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# News Release

## UBS launches new multi asset emerging markets fund

**UBS Global Wealth Management (GWM) has launched the UBS Multi Asset Emerging Markets Dynamic Fund. The fund is designed to capture the full potential of emerging market (EM) assets at a reduced risk through a dedicated three-pillar approach – diversification, active bottom-up security selection, and dynamic equity exposure management – as investments in EMs are set to offer higher expected returns backed by faster economic growth.**

Zurich, 2 May 2023 – Although EM assets have struggled since the start of the COVID-19 pandemic, underperforming relative to their developed market counterparts, emerging economies, especially those in Asia, significantly outgrew developed economies over the last decades. Considering the current low valuations and positive market outlook there are several factors making the case for investing in EMs:

- **Attractive returns:** Faster growth in EMs supports higher potential returns than developed markets.
- **Portfolio diversification:** EM economies are more important than ever – their share of the global economy accounting for more than half – and should be a key part of a strategic asset allocation.
- **Timing:** China's reopening looks set to provide a boost and makes EMs attractive over a tactical horizon.

The UBS Multi Asset Emerging Markets Dynamic strategy provides clients an innovative all-in-one concept designed to benefit from the full potential offered by EM assets while mitigating their risks. The strategy aims to achieve this by diversifying across asset classes, countries, and securities, relying on active bottom-up selection capabilities and applying an EM-specific, systematic top-down equity exposure management. In addition to unlocking the opportunities offered in the EM space, the fund's three-pillar approach seeks to mitigate the downside risks of those assets during periods of economic downturns or significant market volatility.

Over the last three years (2020–2022), the strategy would have improved a portfolio's risk-adjusted returns and moderately outperformed a static multi-asset emerging market benchmark. This is notable given that neither emerging market bonds nor equities performed positively during this period.

**Bruno Marxer, Head of Global Investment Management at UBS Global Wealth Management,** says: "Although emerging markets increased their share of the global market capitalization, they remain underrepresented in global indices and in investor portfolios. We think our risk-controlled multi-asset approach can help more conservative investors gain exposure to the higher return potential of EMs, and offer diversification benefits to EM-based investors with comparable returns but significantly lower risk."

The fund is jointly managed by UBS Asset Management (AM) and UBS GWM, who will act as Portfolio Manager and Investment Advisor, respectively. This combination brings together core strengths of UBS in one strategy, which profits from fast time-to-market, low transaction costs, and investment decisions based on UBS GWM's best-in-class Chief Investment Office investment philosophy and UBS AM's portfolio management capabilities.

The fund is available in jurisdictions across Europe and Asia. It is suitable for investors who wish to invest in a globally diversified EM portfolio with various asset classes.

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#### **Disclaimer:**

Investors should read the product information documents such as the key information document and the sales prospectus of the fund or any applicable local offering document available at [ubs.com/productinformation](http://ubs.com/productinformation). Investments in financial instruments should only be made after carefully studying the product information documents.

UBS (Lux) Strategy SICAV – Multi Asset Emerging Markets Dynamic, fund under Luxembourg law.

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