

26 US Stocks for 2026

Our Highest Conviction Calls

Equities

Americas

What is your top pick for 2026?

UBS Research Management asked this question of all our analysts in North America. We've collected their responses and selected what we consider to be the 26 most compelling Buy-rated investment ideas for the year ahead. We've focused on stocks where we believe our analysts have a differentiated view vs. consensus, and where we have interesting or proprietary data sources (from UBS Evidence Lab or elsewhere). We have also considered potential upside to price target and risk/reward skew as well as a stock's exposure to key themes during the selection process.

Advancing your thinking with the UBS Research Thesis Map

For our selections, we've included a summary of the investment case starting on page 4 as well as a UBS Research Thesis Map for each stock, outlining (1) the pivotal questions driving the stock, with links to more detailed work on these topics; (2) what's priced in by current market expectations; (3) the UBS view of why the market may be wrong; (4) what new evidence we have uncovered; and (5) the potential upside vs. downside.

Joseph Parkhill

Product Manager
joseph.parkhill@ubs.com
+1-212-713 3716

Peter Lennox-King

Product Manager
peter.lennox-king@ubs.com
+1-212-713 3215

Ryan Bell

Product Manager
ryan-b.bell@ubs.com
+1-212-713 1233

Perry Eisemann

Product Manager
perry.eisemann@ubs.com
+1-212-713 1876

Cynthia Henry

Product Manager
cynthia.henry@ubs.com
+1-212-882 0076

Figure 1: 26 Stocks for 2026E, UBS Buy-rated stocks with high conviction

Company Name	Ticker	Market cap (\$bn)	Price	UBS Price Target	Total Return	Sector	Sub-Industry	Analyst
Acadia Pharmaceuticals Inc	ACAD	\$4,628	\$27	\$35	29%	Health Care	Biotechnology	Ashwani Verma
Alliant Energy Corp.	LNT	\$16,852	\$65	\$79	24%	Utilities	Electric Utilities	William Appicelli
Amazon.com, Inc.	AMZN	\$2,377,714	\$226	\$310	37%	Information Technology	Broadline Retail	Stephen Ju
American Tower Corporation	AMT	\$84,096	\$181	\$260	48%	Communication Services	Telecom Tower REITs	Batya Levi
Arista Networks Inc	ANET	\$159,036	\$125	\$155	24%	Information Technology	Communications Equipment	David Vogt
Capital One Financial Corp	COF	\$152,462	\$238	\$270	15%	Financials	Consumer Finance	Erika Najarian
Cisco Systems Inc	CSCO	\$308,027	\$78	\$90	18%	Information Technology	Communications Equipment	David Vogt
Danaher Corp	DHR	\$159,084	\$226	\$265	18%	Health Care	Life Sciences Tools & Services	Dan Leonard
Deckers Outdoor Corp.	DECK	\$15,203	\$101	\$157	55%	Consumer Discretionary	Footwear	Jay Sole
Deere & Co.	DE	\$131,675	\$485	\$535	12%	Industrials	Agricultural & Farm Machinery	Steven Fisher
General Motors	GM	\$77,311	\$81	\$97	21%	Industrials	Automobile Manufacturers	Joseph Spak
Johnson Controls International	JCI	\$72,377	\$115	\$140	23%	Industrials	Building Products	Amit Mehrotra
Linde PLC	LIN	\$194,652	\$416	\$500	22%	Materials	Industrial Gases	Joshua Spector
Lowe's Companies, Inc.	LOW	\$140,033	\$247	\$316	30%	Consumer Discretionary	Home Improvement Retail	Michael Lasser
Marsh McLennan	MMC	\$91,738	\$186	\$245	33%	Financials	Insurance Brokers	Brian Meredith
Nextpower Inc.	NXT	\$12,976	\$87	\$125	44%	Utilities	Electrical Components & Equipment	Jon Windham
Ovintiv Inc	OVV	\$9,662	\$40	\$55	40%	Energy	Oil & Gas Exploration & Production	Josh Silverstein
PepsiCo Inc	PEP	\$206,345	\$151	\$172	18%	Consumer Staples	Soft Drinks & Non-alcoholic Beverages	Peter Grom
S&P Global Inc.	SPGI	\$150,952	\$501	\$620	25%	Financials	Financial Exchanges & Data	Alex Kramm
Snowflake Inc	SNOW	\$74,427	\$218	\$310	42%	Information Technology	Software	Karl Keirstead
SS&C Technologies Holdings Inc	SSNC	\$21,111	\$87	\$112	30%	Information Technology	Data Processing & Outsourced Services	Kevin McVeigh
Sysco Corp	SY	\$36,075	\$74	\$90	24%	Consumer Staples	Food Distributors	Mark Carden
Texas Instruments	TXN	\$161,487	\$179	\$245	40%	Information Technology	Semiconductors	Timothy Arcuri
TPG Inc	TPG	\$9,763	\$67	\$82	27%	Financials	Asset Management & Custody Banks	Michael Brown
UnitedHealth Group	UNH	\$306,029	\$342	\$430	28%	Health Care	Managed Health Care	AJ Rice
Woodward	WWD	\$17,745	\$298	\$345	16%	Industrials	Aerospace & Defense	Gavin Parsons

Source: FactSet, UBS. Data priced as of December 12. Price Target based on 12m horizon.

Note: Total Return includes dividends

OUR HIGHEST CONVICTION CALLS

Below are the 26 US stocks for 2026 including a brief summary of their investment theses with upcoming catalysts.

