

UBS European Income Opportunity Sustainable Equity Fund EUR

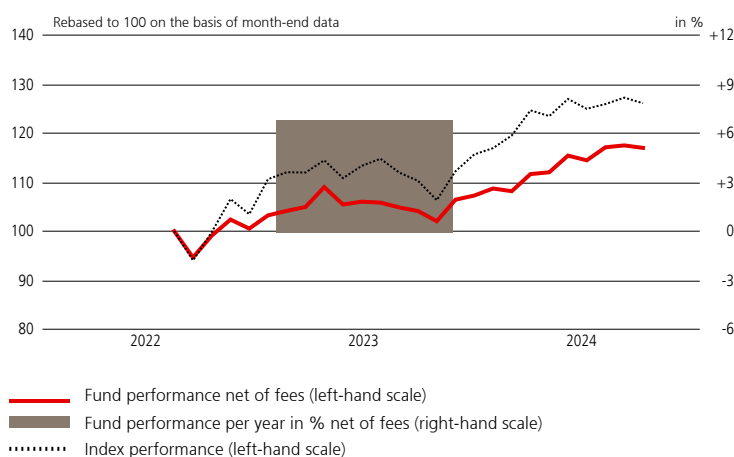
Performance Review

UBS (Lux) Equity SICAV - European Income Opportunity Sustainable (EUR) (CHF hedged) P-acc



European equities ended September higher. The ECB cut interest rates for the second time in this cycle to 3.5%. Both the decision to do so and the forward guidance issued were in line with market expectations. Meanwhile, leading indicators continue to signal a weak growth outlook for Europe.

Performance (basis CHF, 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 YTD ²	LTD ³	2 years	Ø p.a. 2 years
Fund (CHF)	n.a.	n.a.	n.a.	6.70	9.07	11.75	23.62	11.18
Benchmark ⁴	n.a.	n.a.	n.a.	11.77	9.03	21.35	34.12	15.81

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 LTD: launch-to-date

⁴ Reference Index in currency of share class (without costs)

Monthly performance

In September the fund performed negatively with 0.4%. The fund was ahead of broader European equity markets in September, as our overweight in materials contributed positively. However, weak stock selection in the financials and energy sectors detracted.

YTD performance

YTD as of the end of September, the fund has delivered a positive performance of 9.1%. The largest contributors were materials and consumer discretionary. That said, some of our sector selection was negative due to our underweights in energy and real estate.

Performance contributors

Not owning Novo Nordisk contributed to relative performance as the company's shares fell on disappointing obesity drug data, with the Phase 2 trials of monlunabant, an experimental obesity pill, coming in below expectations. In addition, our holding in Rio Tinto contributed positively as the company's shares rallied thanks to China's large stimulus package announcement, suggesting an expected recovery in iron ore prices.

Performance detractors

Galp Energia detracted as Exxon withdrew from Galp's proposed sale of its Namibia oil stake. Despite interest from other companies, uncertainty alongside the decline in the oil price adversely impacted investor sentiment. Furthermore, Shell shares fell, driven by a drop in profits and weaker fossil fuel prices.

For more information

UBS Fund Infoline: 0800 899 899

Internet: www.ubs.com/funds

Contact your client advisor

Portfolio management representatives

Steven Magill

Douglas Hayley-Barker

Kevin Barker

UBS European Income Opportunity Sustainable Equity Fund EUR

Market exposure (%)

	Fund
United Kingdom	22.7
France	20.4
Germany	17.3
Switzerland	13.0
Netherlands	12.6
Spain	4.3
Ireland	3.5
United States	2.3
Austria	1.6
Others	2.4

Sector exposure (%)

	Fund	Deviation from index
Health Care	21.66	+5.6
Financials	17.95	-1.2
Consumer Staples	14.26	+3.5
Consumer Discretionary	12.82	+3.1
Materials	10.93	+4.4
Energy	10.50	+5.8
Information Technology	5.23	-2.3
Industrials	3.49	-13.5
Communication Services	3.16	-0.1
Utilities	0.00	-4.2
Real Estate	0.00	-0.9

10 largest equity positions (%)¹

	Fund
BNP Paribas SA	4.1
Rio Tinto PLC	4.1
Novartis AG	4.0
Roche Holding AG	3.8
TotalEnergies SE	3.3
Knorr-Bremse AG	3.2
Tesco PLC	3.2
Shell PLC	3.1
Sanofi SA	3.0
LVMH Moët Hennessy Louis Vuitton SE	3.0

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

Current investment strategy

The fund continues to focus on companies with strong and sustainable dividend yields. While volatility in the market is increasing, the direction of interest rates suggests a more favourable economic cycle, which should be supportive to European stocks.

Risks

The fund invests in equities and may therefore be subject to high volatility. This requires an elevated risk tolerance and capacity. The value of a unit may fall below the purchase price. The fund may use derivatives, which can reduce or increase investment risk (including the risk of loss due to the bankruptcy of the counterparty). The fund pursues a very active management approach. This means that the fund's performance may deviate considerably from the market rate of return. Every fund reveals specific risks, a detailed and comprehensive list of risk descriptions can be found in the prospectus. 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.

For marketing and information purposes by UBS. UBS funds under Luxembourg law. Arrangements for marketing fund units mentioned in this document may be terminated at the initiative of the management company of the fund(s). 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, key information document, the articles of association or the management regulations as well as annual and semi-annual reports of UBS funds are available in a language required by the local applicable law free of charge from UBS Asset Management Switzerland AG, c/o UBS AG, Bahnhofstrasse 45, 8001 Zürich, Switzerland or from UBS Fund Management (Switzerland) AG, P.O. Box, CH-4002 Basel. The product described herein aligns to Article 8 Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector. Information on sustainability-related aspects pursuant to that regulation can be found on www.ubs.com/funds. Before investing in a product please read the latest prospectus and key information document carefully and thoroughly. Any decision to invest should take into account all the characteristics or objectives of the fund as described in its prospectus, or similar legal documentation. Investors are acquiring units or shares in a fund, and not in a given underlying asset such as building or shares of a company. The information and opinions contained in this document have been compiled or arrived at based upon information obtained from sources believed to be reliable and in good faith, but is not guaranteed as being accurate, nor is it a complete statement or summary of the securities, markets or developments referred to in the document. Members of the UBS Group may have a position in and may make a purchase and / or sale of any of the securities or other financial instruments mentioned in this document. 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 calculated performance takes all costs on the fund level into consideration (ongoing costs). The entry and exit costs, which would have a negative impact on the performance, are not taken into consideration. If whole or part of the total costs to be paid is different from your reference currency, the costs may increase or decrease as a result of currency and exchange rate fluctuations. Commissions and costs have a negative impact on the investment and on the expected returns. 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 and exchange rate fluctuations. This information pays no regard to the specific or future investment objectives, financial or tax situation or particular needs of any specific recipient. Future performance is subject to taxation which depends on the personal situation of each investor and which may change in the future. 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 Asset Management Switzerland AG or a local affiliated company. 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. A summary of investor rights in English can be found online at www.ubs.com/funds. More explanations of financial terms can be found at www.ubs.com/am-glossary.

© UBS 2024. The key symbol and UBS are among the registered and unregistered trademarks of UBS. All rights reserved.