

UBS Investor Sentiment

On the lookout

Investors watchful
as inflation continues



Key findings

Inflation | Investors concerned about the value of their cash

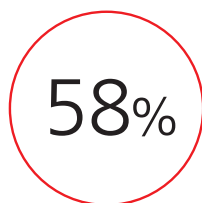
Volatility | Investors remain optimistic due to things returning

Opportunities | Investors interested in tech disruption and alternative investments (e.g., Private Markets)

Sentiment

Top sources of optimism ...

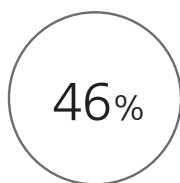
... and concern



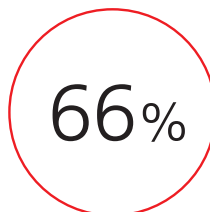
Post-COVID economic recovery (-4)



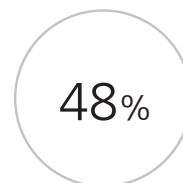
Potential foreign direct investment (-5)



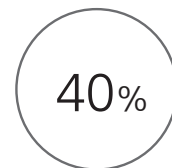
Economic recovery by the US economic rebound (-8)



High inflation (+4)



Potential Mexican peso depreciation (-1)



Weak investment levels (-4)

Market outlook

Despite current market volatility, investment outlook remains positive among Mexican investors ...
(next 6 months)

