

UBS Life Developed Europe Equity Fundamentally Weighted Index Fund

Fund Type

Passive European equities for exempt approved UK pension funds.

Fund objective

The Fund aims to achieve a return that is in line with the FTSE RAFI Europe Index QSR (TR net in GBP) return and an ex-ante tracking error against the Index of a maximum of 0.5%.

Fund description

The Fund invests in the shares of a wide range of Continental European companies.

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.

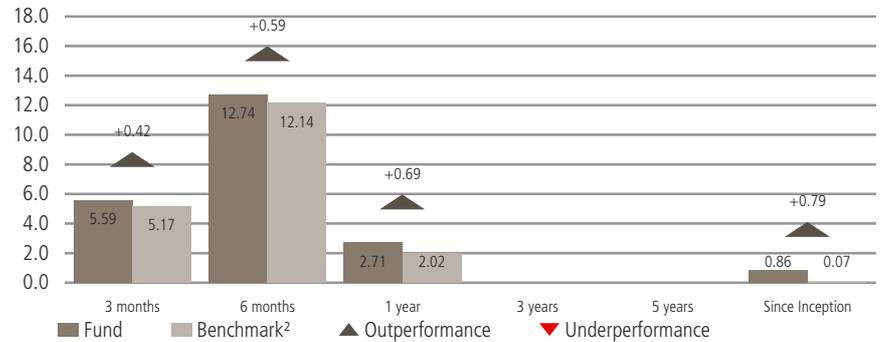
Performance is based upon the underlying net asset value (NAV) price of 'A' Units. 'A' Units do not incur any fees or charges levied by the manager. The Fund is priced as at month end for performance and reporting purposes.

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

Quick facts

Status	Unit Linked Insurance Fund
Launch date	01 November 2017
Fund size	GBP 51.2m
Predicted tracking accuracy	± 0.50% p.a.
Indexation method	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	BF2N4B0 (A Units)

Performance (%)



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

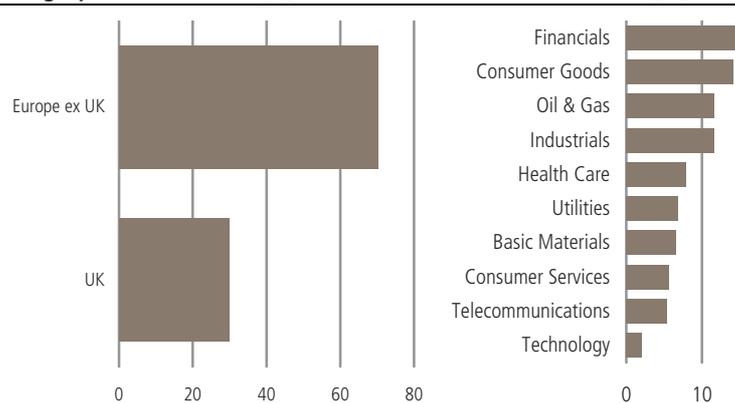
Rolling 12 Months (%)

	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	2.71	-	-	-	-
Benchmark ²	2.02	-	-	-	-

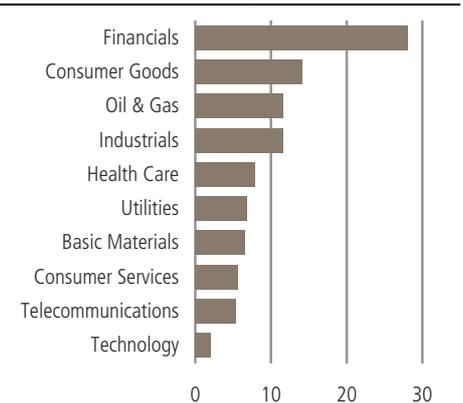
Calendar year performance (%)

	2018	2017	2016	2015	2014
Fund	-9.97	-	-	-	-
Benchmark ²	-10.61	-	-	-	-

Geographic breakdown (%)³



Sector breakdown (%)³

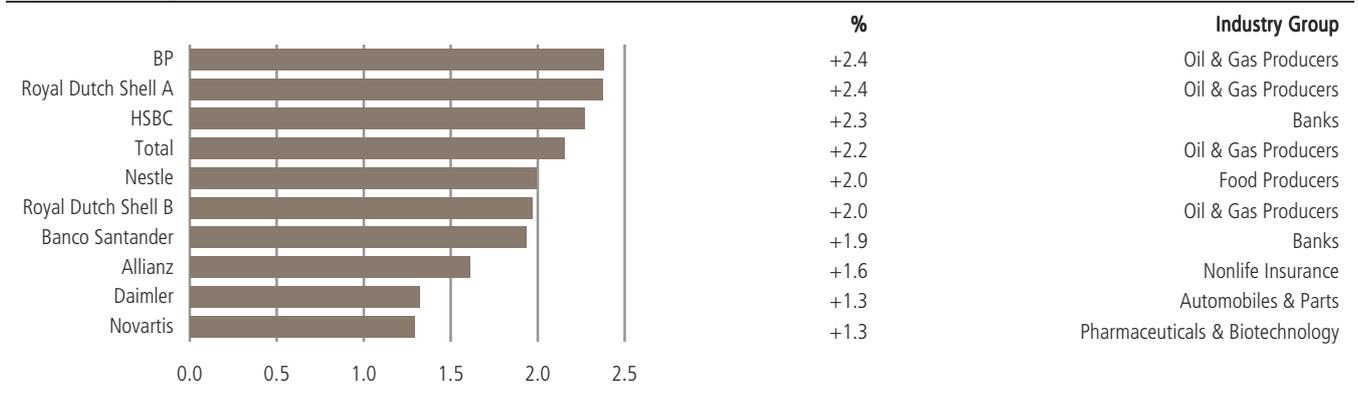


Fund risk analysis

	1 year	3 years	5 years
Annualised Standard Deviation of Fund ⁵	12.89	-	-
Annualised Standard Deviation of Index ⁵	12.92	-	-
Tracking Error ⁶	0.24	-	-

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.

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 The benchmark return has been sourced from FTSE Russell net of appropriate withholding tax.

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

The euro climbed as elections to the EU's parliament in May resulted in smaller gains for populist parties than had been feared. However, as the quarter ended there were difficult discussions around key senior appointments to major European Union and ECB postings, which are to be filled later this year.

ECB president Draghi also adopted a more dovish tone, pointing to signs of economic softness and pledging additional stimulus if inflation expectations continued to lag.

While the Eurozone economy picked up more than expected in the first quarter of the year, after suffering a sharp slowdown in the second half of 2018, measures such as manufacturing activity continued to look weak. Services have held up better in 2019 however.

Fund manager comment

Following the FTSE quarterly review in June, no stocks were added to or deleted from the Index, along with various changes in the shares in issue, free-floats, and RAFI factors. Two-way turnover totalled 5.70%.

Also during the quarter, but outside of the review, Gemalto's weighting in the Index decreased, then it was deleted as a result of a tender offer.

Additionally, in April, FTSE updated a number of Weight Adjustment Factors (WAF) in the index. Two way turnover for this event totalled 0.68%.

Activity in the Fund reflected these changes.

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