

UBS Life All World Equity Fundamentally Weighted Index Fund

Fund Type

Passive global equities for exempt approved UK pension funds.

Fund objective

The Fund aims to match the performance of the FTSE RAFI All World 3000 QSR** Index TR Net measured in Sterling.

Fund description

The Fund invests in the shares of a wide range of global equities, with ability to use exchange-traded futures and forwards.

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.

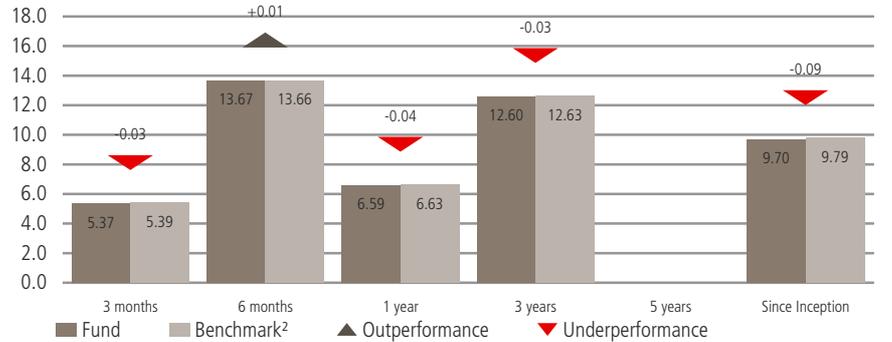
Changes in rates of exchange may cause the value of this investment to fluctuate.

**The FTSE RAFI QSR (Quarterly Staggered Rebalancing) index series implements the March annual review associated with the FTSE RAFI index series in four stages: in March, June, September and December.

Quick facts

Status	Unit Linked Insurance Fund
Launch date	22 April 2015
Fund size	GBP 1429.2m
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

Performance (%)



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

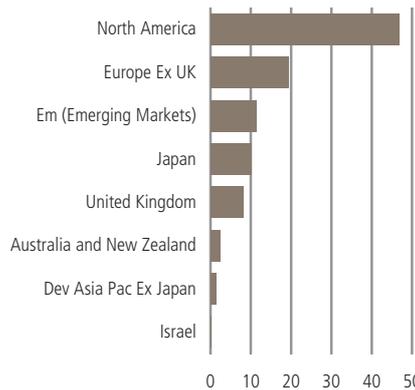
Rolling 12 Months (%)

	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	6.59	7.80	24.25	11.39	-
Benchmark ²	6.63	7.66	24.47	11.28	-

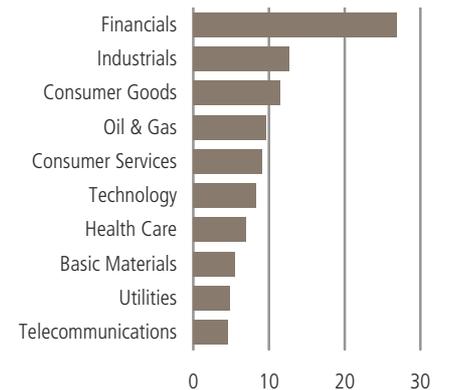
Calendar year performance (%)

	2018	2017	2016	2015	2014
Fund	-6.18	11.47	35.00	-	-
Benchmark ²	-6.16	11.28	35.36	-	-

