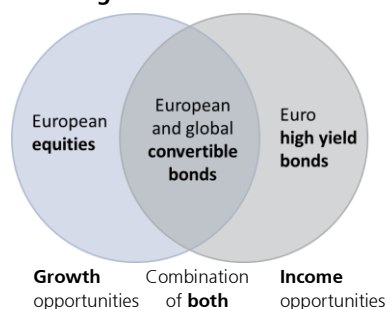
Solution

The **European Growth and Income** strategy has three key characteristics:

- **European:** the strategy targets opportunities across the capital structure of predominantly European¹ companies
- **Multi asset:** diversified by asset class, the portfolio holds equal² weights across European equities, Euro high yield bonds, and European and global convertible bonds
- **Alpha seeking:** the strategy offers access to UBS Asset Management's³ best decision makers across European markets, combining top-down macroeconomic analysis and asset allocation with bottom-up security selection, supported by a broader team of research analysts

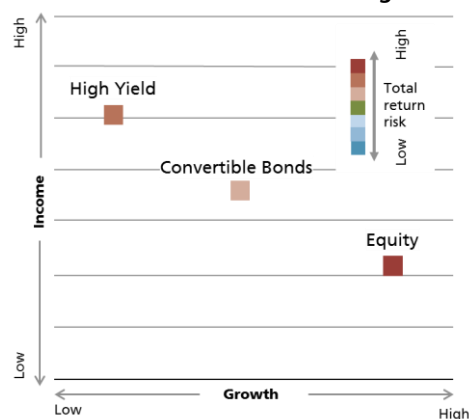
1 the strategy may invest in convertible bonds issued by non-European companies
2 the strategy may not be precisely split at all times
3 the strategy may also allocate to external managers

Combining different income sources



For illustrative purposes only.
The strategy is actively managed, thus allocations can be changed any time at UBS's discretion.

The three asset classes in the income/growth space



For illustrative purposes only.

"Our innovative multi asset strategy gives access to UBS Asset Management's best decision makers across European markets with the aim to provide long-term capital growth and income."

Stephen Friel, Strategist



Contacts

Strategy setting:

Stephen Friel, Strategist, London

phone +44 20790 15271 – e-mail stephen.friel@ubs.com

Stephan Lecher, Global Head of Strategists, Hong Kong

phone +852 2971 7397 – e-mail stefan.lecher@ubs.com

Portfolio management:

Matthew Quaife, Senior Portfolio Manager, London

phone +44 20790 15755 – e-mail matthew.quaife@ubs.com

Tom Rivers, Senior Portfolio Manager, Hong Kong

phone +852 3712 2584 – e-mail tom.rivers@ubs.com

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Source for all data and charts (if not indicated otherwise): UBS Asset Management

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