UBS

Wealth Management

Region Latin America North

150 Years

Jornada Mexicana

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UBS in a few words

UBS is one of the world's leading financial firms.

UBS is present in all major financial centers and employs more than 64,000 people in over 50 countries.

UBS's historical roots stretch back more than a century.

Headquartered in Zurich and Basel, Switzerland, UBS is a client focused financial services firm that offers a combination of wealth management, asset management and investment banking services on a global and regional basis.

Wealth Management & Swiss Bank focuses on delivering comprehensive financial services to high net worth and ultra high net worth individuals around the world – except those served by Wealth Management Americas – and to private and corporate clients in Switzerland. UBS provides clients in over 40 countries, including Switzerland, with financial advice, products and tools to fit their individual needs. UBS has a leading position across all client segments in Switzerland.

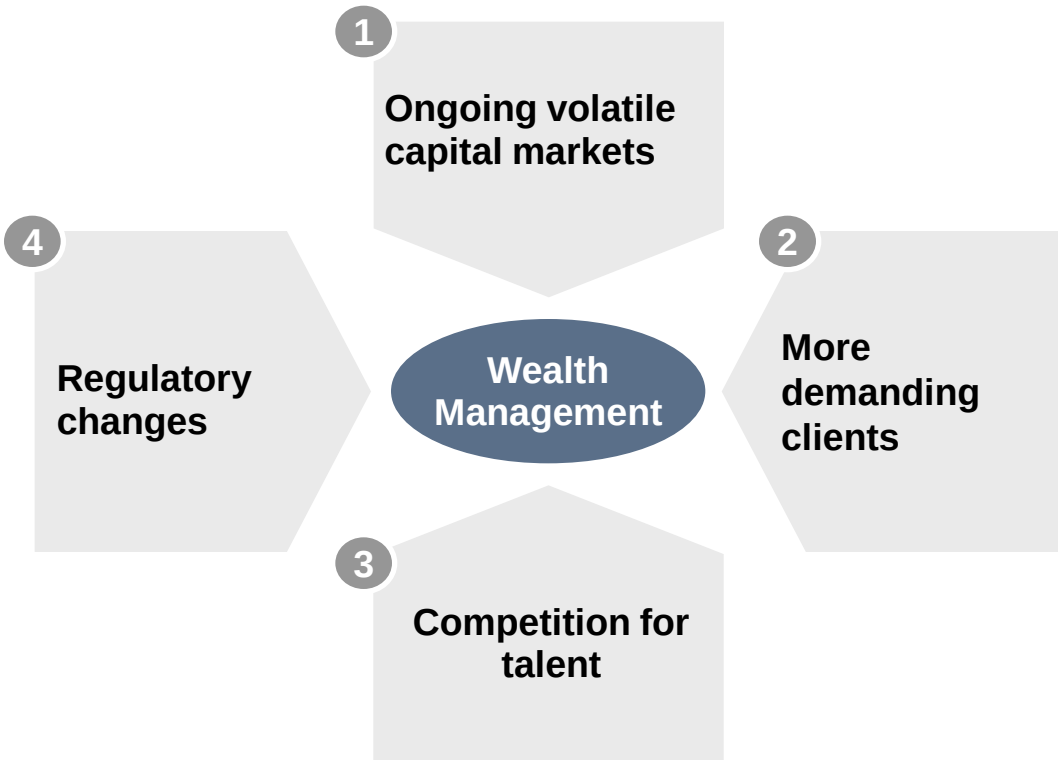
Wealth Management Americas provides advice-based relationships through its financial advisors who deliver a fully integrated set of products and services specifically designed to address the needs of high and ultra high net worth individuals and families. It includes the former Wealth Management US business unit as well as the domestic Canadian business and the international business booked in the United States.

UBS Global Asset Management is a large-scale asset manager with businesses diversified across regions, capabilities and distribution channels. It offers investment capabilities and styles across all major traditional and alternative asset classes including equities, fixed income, currency, hedge fund, real estate and infrastructure that can also be combined in multi-asset strategies.

UBS Investment Bank provides securities and other financial products and research in equities, fixed income, rates, foreign exchange and precious metals. It also provides advisory services and access to the world's capital markets for corporate and institutional clients, governments, financial intermediaries and alternative asset managers and private investors.

