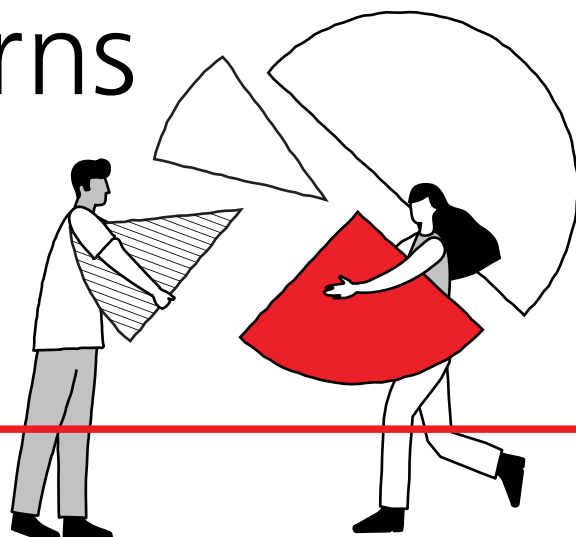


UBS Investor Sentiment

Inflation concerns intensify

Sentiment improves, but inflation leads top concerns



Key findings

Optimism | COVID vaccine improves overall sentiment

Inflation worries | Investors are ready to make changes to their portfolios

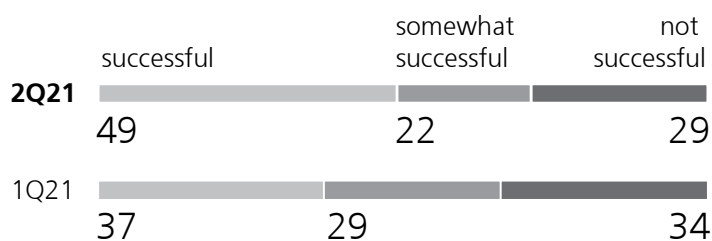
Investment priorities | Business owners plan ahead for a post-COVID world

Economy

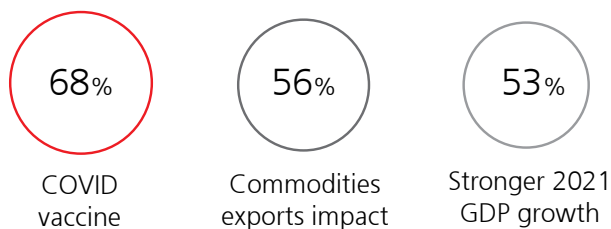
Economic outlook up amongst Brazilian investors ... (in %)



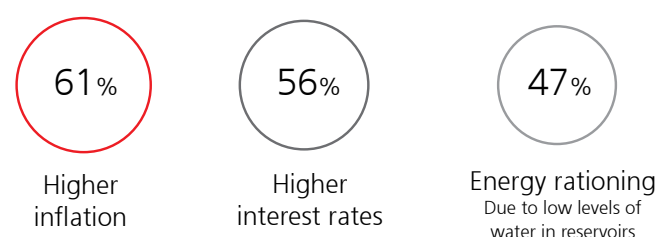
... despite prevailing delays in the vaccine rollout (in %)



Top sources of optimism ...



... and concern



Market outlook

Brazilian investors optimistic on their investment returns over the next 6 months ... (in %)

Own portfolios

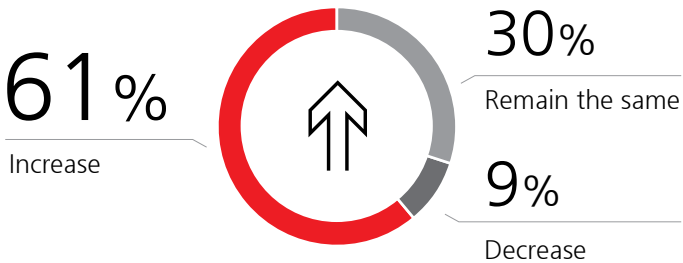


vs.

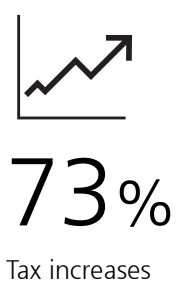
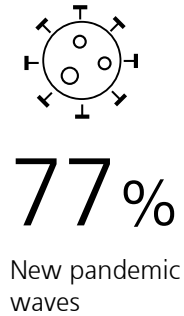
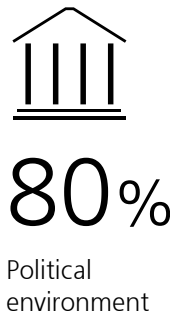
Global market indices



