

# UBS USA Growth

## Manager Commentary

UBS Equity Funds > UBS Growth Funds

### Name of fund

UBS (Lux) Equity SICAV - USA Growth (USD)

### ISIN

LU0198837287

### Share class

UBS (Lux) Equity SICAV - USA Growth (USD) P-acc

### Reference Index

Russell 1000 Growth (NR)

Past performance is not a reliable indicator of future results.

### Performance in % (net of fees)<sup>1</sup>

in %	2015	2016	2017	2018	2019 YTD <sup>2</sup>	May 2019	5 years Ø p.a.	5 years
Fund (USD)	5.84	-4.14	30.40	-1.19	15.48	-7.27	60.87	9.97
Ref. Index <sup>3</sup>	5.19	6.56	29.67	-1.89	13.49	-6.36	75.00	11.84

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

<sup>1</sup> These figures refer to the past. Source for all data and charts (if not indicated otherwise): UBS Asset Management

<sup>2</sup> YTD: year-to-date (since beginning of the year)

<sup>3</sup> Reference Index in currency of share class (without costs)

### Risks

UBS Growth Funds invest in equities and may therefore be subject to high fluctuations in value. For this reason, an investment horizon of at least five years and corresponding risk tolerance and capacity are required. 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. Every fund has specific risks, which can significantly increase under unusual market conditions. The fund can use derivatives, which may result in additional risks (particularly counterparty risk).

### Portfolio manager summary & review (May 2019)

- Performance was negative in May.
- Performance was dragged down by holdings in Rockwell Automation amid growth concerns and fears of a slowdown in capex. Similarly, continued pressure on pharma names during the month weighed on shares of Alexion Pharmaceuticals. NVIDIA was also down following the ban on Huawei, raising concerns over the IT supply chain.
- In contrast, Domino's Pizza, HEICO corporation and Take-Two Interactive Software contributed.

After performing strongly in 2019 to date, increased uncertainty regarding the outlook for both the global economy generally and international trade specifically weighed heavily on equity markets in May. In this weak context, US growth equities performed broadly in line with global markets.

The increased focus on technology as a source of friction between the US and China meant companies in areas such as semiconductors fared particularly poorly. Industries heavily exposed to trade tensions also suffered heavy losses.

### Portfolio manager outlook (May 2019)

At present, the subfund's largest preferences are for the consumer discretionary and communication services sectors whereas it is most cautious on the industrials and consumer staples sectors.

Within consumer discretionary, the subfund favours textile, apparel & luxury goods, as well as hotels, restaurant & leisure, along with multi-line retail and internet retail.

The biggest exposure within communication services is to entertainment (movies & interactive home entertainment). Within healthcare, the subfund favours healthcare equipment and supplies but is cautious on healthcare providers & services. Biopharma exposure is to companies that either have limited US government reimbursement exposure or are highly effective and face limited competition.

As for IT, the subfund favours software – in particular systems software – and has a small preference for semiconductors while being cautious on IT services.

In financials, the subfund has no exposure to insurance, capital markets and diversified financials but some exposure to regional banks and consumer finance. Similarly, the limited exposure within consumer staples is in personal products whereas the subfund has avoided beverages and food & staples retailing.

Within industrials, the subfund has positive exposure within road and rail, electrical equipment and machinery but has avoided industrial conglomerates.

### For more information

UBS Fund Infoline: 0800 899 899

Internet: [www.ubs.com/funds](http://www.ubs.com/funds)

Contact your client advisor

### Portfolio management representatives

Peter J. Bye

Albert Tsuei

Alexis Freyeisen

# UBS USA Growth

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 Investor Information Document (KIID), Prospectus and any applicable local offering document prior to investing. For a definition of financial terms refer to the glossary available at [www.ubs.com/glossary](http://www.ubs.com/glossary).

**For marketing and information purposes by UBS.** UBS funds under Luxembourg law. Representative in Switzerland for UBS funds established under foreign law: UBS Fund Management (Switzerland) AG, P.O. Box, CH-4002 Basel. Paying agent: UBS Switzerland AG, Bahnhofstrasse 45, CH-8001 Zurich. Prospectuses, simplified prospectuses or Key investor information, the articles of association or the management regulations as well as annual and semi-annual reports of UBS funds are available free of charge from UBS AG, P.O. Box, CH-4002 Basel or from UBS Fund Management (Switzerland) AG, P.O. Box, CH-4002 Basel. The fund documentation is available free of charge in English and, where relevant, in one of the local language(s) where the fund is registered. Before investing in a product please read the latest prospectus carefully and thoroughly. Units of UBS funds mentioned herein may not be eligible for sale in all jurisdictions or to certain categories of investors and may not be offered, sold or delivered in the United States. The information mentioned herein is not intended to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. Past performance is not a reliable indicator of future results. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming units. Commissions and costs have a negative impact on performance. If the currency of a financial product or financial service is different from your reference currency, the return can increase or decrease as a result of currency fluctuations. This information pays no regard to the specific or future investment objectives, financial or tax situation or particular needs of any specific recipient. The details and opinions contained in this document are provided by UBS without any guarantee or warranty and are for the recipient's personal use and information purposes only. This document may not be reproduced, redistributed or republished for any purpose without the written permission of UBS AG. Source for all data and charts (if not indicated otherwise): UBS Asset Management This document contains statements that constitute "forward-looking statements", including, but not limited to, statements relating to our future business development. While these forward-looking statements represent our judgments and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. © UBS 2019. The key symbol and UBS are among the registered and unregistered trademarks of UBS. All rights reserved.