

UBS Life Global Emerging Markets Equity Tracker Fund

Fund Type

Passive global Emerging Market equities for exempt approved UK pension funds.

Fund objective

The Fund aims to match the performance of the FTSE Emerging Index.

Fund description

The Fund passively invests its assets in all, or substantially all, of the companies included in the Index. It invests in the shares of a range of emerging market companies and may also invest in ADRs, GDRs and other non-local lines, and has the ability to use ETFs and derivatives to obtain exposure to the underlying benchmark.

Past performance is not a guide to future performance. The value of investments and the income from them can go down as well as up and are not guaranteed. You may not get back the amount originally invested.

Performance is based upon the underlying net asset value (NAV) price of 'A' Units. 'A' Units do not incur any fees or charges levied by the manager. The Fund is priced as at month end for performance and reporting purposes.

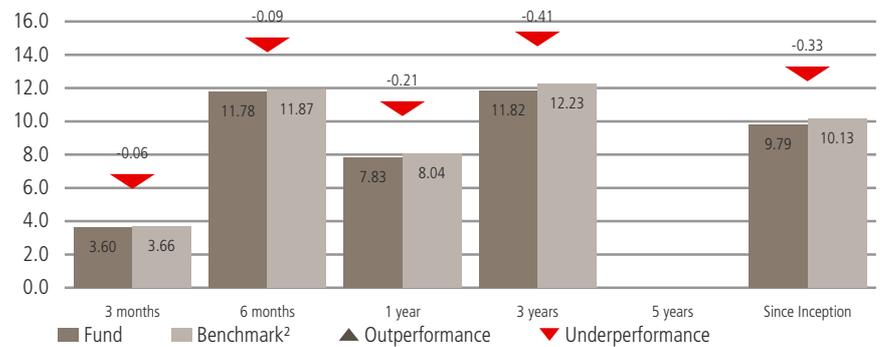
Changes in rates of exchange may cause the value of this investment to fluctuate.

As at 1 July 2015 companies involved in controversial weapons were banned from the passive market capitalisation weighted life funds. The stocks are identified by Ethix SRI Advisors. Given their relatively low number and index weightings, the ban has a minimal impact on expected tracking errors⁴. However, for the affected funds, at an individual stock level there may be a few larger weight deviations relative to the index than observed previously.

Quick facts

Status	Unit Linked Insurance Fund
Launch date	09 December 2014
Fund size	GBP 596.4m
Predicted tracking accuracy	± 0.01% p.a.
Indexation method	Target full replication
Initial charge	None
Exit charge	None
Pricing basis ¹	Swinging single price. Mid-pricing basis, based on close of business previous working day
Dealing	Daily
Sedol codes	BKQVG64 (A Units)

Performance (%)



For periods greater than 1 year, annualised returns are shown. Rounding may occur.

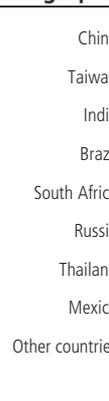
Rolling 12 Months (%)

	Q2 2018 to Q2 2019	Q2 2017 to Q2 2018	Q2 2016 to Q2 2017	Q2 2015 to Q2 2016	Q2 2014 to Q2 2015
Fund	7.83	5.57	22.84	3.55	-
Benchmark ²	8.04	5.67	23.82	3.41	-

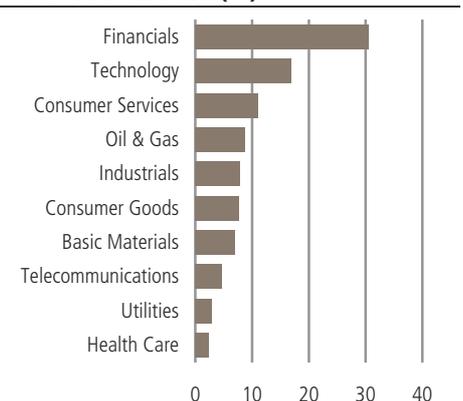
Calendar year performance (%)

	2018	2017	2016	2015	2014
Fund	-7.89	20.46	34.27	-10.90	-
Benchmark ²	-7.85	20.78	35.09	-10.54	-

