

UBS China A Opportunity Equity Fund USD P-acc

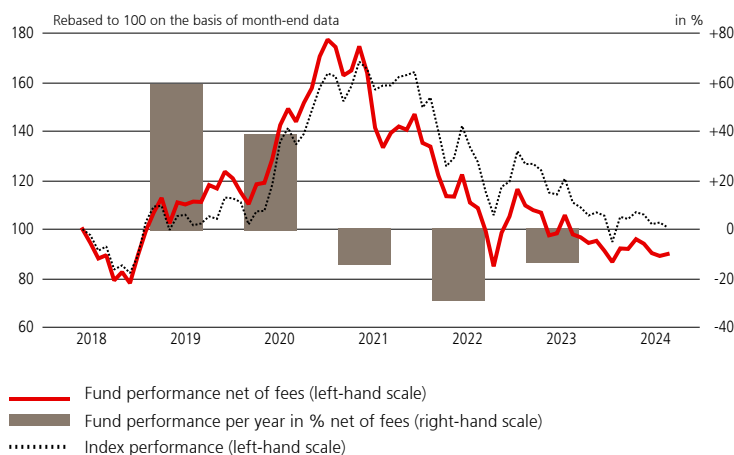
Performance Review

UBS (Lux) Investment SICAV - China A Opportunity (USD) Q-acc



On the economic front, macro data sent out mixed signals. China's trade surplus came down from its historical high due to a slowdown in exports. Mixed economic activity data and diminished expectations regarding strong policy stimulus put further pressure on the onshore market.

Performance (basis USD, net of fees)¹



Past performance is not a reliable indicator of future results.

Performance in % (net of fees)¹

in %	2020	2021	2022	2023	2024	Aug. 2024	5 years Ø p.a.	5 years
Fund (USD)	38.07	-13.82	-28.40	-13.29	-1.46	0.90	-19.23	-4.18
Benchmark ³	39.70	4.03	-27.23	-11.65	-4.51	-1.92	-0.86	-0.17

The performance shown does not take account of any commissions, entry or exit charges.

¹ These figures refer to the past. If the currency of a financial product, financial service or its costs is different from your reference currency, the return and/or costs can increase or decrease as a result of currency fluctuations. Source for all data and chart (if not indicated otherwise): UBS Asset Management.

² YTD: year-to-date (since beginning of the year)

³ Reference Index in currency of share class (without costs)

Monthly performance

In August the fund performed positively with 0.9%. Fixed asset investment (FAI) growth slowed to 3.6% year-on-year from January to July due to the continued contraction in real estate investment and further moderation in infrastructure. Meanwhile, retail sales showed a moderate uptick compared to the previous month.

YTD performance

YTD as of the end of August, the fund has delivered a negative performance of 1.5%. The investment environment was choppy, with the market overemphasising the risk factors for Chinese stocks.

Performance contributors

Over the month, healthcare positions, and specifically the Chinese traditional medicine company Yunnan Baiyao, added the most value.

Performance detractors

Positions in communication services detracted. While NetEase's Q2 results slightly missed expectations, with the firm reporting a decline in deferred gaming revenue, we noted that market expectations were high. We believe that the company's rich gaming portfolio should sustain long-term growth in the future.

For more information

UBS Fund Infoline: 0800 899 899

Internet: www.ubs.com/funds

Contact your client advisor

Portfolio management representatives

Bin Shi

Morris Wu

Denise Cheung

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Sector exposure (%)

Sectors	Portfolio
Consumer Staples	21.79
Health Care	21.01
Cash	15.00
Financial Services	13.44
Communication Services	12.78
Consumer Discretionary	12.57
Materials	2.10
Real estate	0.90
Industrials	0.41
Energy	0.00
Information Technology	0.00
Utility	0.00

10 largest equity positions (%)¹

	Fund
Kweichow Moutai Co Ltd	10.2
China Merchants Bank Co Ltd	9.4
Yunnan Baiyao Group Co Ltd	9.2
Fuyao Glass Industry Group Co Ltd	5.7
Tencent Holdings Ltd	4.5
NetEase Inc	4.4
Midea Group Co Ltd	3.9
Jiangsu Hengrui Pharmaceuticals Co Ltd	3.9
China Mobile Ltd	3.8
Dong-E-E-Jiao Co Ltd	3.1

¹ This is not a recommendation to buy or sell any security

Current investment strategy

As China's growth normalises, investor confidence has taken a hit and valuations remain well below their historical average. Lower valuations can sow the seeds for long-term alpha generation within China. As bottom-up investors, we continue to believe that extensive boots on the ground research is required to identify the best opportunities.

Risks

UBS Opportunity Equity Funds invest in equities and may therefore be subject to high fluctuations in value. As these UBS Funds pursue an active management style, each Fund's performance can deviate substantially from that of its reference index. All investments are subject to market fluctuations. This Fund has specific risks related to Chinese investments, which can significantly increase given the specific market and market regulation. This Fund may not be appropriate for investors who plan to withdraw their money before the recommended holding period disclosed in the PRIIPs KID, if available for this share class.

Please note that additional fees (e.g. entry or exit fees) may be charged. Please refer to your financial adviser for more details. Investors should read the Key Information Document, Prospectus and any applicable local offering document prior to investing and to get complete information of the risks. Investors are acquiring units or shares in a fund, and not in a given underlying asset such as building or shares of a company. For a definition of financial terms refer to the glossary available at www.ubs.com/am-glossary.

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