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News Release

UBS Investor Sentiment: World's wealthy sticking with stocks despite COVID-19

- **Almost half of wealthy investors expect to keep their stock portfolios at the same level in the next six months, while 37% plan to invest more, according to UBS's quarterly global survey**
- **The share of investors expressing short-term optimism on their region's economy fell most in the US and least in Europe outside Switzerland**

Zurich/Basel, 29 April 2020 – Wealthy investors and business owners are remaining optimistic about the longer term despite a sharp dip in short-term confidence due to the coronavirus, according to the new quarterly Investor Sentiment survey from UBS, the world's leading global wealth manager.

According to the survey, which polled 4,108 wealthy investors and business owners in 14 markets in April, 70% of respondents said they are optimistic about the long-term economic outlook for their region, virtually unchanged from the prior survey three months previously. Forty-six percent expressed optimism on the short-term outlook, down from 67%.

The share of investors expressing short-term optimism fell most sharply in the US, from 68% to 30%, and least sharply in Europe outside Switzerland, from 58% to 50%. In Asia, it fell from 71% to 55%; in Latin America, from 60% to 49%; and, in Switzerland, from 47% to 28%.

Globally, 47% of investors expect to keep their stock market investments the same in the next six months, while 37% plan to invest more. Additionally, 23% believe now is a good time to buy stocks, and another 61% see an opportunity to buy if stocks fall another 5-20%.

In general, business owners are also positive on the longer-term outlook and express a continued desire to invest in their own firms. Sixty-one percent are optimistic about their businesses, down from 73% in the prior survey. Twenty-seven percent plan to hire more versus 17% who plan to downsize. The gap between those planning to hire and downsize was biggest in Latin America (+22 percentage points) and lowest in Switzerland (+2 percentage points).

Both investors and business owners cited COVID-19 as their top concern, at 57% and 60% of respondents, respectively.

Paula Polito, Divisional Vice Chairman, UBS Global Wealth Management, says: "Ninety-six percent of investors worldwide say COVID-19 has affected their lifestyle in some way, with more than half mentioning practicing social distancing, avoiding crowds, and refraining from travel. However, they have diverging views on when the worst of the crisis will be over, with a third citing by the end of June, a third citing the fall and a third citing the end of the year or beyond."

US

Only 35% of US investors are bullish on US stocks over the next six months, down from 64% three months ago. However, US investors are the most likely to believe now is a buying opportunity (at 33%). Forty percent of US investors believe COVID-19's worst impact will be over by the end of June, with a further 28% saying by the end of September.

Latin America

Forty-two percent of Latin American investors plan to invest more in the next six months – higher than the global average (37%). Forty-seven percent feel optimistic about their stock market, the second highest percentage worldwide, while 42% feel COVID-19's worst impact will be over by the end of June, the most of any region.

Europe

Forty-six percent of European investors feel optimistic about European stocks, down from 57%, but 43% plan to invest more – the most of any region. Forty-one percent expect COVID-19's worst impact will be over by the end of June, the second highest percentage globally.

Switzerland

Like their peers in the rest of Europe, Swiss investors grew more cautious. Thirty-five percent were planning to invest more in the next six months, while 30% felt COVID-19's worst impact would be over by the end of June, below the global average.

Asia

Fifty-one percent of Asian investors were bullish on the six-month outlook for stocks in their region – the highest of any region surveyed. Eight-five percent said the virus would be over by the end of either June, September, or December, one of the highest percentages globally.

About the UBS Investor Sentiment survey

UBS surveyed 2,928 investors and 1,180 business owners with at least USD 1 million in investable assets (for investors) or at least USD 1 million in annual revenue and at least one employee other than themselves (for business owners), from April 1-20, 2020. The global sample was split across 14 markets: Argentina, Brazil, China, France, Germany, Hong Kong, Italy, Japan, Mexico, Singapore, Switzerland, the UAE, the UK and the US.

About UBS

UBS provides financial advice and solutions to wealthy, institutional and corporate clients worldwide, as well as private clients in Switzerland. UBS' strategy is centered on our leading global wealth management business and our premier universal bank in Switzerland, enhanced by Asset Management and the Investment Bank. The bank focuses on businesses that have a strong competitive position in their targeted markets, are capital efficient, and have an attractive long-term structural growth or profitability outlook.

UBS is present in all major financial centers worldwide. It has offices in 50 markets, with about 31% of its employees working in the Americas, 32% in Switzerland, 19% in the rest of Europe, the Middle East and Africa and 18% in Asia Pacific. UBS Group AG employs over 67,000 people around the world. Its shares are listed on the SIX Swiss Exchange and the New York Stock Exchange (NYSE).

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