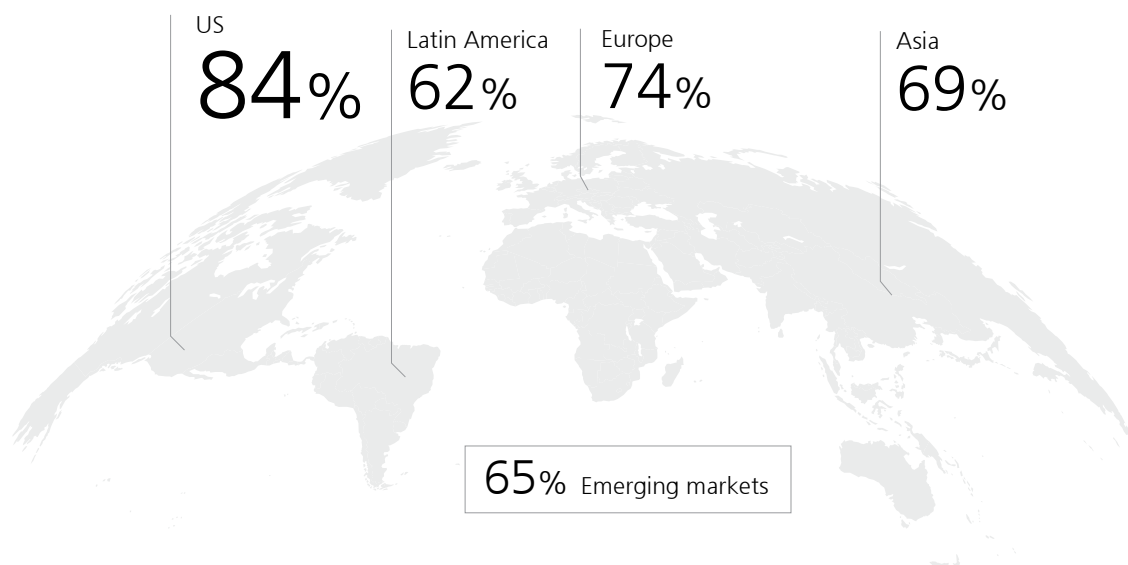
... and plan to further increase their equity allocation ...



... but remain concerned about potential threats to their financial goals

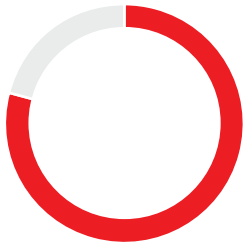


US remains most attractive region for offshore investments



Investments

Although inflation has already impacted Brazilian investors, they expect it to continue growing within the next 12 months



79%

expect inflation to continue to grow at a similar rate or faster



64%

of Brazilian investors believe that inflation will reach 5% or more over the next 12 months

Top strategies for coping with inflation:

44% Add stocks

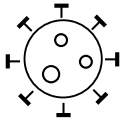
40% Add sustainable investments

39% Add real estate

84% of Brazilian investors foresee interest rates growing over the next 2 years

Opportunities

Brazilian investors are ...



Interested in new investment strategies post-COVID

77% Hunt for yield

75% Protect against inflation

74% Position for structural growth



Considering new long-term theme investments for their portfolios

80% Enabling tech

78% Smart mobility

73% Clean air and carbon reduction



Interested in receiving more advice from their CAs on

87% Opportunities in the current market

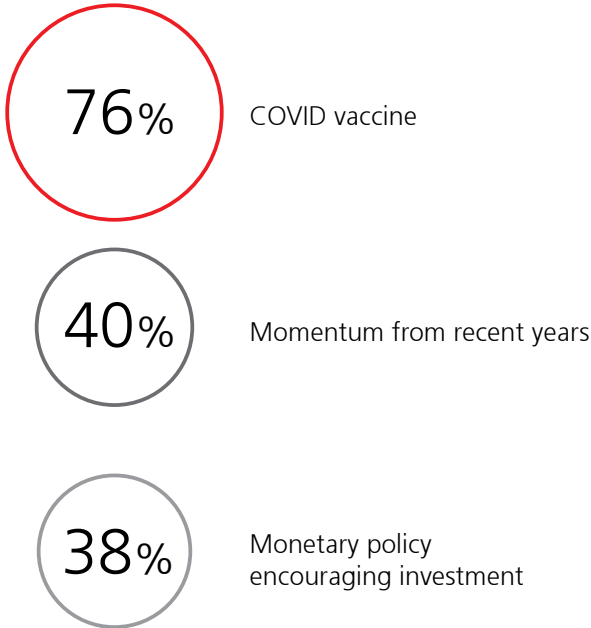
86% Longer-term investment trends

83% Ideas for managing risk of volatility

Business owners

Confidence in own businesses very linked to COVID vaccine

Sources of optimism

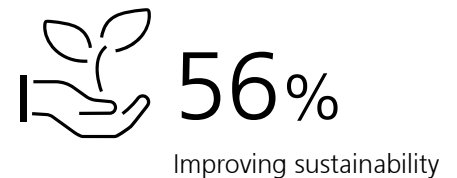
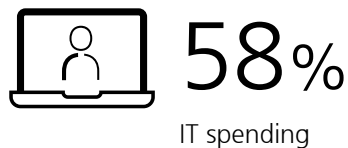


Whereas having a safe working environment leads the top concerns

Sources of concern



Brazilian business owners have clear investment priorities



Is your portfolio ready to turn the corner? **Talk to your UBS Advisor.**

About the survey

UBS surveyed 150 investors and 50 business owners in Brazil with at least \$1M in investable assets (for investors) or at least \$1M in annual revenue and at least one employee other than themselves (for business owners), from June 23 – July 9, 2021. For the 1Q21 results, UBS surveyed 150 investors and 50 business owners in Brazil, from March 30 – April 18, 2021.

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