

UBS IQ Morningstar Australia Quality ETF

September 2019

Fund description

The ETF aims to replicate the performance of the Morningstar® Australia Moat Focus Index™, before fees and expenses, by physically holding the shares within the underlying Index.

Fund details

Currency	AUD
Launch date	17 October 2012
Total Fund NAV	\$8.2 m
Typical number of holdings	25–50
Management costs (p.a.)	0.30%
Distribution frequency	Half yearly

Trading information

ASX code	ETF
ISIN	AU000000ETF4
Intra-day NAV code	YETF
ETF Bloomberg ticker	ETF AU
ETF IRESS ticker	ETF.AXW
Trading hours	10am – 4.10pm
Market maker	Susquehanna Pacific Pty Ltd

Top ten fund holdings (%)

CSL	4.3
Stockland	4.3
Carsales.com	4.2
Macquarie Group	4.2
Westpac Bank	4.1
Aust & NZ Bank	4.1
Sonic Healthcare	4.1
QUBE	4.1
Ansell	4.1
Seek	4.1

As at 30 September 2019

Investment performance

As at 30 September 2019

Fund	1 month %	3 months %	6 months %	1 year %	2 years % pa	3 years % pa	Since inception* % pa
Total return (net of fee)	1.18	3.36	10.93	12.11	10.59	7.83	7.47
Total return (gross of fee)	1.20	3.44	11.10	12.44	10.92	8.15	7.99
Benchmark**	1.19	3.48	11.15	12.45	10.92	8.18	7.99

* Inception date: 17 October 2012.

** Morningstar® Australia Moat Focus Index™; prior to 1 February 2016 the benchmark was UBS Research Preferred Index (Total Return).

Performance data has been prepared in accordance with 2018 GIPS standards. The performance figures quoted are historical, calculated using end of month prices, and do not allow for the effects of income tax or inflation. Total returns assume the reinvestment of all distributions. Performance can be volatile and future returns can vary from past returns.

Key benefits

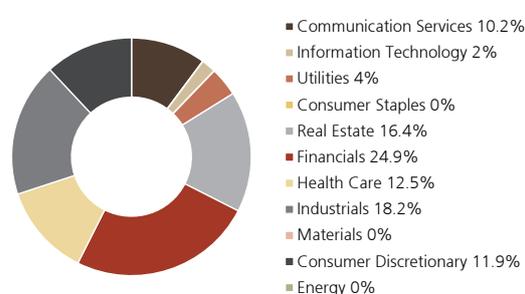
The ETF can be used by a variety of investors including institutions, SMSF and retail investors who are looking to gain access to a diversified portfolio of good quality Australian equities. Benefits of the Fund include:

- **Access to Morningstar market research:** The underlying Index of the Fund is constructed by reference to Morningstar company specific research.
- **Diversification:** Access a diversified portfolio of Australian Shares in one ASX transaction.
- **Low Cost:** ETFs are generally cheaper than traditional managed funds.
- **Income:** Receive all dividends and franking credits from the underlying shares.
- **Transparency:** View the Funds underlying portfolio of shares and the Fund price daily.
- **Ease of access:** Trade units in the Fund as simply as trading any other ASX listed share.

Index details

Index name	Morningstar® Australia Moat Focus Index™
Typical number of holdings	25–50
Reweighting frequency	Quarterly
Index ticker (Bloomberg)	MSDIAMFA Index

Fund sector allocation (%)



As at 30 September 2019

Note: May not equal 100% due to rounding

Index Description

The Morningstar® Australia Moat Focus Index™ is a rules-based, equal-weighted index intended to offer exposure to quality companies that Morningstar determines to have a sustainable competitive advantages based on a proprietary methodology that considers quantitative and qualitative factors.

The Index is designed to target exposure to approximately 25–50 wide and narrow ‘moat’ stocks in the Morningstar Australia Index™ with the lowest ratios of current market price to fair value price determined under an independent research process by the Morningstar Equity Research team. The fair value estimate is based primarily on Morningstar’s proprietary three-stage discounted cash flow model. Morningstar checks its fair value estimates against other valuation measures, such as sum-of-the-parts, multiples and yields, among others.

UBS Exchange Traded Funds

UBS Asset Management has a long-term track record of providing index-based investment solutions to clients. The first UBS ETF was launched in Europe in 2001. Since then UBS has launched over 288 ETFs globally, with funds under management in excess of AUD 77 billion at 30 June 2019. The UBS Australian ETF platform was established in 2012.

UBS ETFs are managed by an experienced asset manager, UBS Asset Management, with a long-term commitment to passive management (managing passive assets for 30 years).

UBS Asset Management

UBS Asset Management (UBS) is a large scale asset manager with well diversified businesses across regions, capabilities and distribution channels, with invested assets of AUD 1,184 billion globally at 30 June 2019. In Australia, UBS was established in 1985 and has invested assets of AUD 49 billion at 30 June 2019. UBS provides investment management solutions to private clients, financial intermediaries and institutional investors across the world.

UBS Asset Management is present in 23 countries through local office or joint venture.

Registry and administration

Link Market Services Limited

Address: Locked Bag A14 Sydney South NSW 1235

Telephone: 1800 810 869

Fax: (02) 9287 0303

Email: ubsetf@linkmarketservices.com.au

www.linkmarketservices.com.au

Morningstar Australasia

Morningstar, Inc. is a leading provider of independent investment research in Australia, North America, Europe, and Asia. The company offers an extensive line of products and services for individual investors, financial advisors, asset managers, retirement plan providers and sponsors, and institutional investors in the private capital markets.

Morningstar is the largest provider of independent equity research globally with 100 equity analysts. In Australia Morningstar has a team of about 20 full time equity analysts that produce high quality equity research.

Morningstar’s analysts apply a consistent, rigorous, and proven global methodology which focuses on long-term fundamental valuation, competitive advantages (economic moats), risk, financial health, and stewardship. Local analysts exchange insights with global sector teams in the United States, Europe and Asia resulting in an enriched product and ensuring global consistency. Site visits and frequent interaction with company management and other industry participants foster deeper analytical insight.

Morningstar provides data and research insights on a wide range of investment offerings, including managed investment products, publicly listed companies, private capital markets, and real-time global market data.

Morningstar also offers investment management services through its investment advisory subsidiaries, with more than \$201 billion in assets under advisement and management as at 30 June 2018. The company has operations in 27 countries.

Product information

UBS Asset Management

Telephone: (02) 9324 3222

Email: ClientServices-UBSAM@ubs.com

www.ubs.com/etf-australia

UBS Asset Management (Australia) Ltd ABN 31 003 146 290, AFS Licence No. 222605 is the product issuer. This document has been prepared without taking into account your objectives, financial situation or needs. Before making an investment decision you need to consider whether this information is appropriate to your objectives, financial situation or needs. Any potential investor should consider the relevant Product Disclosure Statement in deciding whether to acquire, or continue to hold units in a fund. Please consult your financial adviser. The PDS is available from our website www.ubs.com/etf-australia or by calling (02) 9324 3222. Past performance is not a reliable indicator of future performance.

The Morningstar® Australia Moat Focus Index™ and its associated trademarks are the property of Morningstar, Inc., and are licensed to UBS by Morningstar Australasia Pty Ltd. (Morningstar Australasia), an affiliate of Morningstar, Inc. Neither Morningstar, Inc., nor Morningstar Australasia sponsors, endorses, issues, sells, or promotes the UBS IQ Morningstar Australia Quality ETF and neither bears any liability with respect to that ETF or any other security.

