

UBS Emerging Markets Equity Opportunity Fund

As of June 30, 2024, quarterly fund performance commentary and review

Emerging Markets

EM equities posted low-single digit positive returns in June. EM market's performance in June was driven by tech rally in Taiwan and Korea, and post-election strength in South Africa and India. Sector-wise, Information Technology was the key outperformer, while Real Estate was the key underperformer. Within Asia, Taiwan was the key outperformer, riding on the tech and semiconductor rally. Latin America region was the main dragger and all countries in the region posted negative gain amid currency depreciation and concerns for rising inflation expectations.

Performance commentary – Q2

The portfolio outperformed the benchmark in Q2. Consumer Discretionary was the key contributors, while Consumer Staples detracted the most, all due to stock selection. Market-wise, Korea was the key contributor, while Brazil detracted the most, mostly due to stock selection. The key stock contributors were our holdings in Anglo American, SK Hynix and Axis Bank. On the other hand, our holdings in Banorte, Kweichow Moutai and Suzano detracted.

Largest stock contributors

- **Anglo American** outperformance was driven by the BHP's offer to buy out the company, and the subsequent restructuring plan announced by the management to unlock value.
- **SK Hynix** outperformed with strong demand expectations for HBM (high bandwidth memory), spurred by Nvidia's strong guidance that reflected robust demand for Artificial Intelligence (AI).
- **Axis Bank** outperformed on positive sentiments post the recent Indian elections and on strong 4QFY24 results and improved margins.

Largest stock detractors

- **Banorte** underperformance was driven by the increased risk perception for Mexican equities post Presidential elections.
- **Moutai** fell recently alongside a fall in its wholesale price, due to weaker demand amid weak consumer demand environment in China. E-commerce platforms looking to

clear their inventory pushed prices down and this may have a short-term impact before prices stabilize.

- **Suzano** negative performance was driven by rising concerns about its capital allocation decisions after the announced interest to acquire International Paper.

Rolling periods performance ¹	Annualized						
	Last Month	Last Three Months	YTD	1 Year	3 Years	5 Years	Since Inception ²
Fund Performance							
Fund (Class P)	2.91	5.15	5.98	10.86	-9.10	0.72	1.40
Fund (Class P2)	2.83	5.13	6.25	11.51	-8.40	1.52	0.17
MSCI EM Emerging Markets	3.94	5.00	7.49	12.55	-5.07	3.10	1.64
Value added³	-1.11	0.13	-1.24	-1.04	-3.33	-1.58	-1.47
Tracking Error ⁴							4.84
Information Ratio ⁵							-0.11

Quarterly fund stock attribution: ¹

Top 10 contributors	Return (%)	Contribution (%)
Anglo American	28.28	0.62
Sk Hynix	26.69	0.50
Tencent Holdings	23.94	0.46
Hdfc Bank	17.51	0.37
Axis Bank	20.84	0.36
Taiwan Semiconductor	22.70	0.24
Pdd Holdings	14.37	0.24
Eicher Motors	16.28	0.23
Mediatek	15.57	0.20
Kia Corp	14.75	0.19
Top 10 detractors		
Grupo Fin Banorte	-22.31	-1.13
Kweichow Moutai	-12.72	-0.76
Suzano	-23.93	-0.60
Samsung	-26.49	-0.53
Banco Bradesco	-19.35	-0.45
China Mengniu Dairy	-13.03	-0.41
Hypermarcas	-20.79	-0.37
Samsung Electronics	-2.93	-0.34
Bank Central Asia	-4.62	-0.30
Hon Hai Precision Industry	0.00	-0.29

Quarterly fund sector attribution: ¹

	Fund Weight (%)	Active weight ⁷ (%)	Allocation Effect ⁸ (%)	Selection + Interaction ⁸ (%)	Total effect
Consumer Discretionary	16.16	3.35	-0.03	0.94	0.91
Communication Services	8.14	-0.83	-0.06	0.80	0.75
Materials	5.54	-1.66	0.11	0.08	0.19
Industrials	0.00	-6.94	0.07	0.00	0.07
Real Estate	0.00	-1.53	0.03	0.00	0.03
[Unassigned]	0.00	0.00	0.00	0.00	0.00
[Cash]	1.64	1.64	0.00	0.00	0.00
Utilities	0.00	-2.90	-0.03	0.00	-0.03
Health Care	1.26	-2.06	0.20	-0.26	-0.06
Information Technology	27.31	3.74	0.17	-0.23	-0.06
Energy	8.56	3.29	-0.04	-0.05	-0.09
Financials	24.93	2.91	-0.03	-0.64	-0.67
Consumer Staples	6.46	0.99	-0.06	-0.72	-0.78
Total	100.00	0.00	0.33	-0.07	0.26

