

Macro Monthly

Economic insights and asset class views

UBS Asset Management | June 2025

For global professional / qualified / institutional clients and investors

Authors:



Evan Brown
Head of Multi-Asset Strategy
Active Multi-Asset



Meena Bassily
Director
Active Multi-Asset

The 'Sell America' trade and its limitations

Highlights

- This year's macro narrative shifted from 'US exceptionalism' to 'Sell America' in a matter of months.
- We do see good reason for investors overweight US assets to look to diversify more across regions on a strategic horizon.
- But there are limits to portfolio re-allocation: We believe US markets still offer unparalleled liquidity and other structural advantages.
- And nothing moves in a straight line. We see room for tactical outperformance in US equities, which may create opportunities for strategic rebalancing in coming months.

Market narratives change fast. Entering 2025, most investors were all-in on US exceptionalism. President Trump's tax cuts and de-regulatory agenda were expected to boost the US growth and earnings outlook, while tariffs would be disproportionately negative for the rest of the world. Investors came into the year overweight US stocks and the US dollar.

In retrospect, the consensus couldn't have been more wrong. Trump's decision to 'take on the world' in trade meant the sharpest downgrades in the growth outlook were in the US. The emergence of DeepSeek challenged assumptions of US AI dominance and bolstered Chinese equities. The threatened removal of the US defense umbrella drove Germany to generational shift in fiscal policy. These developments have all contributed to the S&P 500 underperforming the MSCI All-Country World ex US Index by 14% so far this year (including currency moves).

Indeed, there have been several days and weeks this year with the trifecta of US weakness: US stocks, bonds and the dollar all selling off at the same time. In a matter of months, the US Exceptionalism narrative has been replaced with 'Sell America.'

Here we make three points. First, on a strategic horizon, we think there are good reasons for investors with a large US overweight to reduce exposure. The US economic outlook is somewhat less exceptional and assets a bit riskier, at a time of still high relative valuations in equities and FX. At the same time, there are limits to how much and how fast investors can or should diversify away from the US, given liquidity and structural advantages in US markets. Finally, portfolio re-allocation doesn't happen in a straight line, and we see room for tactical outperformance in US equities. This may provide opportunities for strategic diversification into other markets over coming months, for portfolios with an already significant US overweight.

Strategic portfolio re-allocation makes sense

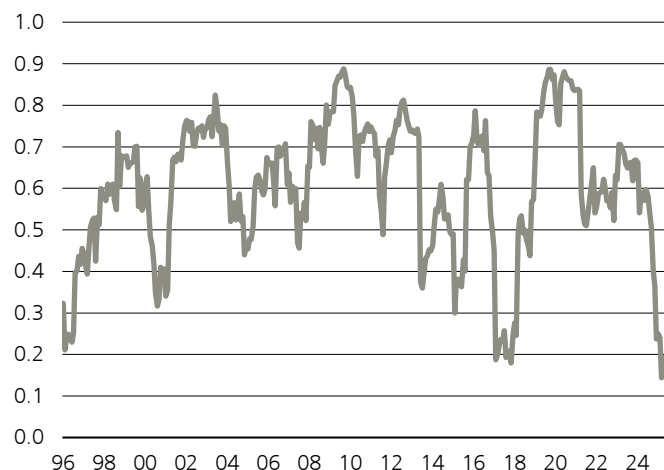
For years, relative valuations have pointed in the direction of US equity underperformance. And in the lead up to this one, investing in regional equities purely on valuations has proven to be spectacularly wrong. US economic and especially tech earnings dominance have delivered stellar returns versus the rest of the world.

But while there has long been a valuation case, we see catalysts for further mean reversion. Slowing immigration in the US will by definition reduce labor force and potential growth. Tariffs are a supply shock that will likely crimp corporate margins and raise inflation. From Germany to Canada, countries are responding to US policy shifts with increased fiscal support which should narrow growth differentials. Meanwhile, in the US tech earnings growth remains robust, but there is normalization versus global markets. While the US maintains an edge in corporate governance and innovation, it looks somewhat less exceptional in light of these recent developments.

Moreover, return correlations across regions have broken down in recent years. US tech concentration and varying country fiscal policies are at work here, among other factors. With these dynamics and broader 'de-globalization shifts' underway, we see good reason for regional correlations to remain lower than their historical average. This is important because even if the US were to moderately outperform, lower correlations means increasing diversification may bring down overall portfolio volatility, boosting risk-adjusted returns.

Exhibit 1: Equity return correlations across regions have broken down

Average pairwise correlation across equity regions¹



Source: Refinitiv, UBS Asset Management. Data as of May 2025.

