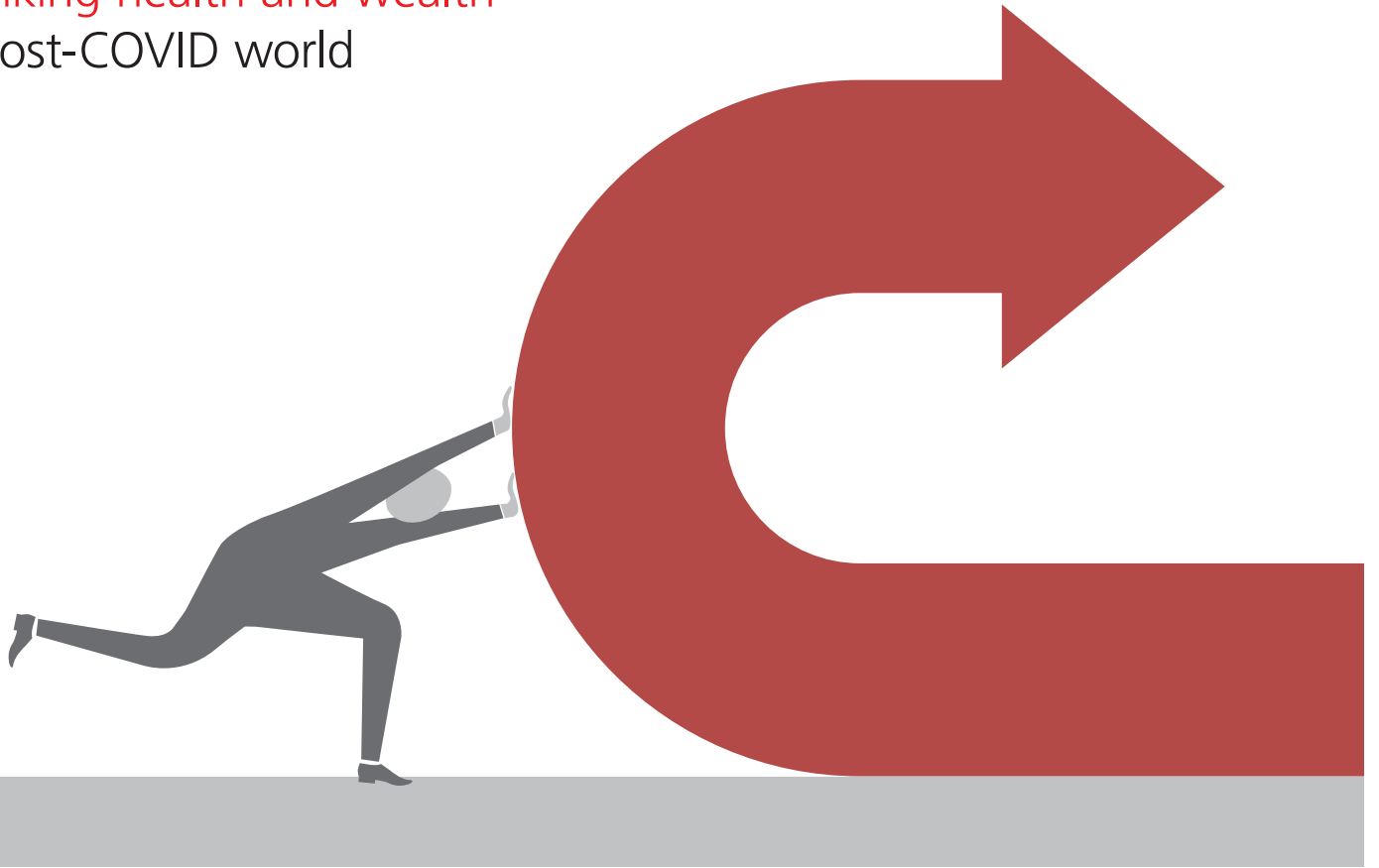


UBS Investor Watch

Global insights: What's on investors' minds / July 2020

Setting a new course

Rethinking health and wealth
in a post-COVID world



Amid the confinement of the pandemic—and facing threats to their lives and livelihoods—investors looked inward.

Most rediscovered the joy of family, the importance of feeling safe and secure, and the value of health.

Now, emerging from lockdowns and still grappling with COVID-19, investors find themselves in a world that may have changed forever.

The pandemic and its aftermath inspired investors to focus on the things that truly matter to them: spending more time with family, protecting loved ones and safeguarding their health. What's more, many investors expect to change fundamental ways of living—traveling less, working remotely, decamping to new locations.

