

Macro Monthly

Economic insights and asset class views

UBS Asset Management | March 2025

For global professional / qualified / institutional clients and investors



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



Meena Bassily
Director
Active Multi-Asset

American 'Un'-exceptionalism?

Highlights

- US stocks have meaningfully underperformed ex-US counterparts year to date. We explore whether this theme has legs.
- Still elevated valuations, high concentration, and a narrowing growth advantage are headwinds for the US. But we still expect US companies to deliver strong earnings growth in 2025.
- Cheaper European and Chinese stocks have the potential to re-rate further, but there remain questions on whether policymakers will do what it takes to drive growth.
- We favor a balanced global equity allocation with an emphasis on quality, combined with selective exposures to European banks and Chinese tech where we expect further re-rating.
- Elsewhere, we continue to like duration, gold and JPY as hedges against downside risks to growth and broader policy uncertainty.

Cracks have emerged in the US exceptionalism theme, with the S&P 500 index flat this year compared to the All Country World ex US index's 6% performance. Markets such as the Eurostoxx 50 and MSCI China are up 11% and 18%, respectively, in just two months.

In our December [Macro Monthly](#), we discussed what could undermine the US exceptionalism theme which has captivated markets for nearly 15 years, including a narrowing US growth advantage, mixed risks in Trump's policy agenda and high US sector concentration.

Much of this performance convergence has played out in a very short time period. The question is whether this ex-US outperformance is one of the several multi-month counter-trend moves over the last 15 years that ultimately investors were better off ignoring and sticking to the US, or if this convergence has legs. Here we evaluate the cases for and against further ex-US outperformance in 2025.

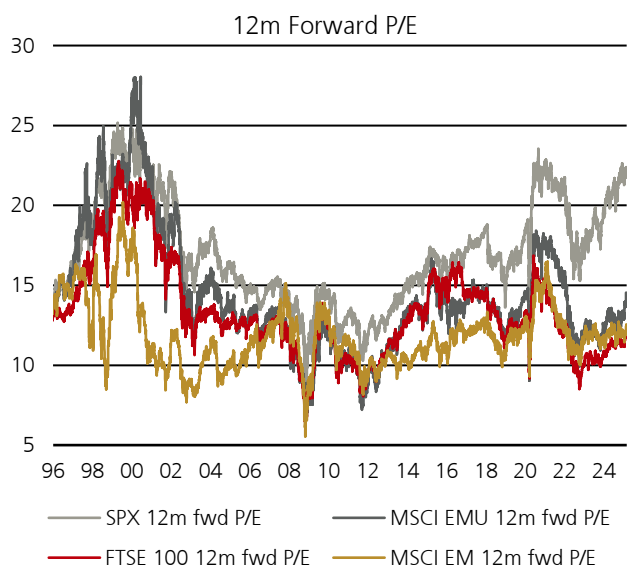
While we do not see enough to go outright underweight the US vs. ex-US markets, we argue for a globally balanced equity allocation. More broadly, we reiterate our overweight to duration, as discussed in our January [Macro Monthly, Buying Bonds](#). We maintain portfolio hedges in gold and the JPY.

The case for continued ex-US outperformance

Why would global equity market convergence continue?

First, of course, the bar remains high for US relative to ex-US in terms of valuation. Despite the year-to-date moves the US is still expensive outright, and relative to the rest of the world on nearly all established valuation metrics, including sector-adjusted.

Exhibit 1: US equity valuations have a higher bar to beat



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

Second, US economic growth is still good, but 'less exceptional.' We are moving from an economy that was running close to 3% real GDP growth over the last few years to one running closer to 2%. This is a function of moderating real incomes, a slowing in immigration which had started before Trump, the fiscal impulse coming off, and interest rates that remain too high for the housing market.

Third, there is more evidence in consumer and business surveys that the risks to growth from the Trump administration are more balanced than the initial narrative had suggested. Immediately after the election, the market was focused on how a business-friendly administration would begin tax cuts, deregulation and evoke animal spirits – leading to increased optimism and investment.