¹ Equity regions: US, Europe, EM, Japan, Switzerland, China, Canada

Geographical diversification in fixed income makes sense to us as well. US debt dynamics are increasingly concerning, with the fiscal package moving through Congress likely to add to an already unsustainable debt situation. As mentioned above, tariffs are creating a supply shock for the US, which may increase inflation and may limit the ability for the Federal Reserve to respond to lower growth. Ex-US central banks facing only a demand shock from tariffs should have more room to ease if growth and inflation slow more than expected, potentially allowing more room for their regional bonds to rally.

On FX, less exceptional US growth should weigh on the USD. Many large ex-US institutional investors hold FX unhedged positions in US assets. UBS Investment Bank estimates that foreign investors hold US assets with a 20% FX hedge ratio for equities, and a 50% ratio for fixed income. The recent shift in the US equity/USD correlation from negative to positive should incentivize ex-US investors to increase hedges on the USD to reduce risk of losing on both the underlying asset and currency returns. This should put structural pressure on the overvalued USD over coming years.

The limits of 'Sell America'

At the same time, there are limitations on how quickly and by how much investors can exit US markets. The US boasts the deepest and most liquid markets in the world. In our view, the scale of US markets can absorb large transactions with less price impact than most others.

By contrast, many other countries' markets are much smaller or less liquid – large flows out of US assets into foreign assets could quickly overwhelm certain markets. For example, the entire eurozone equity market is barely half the size of the US; emerging markets (EM) are smaller still. A pension fund or central bank attempting to shift hundreds of billions from Treasuries into, say, European or EM bonds would encounter limited supply and wider bid-ask spreads. Thus, institutions often keep an overweight to US assets simply because they can deploy huge sums there efficiently.

Additionally, the US has a long track record of strong corporate governance, financial transparency, and legal protections. This instills confidence, especially among institutional investors and fiduciaries, that large allocations to US assets carry lower operational and governance risk. Some other markets – while growing – may have corporate governance issues, political interference, or less mature market infrastructure.

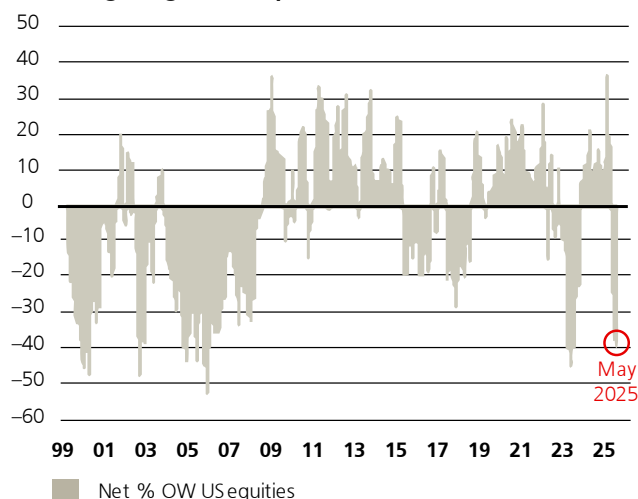
However, one potential change to this perception would be the taxation of investor income – something being considered by the Trump administration and Congress. In the proposed 'One Big Beautiful Bill Act', Section 899 adds a new US tax code titled 'Enforcement of Remedies Against Unfair Foreign Taxes' which allows the US to increase withholding tax rates (by 5% a year to a maximum of 20%) to individuals and companies of countries the Treasury deems has 'discriminatory' taxes against the US (for example via digital services taxes). If passed, it is unclear how actively such a capability would be used (indeed, the new authorities may simply provide leverage in getting other countries to reduce taxes on US companies). But instituting a law that allows for taxing foreign asset ownership in the US could raise risk premia on those assets. This might enhance the 'Sell America' narrative medium term, if enacted.

Path vs Destination

As much as one might embrace the 'Sell America' theme medium term, it may well be stretched on a tactical basis.

Bank of America's Global Fund Manager Survey (FMS) – a widely followed gauge of institutional sentiment – shows extreme underweighting of US equities and the dollar in recent months. In May 2025, global fund managers reported a net 38% underweight in US stocks, one of the most bearish readings in decades. This represented a near 60 percentage-point plunge in US equity allocation since January. Also in May, the FMS showed the largest underweight in the US dollar since 2006 as well, with a net 17% of participants underweight the USD – the most underweight dollar position in 19 years. Such capitulation-like positioning often serves as a contrarian indicator.

