



Investment Rationale

- Digital payments are expected to keep growing at a fast pace and make cash increasingly irrelevant thanks to new shopping experiences (livestreams, in-store cashierless checkout...) and digitization of big-ticket transactions (B2B...).
- Cryptos are also gradually emerging as a means of exchange both online, where they make possible the transfer of property and trading of virtual goods, and in-store where retailers and consumers increasingly adopt them.
- Payments and cryptos are often the cornerstone of more ambitious service offerings (online trading, lending, payroll management...) turning Fintech firms into full digital banks and leveraging their highly scalable platforms.

Certificate Details

NAV	73.2
ISIN	CH0473585237
Currency	USD
Type	Active Equity
Issuer / Rating	UBS / S&P A+
Inception Date	08.11.2019
Number of Holdings	31
Liquidity	Daily
Management fees	1.6% (incl. 0.3% UBS)
Performance fees	15% (HWM)

Investment Universe

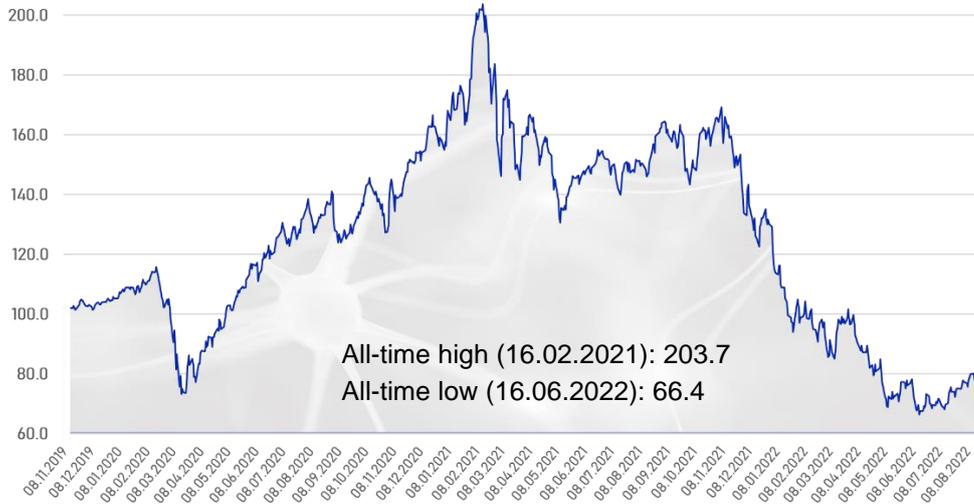


August Report

- The Fintech certificate fell 2.5% in August and outperformed the MSCI World by 1.7%.
- After a material growth slowdown since summer 2021 when most geographies exited Covid restrictions and consumers found their way back to physical stores, the US e-commerce and payments ecosystem showed signs of bottoming out in the Q2 earnings season. Amazon (North America), eBay, Farfetch, Etsy, PayPal among others all reported improving growth metrics in Q2 compared to Q1 and/or an improving margin outlook.
- The latest data from the US Census Bureau give increased confidence in this momentum. Online and other non-store sales were up 18.1% year-on-year in July, well above previous months thanks to an easier comparison basis. Considering that comparisons will ease further over the next couple of months, growth in online transactions should soon settle around 20%, a level in line with the pre-pandemic growth momentum.
- Importantly, we believe that these easier comps could overshadow some macro weakness and that consensus expectations already factor in many of the current macro challenges.
- It's not only about US companies: Chinese e-commerce companies such as Pinduoduo and Meituan also seem to be bottoming out with a growth reacceleration and margin upside in their latest quarterly reports, and could benefit in coming quarters from reduced government pressure.



Performance



	2020	2021	2022
Jan	2.6%	3.9%	-21.2%
Feb	-4.9%	5.4%	-4.3%
Mar	-18.7%	-11.0%	-1.8%
Apr	17.1%	-0.1%	-16.1%
May	14.8%	-5.6%	-5.1%
Jun	9.5%	5.3%	-10.8%
Jul	8.2%	-3.9%	9.6%
Aug	3.5%	9.3%	-2.5%
Sep	-3.4%	-8.0%	
Oct	-3.6%	8.2%	
Nov	18.5%	-6.8%	
Dec	5.0%	-12.8%	
Annual	51.4%	-17.8%	-43.7%

Top Contributors

Pinduoduo (PDD US)
Tencent (TCEHY US)
PayPal (PYPL US)

Worst Contributors

Adyen (ADYEN NA)
Block (SQ US)
Marathon Digital (MARA US)

Risk

Beta vs. MSCI AC World	1.5
Correlation vs. MSCI AC World	0.8
Realized Volatility (Annualized)	38.1
Cash Allocation	0%

Portfolio Structure

Top Holdings

Intuit (INTU US)
PayPal (PYPL US)
Apple (AAPL US)

Top 5 Currencies

USD 90%
EUR 5%
HKD 3%
JPY 2%

Market Cap Breakdown [USD]

Mega (> 200bn)	20%
Large (10bn to 200bn)	58%
Medium (2bn to 10bn)	19%
Small (300mln to 2bn)	3%
Micro (50mln to 300mln)	0%

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