

UBS Investor Sentiment

Momentum stalled

Sentiment linked to development of vaccine rollouts



Key findings

Vaccine hope | Sentiment halts awaiting US support

Inflation worries | More than half expect an increase in the next 3 years

Excess of cash | Investors consider new alternatives

Economy

Investors believe vaccine rollouts have been successful so far...

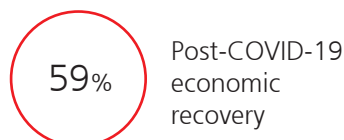


...causing short-term global economic outlook to remain positive (over the next 12 months, in %)

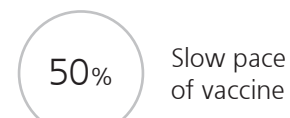
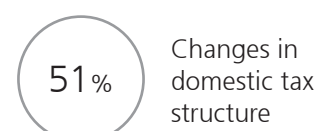
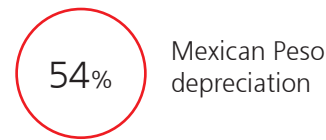


Top sources of optimism and concern

Optimism

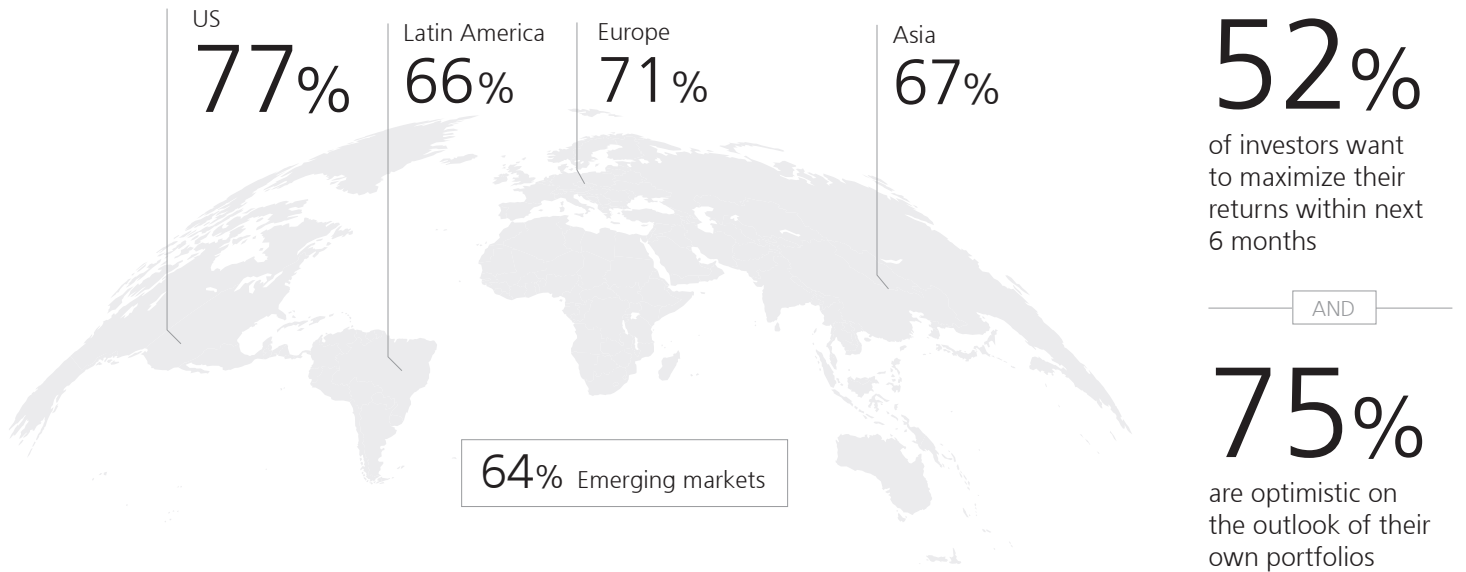


Concern



Market outlook

Most investors see the US as very attractive for investing in the short-term



Investments

Cash allocation remains large among investors' portfolios



26% Average amount of cash* Mexican investors hold in their portfolios

YET

65% believe it is exactly right, or not enough

Top reasons for holding more than 10% in cash*

55% Waiting for right investment opportunity

53% Emergency fund

46% Saving for a large purchase

However they realize the potential risks



71% impact of inflation

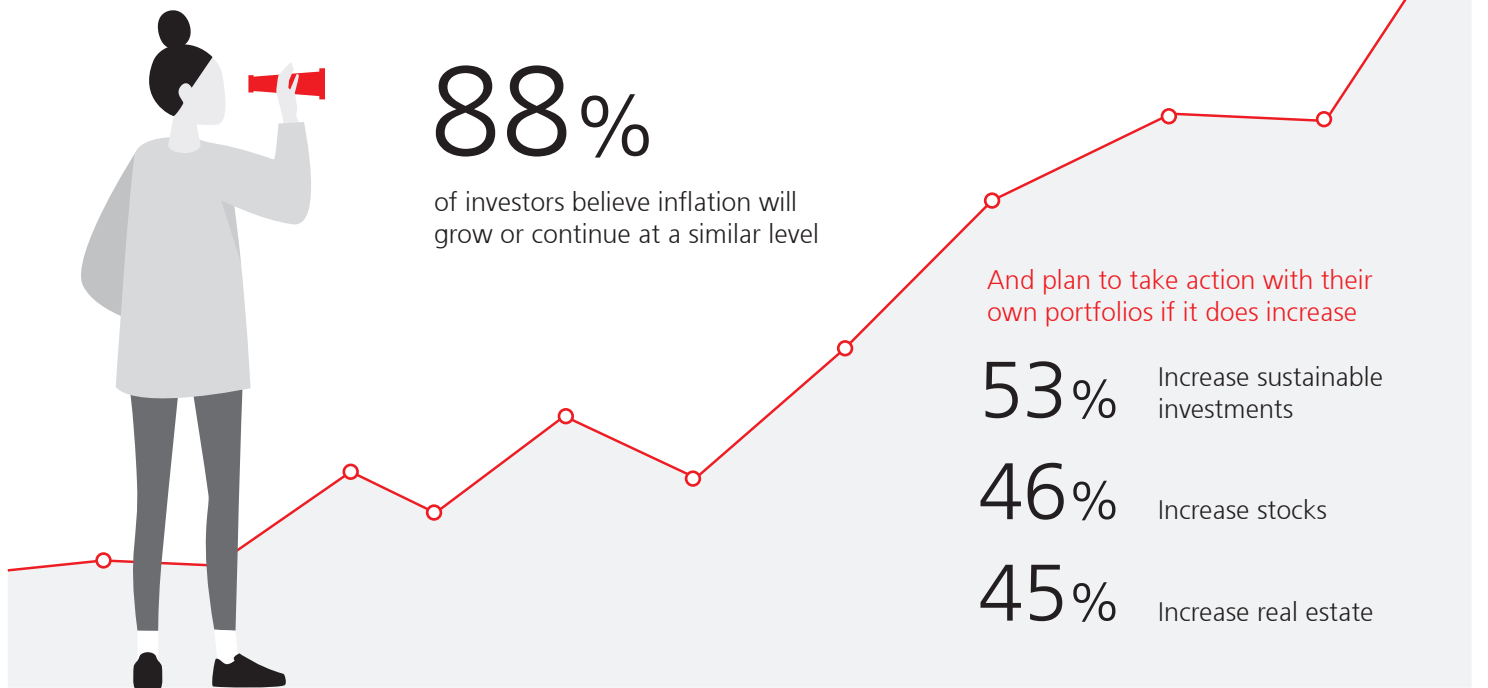
69% missing out on appreciation in equity markets