Note: **PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.** The holdings information above (and other related information involving such holdings) is as of the most recent quarter end and derived from the records of UBS Asset Management (Americas) Inc., investment manager to UBS Emerging Markets Equity Opportunity Fund (the "Fund"). Note: Stocks represent the largest stock specific contributors and detractors from performance against the benchmark. Source: UBS Asset Management, FactSet.

1. The returns shown above are based on currently available information and are subject to revision. Fund performance figures assume payment of fees and reinvestment of dividends and distributions. The annualized gross and net expense ratios, respectively, for each class of shares as in the October 28, 2022 prospectuses were as follows: Class P—1.15% and 1.00%; Class P2—1.13% and 0.19%. Net expenses reflect fee waivers and/or expense reimbursements, if any, pursuant to an agreement that is in effect to cap the expenses. The Trust, with respect to the Fund, and UBS Asset Management (Americas) Inc., the Fund's investment advisor ("UBS AM (Americas)" or the "Advisor"), have entered into a written agreement pursuant to which the Advisor has agreed to waive a portion of its management fees and/or to reimburse certain expenses through the period ending October 28, 2023. For detailed information, please refer to the Fund's summary prospectus and prospectus. Fund performance shown is net of share class fees and expenses. Total returns for less than one year have not been annualized. A fund's short-term performance is not a strong indicator of its long-term performance.

2. Inception Date: Jun 04, 2018 (P2); Jan 31, 2019 (P)

3. Relative performance of UBS Emerging Markets Equity Opportunity Fund, Class P2 shares against MSCI EM Emerging Markets (net) (in USD) Published

4. Tracking Error is a measure of the risk in an investment portfolio that is due to active management decisions made by the portfolio manager; it indicates how closely a portfolio follows the index to which it is benchmarked.

5. Information Ratio measures and compares the active return of an investment (e.g., a security or portfolio) compared to a benchmark index relative to the volatility of the active return

6. UBS Emerging Markets Equity Opportunity Fund against MSCI EM Emerging Markets (net) (in USD) Published

7. Relative to the UBS Emerging Markets Equity Opportunity Fund

8. Value added to the Fund can be broken down to: Allocation Effect and Selection and Interaction.

Performance quoted is past performance and no guarantee of future results. Results assume the reinvestment of all dividends and capital gains. Due to market volatility, current returns may be significantly higher or lower than those shown. See www.ubs.com/us-mutualfundperformance for current month-end performance. Investment return and principal value will fluctuate, so that an investor's shares, when redeemed, may be worth more or less than their original cost. You can lose money investing in the Fund. Past performance is no guarantee of future results.

Quarterly fund country contributors & detractors:^{1,2}

Top five contributors		Top five detractors	
Country	Contribution ³ (%)	Country	Contribution ³ (%)
Korea	0.57	Brazil	(1.01)
South Africa	0.41	Mexico	(0.67)
India	0.27	China	(0.18)
Saudi Arabia	0.25	Turkey	(0.11)
Taiwan	0.18	Indonesia	(0.03)

Current top active stock positions:²

Positive/overweights	Fund Weight (%)	Active weight (%)	Negative/underweights	Fund Weight (%)	Active weight (%)
HDFC Bank	4.93	4.18	Alibaba	0.00	-1.86
Samsung Electronics	7.79	4.05	Hon Hai Precision Industry	0.00	-1.09
Reliance Industries	4.81	3.30	Icici Bank	0.00	-0.99
Axis Bank	3.70	3.24	Meituan	0.00	-0.96
Kia Corporation	3.55	3.23	China Constr Bank	0.00	-0.94