Company Name	Sector	Analyst	Brief Summary
Acadia Pharmaceuticals Inc	Health Care	Ashwani Verma	Our top pick is Acadia Pharmaceuticals (ACAD). Based on our buy-side conversations, the current investor focus on ACAD is on the growth of the existing business with Nuplazid and Daybue. We believe an upside could come from successful outcome from ACP-204's Alzheimer's disease psychosis (ADP) trial; read-out is expected in mid-'26. In our view, mgmt is implementing the right initiatives to grow both Nuplazid and Daybue, and ACP-204 could bring in peak sales of >\$1.4bn, which could offset potential negative impact from Nuplazid price reduction or genericization. Overall, we model '30E total sales of ~\$1.9bn (vs cons \$1.7bn). We reiterate Buy; our \$35 PT is based on 4.5x EV/'30E sales multiple, supported by our DCF framework.
Alliant Energy Corp.	Utilities	William Appicelli	Our top pick is Alliant Energy Corp (LNT). The market is undervaluing LNT's growth potential as the 900MW of recently announced and prospective data center agreements have pushed the growth above historical 5-7% trend. Current valuation does not fully capture the 2-4GW of upside opportunities. We expect announcement for service agreements for this load to be incorporated into the capital plans over the next 12 months. Incorporation of these projects into capital plans should push earnings growth of >8% which will serve as a catalyst for investors to believe the above trend growth is achievable. Our estimate of \$4.09 in '28 is slightly above consensus forecast of \$3.99, based on our assumption the company will convert 400MW of its data center pipeline to service agreements.
Amazon.com, Inc.	Information Technology	Stephen Ju	Our top pick is Amazon.com, Inc. (AMZN). We have characterized AMZN shares as a "coiled spring" for some time as it is set to benefit from its multiple investment initiatives, which is encapsulated by the higher CapEx and OpEx bill through 2025-2026 towards AWS/genAI infrastructure, Amazon Leo (formerly Project Kuiper), sports licensing, and e-commerce same-day delivery footprint. Proof points for higher revenue generation potential are starting to emerge as part of our bull thesis: 1) AWS acceleration to 20% YOY growth in 3Q25 vs 2Q25 17.4%, 2) AWS new wins in October was as much as 3Q25 in its entirety suggesting ongoing acceleration as its exiting performance obligations (backlog) for 4Q25 should be ~\$240B, 3) continued e-commerce margin expansion as unit growth outpaced cost by 3pts in 3Q25, 4) high-margin revenue stream from Prime Video advertising, 5) aggressive re-entry into groceries and 6) incremental costs related to the aforementioned investments are already in our model with minimal revenue incorporated.
American Tower Corporation	Communication Services	Batya Levi	Our top pick is American Tower Corporation (AMT). Ecostar's network wind down has weighed on shares but we believe AMT's investment thesis is intact, supported by solid carrier activity, driving MSD organic growth for several years, and valuation at multi-year lows. 5G deployments are still ongoing in the US while mobile data usage is compounding at 35% per year. This doesn't include any potential use cases that are likely to emerge with the adoption of AI and the need to deploy equipment to support growing uplink activity. In addition, M-HSD growth internationally and double-digit growth at CoreSite (AMT's data center business; peers trading at ~20x AFFO) support financials outside of the US tower business. All in, we believe organic tenant billings will grow at 5-6%, supporting 6-7% AFFO/sh growth and similar dividend per share growth through '27. Shares are currently trading at 15x 27E AFFO (inclusive of potential Ecostar churn), at historical support levels. Along with the recent start of the share repurchase program, we believe the current valuation provides a favorable risk-reward.
Arista Networks Inc	Information Technology	David Vogt	Our top pick is Arista (ANET). The market is not accurately reflecting the demand for AI Infrastructure in revenue estimates for CY26 and CY27. Arista financial metrics including purchase commitments, product deferred revenue and inventory support revenue growth between 5% to 10% above the 20% guide and our 21% forecast driving a re-rating in the shares. The deployment of infrastructure by hyperscalers like Meta, Microsoft, and Oracle drive revenue recognition for Arista leading to earnings beats and positive revisions to the company guidance. Our analysis of the company's financials/growth and returns supports a P/E multiple >40x particularly with revenue growth > 20%. Therefore, we expect a few points of multiple expansion in our base case from 38x to 40.5x but still trade at a discount to the 55x peak over the past 12 months.
Capital One Financial Corp	Financials	Erika Najarian	Our top pick for 2026 is Capital One Financial Corp (COF). We continue to believe that the DFS acquisition will be transformational, offering a rare narrative for bank investors in which a company improves from "good" to "great" rather than the more common infections from "challenged" to "average." In the case of COF, we see an opportunity for investors to own a vertically integrated payments platform and card juggernaut where COF leverages DFS' credit and debit networks to earn revenue without taking balance sheet or credit risk and lowers its natural cost of funding — driving synergies well beyond typical bank mergers. Based on the UBS HOLT framework, we see the market is currently pricing in almost no fundamental improvement from synergies post-DFS acquisition. In contrast, our '26 - '28 estimates for core EPS are 5-9%+ above consensus, reflecting our belief that the merger synergies will generate profits over and above street expectations. This profitability change and the long-term potential of chipping away at credit network market share should drive a multi-year re-rating of the stock.
Cisco Systems Inc	Information Technology	David Vogt	Our top pick is Cisco (CSCO). The market views Cisco as an "AI loser" leading to mid-single digit revenue growth. Our supply chain checks point to over \$4B in AI orders in FY26, vs \$2B in FY25. The deployment of infrastructure by hyperscalers like Meta and a strong refresh cycle in Campus should drive revenue recognition for Cisco leading to earnings beats and positive revisions to the company guidance for FY26. Cisco shares are trading at 19x NTM consensus EPS ests that should prove conservative. In addition, revenue growth should approach high-single digits in FY26 vs Cons ~7% driving double digit EPS. Cisco's ~18% discount to the S&P 500 should continue to narrow given positive revisions to the revenue and EPS guide as growth exceeds expectations.
Danaher Corp	Health Care	Dan Leonard	Our top pick is Danaher (DHR). Our Buy rating reflects our view that several of Danaher's major business segments are well positioned to outperform expectations and we believe Danaher's 2026 framework (3%-6% sales growth) should be viewed as much more of a clearing event than we believe investors appreciate. We believe the low end of guidance, which aligns with Street consensus, is achievable without any improvement in end market demand. With that said, we believe all segments can outperform this baseline expectation. We view fading bioprocessing equipment headwinds + continued consumables growth as a source of potential Biotechnology upside (enabling >7% bioprocessing growth); we view any recovery in biopharma research and development spending as a source of potential Life Sciences upside (enabling >0% segment growth); we view fading volume-based procurement headwinds in China and test menu expansion as a source of potential diagnostics upside (enabling MSD %+ segment growth).
Deckers Outdoor Corp.	Consumer Discretionary	Jay Sole	Our top pick is Deckers Outdoor Corp. (DECK). We see a very good opportunity to buy shares in a growth company significantly undervalued by the market. We expect DECK's EPS to positively surprise over the NTM due to Hoka and UGG performing better than expected. We note our \$6.90 FY26 EPS forecast is 8% above the Street's consensus forecast. We think this will remind the market DECK is capable of growing sales and EPS at HSD%-LDD% CAGRs, sending DECK's FY1E P/E to 20x from mid-teens currently. Finally, we believe DECK's high-growth brand, HOKA, drives a ~13% 5-year consolidated top-line CAGR and believe this makes DECK one of Softlines' best growth stocks.
Deere & Co.	Industrials	Steven Fisher	Our top pick is Deere & Co. (DE). We rate DE a Buy as we expect 2026 to be the last year of DE's earnings downturn before a recovery in 2027 or possibly late 2026. We believe ag fundamentals and sentiment are toughening, and expect a replacement cycle to spur demand. Now that Q4 earnings, 2026 guidance, and Deere's Investor Day are behind us, we think investors' focus will shift to 2027. Based on a ~23x multiple (in the first year of recovery) and the stock's current price of \$484.80, we think the stock is pricing in ~\$20.00-\$21.00 of EPS for 2027 (UBSe \$22.95). The ~\$40-\$45 mid cycle EPS target by 2030 that DE announced at its Investor Day would support additional upside to the stock if realized within the timeframe. We expect FY27E EPS of \$22.95 vs consensus \$21.52, FY27E P&PA margins of 16.8% vs consensus 16.0%, and FY27E P&PA revenue growth of 15.0% vs consensus 11.8%.
General Motors	Industrials	Joseph Spak	General Motors (GM) is our top autos pick heading into 2026. We see a path to GMNA margins returning to 8-10% range over the coming years driven by a relaxed US regulatory environment which means both an abatement of regulatory costs and a richer mix of vehicles (both less loss-making EVs and potential for more high profit trucks). We also see potential for further cost improvement including spending less on and restructuring EVs. We see GMNA margins approaching 8% in 2026 (vs. consensus of ~7%) and solidly within the 8-10% range in 2027 (vs. consensus at the low-end). Further, strong cash generation enables continued share repurchases. This causes our 2026/27 EPS to be 15%/21% above consensus. Thematically, stock is also aligned with being a beneficiary from rate-cuts, US housing/capex cycles, and potentially USMCA negotiations.
Johnson Controls International	Industrials	Amit Mehrotra	Our top pick is Johnson Controls International (JCI). We are Buy rated on JCI, based on upside potential from earnings growth and valuation re-rating. We see potential for 80% earnings upside over the next three years (FY25-FY28), driven by structural self-help, margin catch-up, and robust capital returns. Our constructive view is anchored in a structural margin improvement opportunity, catalyzed by the company's new leadership. This significant cost opportunity is reflected in 50%+ incremental margin guide in FY26 (vs prior 25%+), which incorporates little to no benefit from the longer cycle impact of the company's lean initiatives. We also see potential for structural growth to accelerate, as the company focuses its sales efforts within the "belly of the market" - where scale, affordability and volume converge. The combination of higher growth with lean operations should allow for meaningful operating leverage at the segment operating profit level, which would represent notable upside to current estimates in FY27 and beyond.
Linde PLC	Materials	Joshua Spector	Our top pick is Linde (LIN). It is a high quality compounder that has derated as the market now questions the company's growth algorithm. We think with just a stabilization of industrial demand that LIN will be able to deliver near 10% adj EPS growth (vs ~5% in 2025). Investors could also gain confidence through large new electronics project wins and growth in LIN's sales into space exploration which could gain more visibility in 2026. We'd expect LIN shares to re-rate as adj EPS growth inflects back to 10%+ in 2H26 and confidence in LIN's EPS algo is restored.