Challenges for the Wealth Management industry today

Forces impacting WM industry

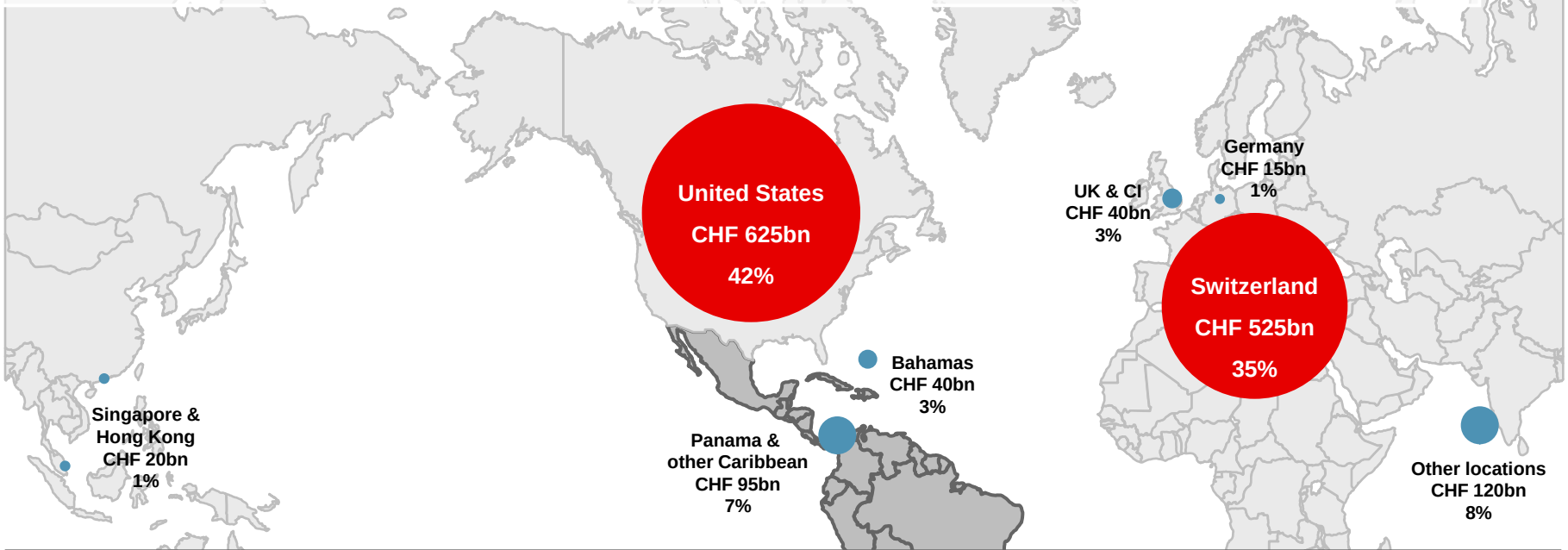


Key success factors

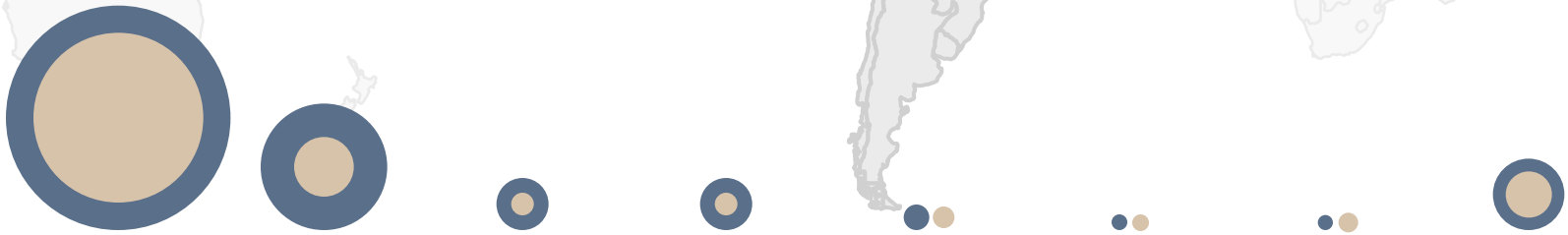
- Take advantage of different and parallel running market cycles through **excellence in investment and advisory process**
- Develop a **strong brand** to deliver **global solutions** and increase client value
- Leverage **global franchise** to exploit economies of scale and attract the **best people**
- Build a **leading position** in WM industry to respond to increased **complexity of regulation** through a state-of-the-art risk management

Latin America international & domestic wealth market

CHF 1.5 trillion offshore wealth market growing at 6% per year, with the United States and Switzerland as the key hubs. Domestic landscape dominated by Brazil and Mexico.