Exhibit 2: BoA Fund Managers Survey shows extreme underweighting of US equities

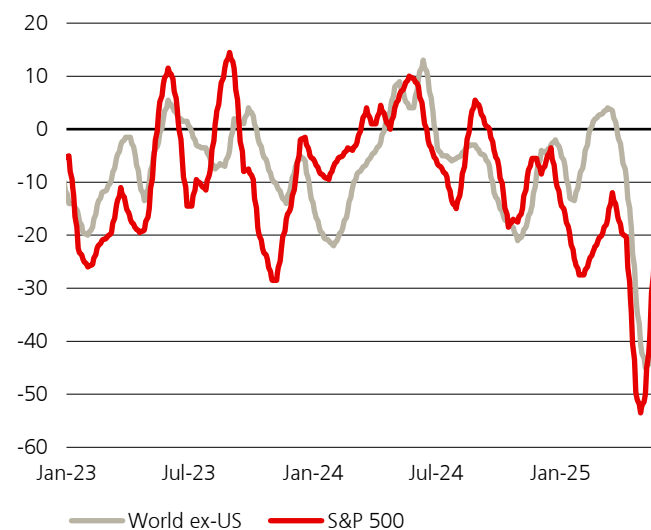


Source: Bank of America Fund Managers Survey. Data as of May 2025

On a tactical horizon (3-6 months), we think US equities can outperform for a few reasons. First is the aforementioned contrarian sentiment and positioning in US equities, which could easily rebound on improving US economic and policy developments. Second, following the Q1 earnings season, US earnings have materially outpaced other regions, and the capex plans on AI infrastructure spending have been confirmed which revitalized the sentiment on the AI theme. Third, year-to-date dollar weakness provides a tailwind for US large cap stocks with international exposure and at the same time is a headwind for non-US equities in local currency terms. For this reason, EPS revisions are likely to turn more positive in the US relative to other regions which might suffer from stronger currency. Fourth, the next three-to-four months have historically shown a negative seasonality of economic data and, as a result, European equity has outperformed US equity only 30% of the time during the summer (based on data since 1988).

Exhibit 3: EPS revisions have improved more for the US relative to other regions

EPS revisions breadth



Source: Macrobond, UBS Asset Management. Data as of May 2025

Asset allocation

We tactically upgraded US equities as we see support from light positioning, a weaker dollar, and strong earnings fundamentals in the near term. At the same time, we tactically downgraded European equities to underweight as we see the outperformance this year as already reflecting the improved macro outlook and we see headwinds on top line growth coming from the stronger EUR.
























Within Europe, we continue to overweight European banks with an attractive dividend yield around 6% and cheap valuations which don't reflect the strong fundamentals. Should the US outperform in the near term as we expect, that could provide opportunities for investors with a large US overweight to adjust their strategic asset allocation to be more balanced.

We have upgraded EM equities and FX following US-China tariff de-escalation. FX carry is increasingly appealing as we expect the economy will be in a muddle through environment – not too hot to drive yields materially higher, and not too cold to create a growth scare. Within FX, we like EM currencies that offer high real carry, including BRL and INR.

In a similar vein, we believe an environment of carry doing better and yields remaining high, worsens the case to owning safe-havens, at least on a tactical horizon. We therefore remove our tactical long positions in the JPY and gold, with both having enjoyed strong year-to-date performance and may be challenged by crowded positioning.

Asset class views

The chart below shows the views of our Asset Allocation team on overall asset class attractiveness as of 29 May 2025. The colored circles provide our overall signal for global equities, rates, and credit. The rest of the ratings pertain to the relative attractiveness of certain regions within the asset classes of equities, bonds, credit and currencies. Because the Asset Class Views table does not include all asset classes, the net overall signal may be somewhat negative or positive.