Source: UBS

OUR HIGHEST CONVICTION CALLS

Company Name	Sector	Analyst	Brief Summary
Lowe's Companies, Inc.	Consumer Discretionary	Michael Lasser	Our top pick is Lowe's Companies (LOW). Our view is that LOW's risk-reward is skewed heavily to the upside. We think current valuation of ~19x NTM P/E embeds too much skepticism toward Lowe's stock as the home improvement industry remains pressured. Yet we believe the market is under-appreciating LOW's steady momentum in its target customer segment, consistent execution of its Total Home Strategy, and strategic steps toward increasing pro customer wallet share. So as Lowe's harvests the returns from its investments and the home improvement recovery unfolds, LOW should see outsized market share gains. This should allow LOW to be rewarded with a more premium multiple. At the same time, we think that the stock should be driven by an upward estimate revision cycle, as the consensus is currently forecasting an average 3.7% comparable sales growth from 2027-2029 (UBSe 4.0%) and average EPS growth of 7.6% during this timeframe (UBSe 13.3%). Our \$316 price target is ~22x our CY27 EPS estimate of \$14.70.
Marsh McLennan	Financials	Brian Meredith	Our top pick is Marsh McLennan (MMC). We believe multiples have bottomed from disappointing organic revenue growth in 2025 (-3-4%) due to more competitive pricing and slowing economic growth. We expect organic growth in 2026 to be in line with 2025, with potential upside, as we model ~3.9% firm-wide organic growth (RIS of 3.9%, Consulting of 3.8%), supported by an estimated 5% nominal GDP growth in the U.S. and benefits from elevated medical inflation costs for Mercer. MMC should also benefit from the data center opportunity, being one of the top Insurance Brokers worldwide. Margins should continue to expand, with our model projecting a 70 bps increase to 27.7% at the firm-wide level (30 bps ahead of consensus), driven by expense savings from its recent Thrive program. Valuation appears discounted at 18x NTM P/E, compared to a 5-year average of 23x.
Nextpower Inc.	Utilities	Jon Windham	Our top pick is Nextpower Inc (NXT). Non-tracker revenues comprise ~one-third of NXT's \$5.2bn FY2030 revenue target despite Nextpower having only spent \$332mm on M&A to-date. We estimate that the company will receive nearly \$2bn of incremental 45X Advanced Manufacturing tax credits between now and YE CY2030, which we expect to be redeployed into accretive M&A and further new product development, representing significant potential upside to the current FY2030 revenue target. Current consensus estimates for FY2030 revenues are \$5.4bn (UBSe \$6.3bn, +16%), within the company's guided FY2030 revenue target range of \$4.8-5.6bn and underestimating the potential scale of capital redeployment, in our view. We model for \$800m/yr of share repurchases beginning in CY2026, a relatively conservative proxy for additional M&A, in our view. Based on our \$125 PT, NXT shares trade at just 12x FY2030E P/E compared to 18x P/E based on consensus FY2030 EPS.
Ovintiv Inc	Energy	Josh Silverstein	Our top pick is Ovintiv (OVV). We see the acquisition of NVA's Montney assets and planned Anadarko Basin divestiture represents the best re-rating opportunity amongst E&Ps. The transactions add Montney resource depth, streamlines capital allocation, and most importantly, improves OVV's balance sheet and return of capital profile. We see OVV's current multiple reflecting concerns over its balance sheet and Midland inventory depth. Executing the Anadarko acquisition for \$2.5+Bn is the key catalyst to drive the stock higher. With OVV trading at 3.4x 2026 EV/EBITDA, we see \$50 WTI priced in to the stock vs. UBS/Strip at \$60/\$59, assuming our \$4.00 2026 HH deck.
PepsiCo Inc	Consumer Staples	Peter Grom	Our top pick is PepsiCo (PEP). We believe PEP is a buy as the company is one of the only large-cap names in our coverage to be on track to deliver +LSD/+MSD top-line growth and +MSD/+HSD EPS growth (we model +3.2% organic growth and +7.1% EPS growth, which are both ahead of consensus) all while trading at a significant relative discount to US large-cap multinational peers (~17.6x vs. ~21.7x 5-yr average). As such, as PEP (1) starts to execute on their commercial actions within PFNA in FY26, and (2) right sizes their cost base which will drive bottom-line growth, we see a path to multiple expansion in the next 12-18 months.
S&P Global Inc.	Financials	Alex Kramm	Our top pick is S&P Global (SPGI). We expect a supportive environment for the Ratings segment, which contributes 40% of operating income. In addition, we forecast continued acceleration in revenue growth in the Market Intelligence segment and see opportunities for margin expansion, both helped by continued portfolio optimization efforts. The planned spin-out of the lower-margin Mobility segment should result in a higher overall margin for SPGI and greater strategic focus. We forecast adjusted operating margins of 51.0% (vs. Street 50.8%) and 52.1% (vs. Street 51.4%) in 2026 and 2027, respectively, with room for further upside potential. AI disruption fears have weighed on the stock, compressing the multiple to 25x NTM consensus, which is below the 5yr median of 30x and the 10yr median of 27x. We believe these fears are overdone, with less than 5% of revenues facing disruption risk. On the contrary, SPGI's proprietary data and domain expertise should drive new revenue opportunities from AI.
Snowflake Inc	Information Technology	Karl Keirstead	Our top pick is Snowflake Inc (SNOW). We're Buy-rated on Snowflake shares, supported by tailwinds such as 1) rising customer focus on data migration and modernization driven by GenAI, 2) resilient AI and data spending amid macro uncertainty, and 3) growth from new products alongside stable core consumption, mid-to-high-20% Product revs growth in FY27/CY26E (UBSe 26% vs consensus at 24%). While Databricks poses competitive risks, we believe both companies can thrive within the expanding data software TAM.
SS&C Technologies Holdings Inc	Information Technology	Kevin McVeigh	Our top pick is SS&C Technologies (SSNC). Our bullish thesis with Street high \$112 PT is supported by higher levels of organic growth—4-8% organic 3Y target—amid crystallizing capital return as SS&C successfully deploys emerging technology across recurring financial services (~85% revenue) and benefits from automation/AI deployment. We see a company poised to benefit from perpetual, disciplined investments including strategic acquisitions—\$1.6b Blue Prism in Mar-22 and \$1.03b Calastone in Oct-25—almost \$500m of R&D spending in 2025E, which has increased almost 5x over the last decade. Collectively, this creates crystallizing capital return as evidenced by a recently announced \$1.5b buyback [-7% market cap] + 8% dividend boost to 27¢ [1.3% yield]. As the SSNC stock still trades at ~13x in line with its 5-year average, we believe the stock is still not fully discounting SS&C's structurally higher organic growth and strong capital return and should continue rerating.
Sysco Corp	Consumer Staples	Mark Carden	Our top pick is Sysco (SY). Sysco is now over a year past its shift in local sales compensation (which led to disruption), and it's starting to see tailwinds from its move to accelerate local salesperson headcount growth. From here, we see an opportunity for it to capitalize on disruption at US Foods, which is shifting its local sales compensation model to a fully variable structure. These dynamics should help Sysco narrow its local case growth gap with peers, which has been weighing on its multiple. We forecast a 4.1% US Foodservice sales CAGR for FY'25-FY'28, versus the cons. of 3.7% on the same metric. This increased growth should support a return to its EPS growth algorithm of 6%-8%, which we believe will further support multiple expansion. We model adj. EPS of \$4.60 (cons. \$4.59) in FY'26 and \$5.16 (cons. \$5.04) in FY'27.
Texas Instruments	Information Technology	Timothy Arcuri	Our semi top pick is Texas Instruments (TXN). TI is coming out of a multiyear capacity cycle and the Street underappreciates the extent to which capex is coming down in 2026. The company has suggested capex in the low ~\$2B range if revenue growth does not reignite with a new upcycle and our model's \$20.5B revenue/\$2.4B capex is consistent with that, while the Street is assuming both weak revenue of \$19.1B and high capex of \$2.9B—leading to FCF of just \$6.15 when the company has suggested it could be \$8+. With cyclical growth improving, as we assume, we are higher than management at \$9.38, and this translates directly to higher shareholder capital returns. Beyond 2026, we believe the company should regain the share it lost during the pandemic shortages (leading to idiosyncratic and incremental growth above the industry), TI's vertical integration make it the industry's absolute cost leader, and the investment cycle now ending should set TI up for very efficient capex over the medium- and long-term. Finally, with a strong ramp in FCF ahead, it does not take a heroic multiple to lead to substantial upside—our \$245 PT (38% upside) is just 21x our \$12+ 2027 FCF, consistent with TI's long-term multiple.
TPG Inc	Financials	Michael Brown	Our top pick is TPG Inc (TPG). TPG is at an inflection point, offering unmatched growth potential and peer leading growth trajectory through 2029. We see potential for margin expansion beyond consensus expectations (implying 2-3% EPS upside), supporting multiple expansion over time. TPG currently trades at a notable five turn discount to large-cap, balance-sheet-light peers, creating an attractive entry point for this long-term mid-cap compounder. Specifically, we expect 2026E-2027E fundraising to drive a 23% FRE/sh CAGR from 2025E-2028E, supported by 17% mgmt. fee CAGR and 900bps+ margin expansion through 2029E—positioning TPG for leading FRE growth among alts.
UnitedHealth Group	Health Care	AJ Rice	Our top pick is UnitedHealth Group (UNH). Earnings have been rebased conservatively at this point, and we expect positive variance over the new few quarters as management delivers incremental earnings upside. We forecast 2026E & 2027E EPS at \$18.00 & \$21.50 (vs consensus at \$17.76 & \$20.78 respectively). A favorable MA rate notice early next year would further support UNH's margin recovery efforts and strengthen the potential for higher than low double digits earning growth in 2027. The company's diversified business lines also help mitigate some of the headwinds related to Medicaid and the Exchanges better than its peers.
Woodward	Industrials	Gavin Parsons	Our top pick is Woodward (WWD). We see faster revenue growth and better margin expansion than the market expects, with a decade plus of visibility into aftermarket streams on the LEAP/GTF engines. Our part-by-part aftermarket build supports a 19% aftermarket CAGR through the end of the decade vs. consensus up low double digits, and WWD's below-average exposure to the legacy CFM56 engine means less risk/headwind if retirements increase. The Industrial business also has tailwinds from power generation, selling to fast growing customers like GEV and CAT. We are 4%/8% above consensus EBITDA and EPS in '26/'27 and even higher in the out-years.