Current top active sector (all active sectors)²

Positive/overweights	Fund Weight (%)	Active weight (%)	Negative/underweights	Fund Weight (%)	Active weight (%)
Financials	26.19	4.27	Industrials	0.00	-6.92
Energy	9.10	3.87	Other sectors	0.00	-2.96
Consumer Discretionary	16.06	3.80	Materials	4.37	-2.54
Information Technology	27.98	2.87	Health Care	1.13	-2.07
			Real Estate	0.00	-1.46
			Consumer Staples	4.30	-0.86
			Communication Services	8.32	-0.55

Current top active country positions (top 5/bottom 5)²

Positive/overweights	Fund Weight (%)	Active weight (%)	Negative/underweights	Fund Weight (%)	Active weight (%)
South Korea	18.75	6.59	China	20.11	-4.63
Brazil	7.14	2.89	Taiwan	14.79	-4.60
South Africa	5.50	2.69	India	16.66	-2.52
Uruguay	1.94	1.94	Saudi Arabia	1.93	-1.97
Hungary	2.14	1.90	United Arab Emirates	0.00	-1.10

Top 20 Holdings by Weight

	Fund (%)	MSCI EM Emerging Markets (%)
Taiwan Semiconductor	10.18	9.72
Samsung Electronics	7.79	3.75
Tencent Holdings Ltd	7.05	4.18
Hdfc Bank Limited	4.93	0.75
Reliance Industries Ltd	4.81	1.51
Pinduoduo Inc	4.09	1.05
Sk Hynix Inc	4.04	1.24
Axis Bank Ltd	3.70	0.46
Kia Corporation	3.55	0.33
Grupo Financiero Banorte	3.20	0.27
Mediatek Inc	3.03	0.87
Ping An Insurance Group	2.72	0.40
Eicher Motors Ltd	2.44	0.10
China Mengniu Dairy	2.36	0.07
Vale Sa	2.23	0.51
Bank Central Asia Pt	2.20	0.45
Petrobras Npv	2.19	0.79
Otp Bank	2.14	0.15
Anglo American Plc	2.14	0.00
PTT Exploration & Production	2.10	0.08

Source: UBS Asset Management, FactSet. Relative to the MSCI EM Emerging Markets (net) (in USD) Published.

Note: **PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.** The holdings information above (and other related information involving such holdings) is as of the most recent quarter end and derived from the records of UBS Asset Management (Americas) Inc., investment manager to UBS Emerging Markets Equity Opportunity Fund (the "Fund").

Fund risk characteristics:

Dividend Yield	1.92
Total Portfolio Holdings	36

1. The returns shown above are based on currently available information and are subject to revision.

2. Relative to the MSCI EM Emerging Markets (net) (in USD) Published.

3. UBS Emerging Markets Equity Opportunity Fund against MSCI EM Emerging Markets (net) (in USD) Published.

Source: UBS Asset Management, FactSet, Relative to the MSCI EM Emerging Markets (net) (in USD) Published.

Outlook

Short-term sentiments towards Chinese equities have turned recently, with mixed economic data casting shadows on a previously more optimistic outlook. Real estate prices and infrastructure spending continued to weaken. More supportive policies such as the RMB 300bn re-lending facility to purchase affordable housing have been announced but implementation will take time as details are worked out. Meanwhile the feel-good impact is fading. We have maintained the view that current Chinese equity valuations bake in significant market pessimism, and there is alpha to be reaped in some of the high quality companies we are holding. On the macro level, we believe that growth momentum will remain soft in the near term and expect that improvement in consumer and business confidence is required before the economy turns around. We are also expecting geopolitical issues to continue dominating headlines with the US elections looming nearer. The recently proposed US bills, such as the Biosecure bill targeted at “certain biotechnology providers”, are part of the political noise, with more such bills likely to be proposed, before the November elections. Typically less than 15% of bills become Enacted Legislation.

Outside of China, we expect a mild growth recovery, with Asia ex-China growth in 2024 slightly outpacing 2023 in aggregate. In our view, there is an improving export outlook for countries that are more plugged into the tech supply chain. Our analyst was in Taiwan last month and believes the cyclical strength driven by AI-related businesses should sustain into next year at the very least. However we may need to be more patient for the tech-led manufacturing rebound to benefit industries beyond semiconductors and high-growth areas such as AI, that are mainly in Korea and Taiwan.