					Underweight	Overweight
						
						
Global Equities						We are neutral equities as even though the macro-outlook has improved, market valuations have rebounded significantly and do not price in much downside risk to trade policy or the economy. We prefer relative value to large directional bets.
US						We expect US equities to outperform as high-quality continue to drive strong earnings, and the weaker USD is a tailwind. We think the 'Sell America' trade was overdone.
Europe						After the strong YTD rally European equities have priced in a lot of good news and valuations are now less supportive. Earnings continue to be weak relative to other regions and the recent EUR strength is going to be a headwind. Within Europe, we continue to like European banks which remain inexpensive and are delivering good earnings growth.
Japan						Japan has seen better nominal GDP growth, resilient earnings and improved corporate governance, which are tailwinds. JPY strength and sharp rises in long JGB yields keep us neutral.
Emerging Markets						China's recent tech advancements in AI continue to make progress and EM earnings are strong across regions. Tariff de-escalation creates a window for outperformance, amid inexpensive valuations.
Global Government Bonds						We are neutral duration as a slower growth profile this year is counteracted by expectations of fiscal stimulus. Short-tenor bonds offer some protection against risk assets should downside risks to growth materialize.
US Treasuries						We are neutral on US duration as Treasuries face volatility from policy-induced changes. Outright yields are more attractive, but we are concerned that rising fiscal deficits could cause further increases in term premia.
Bunds						We think the front of the German curve could rally on external growth risks, but ultimately think the curve will remain steep, given fiscal stimulus.
Gilts						Overweight Gilts on attractive valuations, and as we think the government will avoid a disorderly widening of the deficit.
JGBs						Wages & underlying inflation are accelerating, but we expect the BoJ to wait for more clarity on external growth before hiking.
Swiss						Valuations are historically expensive and the SNB is already priced to cut rates into negative territory.
Global Credit						We think IG & HY credit spreads have marginal room for compression at these levels and still face the risk of material widening in case the economic outlook deteriorates more than expected. Regionally, we see Asia HY as offering the best risk-reward.
Investment Grade Credit						With spreads only 15bps higher than the recent local tight at the end of last year, the IG market is not pricing in much slowdown to be induced from tariffs. Corporate fundamentals are healthy, however.
High Yield Credit						HY spreads have already tightened considerably since Liberation Day and are little priced for downside risks. Still, all-in yields remain attractive.
EMD Hard Currency						We think Asia HY provides the most attractive risk-adjusted carry across global credit segments.
FX						
USD						While there are strong arguments to be underweight over the medium term, we think the 'Sell America' narrative is stretched near-term, and a resilient US economy could lead to some unwinding in short USD positioning against reserve currencies.
EUR						We like EUR on a structural basis as it can benefit from a cheap valuation and USD hedging flows. We also think EURCHF should rise as risk appetite improves.
JPY						We have taken profits in long JPY as positioning is stretched and we see room for an unwind as the risk backdrop heals
CHF						We are negative on CHF against other non-USD reserve currencies as we see increased risk of more SNB cuts or FX-intervention.
EM FX						EM carry is more attractive as volatility declines and the global economy hangs in. We like TRY, BRL, INR, and HUF the most.
Commodities						We think gold is in a consolidation phase amid crowded positioning, while resilient CB demand keeps the long-term case intact. We are neutral oil

Source: UBS Asset Management Investment Solutions Macro Asset Allocation Strategy team as of 29 May 2025. Views are provided on the basis of a 3-12 month investment horizon, are not necessarily reflective of actual portfolio positioning and are subject to change.

For marketing and information purposes by UBS. For global professional / qualified / institutional clients and investors

This document does not replace portfolio and fund-specific materials. Commentary is at a macro or strategy level and is not with reference to any registered or other mutual fund.

Americas

The views expressed are a general guide to the views of UBS Asset Management as of May 2025. The information contained herein should not be considered a recommendation to purchase or sell securities or any particular strategy or fund. Commentary is at a macro level and is not with reference to any investment strategy, product or fund offered by UBS Asset Management. The information contained herein does not constitute investment research, has not been prepared in line with the requirements of any jurisdiction designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research. The information and opinions contained in this document have been compiled or arrived at based upon information obtained from sources believed to be reliable and in good faith. All such information and opinions are subject to change without notice. Care has been taken to ensure its accuracy but no responsibility is accepted for any errors or omissions herein. A number of the comments in this document are based on current expectations and are considered "forward-looking statements." Actual future results, however, may prove to be different from expectations. The opinions expressed are a reflection of UBS Asset Management's best judgment at the time this document was compiled, and any obligation to update or alter forward-looking statements as a result of new information, future events or otherwise is disclaimed. Furthermore, these views are not intended to predict or guarantee the future performance of any individual security, asset class or market generally, nor are they intended to predict the future performance of any UBS Asset Management account, portfolio or fund.

EMEA

Before investing in a product please read the latest prospectus and key information document carefully and thoroughly. Any decision to invest should take into account all the characteristics or objectives of the fund as described in its prospectus, or similar legal documentation. Investors are acquiring units or shares in a fund, and not in a given underlying asset such as building or shares of a company. The information and opinions contained in this document have been compiled or arrived at based upon information obtained from sources believed to be reliable and in good faith, but is not guaranteed as being accurate, nor is it a complete statement or summary of the securities, markets or developments referred to in the document. Members of the UBS Group may have a position in and may make a purchase and / or sale of any of the securities or other financial instruments mentioned in this document. Units of UBS funds mentioned herein may not be eligible for sale in all jurisdictions or to certain categories of investors and may not be offered, sold or delivered in the United States. The information mentioned herein is not intended to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. Past performance is not a reliable indicator of future results. The calculated performance takes all costs on the fund level into consideration (ongoing costs). The entry and exit costs, which would have a negative impact on the performance, are not taken into consideration. If whole or part of the total costs to be paid is different from your reference currency, the costs may increase or decrease as a result of currency and exchange rate fluctuations. Commissions and costs have a negative impact on the investment and on the expected returns. If the currency of a financial product or financial service is different from your reference currency, the return can increase or decrease as a result of currency and exchange rate fluctuations. This information pays no regard to the specific or future investment objectives, financial or tax situation or particular needs of any specific recipient. Future performance is subject to taxation which depends on the personal situation of each investor and which may change in the future. The details and opinions contained in this document are provided by UBS without any guarantee or warranty and are for the recipient's personal use and information purposes only. This document may not be reproduced, redistributed or republished for any purpose without the written permission of UBS Asset Management Switzerland AG or a local affiliated company. Source for all data and charts (if not indicated otherwise): UBS Asset Management

This document contains statements that constitute "forward-looking statements", including, but not limited to, statements relating to our future business development. While these forward-looking statements represent our judgments and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations.