At the same time, the pandemic has impacted how investors think about their money. Seventy percent were affected by the economic contraction and market volatility—one quarter significantly so.

Millennials in particular were impacted financially. But despite their concerns—job security, declining income and potentially delayed retirement—Millennials are intent on making a difference for others. One third have increased their financial support to family members affected by COVID-19. Many also are interested in philanthropy and sustainable investing.

Looking ahead, investors globally feel a mix of hesitation and anticipation. Eight in 10 see both risk in the current environment and opportunity as well. The uncertainty is driving an increased need for advice. Among investors with an advisor, for example, 83% are seeking more guidance than usual.

With the pandemic not yet in the rearview mirror, investors are navigating a changed world. Most will find their way with clear priorities, trusted guidance—and continued appreciation for the most important things in life.

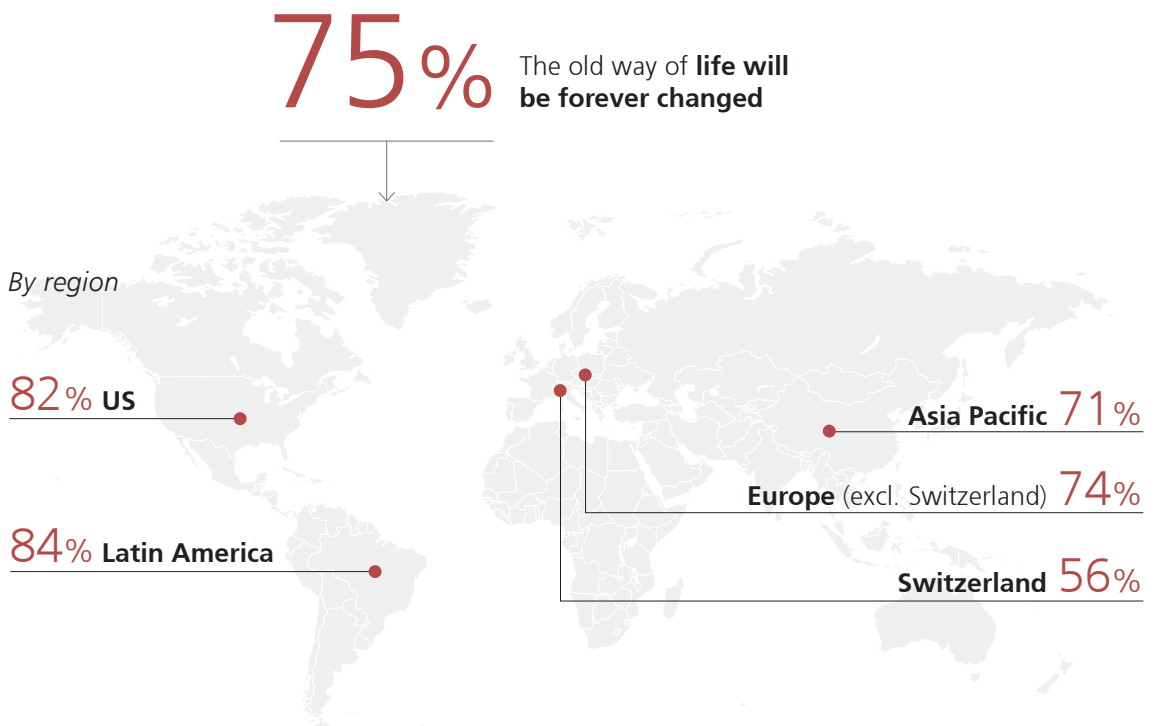
1

Since COVID, investors see lasting life changes ...

In the wake of the global pandemic, 75% of investors have concluded that life will never be the same again. Investors in Latin America and the US believe most strongly in permanent change.

To accommodate the new normal, investors are already planning to adjust their lifestyle. Seven in 10 will reduce travel and trips to the office going forward. Half intend to move closer to family, and 46% may forsake cities for less populated areas.

Things will never be the same



A new normal



70%

I plan to **travel less**



67%

I plan to **work remotely** more



52%

I plan to **move closer to family**



46%

I am considering a **move to a less populated place**

... prompting many to reassess their priorities

Undoubtedly, COVID-19 inflicted hardship on many. Eight in 10 (81%) expect the fear that took hold during the pandemic to remain for the foreseeable future, particularly in Latin America and the US.

However, many investors emerged with greater clarity, and a renewed focus on the most important things in life. A full 88% say staying healthy is their top priority. Eight in 10 want to spend more time with family, and shield themselves and loved ones from harm.

