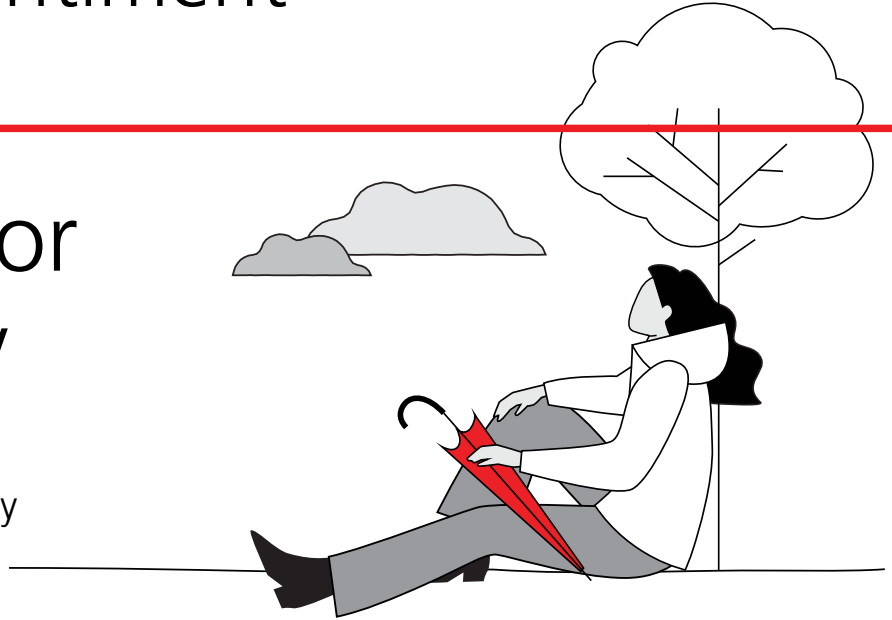


UBS Investor Sentiment

Equipped for uncertainty

Investors remain calm amid inflation and volatility



Key findings

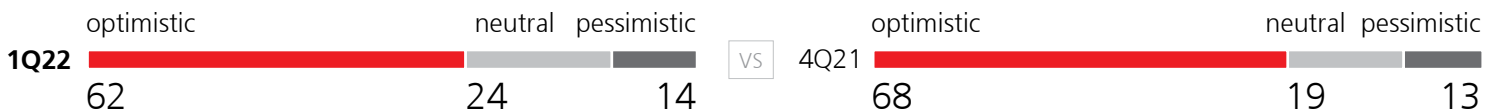
Prices up | Investors expect inflation to continue

Conflict | Investors foresee changes in their portfolios

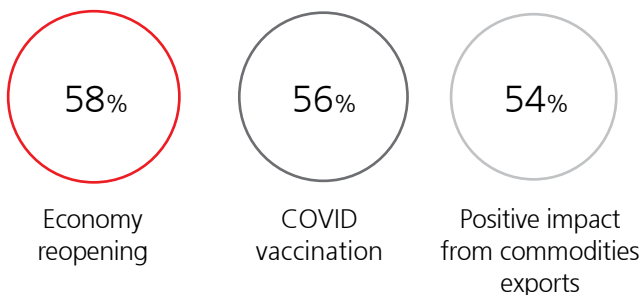
Opportunities | Investors interested in investing in tech disruption

Sentiment

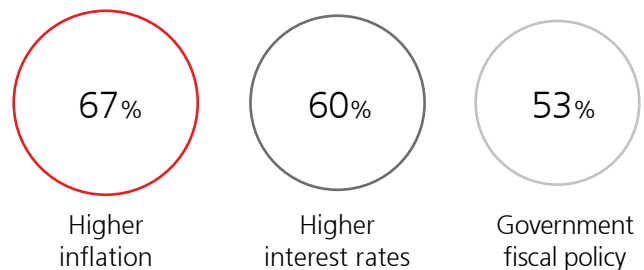
Global economic outlook down amongst Brazilian investors ... (in %)



Top sources of optimism ...