Australia

This document is intended to provide general information only and has been provided by UBS Asset Management (Australia) Ltd (ABN 31 003 146 290) (AFS Licence No. 222605). This document and its contents have not been reviewed by, delivered to or registered with any regulatory or other relevant authority in any jurisdiction. This document is for informational purposes and should not be construed as an offer or invitation to the public, direct or indirect, to buy or sell securities. This document is intended for limited distribution and only to the extent permitted under applicable laws in any jurisdiction. No representations are made with respect to the eligibility of any recipients of this document to acquire interests in securities under the laws of any jurisdiction. Using, copying, redistributing or republishing any part of this document without prior written permission from UBS Asset Management is prohibited. Any statements made regarding investment performance objectives, risk and/or return targets shall not constitute a representation or warranty that such objectives or expectations will be achieved or risks are fully disclosed. The information and opinions contained in this document is based upon information obtained from sources believed to be reliable and in good faith but no responsibility is accepted for any misrepresentation, errors or omissions. All such information and opinions are subject to change without notice. A number of comments in this document are based on current expectations and are considered "forward-looking statements". Actual future results may prove to be different from expectations and any unforeseen risk or event may arise in the future. The opinions expressed are a reflection of UBS Asset Management's judgment at the time this document is compiled and any obligation to update or alter forward-looking statements as a result of new information, future events, or otherwise is disclaimed. You are advised to exercise caution in relation to this document. The information in this document does not constitute advice and does not take into consideration your investment objectives, legal, financial or tax situation or particular needs in any other respect. Investors should be aware that past performance of investment is not necessarily indicative of future performance. Potential for profit is accompanied by possibility of loss. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

China

For eligible investors under the relevant laws and regulations of the People's Republic of China ("PRC") only. This document and its contents have not been reviewed by, delivered to or registered with any regulatory or other relevant authority in the PRC. This document is for informational purposes and should not be construed as an offer or invitation to the public, direct or indirect, to buy or sell securities. This document is intended for limited distribution and only to the extent permitted under applicable laws in the PRC. No representations are made with respect to the eligibility of any recipients of this document to acquire interests in securities under the laws of the PRC.

Using, copying, redistributing or republishing any part of this document without prior written permission from UBS Asset Management is prohibited. Any statements made regarding investment performance objectives, risk and/or return targets shall not constitute a representation or warranty that such objectives or expectations will be achieved or risks are fully disclosed. The information and opinions contained in this document is based upon information obtained from sources believed to be reliable and in good faith but no responsibility is accepted for any misrepresentation, errors or omissions. All such information and opinions are subject to change without notice. A number of comments in this document are based on current expectations and are considered "forward-looking statements". Actual future results may prove to be different from expectations and any unforeseen risk or event may arise in the future. The opinions expressed are a reflection of UBS Asset Management's judgment at the time this document is compiled and any obligation to update or alter forward-looking statements as a result of new information, future events, or otherwise is disclaimed.

You are advised to exercise caution in relation to this document. The information in this document does not constitute advice and does not take

into consideration your investment objectives, legal, financial or tax situation or particular needs in any other respect. Investors should be aware that past performance of investment is not necessarily indicative of future performance. Potential for profit is accompanied by possibility of loss. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

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

The securities or products mentioned herein may only be permitted to be offered to approved PRC investors and/or eligible investors under the relevant PRC laws and regulations. The relevant PRC investors shall obtain applicable approvals/licenses/registrations from the relevant authorities (if applicable), and comply with the relevant laws and regulations.

Hong Kong

This document and its contents have not been reviewed by, delivered to or registered with any regulatory or other relevant authority in any jurisdiction. This document is for informational purposes and should not be construed as an offer or invitation to the public, direct or indirect, to buy or sell securities. This document is intended for limited distribution and only to the extent permitted under applicable laws in any jurisdiction. No representations are made with respect to the eligibility of any recipients of this document to acquire interests in securities under the laws of any jurisdiction.

