

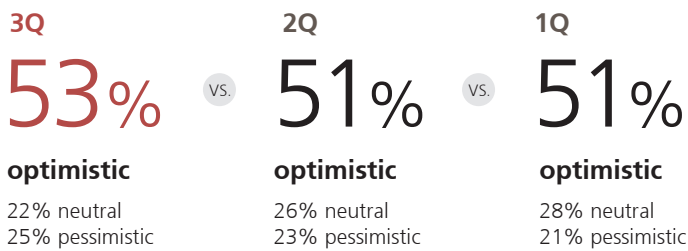
UBS Investor Sentiment

Global 3Q19

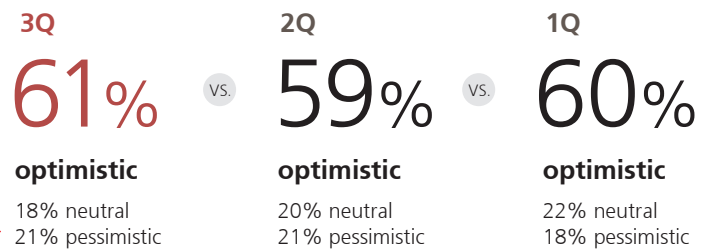
Confident with a catch

Investor **optimism tempered** by ongoing trade war

Investors' confidence up slightly on the global economy...



...and on their own region's economy



Economic optimism by region

Asian investors



European investors (except Switzerland)



Swiss investors



US investors



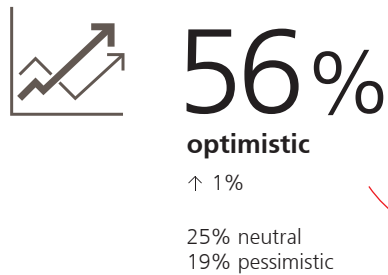
Latin American investors



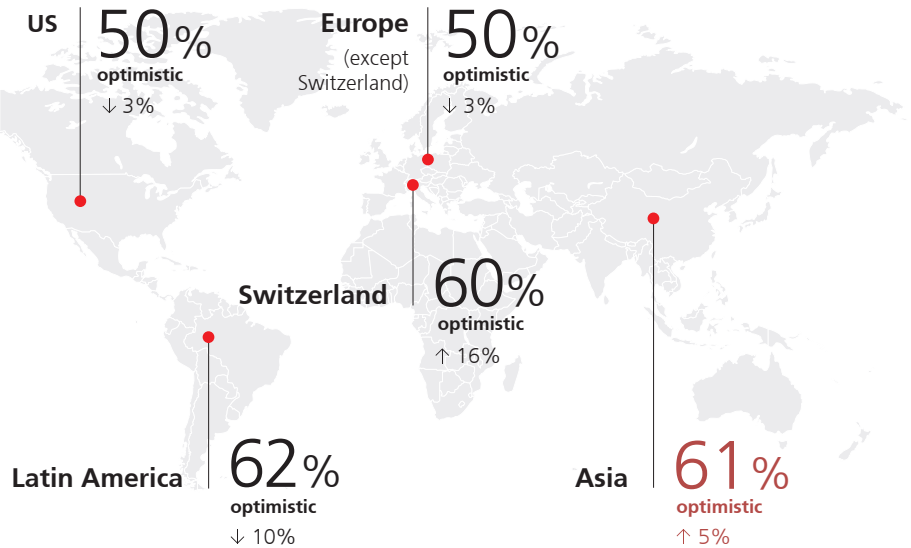
*1Q research did not include Argentina. Therefore, we cannot make a direct comparison.

Investors remain bullish on stocks, particularly in Asia...

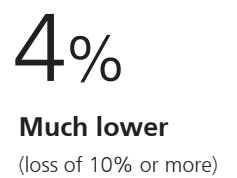
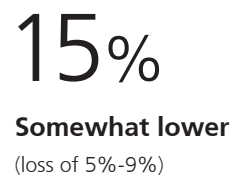
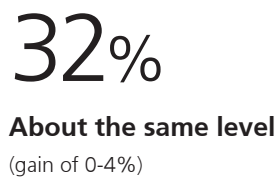
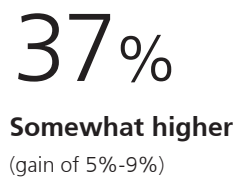
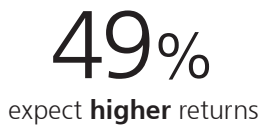
Own region's stocks