Market Sizing & Growth (offshore / onshore)



	Brazil	Mexico	Venezuela	Argentina	Colombia	Peru	Chile	Rest of LatAm
Size (CHFbn)	594 / 446	330 / 149	129 / 50	128 / 47	57 / 48	31 / 34	30 / 41	182 / 57
Growth	5% / 9%	7% / 9%	6% / 2%	8% / 11%	6% / 6%	6% / 9%	5% / 6%	6% / 9%

Sources: UBS WM S&BD Market Sizing & Growth, Invested Assets 2009, CAGR 2009-2014, as of June 2010. Figures do not include retail assets (only > CHF 250'000 bankable assets). Booking center distribution based on UBS WM S&BD research, as well as interviews with key Latin America employees, April 2010.

Why UBS in Latin America?

"We want to build a strong relationship with you, based on a combination of local expertise and the capabilities of a strong, global institution."

Gabriel Castello
Head Wealth Management
Latin America & Caribbean

"Our long experience in Latin America, our global reach and our deep expertise gives us the ability to deliver thoughtful advice, a broad product offering and flawless execution."

Raul Esquivel
Head Investment Bank
Latin America

Combining the strength of the UBS global institution with the proximity of our people near you:

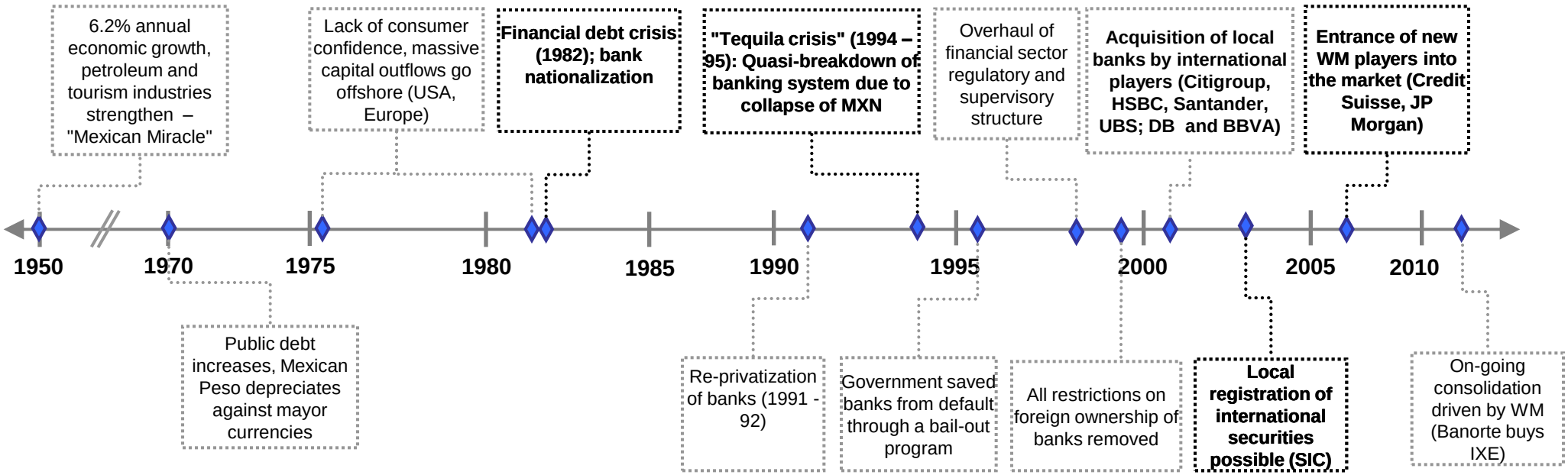
- Truly integrated approach of our Wealth Management, Investment Banking and Asset Management services
- Customized services and offering for our entrepreneur clientele
- Global reach enabling our clients to access the best solutions across booking centers
- Full commitment to Latin America – acquisition of Link Investimentos in Brazil

Your main booking centers and local offices for Latin America

Mexico and the Banking Sector

Decade of Stability

- Mexico has had a series of economic and banking crises over the last twenty five years, from the financial debt crisis in the early 80's to the "Tequila Crisis" in the mid 90's, the latter almost leading to the collapse of the Mexican banking system
- This has led to a relatively conservative investment profile by local WM clients, with a substantial part of the wealth (65%) being held offshore, and a strong client need for financial strength/stability of the bank
- Foreign ownership of largest banks disrupted KC and HNWI loyalty

