



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	63.7
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

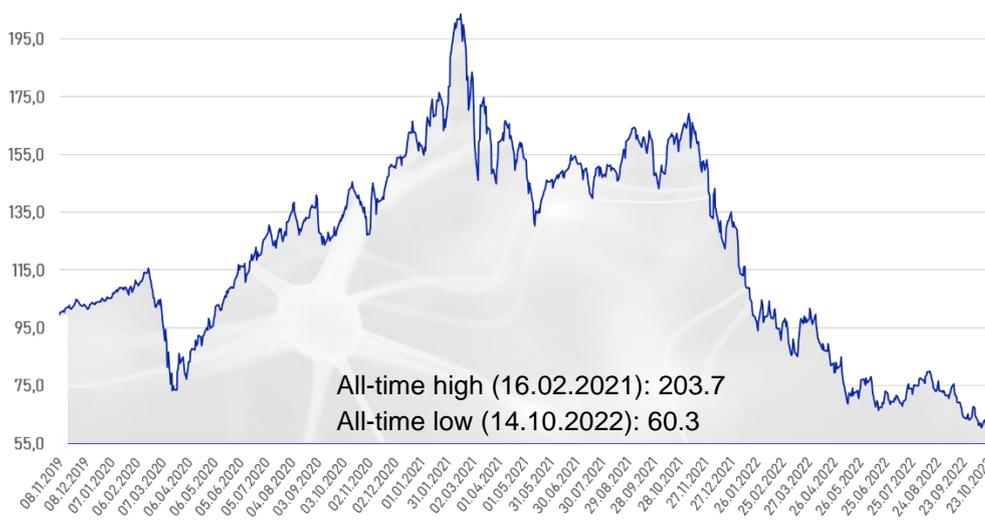


October Report

- The Fintech certificate gained 1.1% in October and underperformed the MSCI World by 6.1%.
- Against a backdrop of low expectations, payment companies such as Shopify and Fiserv delivered solid quarterly figures, confirming Visa and Mastercard's comments that consumer spending remains healthy.
- The focus will be in coming months on the impact of the roll-out of FedNow, the Federal Reserve's infrastructure that will enable banks to offer real-time payment and settlement solutions to merchants. FedNow seems to seek to overhaul ACH-based payments, checks and wire transfers and could slightly put margins under pressure in the processing industry. But as no FedNow app is on the horizon, consumer apps such as PayPal's Venmo and Block's Cash app are unlikely to be affected.
- Turning to crypto banks, Silvergate and Signature Bank, which had been resilient so far to the crypto winter as institutional interest in crypto kept growing and as an increasing number of crypto customers held large account balances, finally suffered deposit outflows from digital asset customers.
- Elsewhere, Chinese fintech names weighed again on the portfolio's performance last month as crackdown fears resurfaced following Xi Jinping's reshuffle of the party's politburo standing committee.



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%	-13.9%
Oct	-3.6%	8.2%	1.1%
Nov	18.5%	-6.8%	
Dec	5.0%	-12.8%	
Annual	51.4%	-17.8%	-51.0%

Top Contributors

Visa (V US)
Marathon Digital (MARA US)
Intuit (INTU US)

Worst Contributors

Lufax (LU US)
Pinduoduo (PDD US)
Silvergate (SI US)

Risk

Beta vs. MSCI AC World	1.48
Correlation vs. MSCI AC World	0.8
Realized Volatility (Annualized)	37.9
Cash Allocation	4.7%

Portfolio Structure

Top Holdings

Intuit (INTU US)
PayPal (PYPL US)
Adyen (ADYEN NA)

Top 5 Currencies

USD	90%
EUR	6%
HKD	2%
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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