Proceeding with caution



81%

A sense of **fear will remain** for a long time



By region

Latin America

US

Europe
(excl. Switzerland)

Asia Pacific

Switzerland

89%

86%

83%

74%

68%

75%

The pandemic made me **reassess what's most important** to me

73%

The pandemic made me **realize life is short**

Focus on family, health and safety



88%

Staying healthy is my top priority

82%

I want to **protect my family** more

80%

I want to **protect myself** more

77%

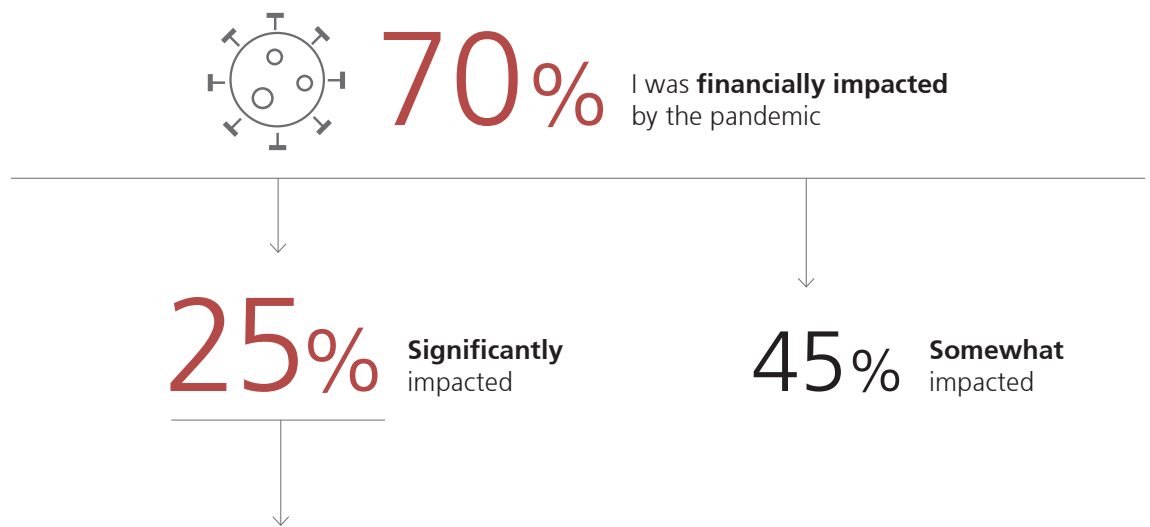
I want to spend **more time with loved ones**

2

Investors were impacted financially by COVID-19...

Seven in 10 investors globally (71%) were affected in some way by the economic contraction and market volatility that accompanied COVID-19. One quarter of investors were significantly impacted, led by Latin America and Asia.

Financial impact across the globe



By region

Latin America	Asia Pacific	Europe (excl. Switzerland)	US	Switzerland
30%	26%	24%	22%	11%

... and remain concerned amid continued uncertainty

Nearly seven in 10 investors (67%) say the pandemic has impacted how they think about their money. Now, facing prolonged economic uncertainty, investors have a range of financial concerns.

In the short term, 56% fear having sufficient liquidity to weather another pandemic. Longer term, 65% are coping with reduced retirement savings. With respect to legacy, more than half worry they will be forced to leave a smaller inheritance.

A new view



Losing sleep?



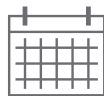
Liquidity

56%

I worry about **not having enough saved** if there is another pandemic

51%

I worry about **healthcare costs increasing**



Longevity

65%

My **retirement savings were impacted** by COVID-19

58%

I worry about **working longer** to make up for retirement losses



Legacy

60%

I worry about being a **financial burden to my family** if I get sick

54%

I worry about **leaving enough money to my heirs**

3

Investors see COVID creating both risk and opportunity ...

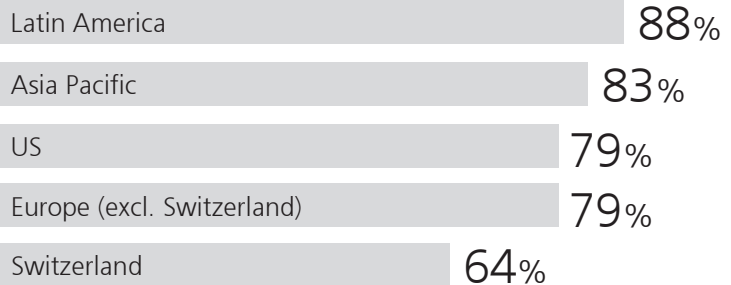
Investors felt the sting of loss during the pandemic, and 81% worry about another market decline before the pandemic is over. At the same time, however, 79% of investors believe there is opportunity in the current environment.

Investors see risk in the markets ...