However, some real downside risks to growth have emerged in the Trump administration's first several weeks. Greater uncertainty around tariff policy, the rapid and unstructured cost cutting by the Department of Government Efficiency, and the potential scale of deportations are weighing on confidence. The distribution of risks to US equities this year has shifted from a fiscally driven yield spike to a more severe growth slowdown caused by policy uncertainty.

Finally, one cannot discuss US markets without considering the Magnificent 7, which are responsible for half the US outperformance vs. international equities over the last 10 years. While large cap tech continues to put up excellent earnings, the scale of growth is set to decline relative to other companies. This along with questions around the return on investment from

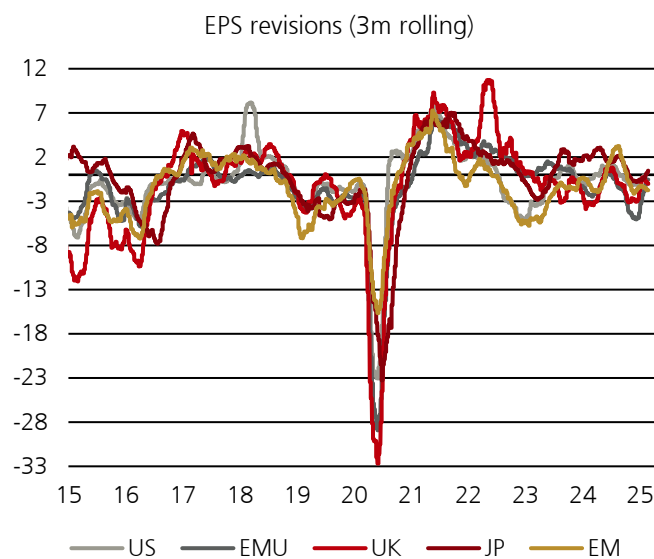
AI capex, particularly in the context of Deepseek (discussed below), raises risks for the concentrated US market.

The Case for Europe

So that's the potential downside for US markets, what about the upside in Europe?

First, there's actual improvement in corporate fundamentals. It's been a strong earnings season in Europe, across various sectors, with luxury, banks and industrials all beating expectations. Earnings expectations overall look to have clearly bottomed out, and revisions have improved relative to other regions.

Exhibit 2: Euro Area earnings revisions may have bottomed



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

We've seen several months of positive economic surprises in aggregate, and credit demand has been picking up – helped by the European Central Bank's cutting cycle. In addition, real incomes remain positive and the European consumer has plenty of excess savings to put to work.

There's also been a rise in the odds of a ceasefire in the Russia-Ukraine war, which has been reflected in a decline in natural gas prices since the US started talks with Russia. Lower energy costs can boost businesses and consumer sentiment, and disproportionately help large energy importers in Europe.

In Germany, the new centrist coalition should be more business friendly and stable. Incoming Chancellor Merz has confirmed ongoing talks for increased debt-financed defense spending, bypassing the need for a constitutional change.

While no policy changes have yet occurred, such urgency and willingness for Germany to use its fiscal space is an encouraging sign. The Trump administration's more confrontational approach to Europe has its benefits, in the sense that it may shock European leaders into action.

There is a broader recognition that Europe needs to grow to remain a player in this increasingly multi-polar world. France has announced significant investments in AI, and the European Commission is focusing on productivity, competitiveness and deregulation.

It often takes a crisis to get European policy moving in a cohesive direction that strengthens the bloc in economic and political terms, and one can certainly argue that Europe is in a crisis given the geopolitical developments of recent weeks. Ironically, Trump’s challenge to Europe may ultimately make the region’s economy and policy stronger.

The return of China tech

In the east, China’s progress on AI is impressive. DeepSeek made a powerful breakthrough in cost effective AI – and it was the US sanctions on China that forced them to innovate in the use of less powerful chips. Earnings have started to strengthen with large tech companies reporting strong results and encouraging guidance. President Xi’s stance on technology appears to have shifted, as he has conducted high-profile meetings with the founders and CEOs of China’s leading tech companies, an important signal.

Trump has placed 10% tariffs on China related to fentanyl and plans to increase tariffs by another 10%. Nevertheless, there has been reporting that Trump ultimately wants to make a grand deal with China, reducing tariff/export controls in exchange for a series of economic and geopolitical concessions. Anything remotely like this would be a meaningful positive and could unleash a wave of global capital back into Chinese assets that many previously labeled uninvestable.