... and concern



Market outlook

Despite current market volatility, Brazilian investors are planning to increase equity allocations

49%

think that the current market volatility level is higher than usual

AND

44%

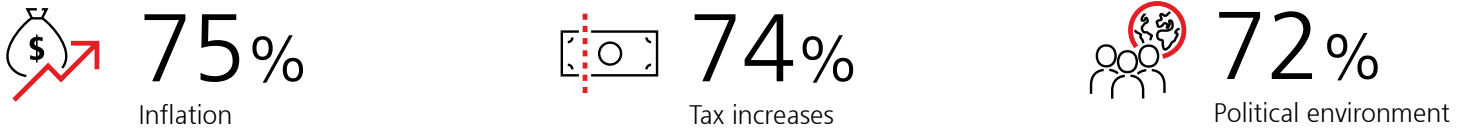
believe stocks are overpriced

YET

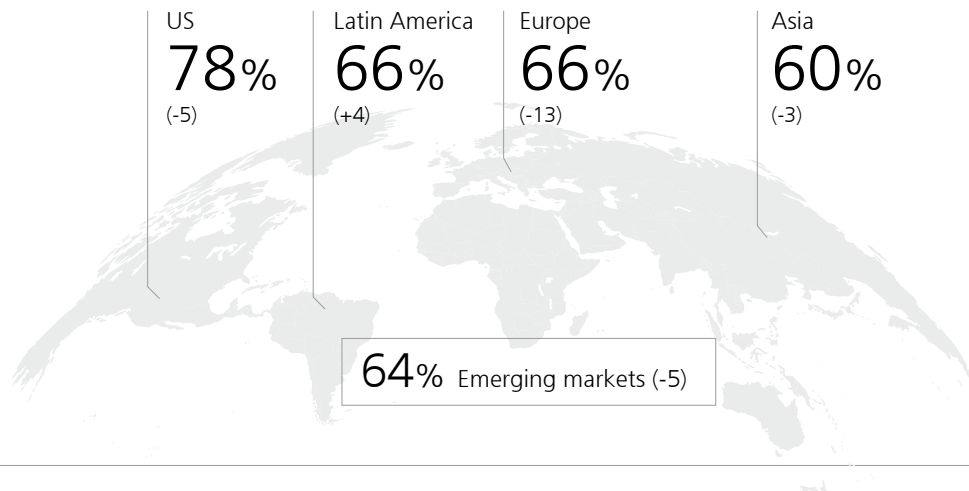
67%

expect to increase equity allocations in the next 6 months, taking advantage of the current market decline

Potential threats to financial objectives

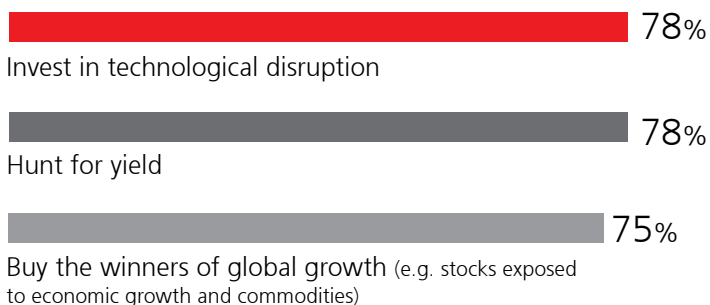


Attractiveness of investment opportunities next 6 months (versus Q4 2021)

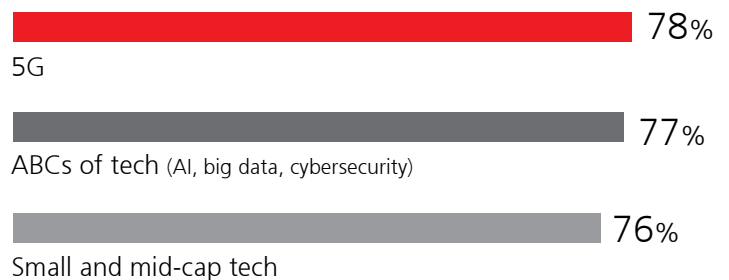


Investment strategies and themes of interest for Brazilian investors

Short-term portfolio strategies (next 6 months)