69% missing out on higher yield opportunities

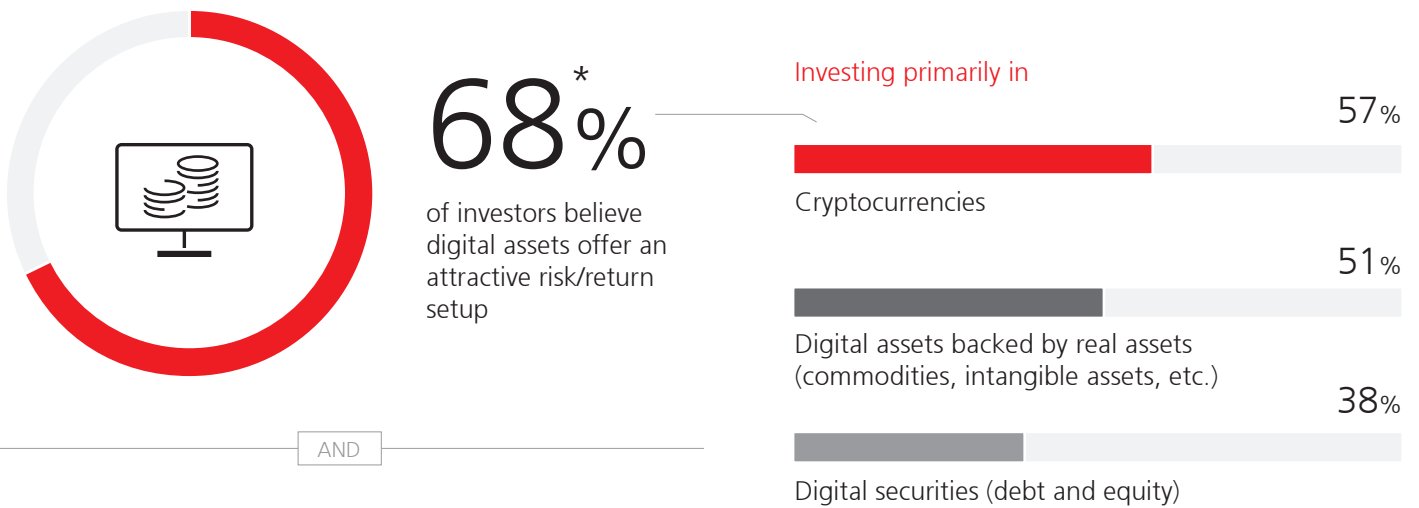
*Cash and equivalents (e.g. CDs)

Investments

Investors see inflation growth as inevitable within the next 3 years



As cash depreciates, digital asset investments gain momentum



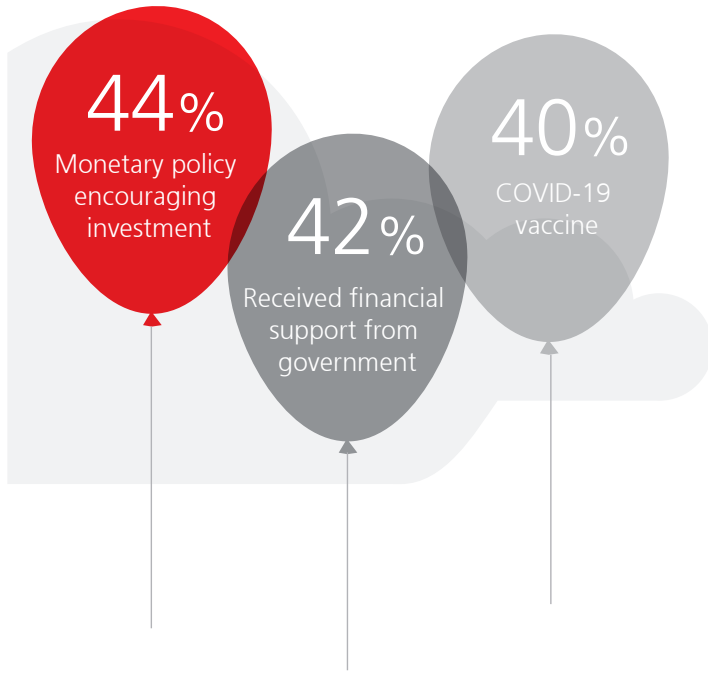
79% of experienced investors within the field would want further exposure to direct investment into digital assets (e.g. Bitcoin, Ether)

*Among investors currently invested in digital assets

Business owners

Confidence in own businesses partially led by monetary stimulus from government

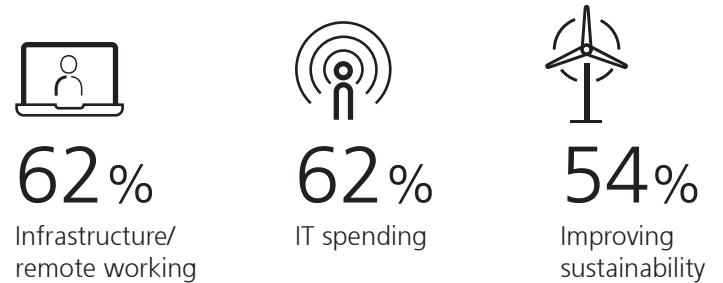
Sources of optimism



Business owners realize working setups have changed and do not foresee "going back"



Business owners' investment priorities are mostly linked to IT matters



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About the survey

About the survey: UBS surveyed 150 investors and 50 business owners in Mexico with at least \$1M in investable assets (for investors) or at least \$1M in annual revenue and at least one employee other than themselves (for business owners), from March 30 – April 16, 2021. For the 4Q20 results, UBS surveyed 150 investors and 50 business owners in Mexico, from December 29, 2020 – January 16, 2021.

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