Source: UBS

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: Can ACAD base business continue to grow?

Yes. We estimate ACAD base business Daybue and Nuplazid can generate \$1.22 bn (vs cons \$1.21 bn) in sales in 2026.

1) Daybue: ACAD has been focusing on penetrating the community setting with field-force expansion and education efforts. While ~75% of U.S. Rett patients are managed at the community setting, only 27% of the patients in the community setting have initiated on Daybue therapy so far. In addition, ACAD is preparing to launch Daybue in Europe. Mgmt expects a CHMP opinion in 1Q26, which would be crucial for acquiring marketing authorization in Europe. We currently do not carry any revenue for Europe, which could be a source of upside.

2) Nuplazid: We expect continued Nuplazid growth following the unbranded disease awareness campaign and traditional branded DTC campaign initiatives. Adding to the growth momentum, mgmt plans to expand customer facing field team ~30% (50 reps addition) in 1Q26, to target both community physicians and LTC facilities. We believe the sales force expansion could bring in additional growth to Nuplazid, which is promotionally sensitive.

Q: Can ACP-204 be successful in Alzheimer's disease psychosis (ADP)?

Yes, we view ACP-204 in ADP as an underappreciated opportunity, and model ~\$1.4bn risk-adj. peak sales with ACP-204.

1) No approved drugs in ADP so far: ADP market represents a significant commercial opportunity as no drug has been approved yet.

2) Trial designed to have a quicker timeline: The ACP-204 ADP trial is a seamless Ph2-Ph3 study, where Ph3 enrollment can start once Ph2 enrollment completes. We believe this setting can help with the timeline for ACP-204 potential launch in the ADP market. Mgmt expects topline data in mid-26.

3) Potential for lower cardiac risk factor: ACP-204 was designed to minimize/eliminate the potential cardiac side effect risk of the first-generation pimavanserin without compromising potency. As ACP-204 can be dosed higher than Nuplazid, it could confer greater efficacy with faster onset of action.

UBSVIEW

We rate ACAD a Buy. We believe ACAD can continue to grow its base business, we model estimate \$1.22 bn (vs cons \$1.21 bn) in Daybue and Nuplazid sales in 2026 (vs cons \$1.21 bn). In addition, we believe ACP-204 represents an underappreciated opportunity that can bring further upside, as it offset the negative impact from Nuplazid IRA or genericization. We note there is no approved drug for ADP yet, and model ~\$1.4bn risk-adj. peak sales with ACP-204 (vs cons ~\$0.7bn).

EVIDENCE

1) Daybue market model in Rett, 2) Nuplazid market model in Parkinson's disease psychosis (PDP), 3) Analysis of IQVIA data, 4) Review of scientific literature and competitive landscape for ADP

WHAT'S PRICED IN?

