

Global Enhanced Equity Income Fund

Fund objective

The Fund invests at least 85%[†] of its assets in the UBS (Lux) Equity SICAV - Global Income (the "Master"). Therefore, performance of the Fund is expected to be very similar to that of the Master. When referring to the Fund this will reflect the Master's investment process, philosophy, holdings and use of covered calls. The Master invests in the shares of companies within both developed and emerging markets believed to have the potential to deliver dividend income and long-term capital appreciation, at the time of purchase.

[†] However, the Fund will typically invest nearer to 100% of its assets within the Master.

Performance

UBS Global Enhanced Equity Income Fund versus benchmark

	Fund Performance %	Reference Index Performance ‡ %
3 months	3.1	6.8
6 months	9.3	13.2
1 year	12.4	16.7
Since launch (20 November 2014)	16.3	18.2

Source: Lipper. Performance is based on NAV prices with income reinvested net of basic rate tax and in Sterling terms to 31 May 2017. For details on Fund charges, please refer to the panel on the right. Reference Index is MSCI AC World TR, Hedged to GBP. The performance figures shown represent the C Acc share class.

‡ The performance of the MSCI AC World TR, Hedged to GBP is shown for illustrative purposes only and does not form part of the investment objective of the Fund.

Percentage growth (%)

	Q1 2016 Q1 2017	Q1 2015 Q1 2016	Q1 2014 Q1 2015	Q1 2013 Q1 2014	Q1 2012 Q1 2013
UBS Global Enhanced Equity Income Fund	11.2	-0.3	-	-	-

Source: Lipper. Figures are shown to the most recent calendar quarter end 31 March 2017.

Fund and market commentary (**)

- The MSCI All Country World Index hedged to GDP rose by 2.8%, in Sterling terms, over the course of May. The fund outperformed this reference index throughout the month.
- The fund's best performer in May was Japan Tobacco, which climbed 12.28% (in JPY) after first-quarter results came in as expected while the company's future outlook remains positive. The fund also benefited from its investment in GlaxoSmithKline, whose shares gained 11.19% (in GBP) following a setback for a competitor in its trial of an HIV drug.
- The fund's worst performer in May was Canadian Imperial Bank of Commerce, which lost 4.20% (in CAD) in line with the broader sector. The fund also suffered losses in Ford, whose shares fell 3.05% (in USD) after first-quarter earnings for the American auto maker showed slowing profits.
- Furthermore, the fund's substantial allocation to the Japanese and UK equity markets, as well as its exposure to Information Technology and Utilities, added value. On the other hand, the fund's currency hedging detracted given the depreciation of the US Dollar in May.
- At the end of May, the weights of Information Technology and Real Estate were increased while the fund's exposure to Financials and Consumer Staples was decreased. Simultaneously, the weights of France and the US were raised while the exposure to the UK and Norway was lowered.
- The fund's largest country exposure is to the US, followed by positions in Japan and the UK. At the sector level, the portfolio has its biggest exposure to Financials and Information Technology. The smallest sector holding is in Materials.

Investment details

Fund charges 'C' shares

Initial charge: 0.0%

Ongoing charges: 0.80%

Dealing closing time: 12pm¹

The fund charges relate to OEIC and ISA investments.

Minimum investment

GBP 1,000 when purchased through specific platforms. Please contact us for further information.

ISA

Yes, up to current limit for this tax year

Unlimited ISA Transfer

Ways to access our funds

Cofunds > www.cofunds.co.uk

FNW > www.fundsnetwork.co.uk

Transact > www.transact-online.co.uk

Important information

Past performance is not a guide to future performance. The value of investments and the income from them may go down as well as up and are not guaranteed. Investors may not get back the amount originally invested.

As the annual management fee of the Fund is charged to capital, the potential capital growth of the Fund will be reduced. Investments in less developed markets may be more volatile than investments in more established markets. The quoted yield is not guaranteed and is subject to change. It does not form part of the Fund's investment objective and is indicative only. It may change according to prevailing market conditions. The Fund's objective means that in times of strong stock market appreciation, the Fund will typically not produce a return that could be obtained by investing in the benchmark. With a corresponding stock market decline, any fall in value of the Fund will potentially also not be as marked as that of the benchmark. The Fund will hold the underlying stocks and use derivatives as part of its investment capabilities, which will include short positions on these holdings. These instruments carry a material level of risk and the Fund could be potentially exposed to enhanced/magnified differences to the benchmark, should the market move against them. The Fund is also subject to counterparty risk.

Top 10 holdings (*) ()**

Company	% of Fund	Sector
Altria Group	2.6	Consumer Goods
Duke Energy	2.6	Utilities
Paychex	2.5	Industrials
Coca-Cola	2.5	Consumer Goods
Johnson & Johnson	2.5	Health Care
Procter & Gamble	2.5	Consumer Goods
China Construction Bank	2.5	Financials
Southern Co	2.5	Utilities
Canon	2.5	Technology
Cisco Systems	2.5	Technology

Active stock positions (*)

Positive (overweight)	%	Negative (underweight)	%
Paychex	2.5	Apple	-2.0
Canon	2.4	Microsoft	-1.3
Duke Energy	2.4	Amazon	-1.0
HCP	2.4	Facebook	-0.9
Southern	2.4	Alphabet Class C	-0.7

Sector breakdown ()**

Sector	% of Fund
Financials	19.1
Information Technology	14.2
Health Care	14.1
Consumer Staples	13.3
Telecommunications	8.4
Utilities	8.3
Consumer Discretionary	7.2
Industrials	5.8
Energy	4.8
Materials	3.0

Geographic allocation ()**

Region	% of Fund
United States	44.7
Japan	11.9
United Kingdom	7.9
China	6.1
France	5.8
Taiwan	4.2
Canada	4.0
Hong Kong	3.7
Finland	2.3
Others	9.4

* Excluding cash holdings and currency positions ** Information relates to Master Fund

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There may be instances where due to market conditions or illiquidity the team will not write a call on every stock in the equity portfolio.

Fund details**Launch date**

20 November 2014

Fund size^(*)

£847.1m

Historic yield^{2(*)}

7.3%

Number of holdings

70

Sector

IA Global Equity Income

ISIN code 'C' shares

C Inc - GB00BLORSP87

C Acc - GB00BLORSN63

Sedol number 'C' shares

C Inc - BLORSP8

C Acc - BLORSN6

XD dates

Monthly. 1st of
each month

Pay dates

Monthly. Month
end date

Source: UBS Asset Management

¹You cannot place deals into the Fund, on either UK, or Luxembourg, bank holidays.

²Historic yield is based on distributions declared over the last year as a percentage of the share price. It does not include the effect on any initial charge paid. The historic yield represents the C Inc share class.

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