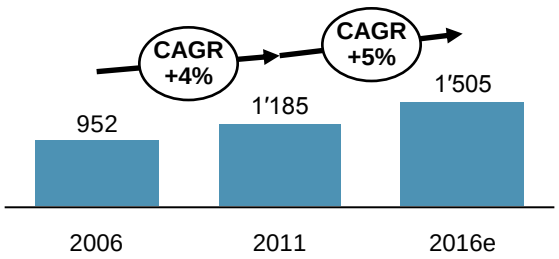


Mexico's overview

Regional overview[1]

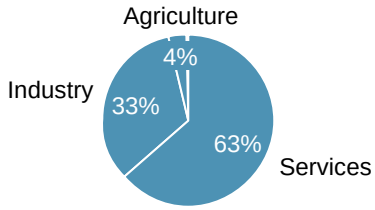
Country	Nominal GDP (USDbn) 2011	GDP per capita at PPP (USD) 2011	Real GDP growth (%) 2009	Real GDP growth (%) 2010	Real GDP growth (%) 2011	Public debt to GDP (%) 2011	Inflation (%) 2011	Unemployment rate (%) 2011	Population (m) 2011
Brazil	2'518	11'846	-0.6	7.5	3.8	65.0	6.3	6.7	194.9
Mexico	**1'185**	**15'121**	**-6.2**	**5.4**	**3.8**	**42.9**	**3.3**	**4.5**	**109.7**
Argentina	435	17'376	0.8	9.2	8.0	43.3	11.0	7.3	40.9
Colombia	321	10'155	1.5	4.3	4.9	35.9	3.1	11.5	46.1
Venezuela	310	12'407	-3.2	-1.5	2.8	43.9	24.5	8.1	29.8
Chile	243	16'172	-1.7	5.2	6.5	10.5	3.6	7.2	17.4
Peru	168	10'001	0.9	8.8	6.2	21.5	3.3	7.5	30.0
Ecuador	65	8'335	0.4	3.6	5.8	20.9	5.4	7.3	15.0
Dominican Republic	54	9'289	3.5	7.8	4.5	28.5	7.0	13.5	10.1
Guatemala	47	5'033	0.5	2.8	2.8	24.2	7.0	0.0	14.7

GDP development 2006 – 2016e (USDbn)[2]

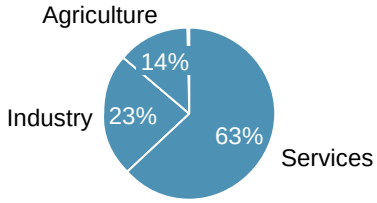


GDP contribution

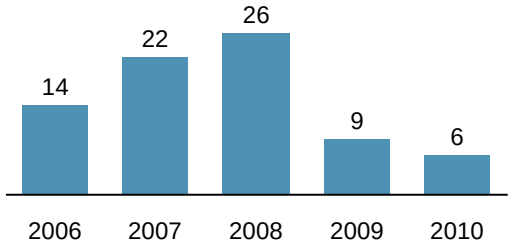
By industrial sector



By labour force



FDI[3], net inflows (USDbn)



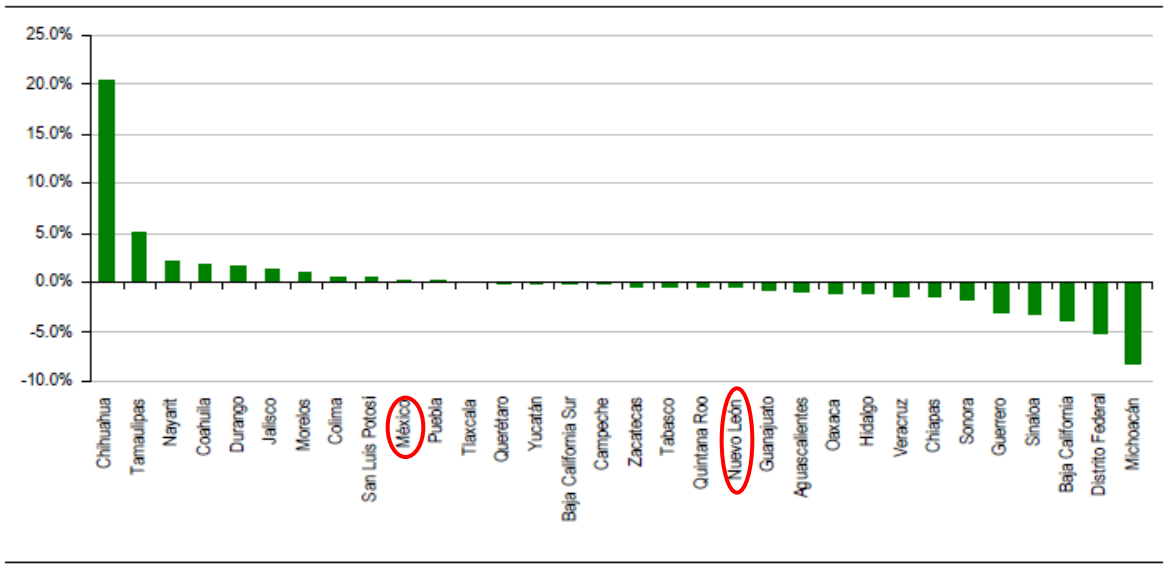
Note: 1) Top 10 APAC countries based on 00-09 average GDP, sorted by 2010 GDP 2) Nominal GDP 3) Foreign Direct Investments: foreign long-term investment in Mexico less Mexico's investment to the rest of the world

