

# 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%

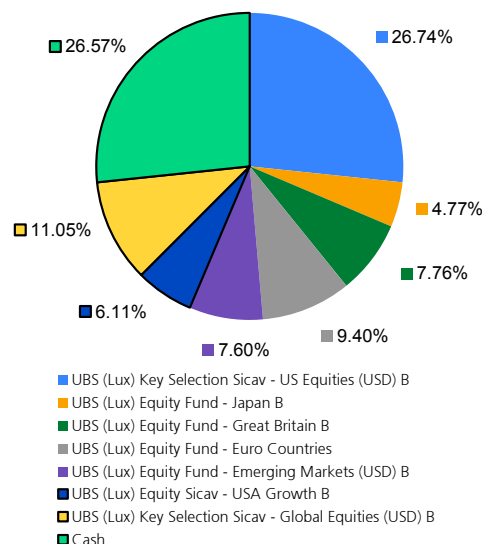
### Current Fund weightings:

• 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 31<sup>st</sup> March 2010



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

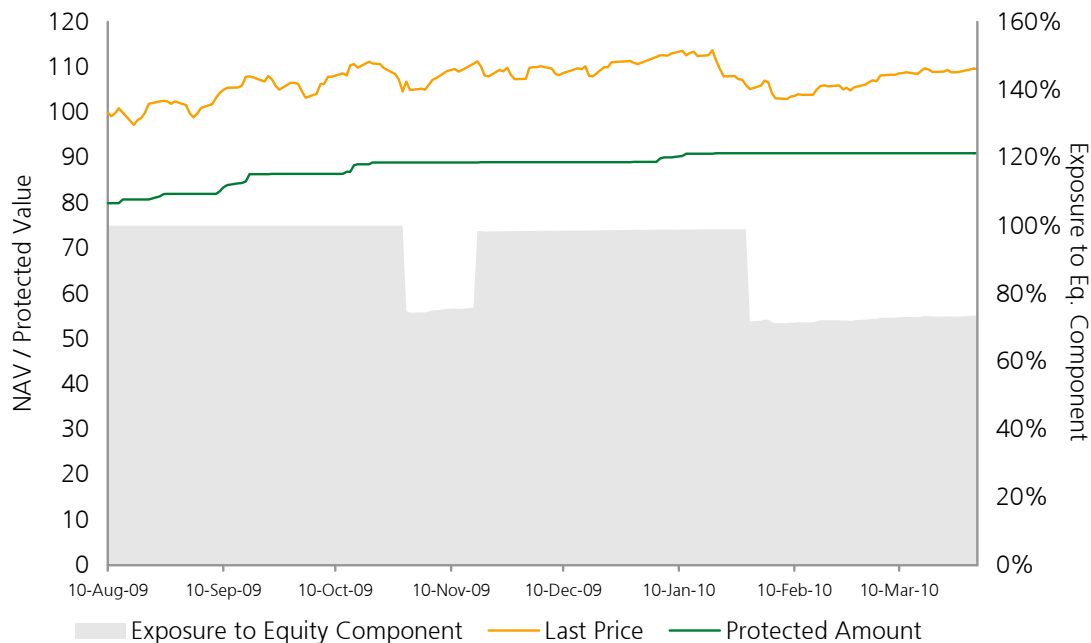
NAV	USD 109.62
Protected Value	USD 91.00
Year-to-date return	-0.94%
Return since launch	9.62%
Annualised return since launch	15.07%
Launch Date	10-Aug-09
Monthly performance	3.83%

### Performance to end March 2010

The Fund NAV has increased 9.62% since inception.

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Performance to end March 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 mixed performance in January and February, global equity markets showed a good performance in the last month of Q1. In March, the equity component of the portfolio returned 5.72%.
- Global equity markets performed positively in March, increasing 6.19% (in USD) over the month. UBS (Lux) Key Selection Sicav – Global Equities (USD) P-acc underperformed by -0.71% compared to the benchmark (MSCI World).
- The MSCI USA posted a gain of 5.94% in March. The UBS (Lux) Key Selection Sicav – US Equities (USD) P-acc was behind the benchmark (MSCI USA) and underperformed by -0.73% over the month.
- In March, US growth stocks performed slightly less than general US stocks. The Russell 1000 Growth Index returned 5.74% vs. 5.94% of the MSCI USA. However, the relative performance of UBS (Lux) Equity Sicav – USA Growth (USD) P-acc was positive, with the Fund outperforming its benchmark (Russell 1000 Growth) by +0.66%.
- The MSCI EMU returned 7.86% (in EUR) in March. UBS (Lux) Equity Fund – Euro Countries Equities (EUR) P-acc underperformed the benchmark (MSCI EMU) by -0.44% over this period.
- The MSCI UK returned 6.35% (in GBP) in March. During the same period, the UBS (Lux) Equity Fund – Great Britain (GBP) P-acc returned 4.84%.
- In March, the MSCI Japan posted a gain of 10.4% (in JPY). Stock selection of UBS (Lux) Equity Fund – Japan (JPY) P-acc was positive, with the Fund returning +0.36% more than the benchmark (MSCI Japan).
- In March, emerging market equities performed more than developed country equities. The MSCI Emerging Markets Free Index returned 8.07% during the month. Stock selection of UBS (Lux) Equity Fund – Emerging Market (USD) P-acc was slightly negative with the Fund returning 7.98% during the month.

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