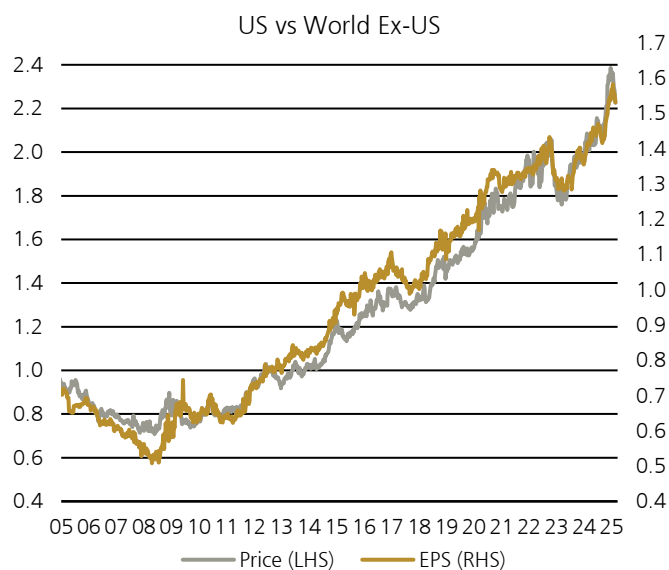
The case for continued US exceptionalism

A case can certainly be made for continued ex-US outperformance, but what are the reasons to fade the recent ex-US enthusiasm and stick with what’s worked for more than a decade?

First, quite simply corporate America has displayed year after year an ability to deliver on earnings compared to the rest of the world. And even if US economic growth is a little cooler than the last few years, we believe it’s still going to be quite solid.

While valuations may limit upside potential for a re-rating, US companies are likely to deliver earnings outperformance.

Exhibit 3: US earnings have justified US outperformance vs. the rest of the world



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

Second, more tariffs are likely coming. In addition to the aforementioned plans to increase tariffs on China, Trump has made it clear that Europe is in the crosshairs next, calling for 25% tariffs on autos and other products in early April. Unlike threatened tariffs on Canada and Mexico which are being used as a negotiating tool to extract concessions related to the border, Trump repeatedly speaks to structural unfairness in trade with respect to Europe. It may prove more difficult for European leaders to coordinate and make adjustments to avoid a meaningful increase in tariffs, raising downside risks to growth.

Third, some of the market’s recent enthusiasm on a near-term ceasefire in the Russia-Ukraine war may be misplaced. It remains unclear that Ukraine will get the security guarantees it needs for a lasting peace deal that will also be acceptable to Russia. Even if there is a peace deal, UBS Investment Bank estimates eurozone GDP would lift by 0.5 to 1% over three years – helpful, but not transformational.

Finally, the aforementioned hopes of change in European and Chinese policy delivering materially better growth outcomes are just that, hopes. In Germany, the centrist parties fell short of the two-thirds majority needed to reform the debt brake, so even though increased debt-financed defense spending is being discussed, the prospect of a large and persistent (multi-year) fiscal expansion is still low.

More structurally in Europe, it's one thing to talk about competitiveness, it's another for 27 countries to agree on the path forward given domestic political constraints.

In China, while there is certainly a positive tech story to tell, there are still large challenges for the broader economy and a need to rebalance toward consumption-led growth. The Japanification of China is ongoing and it's not yet clear that policymakers are willing to do what it takes to stabilize consumer sentiment.

Balance is key

Year-to-date cross-market performance is a wake-up call for investors that have become overly focused on the US. The US now makes up nearly two thirds of the MSCI All Country World Index, with a lot of concentration in the Magnificent 7 that will increasingly need to show returns on investment from expansive capex.

Geographical diversification is important. The fact is, it's simply a lower bar for the rest of the world relative to the US. The US has consistently shown it can meet high expectations and justify an expensive valuation, but there are potential catalysts that can have legs outside the US and lead to outsized performance.

