

# Reporting

## SF (Lux) Sicav 1 –BMI Protected Global Growth Fund II (USD)

### Investment objective

The BMI Protected Global Growth Fund II (the “Fund” or “BMI Global”) is an open-ended fund designed to provide investors with protected participation in the growth potential of global stock markets via a combination of actively managed funds and cash whilst limiting the downside risk.

The Fund is designed to ensure that the investment should be worth at least 80% of the highest NAV achieved at any point in time over the life of the Fund\*. Therefore, in order to achieve these objectives the participation in the basket of UBS Global Asset Management equity & fixed income funds (the ‘Equity Component’) can vary between 0% and 100%:

- As the value of the Equity Component rises the Fund will increase its exposure to the Equity Component;
- As the value of the Equity Component falls the Fund will decrease its exposure to the Equity Component in favour of cash;
- The maximum exposure to the Equity Component will be 100%;
- In extremely adverse conditions the minimum exposure to the basket of funds could be zero and therefore returns will reflect prevailing interest rates.

### The Equity Component

The Fund returns are provided from a managed basket of UBS Global Asset Management funds (the Equity Component) and cash.

### Initial Fund weightings:

• UBS (Lux) Key Selection Sicav - US Equities (USD) B	35%
• UBS (Lux) Equity Fund - Japan B	7%
• UBS (Lux) Equity Fund - Great Britain B	11%
• UBS (Lux) Equity Fund - Emerging Markets (USD) B	10%
• UBS (Lux) Key Selection Sicav - Euro Countries Equity B	14%
• UBS (Lux) Equity Sicav - USA Growth B	8%
• UBS (Lux) Key Selection Sicav - Global Equities (USD) B	15%

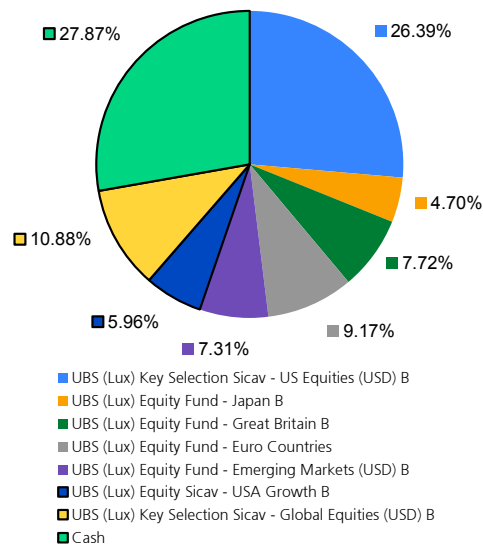
### Current Fund weightings:

• UBS (Lux) Key Selection Sicav - US Equities (USD) B	35%
• UBS (Lux) Equity Fund - Japan B	7%
• UBS (Lux) Equity Fund - Great Britain B	11%
• UBS (Lux) Equity Fund - Emerging Markets (USD) B	10%
• UBS (Lux) Equity Fund - Euro Countries *	14%
• UBS (Lux) Equity Sicav - USA Growth B	8%
• UBS (Lux) Key Selection Sicav - Global Equities (USD) B	15%

\* Fund replaced due to merger

Every three months, funds can be dropped and added and the basket can be reweighted.