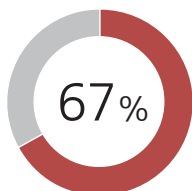
Optimism by region



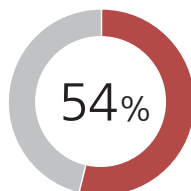
...and expect moderate stock growth in next 6 months



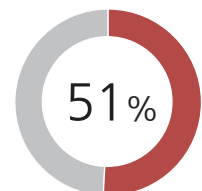
Top strategies investors would consider to boost portfolio yield in next 6 months



Have more high-quality, dividend-paying stocks



Increase the number of yield-focused structured investments



Own more higher-yielding bonds in developing or emerging markets

Investors concerned about US-China trade war...

73% "Market volatility from the trade war concerns me."

...and expect slower progress toward a resolution



14%
 < 3 months
 ↓ 8%

50%
 4 months – 1 year
 ↑ 3%

36%
 1 year +
 ↑ 5%

Globally, many believe the trade conflict will have negative impact



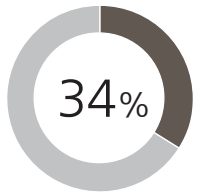
Impact on **US**

48% **negative** unchanged
 17% neutral
 35% positive

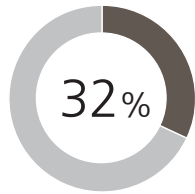
Impact on **China**

52% **negative** unchanged
 16% neutral
 32% positive

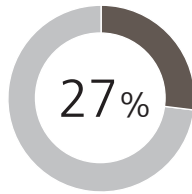
How investors are handling recent trade developments



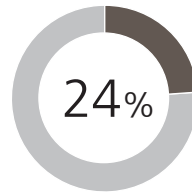
Shifting more portfolio to cash



Rebalancing currency exposure

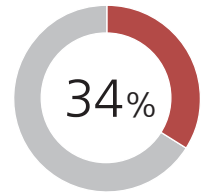


Adding hedges



Selling stocks

vs.



Keeping to current investment plan

Cash holdings tick upward



27%

of assets are in **cash**
 ↑ 1%



Top concerns globally



47%

My country's politics

↑ 1%



44%

Global trade war

↓ 2%



41%

Cyber security

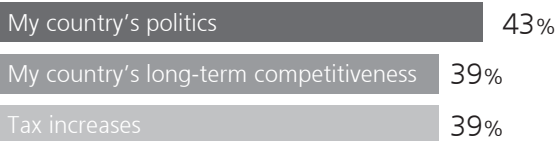
↓ 2%

Top concerns by region

Asia



Europe (except Switzerland)



Switzerland



US



Latin America



Many investors fear a global recession in the next 6 months



Seize the opportunities in today's global environment. **Talk to your UBS Financial Advisor.**

About the survey: UBS surveyed 4,626 investors and business owners with at least \$1M in investable assets (for investors) or at least \$250k in annual revenue and at least one employee other than themselves (for business owners), from September 19 - October 13, 2019. The global sample was split across 18 markets: Argentina, Brazil, China, Germany, Hong Kong, Indonesia, Italy, Japan, Malaysia, Mexico, Philippines, Singapore, Switzerland, Taiwan, Thailand, the UAE, the UK and the US. For the 2Q19 results, UBS surveyed 3,899 investors and business owners with at least \$1M in investable assets (for investors) or at least \$250k in annual revenue and at least one employee other than themselves (for business owners), from June 3 - July 6, 2019. The global sample was split across 18 markets: Argentina, Brazil, China, Germany, Hong Kong, Indonesia, Italy, Japan, Malaysia, Mexico, Philippines, Singapore, Switzerland, Taiwan, Thailand, the UAE, the UK and the US. For the 1Q19 results, UBS surveyed 3,653 investors and business owners with at least \$1M in investable assets (for investors) or at least \$250k in annual revenue and at least one employee other than themselves (for business owners), from March 10 - 28, 2019. The global sample was split across 17 markets: Brazil, China, Germany, Hong Kong, Indonesia, Italy, Japan, Malaysia, Mexico, Philippines, Singapore, Switzerland, Taiwan, Thailand, the UAE, the UK and the US.

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