

A multi-asset approach to Asia

UBS Asset Management—Asia Allocation Opportunity

The growth story in Asia is broadening beyond China, as growing middle class, technological advanced and evolving demographics underpin secular trends. This strategy seeks to offer investors access to significant capital growth and income opportunity through a multi-asset approach in a risk aware manner to deliver highly attractive risk adjusted returns.

Why Asia?

The current and future global economy is heavily dependent on Asia, as they continue to drive innovation, embrace new tech trends, and lead consumer demand worldwide. Asian economies have actively rebounded from Covid-19, creating new entry points for investors in Emerging Markets such as, Consumer Discretionary, Healthcare and IT. In addition to the Asian equities, Asian Credit and APAC REITs provide high yield opportunities and poised to position for global recovery.

Despite continuous structural growth, the world remains underinvested in Asia—creating potential for active investors. Specifically, in regions with low analyst coverage, active managers can be used to exploit market inefficiencies. Active asset allocation in Asian markets can provide investors with an attractive risk adjusted return profile in an opportunistic landscape.

We believe broadening investor exposure to the emerging trends and sparsely covered markets in Asia can potentially offer superior returns. By leveraging our expertise and long-standing history in the region, investors can gain access to actively managed solutions to take advantage of the unique market opportunities in Asia.



Why Asia Allocation Opportunity?



One-stop, multi-asset solution investing in Asia
 Investing in equities and fixed income as well as APAC REITS



Risk aware approach
 Balance risk and return carefully to deliver attractive risk-adjusted return



Experienced team
 Dedicated team utilizing an established philosophy and process to help investors navigate a volatile developing region

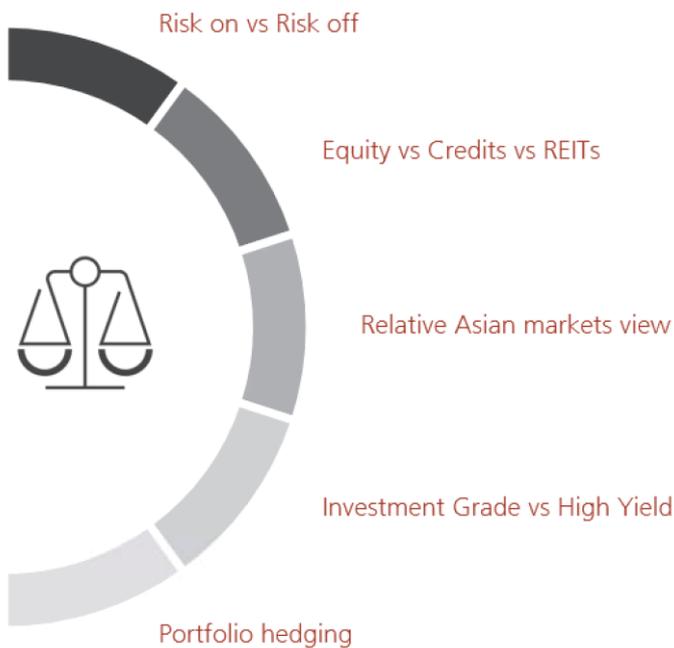


Diversified value proposition
 Diversified approach seeks to capture capital growth and generate income



Active management
 Active top-down macro asset allocation and bottom-up security selection decisions to capture attractive ideas

5 levers to steer top-down asset allocation



Source: UBS Asset Management
Note: For illustrative purposes only

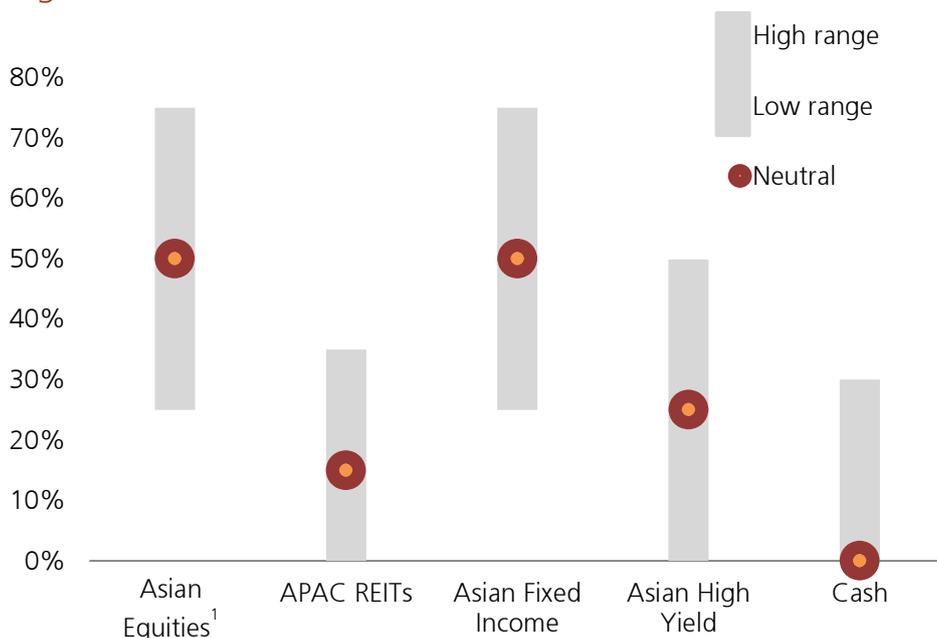
Dynamic asset allocation

Five levers to steer asset allocation to serve as a diversifier to achieve a strong risk-adjusted return profile.

Active asset allocation matters when investing in Asia. Here's why:

1. Asian markets are volatile and call for extensive research to develop an attractive profile. A dynamic, risk-aware, investment approach connects investors to an extensive range of differentiated revenue streams while managing the risks of an opportunistic market.
2. Asset allocation adds value as an additional diversifier within a strong risk-adjusted return profile. By tailoring the payoff structure to individual risk appetite, expectations of economic scenarios, and quality spread differential, active asset allocation is the leading strategy in delivering a smoother investment ride in an emerging region.

Typical asset ranges



Note: Indicative ranges. For illustration purpose only.
1. Asian equities includes REITs.

Why UBS-AM for investing in Asia



- ✓ Close to **30-year** history of investment experience in Asia¹
- ✓ Investment Team manages **award winning fund**²
- ✓ **Recognized as Top Fund of the Year – Best in Class -** for Asia Allocation Multi Asset Fund³

1 As of March 2021

2 UBS (Lux) Key Selection SICAV – China Allocation Opportunity (USD) ranked by Fund Selector Asia Hong Kong as Platinum in Mixed Asset as of February 2021

3 Recognized by Benchmark Hong Kong as of December 2020

Portfolio Managers

Gian A. Plebani, CFA is a Portfolio Manager within the Investment Solutions team. He leads the portfolio management team in Asia. His current focus lies on managing global growth strategies, Emerging Market and China specific portfolios. He also runs the Investment Solutions business for benchmark agnostic mandates for UHNW WM private clients.

Matthew Bance, CFA is a Portfolio Manager within the Investment Solutions team. In this role he is responsible for managing a number of multi-asset portfolios. Prior to undertaking his current role, he was a member of the Asset Allocation team with responsibility for tactical asset allocation research and strategic portfolio design.

Glossary

Alpha: An investment that over time, produces a return uncorrelated to any investment an investor can passively hold and rebalance at low cost, and is in excess of the risk free rate of return.

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Americas

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