Sources: World Bank Database, IMF, CIA Worldfactbook

Crime & Regional Economic Activity

Persistent negative press coverage on overall Mexico crime level, but …

- "Localized" nature of crime with only small impact at state level [1)]
- Governor of *Banco de México*, Agustín Carstens, states the war to drug-trafficking and the criminal acts in the last period has not affected the economy in Mexico [2)]
- President of *Bolsa Mexicana de Valores*, Luis Tèllez, assured criminality in the country does not have any impact on the market trend [3)]
- Barclays sees low risk that the economic performance will be influenced negatively by the drug-crimes [4)]



Source: Presidencia de la Republica; INEGI, UBS

In the chart:

Change in the share of Drug-related Homicides by State
(2010 vs 2007 as % of Total)

Dramatic surge in the absolute level of crime but over 40% of drug-related homicides in 2010 were committed in 12 municipalities (less than 10% of the Mexican population) and get dissipated at the national level.

Region of Mexico City and Monterrey

… only weak correlation between violence & economic activity at state level

Sources: 1) UBS Investment Research – Latin American Economic Focus, 30 March 2011, Rafael De La Fuente
2) El Universal, 15.12.2010 (Mexican newspaper)
3) Informador, 1.7.2010 (Mexican newspaper)
4) CNN Expansion, 8.7.2010

My Intercultural Experience

- Know the culture of the people
- Understand the value of Switzerland/Swissness: TRUST, SECURITY, DISCRETION, INNOVATION, etc.
- Professional stages abroad (MX, USA, CH, E, etc)
- Different professional backgrounds (WMI, IB, Hedge Funds)
- Innovation → adapting → Megatrends (crisis, regulation, etc)

→ SUCCESS to attract you!!!

↓

Why CH for LatAm?	Synergies	Diversity

UBS – the right choice after graduation at HSG

- Graduate Training Program (GTP)
- Internship
- Wealth Management Associate Program
- Professionals

www.ubs.com/careers

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Thank you for your interest

Miguel Gomez, Miguel.gomez@ubs.com

- **Miguel A. Gomez joined UBS AG in 2000 as part of the Investment Banking team focusing in Latin America Mergers & Acquisitions in UBS Warburg's New York office. During his years in the Investment Bank of UBS covering Latin American corporate clients, he also was involved in Equity Capital Markets and Fixed Income Structured Credit transactions. In year 2004 he conducted strategic projects for UBS AG's Executive Board including the analysis and firm's business plan to launch on on-shore Wealth Management operation in Mexico. The past seven years Mr. Gomez has worked in the Wealth Management Group from the headquarters of UBS AG in Zurich covering Latin America Ultra High Networth relationships and Family Offices. He is currently Deputy Head of the Latin America North UHNW Division.**
- **Miguel A. Gomez is a Mexican national with a strong interest in venture capital in his home country, he holds and Economics and MBA degrees, and is an active alumni of the ITESM in Monterrey, Mexico and Harvard Business School in Boston , MA.**
- Jan Liebminger, Jan.Liebminger@ubs.com

  Jan Liebminger studied at the University of Berne, Switzerland, from which he graduated with a Master's degree in Economics and Business Administration in 2002. Afterwards he worked for Credit Suisse in Madrid and Zurich, taking on different responsibilities in connection with treasury, as a product manager in Alternative Investments within Private Banking and as a sales trader for currencies within Investment Bank. In October 2004 he took over the position as a Senior Client Advisor in the Mexico department of UBS in Zurich and since 2009 he is also Deputy Desk Head of the same team. He dedicates himself to serving Mexican High Networth entrepreneurs and their families on behalf of UBS Wealth Management in Zurich.