Taking all into account, we favor a balanced asset allocation across regions. We are not prepared to go underweight the US as we still think earnings growth is likely to outperform more growth challenged countries. Ultimately, owning a healthy mix of overvalued but historically dependable markets with undervalued assets that have more questions is a sensible approach. Globally, we like combining exposures to European banks and Chinese tech, which we believe have potential for further re-rating, with an overweight to the global quality factor, which is skewed towards high earning US companies.

More broadly, we continue to favor duration as we think disinflation will continue and expect US growth moderation to continue. As the risks shift from higher inflation to lower growth, we think bonds will reassert themselves as diversifiers.

We continue to view gold as a good hedge to broader policy uncertainty with a structural tailwind of EM central bank buying. In FX we are long USD against EUR and CNH to hedge tariff risks, but we think the JPY move has legs as the Bank of Japan continues to tighten policy.

Asset class views

The chart below shows the views of our Asset Allocation team on overall asset class attractiveness as of 27 February 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					Global equities are supported by a combination of easing global monetary conditions and resilient growth. Earnings growth remains strong in the US and has improved in other regions.
US					US equities continue to have upside on healthy earnings growth. However, high concentration and increased policy uncertainty are downside risks.
Europe					European growth has shown signs of stabilizing while earnings revisions have turned higher from a low level. Other tailwinds have been EUR weakness, ECB rate cuts, and hope of a Russia-Ukraine ceasefire.
Japan					Solid earnings and higher nominal growth may continue to be offset by BoJ tightening and JPY strength.
Emerging Markets					China tech has seen a strong revival helped by AI advancements and signs of more political support for the sector. Still, we see challenges for broader Chinese markets given subdued growth.
Global Government Bonds					We continue to think inflation will decelerate this year, supporting the global easing cycle (ex. Japan). Valuations in most DM rates markets are attractive with rates still broadly restrictive.
US Treasuries					US duration has been helped by a potential slowing in US growth from high levels, Treasury Secretary Bessent's plan to lower the fiscal deficit, and lower oil prices. We see tariffs as a short-lived risk to USTs.
Bunds					Improved valuation, weak growth, slowing inflation, and ECB cuts are all supportive of Bunds. We think Germany has enough fiscal space to increase spending, without it having large impact on the curve.
Gilts					Valuations have improved, and we think the government will avoid a disorderly widening of the deficit.
JGBs					Wages and underlying inflation are accelerating while we expect the BoJ to continue tightening policy.
Swiss					Valuations are historically expensive and the SNB is already priced to cut rates to near zero this year.
Global Credit					Credit spreads remain tight, but we still look for positive total returns in global high yield amid resilient growth. We think EUR and Asia HY offer the best carry opportunities.
Investment Grade Credit					Demand for credit remains strong as cash becomes less attractive. Still valuations are expensive, and we expect returns to be primarily driven by carry and duration.
High Yield Credit					Decent credit quality and the supportive macro backdrop justify tight spreads, but compensation for downside risks is modest. HY bonds in Europe and Asia offer more attractive valuations and carry.
EMD Hard Currency					Many distressed EM issuers managed a restructuring and important reforms in 2024 clearing the way for lower default risk. Valuations are relatively more attractive than those of DM, but a strong USD is a risk.
FX					
USD					We have a slight USD bullish bias given positive yield differentials and to protect against tariff risk – though we do see two-way risks as positioning is long USD and tariffs may not be as large as feared.
EUR					We are slightly bearish EUR given rate differentials and tariff risks, though valuations are more attractive.
JPY					BoJ rate hikes, cheap valuations, and protective properties make us favor JPY vs. EUR and CNH.
CHF					We are negative CHF as we think the SNB will need to cut rates more, while valuations are expensive.
EM FX					Overweight ZAR given carry and a positive policy framework. Underweight CNH on tariff risk.
Commodities					Oil and gas prices have fallen since Russia-Ukraine ceasefire hopes have increased. We remain positive on gold, which is benefitting from persistent central bank demand and policy uncertainty.

Source: UBS Asset Management Investment Solutions Macro Asset Allocation Strategy team as of 27 February 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 February 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- 02/25 NAMT-2243



[ubs.com/am](https://www.linkedin.com/company/ubs.com/am)

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

www.ubs.com/am

Page 9 of 9