In Korea, the “corporate value-up programme” continues to elicit investor interest. We followed Japan’s development over several years as the authorities worked to close the valuation gap, and believe Korea is sowing the same seeds, which will not happen overnight but over a period. Meanwhile the progress appears to be headed in the right direction. Korea Exchange (KRX) has announced guidelines of the corporate value up programme will launch a Korea Value Up Index and ETFs tracking the index this year. Meanwhile tax reforms continue to be debated in the government. Since last year, our boots-on-the-ground research has made us aware of improving governance ranging from payouts to investors, rising corporate activism, to softer issues such as employee retention, gradually rising female participation, and better work life balance. Corporates are focusing on profitability.

Down south in India and Indonesia, domestic demand has shown relative strength. India’s economy has continued to produce robust broad-based momentum supported by cyclical and structural tailwinds. On the back of government capex on infrastructure, there is emerging evidence of a pick-up in private

sector capex cycle and for the first time in a decade it appears that India’s economy is being driven incrementally by investment rather than consumption. Our boots-on-the-ground research recently uncovered a strong outlook for higher-end discretionary growth while mass and mid-segment consumption remains weak, due to a weak job market, bad monsoons in recent years impacting agricultural incomes and high inflation. Staples companies are showing some stability but recovery may take a few more quarters. India’s general election results came in with BJP stopping short of parliamentary majority, but the market took it in stride after a brief negative impact. Investors are looking toward the Budget in early July for more clarity on reform continuity.

In Indonesia, the macroeconomic environment remains stable given well-supported domestic demand and a healthy commodities trade surplus. We believe the economy will continue to be supported by reforms. Public finances in Indonesia are among the healthiest in key Emerging Markets economies, with low fiscal deficit and public debt to GDP. There are some jitters on a smooth and easy transition to the new government at year-end but we are waiting to see the direction of the new administration. In addition, there may be a lull in economic activity during the transition. We have moderated our Indonesian exposure.

Outside of Asia, while the macro backdrop for potential rate cuts is favorable given the level of high real rates, it hasn’t fully materialized yet. Brazil was among the first to cut rates back in August 2023. However, given the worse than expected fiscal deficit, rates are likely to stay high for longer. The outlook for Mexico is similar albeit for different reasons. The backdrop of political noises makes it difficult to cut rates in a meaningful way. Only market so far that has delivered on rate cuts is Hungary.

Beyond potential rate cuts, election outcome has been a key driving force behind the markets. Investors are worried about the latest election results in Mexico where the incumbent party has secured the constitutional majority. There has already been some pressure on the equity markets and on FX. Similarly, in the aftermath of the election in South Africa which saw the ANC losing majority, there is uncertainty around the potential new government coalition. We are monitoring the situation closely as it’s important to distinguish what is sentiment and what is fundamentally driven.

Structurally speaking, we see changes happening in select markets. In Mexico, we see a strong trend of nearshoring, especially in the north, resulting in higher investment and employment. In addition, the Middle East should continue benefiting from structural reforms, the volatility in oil price notwithstanding. Last, we are also monitoring closely the geopolitical risk around the current conflict in the Middle East.

Over the longer term, we see the following attractive drivers for Emerging Markets: 1) The evolution of Asian consumers: a rising middle class likely to drive higher consumption, premiumization and a shift towards discretionary spending and financial deepening, 2) De-globalization and geopolitics: reconfiguration of manufacturing and supply chains/"China Plus One" diversification, 3) Artificial intelligence and digital transformation: growing strategic importance of semiconductors with large parts of the value chain in Asia, 4) Energy transition: electric vehicle supply chain, from raw materials (e.g. nickel ore) to electric vehicles and 5) structural changes/reforms: better institutions, reforms and macro conditions in countries like India and Indonesia.

With respect to our portfolio, we believe that we can continue stabilizing performance and add value for our clients with our active approach.

For more information:

Mutual funds are sold by summary prospectus or prospectus, which include more complete information on risks, charges, expenses and other matters of interest. Investors should read the summary prospectus and prospectus carefully before investing. Contact your financial advisor or UBS Asset Management at 888-793 8637 for a current Fund prospectus. Consider carefully the Fund's investment objectives, risks, charges, expenses and other matters of interest set forth in the prospectus. The prospectus contains this and other information about the Fund. Please read it carefully and consider it before investing. It is important you have all the information you need to make a sound investment decision. An investment in a fund is only one component of a balanced investment plan. Diversification and asset allocation strategies do not ensure gains or guarantee against loss.