Geographic breakdown (%)³



Sector breakdown (%)³

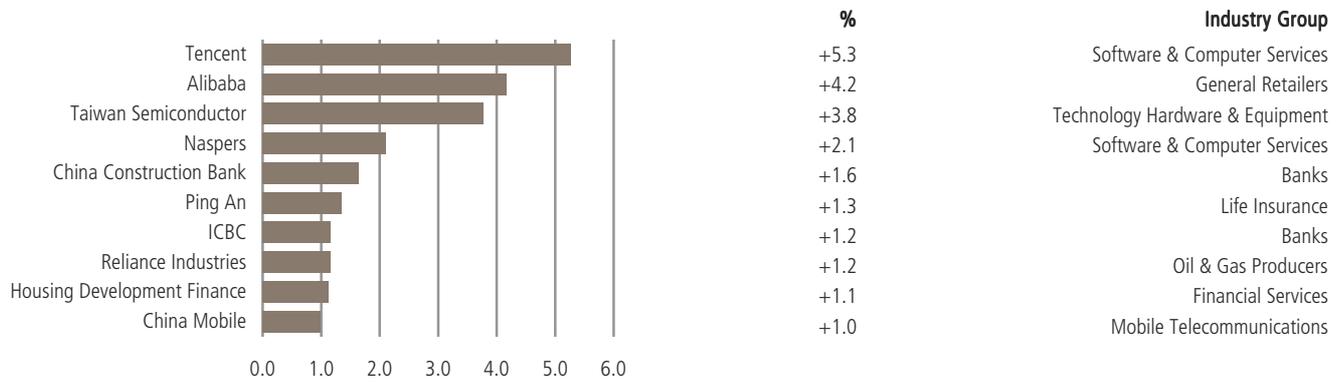


Fund risk analysis

	1 year	3 years	5 years
Annualised Standard Deviation of Fund ⁵	12.56	12.43	-
Annualised Standard Deviation of Index ⁵	12.50	12.47	-
Tracking Error ⁶	0.14	0.27	-

⁵For periods greater than 1 year, the annualised standard deviation is based on monthly logarithmic returns. ⁶Tracking error is the standard deviation of the difference between the monthly portfolio and benchmark returns, based on logarithmic returns and is annualised for periods greater than 1 year. Please note that historical tracking error is not a guide to the future. Tracking error levels will vary according to market conditions. For periods greater than 1 year, annualised returns are used to calculate the value added and the tracking error. ⁴Ex-ante tracking error is calculated using an appropriate risk system and risk model. The ex-ante tracking error is an indicative forecast only and may not reflect the realised (ex-post) tracking error experienced by the Portfolio.

Top ten holdings (%)³



Source for all data UBS Asset Management unless otherwise specified.

Details of fees and charges for institutional investors are available on request. Scheme members should consult their scheme administrator if they require details of how charges affect their plan or how to invest in the Fund.

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¹ Investing and disinvesting charges reflecting the actual cost of dealing in the assets will be borne by the investor.

² As of January 2015, the official FTSE Russell net GBP index is shown, for periods before that date the benchmark was internally calculated net of appropriate withholding tax where applicable.

³ Information shown is that of the index. The Fund seeks to track the index, rebalancing where required. For practical reasons, on a day to day basis, Fund weights may be marginally different from the index. Source: UBS Asset Management.

Economic overview

China's GDP reading to end March came in marginally ahead of forecasts, growing by 6.4% compared to a year earlier. There seems to be signs of the continued policy stimulus starting to have an impact in areas such as credit creation.

The Turkish lira fell after the central bank seemed to row back on a previous commitment to raise interest rates if needed, as inflation remained well ahead of target and questions emerged over the level of the country's foreign currency reserves.

India's equity markets swept to new highs over the quarter as Prime Minister Modi's BJP looked to have comprehensively retained power in a general election. There were increasing doubts on the prospects for the Argentinian peso with the government of President Mauricio Macri's government facing growing difficulties ahead of elections later this year.

Fund manager comment

Following the FTSE quarterly review in June, 689 stocks were added to and one stock was deleted from the index, along with various changes in the shares in issue and free-floats of the index constituents. Two-way turnover totalled 6.42%.

Also during the quarter, but outside of the review, Abu Dhabi Commercial Bank's weighting in the index increased following acquisition of non-component.

Activity in the Fund reflected these changes.

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