81%

I fear a further **market decline**

By region



... but also see opportunity ahead

79%

I see volatility as **an opportunity**

By region

Latin America	Asia Pacific	Europe (excl. Switzerland)	US	Switzerland
84%	82%	79%	76%	75%

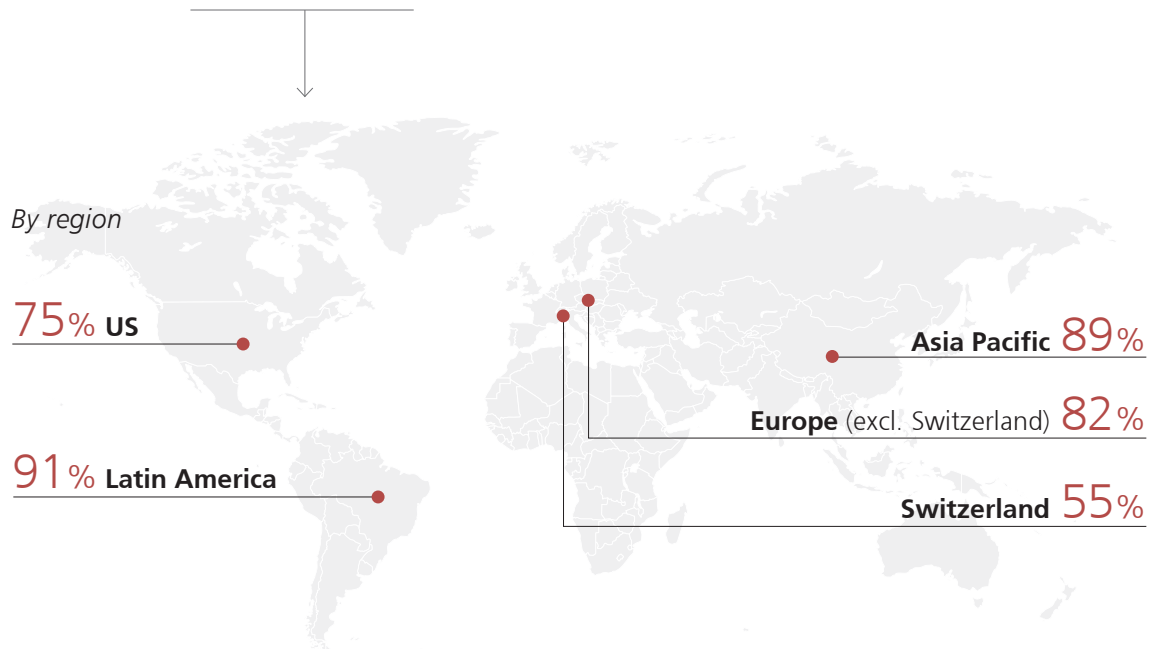
... and are seeking more advice

Investors are seeking advice to manage the risks and opportunities of a post-COVID environment. For example, a full 83% of investors with a professional advisor want more guidance than usual. Investors are the most eager for advice in Latin America and Asia—regions with the highest levels of both fear and opportunism.

Investors seek expertise

83%

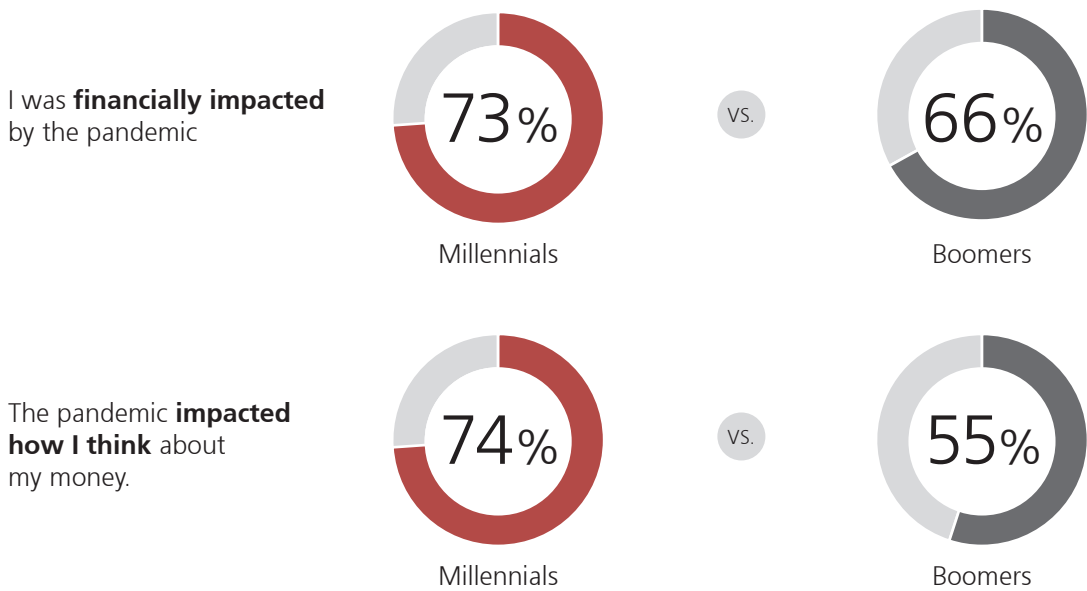
I want **more guidance than usual** from my financial advisor during times like this