### Exposure of the Fund as at 26<sup>th</sup> February 2010



### Valuation of the Fund as at end of February 2010

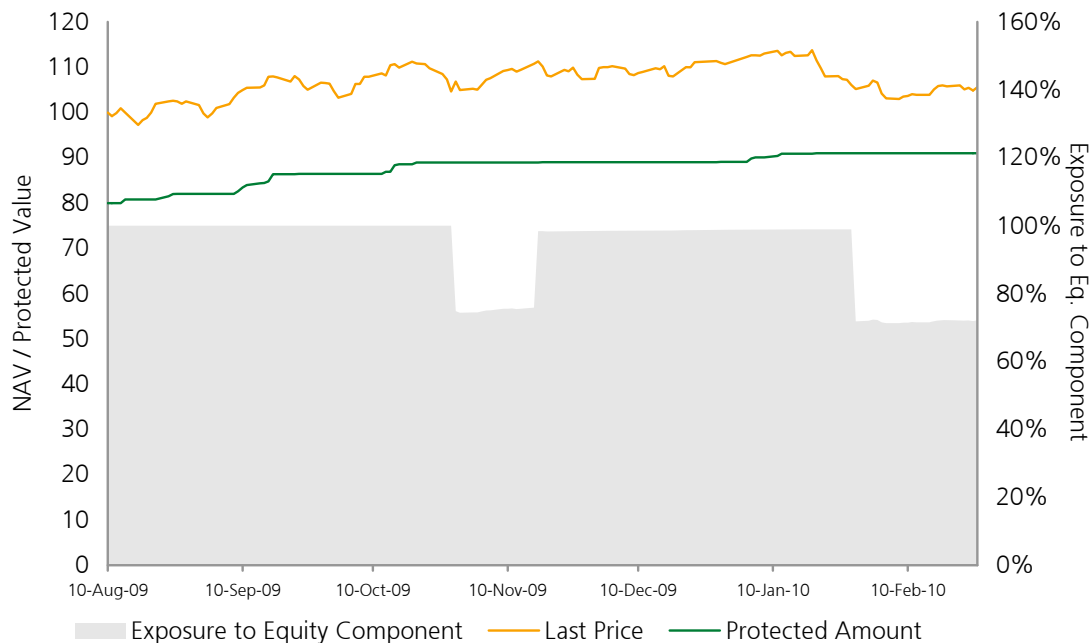
NAV	USD 105.58
Protected Value	USD 91.00
Year-to-date return	-4.59%
Return since launch	5.58%
Annualised return since launch	10.18%
Launch Date	10-Aug-09
Monthly performance	0.36%

### Performance to end February 2010

The Fund NAV has increased 5.58% since inception.

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Performance to end February 2010



Past performance is no guarantee of future trends or performance. Performance since launch (10 August 2009).

## The Equity Component (commentary from UBS Global AM):

- After a poor start in January with negative performance, global equity markets found their way back to positive territory. In February, the equity component of the portfolio returned 0.85%.
- Global equity markets performed positively in February, increasing 1.41% (in USD) over the month. UBS (Lux) Key Selection Sicav – Global Equities (USD) P-acc outperformed by +0.11% compared to the benchmark (MSCI World).
- The MSCI USA posted a gain of 3.02% in February. The UBS (Lux) Key Selection Sicav – US Equities (USD) P-acc was behind the benchmark (MSCI USA) and underperformed by -0.47% over the month.
- In February, US growth stocks performed slightly better than general US stocks. The Russell 1000 Growth Index returned 3.38% vs. 3.02% of the MSCI USA. However, the relative performance of UBS (Lux) Equity Sicav – USA Growth (USD) P-acc was negative, with the Fund underperforming its benchmark (Russell 1000 Growth) by -1.77%.
- The MSCI EMU returned -1.83% (in EUR) in February. UBS (Lux) Equity Fund – Euro Countries Equities (EUR) P-acc underperformed the benchmark (MSCI EMU) by -0.35% over this period.
- The MSCI UK returned 3.72% (in GBP) in February. During the same period, the UBS (Lux) Equity Fund – Great Britain (GBP) P-acc returned 3.77%.
- In February, the MSCI Japan posted a loss of -0.88% (in JPY). Stock selection of UBS (Lux) Equity Fund – Japan (JPY) P-acc was slightly negative, with the Fund returning -0.17% less than the benchmark (MSCI Japan).
- In February, emerging market equities performed less than developed country equities. The MSCI Emerging Markets Free Index returned 0.35% during the month. Stock selection of UBS (Lux) Equity Fund – Emerging Market (USD) P-acc was positive with the Fund returning 1.92% during the month.

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