

# UBS USA Growth

## Manager Commentary

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### Name of fund

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

### ISIN

LU0511785726

### Share class

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

### Reference Index

No representative reference index is available<sup>1</sup>

<sup>1</sup> For relative performance comparisons between fund and reference index please refer to the respective base currency share class of this fund.

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 (EUR)	5.97	-5.08	27.68	-3.90	14.06	-7.48	50.37	8.50

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)

### 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

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