At current levels, ACAD stock valuation implies '30E revenue of \$1.4bn, vs our \$1.9bn. However, we believe ACAD's base business can continue to show strong growth with the renewed initiatives by ACAD. In addition, while investors are not giving much credit to the ACP-204 opportunity in ADP, we note ADP market offers an attractive opportunity as no drugs are approved.



Value drivers	Daybue '30E sales	Nuplazid peak market share %	ACP-204 risk-adj. peak sales (\$m)	EV/'30E sales multiple
upside (\$51)	\$650 m	50 %	\$2.3 bn	5.0 x
base (\$35)	\$576 m	40 %	\$1.4 bn	4.5 x
downside (\$18)	\$500 m	30 %	0 m	4.0 x

Source: UBS estimates

COMPANY DESCRIPTION

Acadia Pharmaceuticals (ACAD) is a commercial-stage biotech company. ACAD sells Nuplazid for Parkinson's disease psychosis and Daybue for Rett syndrome. ACAD has a deep mid/late-stage pipeline.

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: Can EPS Growth Accelerate Beyond 5-7%?

Yes. The company has talked about being above the LT earnings growth rate of 5-7% in '27 and '28, we think the company can grow earnings above their guidance in '27 and in '28. We estimate YoY earnings growth of 8.5% in '27 and by 10% in '28. Our estimate of \$4.09 in '28 implies 10% YoY growth driven from new generation investment to meet surging data center demand.

Q: Will the company sign agreements with additional data centers?

Yes. We think over the next 12 months the company will sign agreements with some of the 2-4GW of identified data centers mgmt has identified in their pipeline. The additional load from these data centers should we met with new generation. We think building new generation can take up to 5 years and should be fully incorporated into earnings in the later part of the decade into the early 2030s.

Q: Is affordability a concern?

No, not in the near term. The likely approval of the Wisconsin rate case settlement will provide two years of regulatory clarity, while the [deal approved in Iowa in 2024](#) will keep the company out of a rate case in that state through the end of the decade.

UBSVIEW

We rate shares of LNT as Buy as we think the recent Madison data center agreement should accelerate capex plans and push rate base growth to around 13% through 2029E, creating an upward bias for potential earnings revisions. Favorable settlement terms in the Wisconsin rate case and orders in the Iowa rate case and suppressed valuation create a unique buying opportunity.

EVIDENCE

Current contracted load growth exceeds what is in the company's stated capital plan. After the company introduces their new capex plans during their third quarter update, this historically translates to positive EPS revisions. The regulatory deals in Iowa and Wisconsin afford LNT the ability to earn at or better than authorized returns. The combined effect of accelerating load growth, capex plans and supportive regulation represent the support for a constructive outlook.

WHAT'S PRICED IN?

On our updated '28 EPS estimates we see the company trading at a ~4% premium to peers, a valuation we see as unwarranted given the improved growth opportunities, low risk capital deployment opportunities, and favorable regulatory backdrop. We see little to no value being ascribed for data center growth which we think given the size of the opportunity relative to LNT can be a substantial growth opportunity. Using our target multiple of ~17.6x, the share price implies 2028 EPS of ~\$3.70 vs our estimate of \$4.09.

UPSIDE/DOWNSIDE SPECTRUM



Value drivers (2028E)	Group vs Baa Corp Bonds	EPS Growth	Prem/Disc	Regulatory Rank	Earnings Consistency	Pricing Power
\$84 upside	5%	10%	10%	10%	10%	0mm
\$79 base	5%	2%	6%	6%	0%	0mm
\$56 downside	5%	-5%	-5%	-5%	-5%	0mm

Source: UBS estimates

COMPANY DESCRIPTION

Alliant Energy is a utility holding company that maintains its principal executive offices in Madison, WI. Alliant Energy's focus is to provide regulated electric and gas service to approximately 985,000 electric and 425,000 gas customers in the Midwest (primarily in Iowa and Wisconsin) through its utility subsidiaries, IPL and WPL. Through a subsidiary of WPL, Alliant Energy owns 16% of ATC (American Transmission Company).

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: Can Amazon sustain faster Gross Merchandise Value (GMV) growth and resulting share gains for the e-commerce segment?

Prospects for sustaining faster pace of GMV growth and share gains (across 1P and 3P merchants) rests on a higher level of service and raises the consumer's consideration to purchase a wider array of products. Fulfillment regionalization efforts should also help to increase the amount of merchandise which qualifies for one/same-day delivery. Amazon has also take more aggressive steps into groceries as it lowered free shipping thresholds and eliminated a separate subscription requirement.

Q: Will AWS growth continue to accelerate in 4Q25 and into 2026?

Particularly as an output of the rising capital intensity for the segment, which saw CapEx rise from \$24.8B in 2023 to \$53.3B in 2024 and ~\$86.8B for 2025E. Like the other Internet Megacaps, the CapEx and associated D&A have been incorporated into the P&L. That said, we believe that we are only beginning to see the early signs of the topline accel. Reported AWS rev came in at 20% YOY in 3Q25 vs 17.4% in 2Q25. New wins in Oct 2025 was also as much as 3Q25 in its entirety suggests accel. as its exiting performance obligation (backlog) for 4Q25 should be ~\$240B, which should result in incremental momentum in 2026.

Q: Can Amazon's e-commerce segment margin expansion continue?

Although it is difficult to calculate what management has termed "cost to serve" with existing disclosure, tracing the spread between unit growth relative to shipping cost growth remains a good proxy to show improving unit economics. As of 3Q25, units grew 11% vs shipping cost at 8% vs 12%/6% in 2Q25 and 12%/8% in 3Q24.

UBSVIEW

We have characterized AMZN shares as a "coiled spring" for some time as it is set to benefit from multiple investment initiatives, encapsulated by the higher CapEx and OpEx bill through 2025-2026 to AWS/genAI infrastructure, Leo (formerly Project Kuiper), sports licensing, and e-comm same-day delivery. Signs of higher rev potential are starting to emerge: 1) AWS rev accel. to 20% growth in 3Q25, 2) AWS new wins in Oct was as much as 3Q25 suggests exiting performance obligations (backlog) for 4Q25 should be ~\$240B, 3) e-comm margin expansion as unit growth outpaced cost by 3pts in 3Q25, 4) high-margin rev stream from Prime Video ads, 5) re-entry into groceries, and 6) costs related to the aforementioned investments are in our model with minimal rev incorporated.

EVIDENCE

1) Expert opinion on budget growth into its advertising business, 2) eMarketer's projections for US retail and e-comm sales, 3) US government retail data, and 4) UBS Evidence Lab data.

WHAT'S PRICED IN?

We value AMZN shares on a Price to Free Cash Flow methodology given the company has always anchored its conversations with investors around FCF generation. Our P/FCF valuation is based on a 30x multiple and towards the low-end of its historical 3-year trading range of 23.6x-87.9x and below the 41.6x average. That said the 30x multiple is arguably conservative as the rev upside from the aforementioned investments are not fully priced into estimates.

UPSIDE/DOWNSIDE SPECTRUM



Value drivers	Implied Upside/Downside	Revenue 2-YR CAGR Growth	Free Cash Flow Margin	Free Cash Flow Multiple	Free Cash Flow Estimate (\$B)
\$409 Upside	81%	13%	14.5%	35x	\$128.0
\$310 Base	37%	12%	13.3%	30x	\$113.9
\$178 Downside	(21%)	10%	10%	24x	\$82.9

Source: UBSe

COMPANY DESCRIPTION

Amazon.com is a customer-centric company providing for three customer sets: consumers, sellers, and enterprises. It operates a range of businesses including e-commerce/retail, cloud services, TV streaming, digital advertising, and financial services.