Using, copying, redistributing or republishing any part of this document without prior written permission from UBS Asset Management is prohibited. Any statements made regarding investment performance objectives, risk and/or return targets shall not constitute a representation or warranty that such objectives or expectations will be achieved or risks are fully disclosed. The information and opinions contained in this document is based upon information obtained from sources believed to be reliable and in good faith but no responsibility is accepted for any misrepresentation, errors or omissions. All such information and opinions are subject to change without notice. A number of comments in this document are based on current expectations and are considered "forward-looking statements". Actual future results may prove to be different from expectations and any unforeseen risk or event may arise in the future. The opinions expressed are a reflection of UBS Asset Management's judgment at the time this document is compiled and any obligation to update or alter forward-looking statements as a result of new information, future events, or otherwise is disclaimed.

You are advised to exercise caution in relation to this document. The information in this document does not constitute advice and does not take into consideration your investment objectives, legal, financial or tax situation or particular needs in any other respect. Investors should be aware that past performance of investment is not necessarily indicative of future performance. Potential for profit is accompanied by possibility of loss. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

UBS Asset Management is a large-scale asset manager, with a presence in more than 20 countries worldwide. We take a globally connected approach to find the answers to our clients' investment challenges and draw on the best ideas and capabilities of our global set-up. To provide you with first class solutions, UBS Asset Management may outsource business areas and services to (other) business divisions of UBS Group AG, affiliated companies of UBS Group AG and carefully selected third party service providers on a global level. This applies both with respect to different services provided to you as a prospect and as a client, such as analyzing and providing investment solutions, negotiations regarding our future relationship, onboarding, as well as to ongoing know-your-client due diligence, transactions, processing of securities and other financial instruments, compliance, risk management and monitoring, data processing, and IT and back- and middle-office services. Such a global approach may require transmitting client data to affiliated companies and carefully selected third party service providers. This might include entities that are not subject to banking secrecy (if applicable at all) and/or that are not subject to the data protection laws applicable in your location, the location of the UBS Asset Management entity you are in contact with, or to your future relationship with UBS Asset Management. This global approach also may require storing client data in global IT systems. UBS Asset Management is subject to statutory obligations regarding the confidentiality of data relating to the business relationship with its clients.

You can rely on UBS Asset Management and its affiliated companies treating all data with strictest confidentiality; third party service providers are carefully selected and contractually bound to strictest confidentiality obligations in line with highest UBS standards.

Indonesia

This communication and any offering material, term sheet, research report, other product or service documentation or any other information (the "Material") sent with this communication, whether communicated in written or oral form, were done so as a result of a request received by UBS from you and/or persons entitled to make the request on your behalf. Should you have received the Material erroneously, UBS asks that you kindly delete the e-mail and inform UBS immediately. The Material, where provided, was provided for your information only and is not to be further distributed in whole or in part in or into your jurisdiction without the consent of UBS. The Material may not have been reviewed, approved, disapproved or endorsed by any financial or regulatory authority in your jurisdiction. UBS has not, by virtue of the Material, made available, issued any invitation to subscribe for or to purchase any investment (including securities or derivatives products). The Material is neither an offer nor a solicitation to enter into any transaction or contract nor is it an offer to buy or to sell any securities or derivatives products. The relevant investments will be subject to restrictions and obligations on transfer as set forth in the Material, and by receiving the Material you undertake to comply fully with such restrictions and obligations. You should carefully study and ensure that you understand and exercise due care and discretion in considering your investment objective, risk appetite and personal circumstances against the risk of the investment. You are advised to seek independent professional advice in case of doubt.

Any and all advice provided, whether in written or oral form, and/or trades executed by UBS pursuant to the Material will only have been provided upon your specific request or executed upon your specific instructions, as the case may be, and may be deemed as such by UBS and you.

Malaysia

This communication and any offering material, term sheet, research report, other product or service documentation or any other information (the "Material") sent with this communication, whether communicated in written or oral form, were done so as a result of a request received by UBS from you and/or persons entitled to make the request on your behalf. Should you have received the Material erroneously, UBS asks that you kindly delete the e-mail and inform UBS immediately. The Material, where provided, was provided for your information only and is not to be further distributed in whole or in part in or into your jurisdiction without the consent of UBS. The Material may not have been reviewed, approved, disapproved or endorsed by any financial or regulatory authority in your jurisdiction. UBS has not, by virtue of the Material, made available, issued any invitation to subscribe for or to purchase any investment (including securities or derivatives products). The Material is neither an offer nor a solicitation to enter into any transaction or contract nor is it an offer to buy or to sell any securities or derivatives products. The relevant investments will be subject to restrictions and obligations on transfer as set forth in the Material, and by receiving the Material you undertake to comply fully with such restrictions and obligations. You should carefully study and ensure that you understand and exercise due care and discretion in considering your investment objective, risk appetite and personal circumstances against the risk of the investment. You are advised to seek independent professional advice in case of doubt.

Any and all advice provided, whether in written or oral form, and/or trades executed by UBS pursuant to the Material will only have been provided upon your specific request or executed upon your specific instructions, as the case may be, and may be deemed as such by UBS and you.