Millennials were more affected by the pandemic ...

Most investors face challenges in the post-COVID economic environment, but younger investors (age 25-39) felt the greatest financial impact. They foresee having to work longer to make up for lost retirement funds, and fear losing their jobs and income.

Younger investors were hit hard by COVID-19 ...



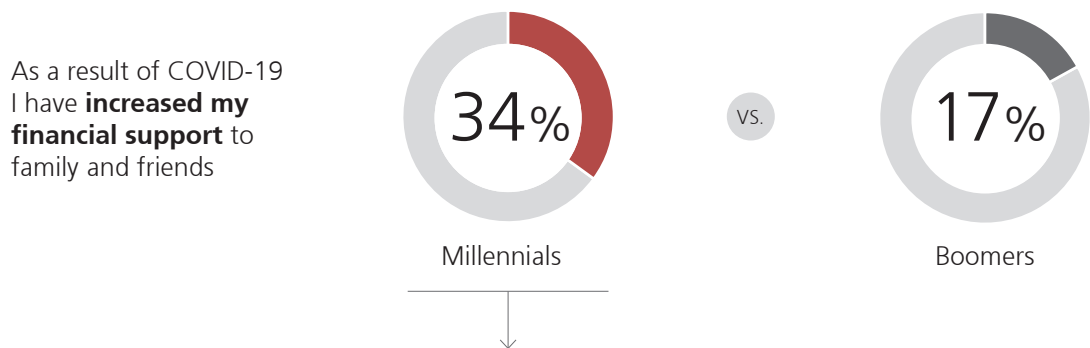
... and are more worried about finances than older investors

Concerns	Millennials	Boomers
Having to work longer to make up for losses	71%	34%
Not having enough money saved in case there is another pandemic	68%	38%
Losing my job	45%	30%

... but still increased their financial support to others

Despite their concerns, younger investors still want to make an impact. Seven in 10 (69%) are interested in sustainable investing, while 60% want to help those in need through philanthropy—far more than other generations. In addition, younger investors are providing more support to loved ones as a result of the pandemic.

Younger investors provide more financial support to loved ones ...

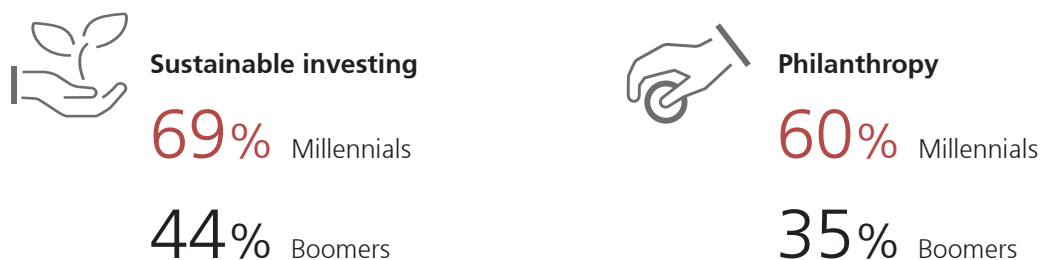


By region

Latin America	Europe (excl. Switzerland)	US	Asia Pacific	Switzerland
49%	42%	31%	28%	25%

... and want their money to make an impact

Percentage highly interested in each due to COVID-19



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UBS Investor Watch surveys cover a variety of topics, including:

- Overall financial sentiment
- Economic outlook and concerns
- Personal goals and concerns
- Key topics, like aging and retirement

For this edition of *UBS Investor Watch*, we surveyed more than 3,750 investors. They were made up of 25-30 year olds with at least \$250k in investable assets, 31-39 year olds with at least \$500k in investable assets and those 40 or above with at least \$1 million in investable assets. The global sample was split across 15 markets: Argentina, Brazil, mainland China, France, Germany, Hong Kong, Italy, Japan, Mexico, Singapore, Switzerland, Taiwan, the UAE, the UK and the US. The research was conducted in May 2020.



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