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: Can American Tower sustain MSD domestic organic revenue growth?

Yes. Ongoing 5G coverage deployments, along with capacity enhancement to support 35% annual growth in mobile data usage, is driving MSD domestic organic revenue growth for AMT. This includes 3-3.5% fixed escalator, 1-2% churn (at the high-end of the range in 26 due USM churn, but trending to <1% in 27/28) and ~3% new leasing growth. AT&T's purchase of Echostar spectrum should accelerate amendment activity in 50% of its towers in 26/27 while deployment of dual 600/700 MHz spectrum down the road likely provides further upside. Meanwhile, FWA subs are growing for all carriers and now represent ~50% of US mobile traffic. We also note that current usage trends don't include any upside from potential use cases that could emerge with the adoption of AI and the need to deploy equipment to support uplink activity. In addition, record leasing volumes and strong pricing are supporting double-digit growth for AMT's data center business with AI driven demand likely to sustain performance in the future.

Q: How will international markets contribute to AMT's growth trajectory?

AMT has been refocusing efforts on developed markets to improve visibility to growth and profitability. Roughly 25% revenues come from emerging markets with mid-teens growth in Africa and ~3% growth in LATAM (pressured due to consolidation churn through 27). Trends in Europe are similar to the US with limited exposure to potential consolidation in the region and strong demand for new leasing. We believe these markets in aggregate will be accretive to growth for several years.

UBSVIEW

We are Buy Rated on AMT. Echostar's decision to wind down its network has contributed to recent share underperformance, but we believe carrier activity remains strong and see this as a buying opportunity with valuation at support levels. US carriers are continuing to deploy the 5G coverage layer while adding incremental capacity to support growing mobile data usage, including FWA which now makes up 50% of US mobile traffic. In addition, its data center business, CoreSite, generates double-digit growth with peers trading at ~20x. Along with solid growth internationally, AMT is set to grow AFFO at M-HSD for several years, supporting similar growth in dividend per share. The company also resumed its share buyback program, providing ~5% yield, including the dividend.

EVIDENCE

U.S. wireless capex reached \$40B+ in 2022, a record level, as all carriers were active with network deployments. This spend moderated to \$36B in '23 and \$33B in '24/25. Higher service revenue, a leading indicator for future tower leasing, and industry commentary has pointed to inflecting carrier activity. American Tower has holistic master lease agreements with carriers, helping lock in growth and smoothing the volatility in carrier spending levels. In international markets, greater POPs per cell site, lower 4G/5G penetration, strong data traffic growth, upcoming spectrum auctions and firm pricing with protection against RAN sharing support strong underlying growth.

WHAT'S PRICED IN?

The stock trades at 15x 2027E AFFO, at multi-year lows. Shares have pulled back due to concerns about Echostar churn and the risk of moderating carrier activity but we believe MSD organic revenue growth and HSD AFFO/sh growth is intact and current valuation provides a favorable risk-reward.



Value drivers ('26E)	U.S. Organic Rev growth	Int'l Organic Rev growth	AFFO/sh growth
\$270 upside	6%	8%	7%
\$260 base	4-5%	5-6%	6%
\$155 downside	<4%	3%	2%

Source: UBS

COMPANY DESCRIPTION

American Tower is a REIT that owns and operates wireless communications towers in the U.S., Latin America, Europe and Africa. Site rental is the company's primary line of business with over half of tower rental revenues generated in the U.S. The company also owns data centers in the U.S.

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: Can revenue grow at least mid-teens the next 3-years?

Yes. We forecast Arista to grow revenue at least mid-teens over the next 3-years (UBS *e* ~17%) following a 27% CAGR over the prior three years. Investments in data center capex over the next three years by the top 4 US hyperscalers should increase at a 35% three year CAGR while enterprise data center capex should increase at a low-double digit CAGR over the same period. Given over 50% of Arista revenue comes from the top cloud providers, our analysis indicates our CY26 revenue growth estimate of 21% should be materially conservative. Moreover, strong YoY growth in metrics like deferred revenue, finished goods inventory, and even purchase commitments are solid leading indicators supporting strong revenue growth in CY27 as well.

Q: Can Arista's operating margins remain in the mid 40s% or higher?

Yes. In late 2025, Arista updated its long-term model targeting a gross margin range of 60%-64%, operating margin of 43%-45% through FY29. While customer mix between cloud/enterprise customers will impact the gross margin, over the cycle, Arista's average gross margin the past five years has been ~64%. Therefore, with our forecast of operating expenses as a percentage of revenue in CY26-CY28 of 17.3%, 18.3%, and 18.1% respectively, near-the mid-point of the long-term guide of 16.0%-19.5%, we conservatively expect Arista to deliver operating margin of ~ 45% the next three years.

UBSVIEW

We rate Arista shares a Buy as we expect CY26 revenue to solidly beat the current guide of 20% growth or \$10.75 leading to positive EPS revisions while Arista's NTM P/E consensus multiple has compressed to ~39x from ~55x at the beginning of the 2025. In addition, given strong underlying financial metrics like deferred revenue, we believe the market should focus on CY27 earnings power approaching \$4.00 putting the shares at roughly ~31x out year EPS, undemanding in our view given at least high-teens revenue growth the next three years.

EVIDENCE

Key financial metrics including 'deferred revenue', and 'finished goods' inventory all notably accelerated in the most recent quarters increasing visibility that Arista's revenue growth should come in comfortably above the company's calendar 2026 revenue guide of 20% as ethernet based AI switching revenue is expected to grow at a 100% CAGR from ~\$1B in CY24 to ~\$8.4B in CY27 according to Dell'Oro.

WHAT'S PRICED IN?

Arista shares are trading at ~38x our CY26E EPS estimate of \$3.31, ~30% below the NTM P/E multiple high of 55x. Our valuation analysis indicates the market is pricing in mid-teens revenue growth and limited margin expansion despite our expectation that data center capex should grow over 20% in CY26 & CY27 and at least mid-teens in CY28.

UPSIDE/DOWNSIDE SPECTRUM



Value drivers CY27E	Rev growth %	Gross margin %	Op margin %	Diluted EPS
\$225 upside	30.5%	62.7%	46.1%	\$4.34
\$155 base	20.5%	63.0%	44.7%	\$3.81
\$70 downside	8.9%	60.0%	42.9%	\$3.48

Source: UBS estimates

COMPANY DESCRIPTION

Arista Networks, Inc. is a supplier of cloud networking solutions that use software innovations to address the needs of large-scale Internet companies, cloud service providers and next-generation enterprise customers.

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: How significant of an impact will the acquisition of DFS have on COF's earnings power?

The impact will be transformational. We project pro forma COF will earn ROTCE between 20-23% in the four full years after closing, vs. COF's ~14% recent 10-year average – this could prove conservative as we assume CET1 of >13% over that time period (200bp+ above COF's 11% long-term CET1 target) and assume moderate revenue synergies. We think COF can generate EPS in the mid-\$20s to ~\$34 over the medium term, vs. '24 of ~\$14 for the standalone company. To note, our estimates assume pre-synergy expense growth of 6% — in-line with COF's run rate during its tech transformation — and does not take into account revenue synergies above the company's pre-identified network synergies.

Q: With the deal now closed, what is the outlook for capital?