Disclosure

Performance quoted is past performance and no guarantee of future results. Results assume the reinvestment of all dividends and capital gains. Due to market volatility, current returns may be significantly higher or lower than those shown. See www.ubs.com/us-mutualfundperformance for current month-end performance. Investment return and principal value will fluctuate, so that an investor's shares, when redeemed, may be worth more or less than their original cost. You can lose money investing in the Fund. Past performance is no guarantee of future results.

Potential for profit is accompanied by possibility of loss. Any statements made regarding investment performance objectives, risk and/or return targets shall not constitute a representation or warranty that such investment objectives or expectations will be achieved.

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. All such information and opinions are subject to change without notice. A number of the comments in this document are based on current expectations and are considered "forward-looking statements." Actual future results, however, may prove to be different from expectations. The opinions expressed are a reflection of UBS Asset Management's best judgment at the time this presentation is compiled, and any obligation to update or alter forward-looking statement as a result of new information, future events, or otherwise is disclaimed. UBS AG and/or its affiliates 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.

The information contained in this document should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in an account's portfolio at the time you receive this information or that securities sold have not been repurchased. The securities discussed do not represent an account's entire portfolio over the course of a full market cycle. It should not be assumed that any of the securities transactions or holdings referred to herein were or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities referred to in this document.

This document does not constitute an offer to sell or a solicitation to offer to buy any securities and nothing in this document shall limit or restrict the particular terms of any specific offering. Offers will be made only to qualified investors by means of a prospectus or confidential private placement memorandum providing information as to the specifics of the offering. No offer of any interest in any product will be made in any jurisdiction in which the offer, solicitation or sale is not permitted, or to any person to whom it is unlawful to make such offer, solicitation or sale.

Services for any strategy herein are provided by UBS Asset Management (Americas) LLC ("Americas"). Americas is registered as an investment adviser with the US Securities and Exchange Commission ("SEC") under the Investment Advisers Act of 1940.

UBS Asset Management (US) LLC, the Fund's placement agent, is an affiliate of UBS-AM. UBS-AM is registered with the SEC as an investment advisor. UBS-AM is an indirect wholly owned subsidiary of UBS Group AG.

UBS agreed to acquire Credit Suisse Group AG.

Risk considerations

Market risk. The risk that the market value of a Portfolio will fluctuate as the stock and bond markets fluctuate. Market risk may affect a single issuer, industry or section of the economy, or it may affect the market as a whole.

Foreign investing and emerging markets risks. Investing internationally presents certain risks not associated with investing solely in the US such as currency fluctuation, political and economic change, social unrest, changes in government relations, differences in accounting and available legal remedies, and the lesser degree of accurate public information available. A decline in the value of foreign currencies relative to the US dollar will reduce the value of securities denominated in those currencies.

Also, foreign securities are sometimes less liquid and harder to sell and to determine the value of than securities of US issuers. Each of these risks is more severe for securities of issuers in emerging markets countries.

US companies include any company organized outside of the United States, but which (a) is included in an index representative of the United States; (b) has its headquarters or principal location of operations in the United States; (c) whose primary listing is on a securities exchange or market in the United States; (d) issues securities that are guaranteed by the United States government, its agencies, political subdivisions or instrumentalities; (e) derives at least 50% of its revenues in the United States; or (f) has at least 50% of its assets in the United States.

Special considerations:

Investors in the Fund should be able to withstand short-term fluctuations in the equity markets in return for potentially higher returns over the long term. The value of the Fund changes every day and may be affected by changes in interest rates, general market conditions, and other political, social and economic developments, as well as specific matters relating to the companies in whose securities the Fund invests. The value of the Fund's investments in foreign securities may fall due to adverse political, social and economic developments abroad, and due to decreases in foreign currency values relative to the US dollar. These risks are greater for investments in emerging market issuers than for issuers in more developed countries. Shares of Funds are not deposits or obligations of any bank or government agency and are not guaranteed by the FDIC or any other agency.

Copyright ©2024 UBS Asset Management (Americas) LLC.

©UBS 2024. All rights reserved.

AMT-4490 8/23

www.ubs.com/am-us