Macau

This document and its contents have not been reviewed by, delivered to or registered with any regulatory or other relevant authority in any jurisdiction. This document is for informational purposes and should not be construed as an offer or invitation to the public, direct or indirect, to buy or sell securities. This document is intended for limited distribution and only to the extent permitted under applicable laws in any jurisdiction. No representations are made with respect to the eligibility of any recipients of this document to acquire interests in securities under the laws of any jurisdiction.

Using, copying, redistributing or republishing any part of this document without prior written permission from UBS Asset Management is prohibited. Any statements made regarding investment performance objectives, risk and/or return targets shall not constitute a representation or warranty that such objectives or expectations will be achieved or risks are fully disclosed. The information and opinions contained in this document is based upon information obtained from sources believed to be reliable and in good faith but no responsibility is accepted for any misrepresentation, errors or omissions. All such information and opinions are subject to change without notice. A number of comments in this document are based on current expectations and are considered "forward-looking statements". Actual future results may prove to be different from expectations and any unforeseen risk or event may arise in the future. The opinions expressed are a reflection of UBS Asset Management's judgment at the time this document is compiled and any obligation to update or alter forward-looking statements as a result of new information, future events, or otherwise is disclaimed.

You are advised to exercise caution in relation to this document. The information in this document does not constitute advice and does not take into consideration your investment objectives, legal, financial or tax situation or particular needs in any other respect. Investors should be aware that past performance of investment is not necessarily indicative of future performance. Potential for profit is accompanied by possibility of loss. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

Source for all data and charts (if not indicated otherwise): UBS Asset Management. © UBS 2024. The key symbol and UBS are among the registered and unregistered trademarks of UBS. All rights reserved.

UBS Asset Management is a large-scale asset manager, with a presence in more than 20 countries worldwide. We take a globally connected approach to find the answers to our clients' investment challenges and draw on the best ideas and capabilities of our global set-up. To provide you with first class solutions, UBS Asset Management may outsource business areas and services to (other) business divisions of UBS Group AG, affiliated companies of UBS Group AG and carefully selected third party service providers on a global level. This applies both with respect to different services provided to you as a prospect and as a client, such as analyzing and providing investment solutions, negotiations regarding our future relationship, onboarding, as well as to ongoing know-your-client due diligence, transactions, processing of securities and other financial instruments, compliance, risk management and monitoring, data processing, and IT and back- and middle-office services. Such a global approach may require transmitting client data to affiliated companies and carefully selected third party service providers. This might include entities that are not subject to banking secrecy (if applicable at all) and/or that are not subject to the data protection laws applicable in your location, the location of the UBS Asset Management entity you are in contact with, or to your future relationship with UBS Asset Management. This global approach also may require storing client data in global IT systems. UBS Asset Management is subject to statutory obligations regarding the confidentiality of data relating to the business relationship with its clients.

You can rely on UBS Asset Management and its affiliated companies treating all data with strictest confidentiality; third party service providers are carefully selected and contractually bound to strictest confidentiality obligations in line with highest UBS standards.

Philippines

This communication and any offering material, term sheet, research report, other product or service documentation or any other information (the "Material") sent with this communication, whether communicated in written or oral form, were done so as a result of a request received by UBS from you and/or persons entitled to make the request on your behalf. Should you have received the Material erroneously, UBS asks that you kindly delete the e-mail and inform UBS immediately. The Material, where provided, was provided for your information only and is not to be further distributed in whole or in part in or into your jurisdiction without the consent of UBS. The Material may not have been reviewed, approved, disapproved or endorsed by any financial or regulatory authority in your jurisdiction. UBS has not, by virtue of the Material, made available, issued any invitation to subscribe for or to purchase any investment (including securities or derivatives products). The Material is neither an offer nor a solicitation to enter into any transaction or contract nor is it an offer to buy or to sell any securities or derivatives products. The

relevant investments will be subject to restrictions and obligations on transfer as set forth in the Material, and by receiving the Material you undertake to comply fully with such restrictions and obligations. You should carefully study and ensure that you understand and exercise due care and discretion in considering your investment objective, risk appetite and personal circumstances against the risk of the investment. You are advised to seek independent professional advice in case of doubt.

Any and all advice provided, whether in written or oral form, and/or trades executed by UBS pursuant to the Material will only have been provided upon your specific request or executed upon your specific instructions, as the case may be, and may be deemed as such by UBS and you.

Singapore

This document and its contents have not been reviewed by, delivered to or registered with any regulatory or other relevant authority in any jurisdiction. This document is for informational purposes and should not be construed as an offer or invitation to the public, direct or indirect, to buy or sell securities. This document is intended for limited distribution and only to the extent permitted under applicable laws in any jurisdiction. No representations are made with respect to the eligibility of any recipients of this document to acquire interests in securities under the laws of any jurisdiction.