We model CET1 of 14.3% at YE25, well above COF's historical LT target of 11% and regulatory minimum of 9%. Given this and capital generation of ~60-70bps per quarter in 2026, we model \$3bn of buybacks this year and \$53bn over the next four years - which we think is conservative as we maintain 13%+ CET1 over our forecast. COF announced a \$16bn buyback authorization in October, and management indicated that share repurchases will increase.

UBSVIEW

We are Buy rated on COF. Rare is the transformational story in banks that goes from "good" to "great." Bank investors are more used to inflections from "challenged" to "average." In the case of COF/DFS, we see an opportunity for investors to own a vertically integrated payments platform and card juggernaut where COF leverages DFS's credit and debit networks to earn revenue without taking balance sheet or credit risk and lowers its natural cost of funding - driving synergies beyond typical bank mergers. Our '26-'29 estimates are above consensus, which reflects our belief that COF/DFS merger synergies will generate profits above street expectations. This profitability change and the long-term potential of gaining credit network market share should drive a multi-year re-rating of the stock.

EVIDENCE

The COF/DFS merger created the second vertically integrated payments platform globally (other is AXP). DFS boasts a credit and debit network, and as one of the four domestic credit card networks - and well behind V, MA, and AXP - the DFS credit network gives COF an opportunity to earn revenue without taking balance sheet or credit risk. DFS's debit network is exempt from the Durbin Amendment given its ability to directly deal with merchants, which allows DFS to generate debit discount/interchange fees ~50-75bp higher than those on V or MA rails. This is notable on its own, and allows DFS to offer a unique deposit product (cashback debit) that other banks cannot.

WHAT'S PRICED IN?

Our \$270 PT implies +14% upside from current levels. Consensus does not appear to be pricing in the full benefits of the transaction, given our '26E EPS of \$22.37 vs. consensus '26E EPS of \$20.52. Applying our 12x target multiple on the current stock price implies the market is pricing in \$19.82 in EPS power.

UPSIDE/DOWNSIDE SPECTRUM



Value drivers	Avg. Earning Asset Growth	NIM Expansion	Fee Income Growth	Expense Growth	NCO Rate	ROTCE
\$330 upside	14%	72bp	25%	13%	3.00%	22.0%
\$270 base	12%	53bp	23%	14%	3.27%	19.9%
\$207 downside	6%	34bp	20%	15%	4.00%	18.0%

Source: UBS Estimates

COMPANY DESCRIPTION

Capital One is a financial services company specializing in credit cards, auto lending, and banking.

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: Can Cisco beat its FY26 revenue target of 4% to 6%?

Yes. We conservatively forecast FY26 revenue growth of ~6% or \$60B driven by strength in AI orders at hyperscalers like Meta and initial Campus orders as the market is poised for a refresh cycle following years of companies sweating assets. Moreover, Cisco's rebooted 'Security' portfolio should accelerate through FY26 as "next generation" products that are growing > 20% comprise a larger percentage of the revenue mix.

Q: Can Enterprise and Sovereign demand for AI be a revenue tailwind in FY27 and beyond?

Yes. While AI related infrastructure capex has been largely driven by the large hyperscalers and Tier 2 / Neoclouds, large Enterprises and Sovereigns are investing in AI proof of concepts that should convert into revenue in FY27 as evidenced by checks that indicate are approaching \$1 billion, up from several hundred millions as of the end of last quarter.

UBSVIEW

We rate Cisco shares Buy as we expect FY26 revenue growth to exceed the 4% to 6% guide with continued strong growth in FY27 driven by AI strength as the company has secured over \$2B in AI orders from webscalers while closing in on \$1B in Enterprise/Sovereign related orders. In addition, a 'Campus' refresh cycle should be a key tailwind the next two years given \$10s of billions of the base is 5-15 years old. Finally, Cisco's rebooted Security portfolio should accelerate in FY26 as next gen orders from products like Hypershield are growing >20%. Therefore, we believe Cisco's earnings should reach \$4.74 in CY27 (VA Cons \$4.62) putting the shares at an undemanding 16x. As growth accelerates, we expect Cisco's NTM P/E multiple to sustain at least 19x, still over a 20% discount to the S&P 500 and large cap tech companies with inferior outlooks, driving our \$90 price target.

EVIDENCE

AI orders of \$2B that beat expectations of \$1B, next-gen Security orders growing at least 20% and a Campus refresh order cycle that should begin in earnest in a couple of quarters given the age of the Cat9K installed base is ~8 years old should drive revenue growth above the 4%-6% target. Additionally, data center capex growth at the top 4 US hyperscalers should conservatively grow at a 20% CAGR the next three years with a bias higher driven by AI investments is a strong tailwind for revenue growth.

WHAT'S PRICED IN?

Cisco shares are trading at ~19x our FY26 EPS estimate of \$4.13, a steep ~18% discount to the S&P 500 despite our forecast of a 10% EPS CAGR the next 3 years. Moreover, our analysis indicates the market is pricing in a 3%-4% revenue CAGR and a ~5% EPS CAGR over the next 10 years, below our forecast.

UPSIDE/DOWNSIDE SPECTRUM



Value drivers FY27	Revenue growth	Gross Margin	Op Income growth	Operating Margin	Diluted EPS
\$104 upside	7.1%	68.3%	9.6%	35.3%	\$4.75
\$90 base	5.2%	68.0%	6.0%	34.7%	\$4.53
\$58 downside	1.9%	67.5%	-0.2%	33.7%	\$4.22

Source: UBS estimates

COMPANY DESCRIPTION

Cisco is a leading vendor of Internet Protocol (IP) based networking equipment for transporting data, voice, and video.

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: Will Biotechnology Continue to Grow HSD %+?

Yes. Danaher is a well positioned supplier of bioprocessing consumables that, with post-pandemic destocking now concluded, should be able to grow at least in-line with the HSD %+ growing monoclonal antibody market that comprises ~90% of demand. Additionally, following several years of declining sales, we believe Danaher's idiosyncratically positioned bioprocessing equipment business, which is indexed to downstream applications among peers, is likely to stabilize in 2026 and improve thereafter with potential reshoring demand.

Q: Will Life Sciences See Demand Recover?

Yes. We believe academic and government demand is likely to remain muted and pressure Danaher's Life Sciences business in 2026 as a result of continued funding uncertainty in the United States. With that said, we believe biopharma R&D spending will modestly recover in 2026 due to easing policy uncertainty - overshadowing continued academic/government weakness. We believe that even a modest recovery in biopharma R&D would be upside to investor expectations given the segment's conservatively framed outlook.

Q: Will Momentum in Diagnostics Accelerate Growth?

Yes. We believe fading headwinds (China pricing/reimbursement initiatives, a y/y decline in respiratory testing) combined with upcoming product launches (i.e. blood virus testing on Beckman, Cepheid menu expansion) create a pathway for Danaher to accelerate MSD % Diagnostics growth in 2026.

UBSVIEW

Our Buy rating on Danaher (DHR) reflects our view that several of Danaher's major business segments are well positioned to outperform expectations. Bioprocessing should benefit from fading equipment headwinds and an eventual reshoring rebound; Life Sciences has been framed for the bottom; and momentum in diagnostics (respiratory strength, future product launches, and fading China headwinds) provides another avenue for outperformance.

EVIDENCE

Our forecasts are based on an analysis of Danaher's business mix, historical performance, industry benchmarks, and peer results, with consideration of the temporal impact of the COVID pandemic.