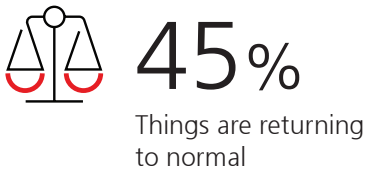
S&P 500



Global market indices



... mainly supported by

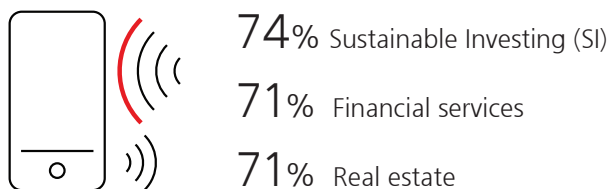


Mexican investors' still facing potential threats

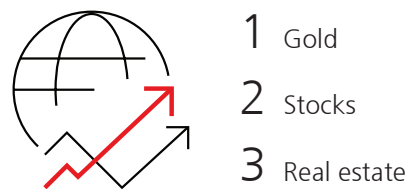


Mexican investors thoughts under the current environment

Most attractive investment themes

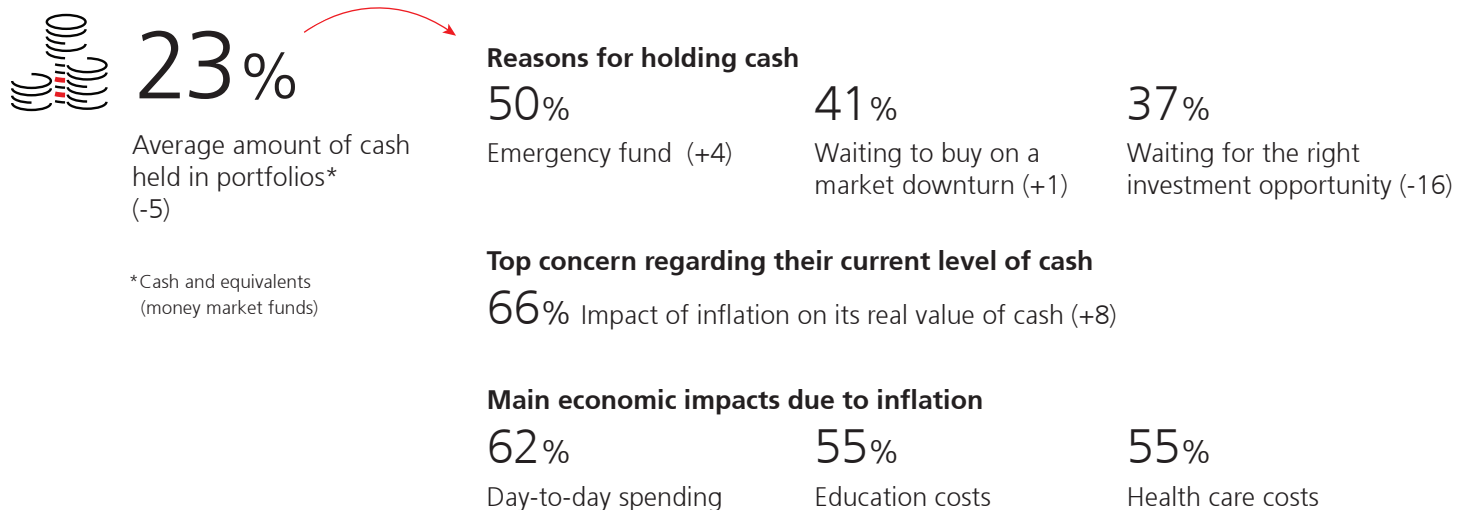


Assets more likely to invest in



Cash and equivalents

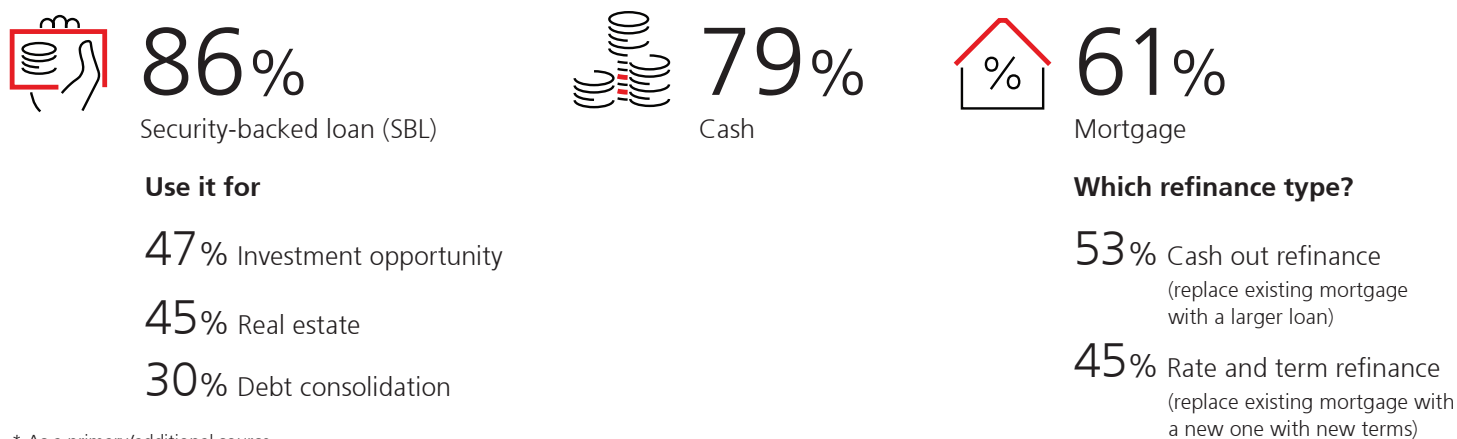
Mexican investors reduce their cash allocations



Many Mexican investors are planning to buy a primary home within the next 12 months



Ways most are likely to finance their potential home purchase*



Investors would consider alternatives to borrowing in higher-rate environment

- 1 Tapping into cash reserves
- 2 Selling investments
- 3 Adjusting plans to delay the need for funds

Opportunities

Investors looking for advice and interested in investment strategies

95%

"I want more guidance than usual from my Client Advisor during times like this."

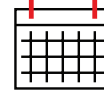


Investment strategies in next 6 months

78% Position for era of security (e.g., energy security, Greentech)

77% Build up portfolio hedges (e.g., quality income stocks)

76% Diversify using alternatives



Long-term (7-10 years) investment themes

71% Smart mobility

71% 5G

70% Automation and robotics

Mexicans consider increasing their private equity allocations

58%

Investors have funds allocated to private markets

40%

Plan to further increase it

Those who are not yet allocated



See better opportunities in other investments



See it as too risky



Do not think it is necessary for their financial plan

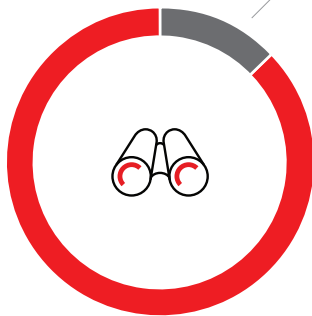
Business owners

Mexican business owners' sentiment increases

Business outlook (next 12 months)

87%

optimistic (+7)



13%

neutral (-5)

0%

pessimistic (-2)

Top concerns

66%

Wage inflation

64%

Geopolitical instability

63%

Increased regulations

Investment priorities for business (next 6 months)

52%

Improving sustainability

50%

Infrastructure/remote working

49%

IT spending

Is your portfolio ready to turn the corner? **Talk to your UBS Advisor.**

About the survey

UBS surveyed 150 investors and 51 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 June 29 - July 15. For the 1Q22 results, UBS surveyed 150 investors and 50 businessowners in Mexico, from March 30 - April 14.

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