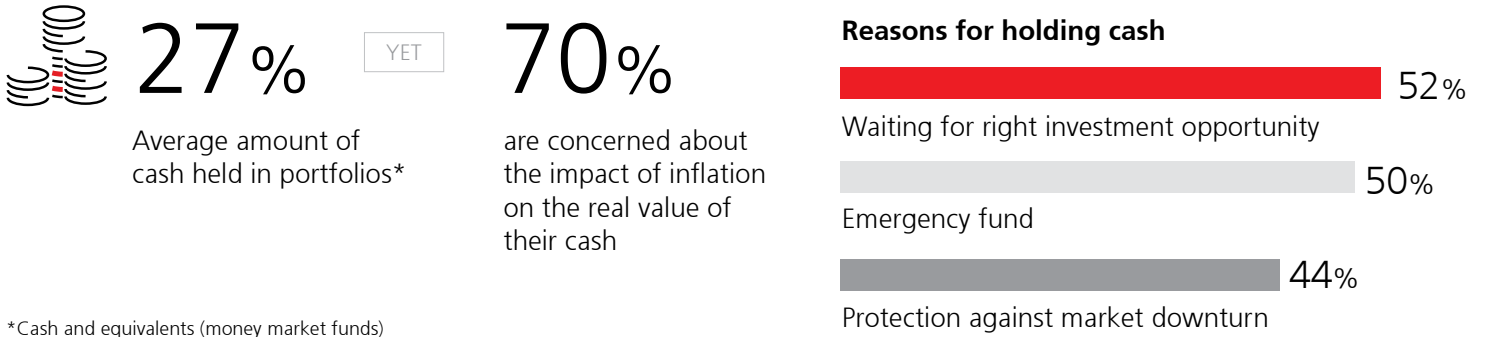


Long-term investment themes (7-10 years)



Cash and equivalents

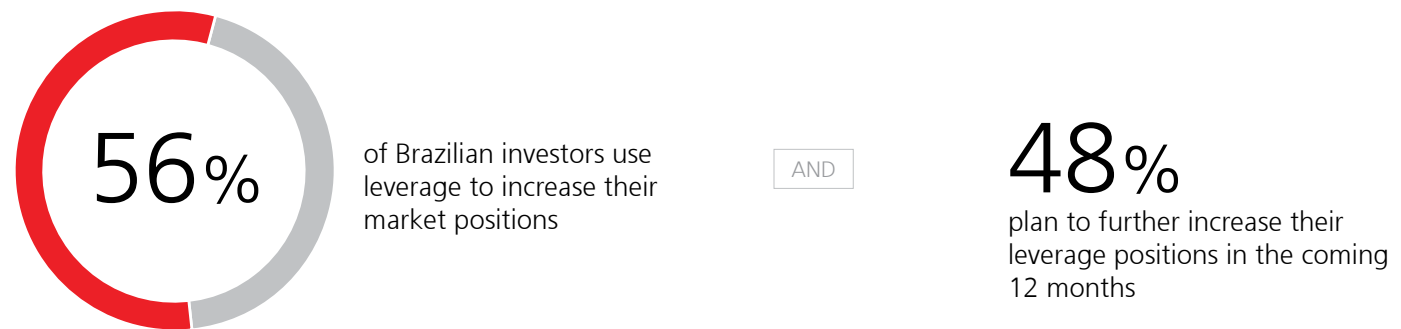
Brazilian investors remain hesitant to lower their cash allocations



Brazilian investors believe inflation will last longer



Despite inflation and current market volatility, Brazilian investors are actively leveraging their positions



Geopolitical effect

Brazilian investors are adjusting their portfolios due to the Russian-Ukrainian conflict

Since the invasion of Russia, Brazilian investors have

32% Added to their investments
29% Reallocated to different sectors

If the market declines further

37% will shift money to different sectors
27% will plan to increase their allocations

Increased investing appeal

47% Real Estate
40% Stocks

Brazilian investors believe the conflict will impact global stability and eye a potential recession



Top economic concerns

80% Increased energy prices
79% Increased global instability
77% Potential recession



Possible reasons for hope

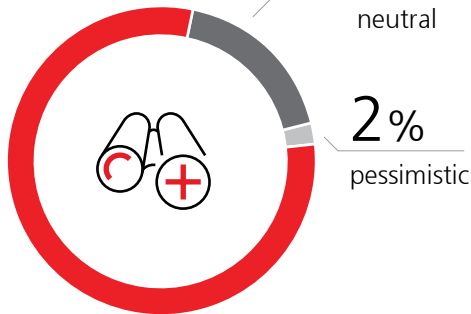
89% Decreased Russian influence in the long term
87% Stronger NATO alliance
86% Increased confidence in democratic institutions

Business owners

Brazilian business owners remain optimistic despite ongoing events

Business outlook (next 12 months)

80%
optimistic



Main sources of optimism

70% Expect the economy to continue recovering
38% Momentum from recent years
38% Low interest rates encouraging investment

Top concerns

82% Business tax increases
78% Cyber security
76% Wage inflation

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 March 30 - April 14. For the 4Q21 results, UBS surveyed 150 investors and 50 business owners in Brazil, from January 4 - January 20, 2022.

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