Using, copying, redistributing or republishing any part of this document without prior written permission from UBS Asset Management (Singapore) Ltd. is prohibited. Any statements made regarding investment performance objectives, risk and/or return targets shall not constitute a representation or warranty that such objectives or expectations will be achieved or risks are fully disclosed. The information and opinions contained in this document is based upon information obtained from sources believed to be reliable and in good faith but no responsibility is accepted for any misrepresentation, errors or omissions. All such information and opinions are subject to change without notice. A number of comments in this document are based on current expectations and are considered "forward-looking statements". Actual future results may prove to be different from expectations and any unforeseen risk or event may arise in the future. The opinions expressed are a reflection of UBS Asset Management (Singapore) Ltd's judgment at the time this document is compiled and any obligation to update or alter forward-looking statements as a result of new information, future events, or otherwise is disclaimed.

You are advised to exercise caution in relation to this document. The information in this document does not constitute advice and does not take into consideration your investment objectives, legal, financial or tax situation or particular needs in any other respect. Investors should be aware that past performance of investment is not necessarily indicative of future performance. Potential for profit is accompanied by possibility of loss. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

Source for all data and charts (if not indicated otherwise): UBS Asset Management (Singapore) Ltd. (UEN 199308367C)

This document has not been registered with the Monetary Authority of Singapore pursuant to the exemptions under Sections 304 and 305 of the SFA. Accordingly, this document may not be circulated or distributed, nor may the Securities be offered or sold, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor pursuant to Section 304 of the SFA, (ii) to a relevant person (as defined in Section 305(5) of the SFA) pursuant to Section 305(1), and in accordance with the conditions specified in Section 305 of the SFA, and where applicable, the conditions specified in Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

UBS Asset Management is a large-scale asset manager, with a presence in more than 20 countries worldwide. We take a globally connected approach to find the answers to our clients' investment challenges and draw on the best ideas and capabilities of our global set-up. To provide you with first class solutions, UBS Asset Management may outsource business areas and services to (other) business divisions of UBS Group AG, affiliated companies of UBS Group AG and carefully selected third party service providers on a global level. This applies both with respect to different services provided to you as a prospect and as a client, such as analyzing and providing investment

solutions, negotiations regarding our future relationship, onboarding, as well as to ongoing know-your-client due diligence, transactions, processing of securities and other financial instruments, compliance, risk management and monitoring, data processing, and IT and back- and middle-office services. Such a global approach may require transmitting client data to affiliated companies and carefully selected third party service providers. This might include entities that are not subject to banking secrecy (if applicable at all) and or that are not subject to the data protection laws applicable in your location, the location of the UBS Asset Management entity you are in contact with, or to your future relationship with UBS Asset Management. This global approach also may require storing client data in global IT systems. UBS Asset Management is subject to statutory obligations regarding the confidentiality of data relating to the business relationship with its clients.

You can rely on UBS Asset Management and its affiliated companies treating all data with strictest confidentiality; third party service providers are carefully selected and contractually bound to strictest confidentiality obligations in line with highest UBS standards.

Thailand

This communication and any offering material, term sheet, research report, other product or service documentation or any other information (the "Material") sent with this communication, whether communicated in written or oral form, were done so as a result of a request received by UBS from you and/or persons entitled to make the request on your behalf. Should you have received the Material erroneously, UBS asks that you kindly delete the e-mail and inform UBS immediately. The Material, where provided, was provided for your information only and is not to be further distributed in whole or in part in or into your jurisdiction without the consent of UBS. The Material may not have been reviewed, approved, disapproved or endorsed by any financial or regulatory authority in your jurisdiction. UBS has not, by virtue of the Material, made available, issued any invitation to subscribe for or to purchase any investment (including securities or derivatives products). The Material is neither an offer nor a solicitation to enter into any transaction or contract nor is it an offer to buy or to sell any securities or derivatives products. The relevant investments will be subject to restrictions and obligations on transfer as set forth in the Material, and by receiving the Material you undertake to comply fully with such restrictions and obligations. You should carefully study and ensure that you understand and exercise due care and discretion in considering your investment objective, risk appetite and personal circumstances against the risk of the investment. You are advised to seek independent professional advice in case of doubt.

Any and all advice provided, whether in written or oral form, and/or trades executed by UBS pursuant to the Material will only have been provided upon your specific request or executed upon your specific instructions, as the case may be, and may be deemed as such by UBS and you.

C 05/2025 M-001370 M-001371



[ubs.com/am-linkedln](https://www.ubs.com/am-linkedln)

© UBS 2025. The key symbol and UBS are among the registered and unregistered trademarks of UBS. All rights reserved.

www.ubs.com/am

Page 8 of 8