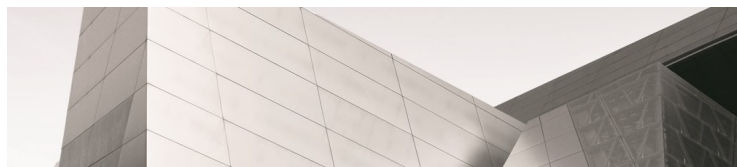


UBS Strategy Balanced (EUR)

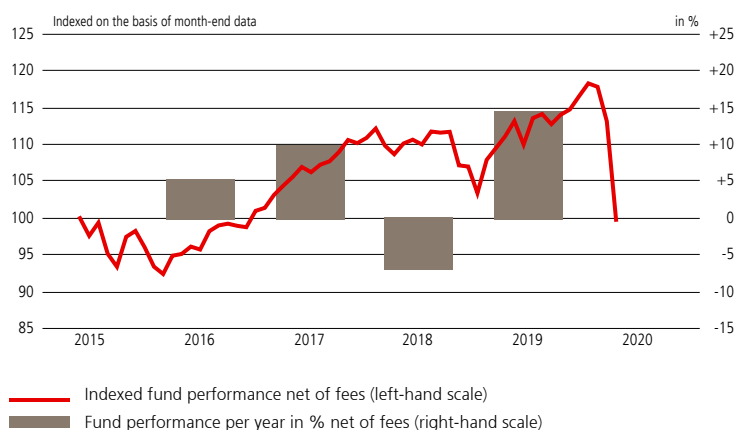
Performance Review

UBS (Lux) Strategy Fund - Balanced (EUR) (SGD hedged) P-4%-mdist



The sudden change in market sentiment seen in late February, as investors began to comprehend the impact of a global outbreak of coronavirus on economic activity, became a full-scale rout in March as more and more countries announced unprecedented restrictions on public life.

Performance (basis SGD, net of fees)¹



Past performance is not a reliable indicator of future results.

Performance in % (net of fees)¹

in %	2016	2017	2018	2019	2020 YTD ²	LTD ³	4 years	Ø p.a. 4 years
Fund (SGD)	5.15	9.83	-6.76	14.43	-15.68	-0.83	5.15	1.26

The performance shown does not take account of any commissions, entry or exit charges.

¹ These figures refer to the past. Source for all data and charts (if not indicated otherwise): UBS Asset Management

² YTD: year-to-date (since beginning of the year)

³ LTD: launch-to-date

Monthly performance

In March the fund performed negatively with 11.8%. The spread of COVID-19 in Europe and the US has sparked investor fears about the economic consequences and caused a severe sell-off in financial markets, with very few places to hide.

YTD performance

YTD as of the end of March, the fund has delivered a negative performance of 15.7%. Initial gains from January were quickly reversed in February, and losses accelerated in March. Riskier asset classes were most exposed to the correction, although they clawed back some of the losses during the countermovement in the second half of March.

Performance contributors

No asset class contributed positively in March.

Performance detractors

Corporate bonds – especially BBB issuers – also sold off. US high yield also suffered heavily. USD emerging market debt (EMD) breached recessionary territory as oil exporters were particularly hard hit. The S&P 500 outperformed the major developed equity markets – down just shy of 20% – thanks in large part to its higher concentration of technology stocks. Amid the dispersion of the coronavirus across the whole continent, European stock markets were on a rollercoaster ride, closing the month in deeply negative territory but off their previous lows.

For more information

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UBS Strategy Balanced (EUR)

Current allocation by sub-asset class in %

	Current allocation
Liquidity	1.4
High grade bonds	13.0
USD inflation linked bonds	2.0
USD corporate bonds	14.0
EUR corporate bonds	10.0
USD high yield bonds	4.0
EUR high yield bonds	2.0
Emerging market sovereign bonds	3.0
Emerging market corporate bonds	2.0
Bonds	50.0
Switzerland	2.0
United States	12.8
Eurozone	19.8
United Kingdom	7.0
Emerging markets	5.0
Japan	2.0
Canada	0.0
Australia	0.0
Sweden	0.0
Hong Kong	0.0
Singapore	0.0
Global	0.0
Equities	48.6
Hedge funds	0.0
Risk Parity	0.0
Alternative Investments	0.0
Total	100.0

For illustrative purposes only. Current allocation may be changed at any time without prior notice. The allocation is based on the model portfolio of the strategy. Due to implementation exceptions, actual exposures may deviate. Foreign currency risks are largely hedged against the reference currency.

10 largest equity positions (%)

	Fund
Microsoft Corp	0.30
Amazon.com Inc	0.25
Mondelez International Inc	0.23
Johnson & Johnson	0.18
Dollar Tree Inc	0.15
Facebook Inc	0.15
British American Tobacco PLC	0.14
AIA Group Ltd	0.14
TJX Cos Inc/The	0.14
Mastercard Inc	0.13

Current investment strategy

We have shifted the overweight in emerging market equities to an overweight in EM sovereign bonds in hard currency, resulting in an overall neutral position in equities and bonds. We are moving the overweight in US TIPS (Treasury inflation-protected securities) to USD investment grade bonds. On the currency side, we are retaining our overweight in selected high-yielding emerging market currencies (IDR, INR, BRL).

Risks

The fund invests in equities, bonds of varying credit quality and money market securities on a global basis, and may therefore be subject to high fluctuations in value. The fund may use derivatives which can reduce investment risk or give rise to additional risks (inter alia the counterparty risk). The value of a unit may fall below the purchase price. This requires an elevated risk tolerance and capacity. Every fund reveals specific risks, a description of these risks can be found in the prospectus.

The monthly 4%-mdist distributing share classes may distribute capital as well as income. It is possible that the distributions result in an erosion of assets and a reduction of invested capital. There are potential negative tax consequences for some investors in some jurisdictions. Investors in some jurisdictions may incur a higher rate of tax on distributed capital than on any capital gains which are realised on disposal of fund shares. Some investors may therefore choose to invest in the accumulating (-acc) instead of the distributing (-dist) share classes. Investors may be taxed at a later point in time on income and capital arising on accumulating (-acc) share classes compared to distributing (-dist) share classes. Investors should seek their own tax advice.

5 largest bond issuers (%)

	Fund
United States Treasury Note/Bond	2.03
French Republic Government Bond OAT	1.78
Bundesrepublik Deutschland Bundesanleihe	0.64
Kreditanstalt fuer Wiederaufbau	0.49
Netherlands Government Bond	0.37

Please note that additional fees (e.g. entry or exit fees) may be charged. Please refer to your financial adviser for more details. Investors should read the Key Investor Information Document (KIID), Prospectus and any applicable local offering document prior to investing. For a definition of financial terms refer to the glossary available at www.ubs.com/glossary.

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