Geographic breakdown (%)³



Sector breakdown (%)³

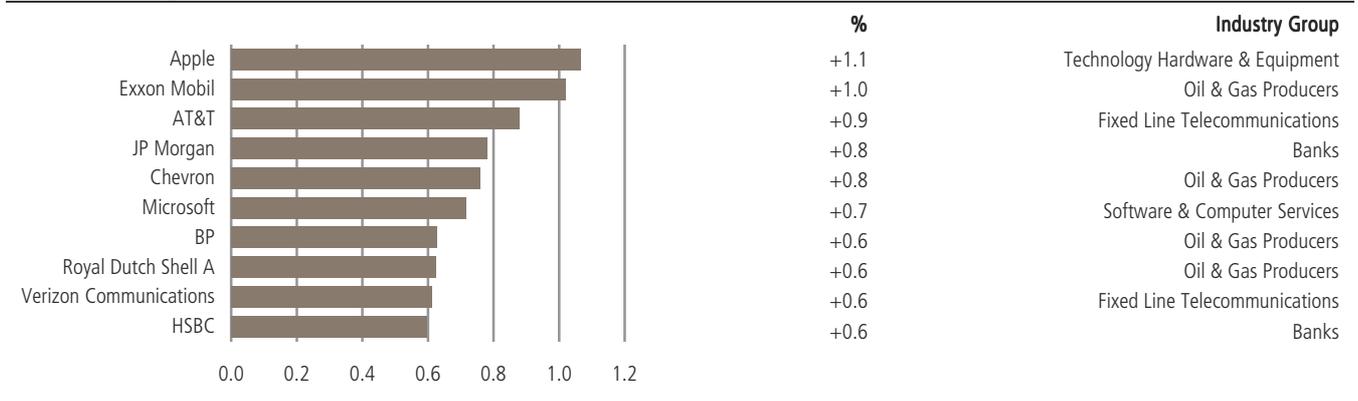


Fund risk analysis

	1 year	3 years	5 years
Annualised Standard Deviation of Fund	13.35	9.95	-
Annualised Standard Deviation of Index	13.33	9.97	-
Tracking Error	0.08	0.13	-

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.

FTSE Russell® is a trade mark owned by the London Stock Exchange Group companies and is used by FTSE Russell International Limited under licence.

The FTSE RAFI® Index Series is calculated by FTSE Russell International Limited ("FTSE Russell") in conjunction with Research Affiliates LLC ("RA"). Neither FTSE Russell nor RA sponsor, endorse or promote this product and are not in any way connected to it and do not accept any liability in relation to its issue, operation and trading.

Any intellectual property rights in the index values and constituent list vests in FTSE Russell. Fundamental Index ® and RAFI® trade names are the exclusive property of Research Affiliates®, LLC.

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

Global economic growth has continued to decelerate amid the uncertainty associated with trade and technology conflicts. The presence of ongoing geopolitical risks suggests the world economy is more likely to stabilize below trend in the second half of 2019 than above it. While we still expect the global economy to ultimately steady without a hard landing, it now looks to be slipping below trend over coming quarters.

Our view that a soft landing is achievable is built on resilience of developed economy labour markets and consumption, along with policy responses from the US Federal Reserve (Fed) and China to protect their economies. After inconsistent Fed rhetoric prompted fears of a US monetary policy mistake in late 2018, an unequivocally more accommodative Fed approach has emerged.

There was a high degree of anticipation amongst investors, ahead of the G20 meeting of major government leaders planned at the end of June. In the end, the burgeoning optimism could be seen as well founded as there was agreement to resume the stalled trade talks between the US and China. UK Prime Minister Theresa May's came to a close as she announced her intention to resign.

Fund manager comment

Following the FTSE quarterly review in June, one stock was added to and no stocks were deleted from the index, along with various changes in the shares in issue of the index constituents. Two way turnover totalled 5.60%.

Also during the quarter, but outside of the review, Newmont Mining Corp's weighting in the index increased following an acquisition of Goldcorp.

Additionally in April, FTSE updated a number of Weight Adjustment Factors (WAF) in the index. Two way turnover for this event totalled 0.67%.

Activity in the Fund reflected these changes.

Rachel Perini, CFA

Business Development Director

rachel.perini@ubs.com

020 7901 5776

www.ubs.com/am-uk

This document is a marketing communication. Any market or investment views expressed are not intended to be investment research. **The document has not been prepared in line with the FCA requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research.** The information contained in this document should not be considered a recommendation to purchase or sell any particular security and the opinions expressed are those of UBS Asset Management and are subject to change without notice. Furthermore, there can be no assurance that any trends described in this document will continue or that forecasts will occur because economic and market conditions change frequently. The Fund is offered by UBS Asset Management Life Ltd and is only available to exempt approved UK pension schemes. All details set out above are provided by UBS Asset Management Life Ltd, 5 Broadgate, London EC2M 2QS, tel: 020 7901 5000. Registered in England no. 3280762. All details are for information only and do not constitute a recommendation. UBS Asset Management Life Ltd is a member of UBS AG and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Telephone calls may be recorded. © UBS 2019. The key symbol and UBS are among the registered and unregistered trademarks of UBS. All rights reserved.