WHAT'S PRICED IN?

Danaher is priced around ~21.5x TTM adj. EBITDA, a ~1x (~5%) premium Tools peers, suggesting that investors are pricing in attractive business attributes relative to Tools peers (e.g., well positioned business mix, well managed).

UPSIDE/DOWNSIDE SPECTRUM



Value drivers	2025-2027e Revenue CAGR	Revenue (\$)	EBITDA Margin (%)	EBITDA (\$)	EBITDA Multiple
\$305 upside	6.9%	\$27.7B	35.9%	\$9,956	23.0x
\$265 base	4.9%	\$26.6B	32.9%	\$8,740	22.5x
\$200 downside	3.9%	\$26.2B	30.4%	\$7,963	19.0x

Source: UBS Estimates

COMPANY DESCRIPTION

Danaher is a diversified Life Science Tools supplier headquartered in Washington D.C. The company operates through three segments: Biotechnology, Life Sciences, and Diagnostics.

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: How much can the global footwear industry grow?

We expect it to rise at a 3% to 4% CAGR, highly skewed to sports footwear. Athleisure should continue driving this category at a compelling mid- to high-single-digit annual pace, underpinned by leading industry players like Nike pushing for innovation and prevailing themes like casualization and healthy lifestyles. Deckers should benefit from this trend as athleisure covers sports (i.e. HOKA brand) and comfort shoes (i.e. UGG).

Q: Can Hoka return to delivering +DD% direct-to-consumer (DTC) channel sales growth?

Yes. While choppiness in the transition from the Bondi 9/Clifton 10 franchises in the US and price increases related to new US tariff policies likely weigh on US DTC sales growth in FY26, we believe Hoka DTC sales growth rate will accelerate in FY27 to the +LDD% range as Hoka expands further into the training, lifestyle, and apparel categories, and continues to expand its global retail footprint. This +LDD% rate reflects +MSD% growth in the US and greater than +20% growth in international markets, led by very robust growth in APAC.

Q: Can DECK deliver higher operating margin expansion?

Yes. We expect EBIT margins expand to ~23% by FY30E. DECK's margins should benefit from a mix shift to DTC given higher digital sales and SG&A leverage in the medium term as HOKA gains scale, partially offset by tariff-related headwinds.

UBSVIEW

We rate DECK Buy. We think Deckers' sales and EPS outlook justify a high valuation. We estimate its high-growth brand, HOKA, drives a ~13% 5-year consolidated top-line CAGR and believe this makes DECK one of Softlines' best growth stocks. Our quant analysis shows growth stocks have outperformed within the Softlines space over the past 25 years and we think the trend will continue. We see a solid LT upside/downside skew.

EVIDENCE

UBS Evidence Lab Google search and social media analyses support our bullish view of the company's ability to grow sales. Meanwhile, Euromonitor data points to a 3% to 4% 5-year CAGR for the footwear industry, underpinned by a stronger sports footwear category (+8%) outlook.

WHAT'S PRICED IN?

Our reverse DCF analysis suggests the market is pricing in a +MSD% 5-year EPS CAGR, below our estimate of ~9%.

UPSIDE/DOWNSIDE SPECTRUM



Value drivers	Revenue Growth	Δ Gross Margin	Δ SG&A % Sales	Op. Margin 2030	Annual Δ Share Ct.	EPS Growth
5Y avg.						
\$239 upside	13.3%	+44 bps	+6 bps	25.6%	-2.1%	15.9%
\$157 target	9.0%	+1 bps	+13 bps	23.1%	-2.0%	9.1%
\$48 downside	4.3%	-43 bps	+58 bps	18.6%	-1.9%	-0.6%

Source: UBS estimates.

COMPANY DESCRIPTION

Deckers Outdoor Corp is a company engaged in designing, marketing and distribution of mainly footwear, as well as apparel and accessories for lifestyle and high-performance activities. The company distributes its products through the direct-to-consumer channel (including company-operated stores and eCommerce) and wholesale. Its offerings include brands such as UGG, HOKA, and Teva, among others.

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: Will Deere's Large Ag sales grow in FY27?

We expect so. We expect global large ag machinery retail demand will return to growth in late '26 or early '27. We think the historical buying patterns suggest a replacement cycle should begin, and lower interest rates, relatively more clarity around trade policy, restored 100% bonus depreciation, more balanced inventory, increased government support for farmers, and an upside skew for corn/soybean prices should help support a recovery in demand in NA into '27. Demand in Europe is improving, and Deere's guidance assumes stabilization in SA. During Deere's recent earnings call, its CEO signaled that 2026 likely marks the bottom of the NA large ag cycle.

We think NA large ag machinery retail demand will be down 15%+ in '26, with improvement over the course of the year. After a ~17% decline in DE's P&PA sales in '25, we model moderating declines through FY26, with an inflection to positive growth in 1Q27 (15%) as we expect DE will be supplying dealers to support improving retail demand. We model 15% growth in P&PA sales in FY27.

Q: How much margin expansion will Deere deliver in FY27?

We expect operating margins to increase by ~350bps in FY27E to 15%, after declining ~115bps in FY26E. For FY26, we model a -36% incremental margin for total equipment operations, as tariff costs and mix headwinds weigh on profits. This is partly offset by operational improvements/efficiency, cost takeouts, and some pricing. In FY27E, we model a ~44% incremental margin, which reflects the volume uplift we expect, as well as improving price vs. cost.

UBSVIEW

We rate DE a Buy. We expect FY26 to be the last year of DE's earnings downturn before an upcycle in '27. Historical buying patterns suggest the downcycle in ag machinery sales is close to running its course. Lower interest rates, restored 100% bonus depreciation, increased gov't support for farmers, and an upside skew for grain prices should help support a recovery into '27. Near term, we expect a somewhat challenging start to the year (particular Q1, due to low production and tariff costs), but we expect investor focus to shift to '27 and the start of an upcycle as the year progresses. Deere's recently announced 2030 mid cycle EPS target of ~\$40-\$45 was higher than we would have expected, and if realized within the timeframe, supports additional upside to the stock.

EVIDENCE

NA >100HP tractor sales have ranged from ~20-43k units over the past ~20 years, and are currently running at ~21k. We expect sales will reach trough levels over the coming months. Lower levels have not been seen since 2003-04 (~17.5k). Downturns for high HP equipment typically last ~2 years, and as much as 3 years; this downcycle started ~2 years ago. Corn and soybean prices have been improving in recent months. Brazil combine shipments inflected positively in May after 19 months of declines (neg again in Oct); Brazil tractor sales are improving.

WHAT'S PRICED IN?

Using our ~23x P/E, the stock is pricing in ~\$20.00-\$21.00 of EPS, vs. our \$22.95 estimate for FY27.

UPSIDE/DOWNSIDE SPECTRUM



Value drivers (27E)	P&PA revenue growth	SA&T revenue growth	C&F revenue growth	Op. margin	P/E
\$596 upside	17.0%	12.0%	12.0%	17.0%	22.5x
\$535 base	15.0%	10.1%	9.9%	15.1%	23.3x
\$417 downside	-2.0%	-3.0%	-4.0%	13.6%	23.0x

Source: UBS

COMPANY DESCRIPTION

Deere & Co makes and distributes agricultural and construction equipment, primarily for commercial use but also for consumer use. The company also provides credit services, including retail, wholesale, and lease financing. Its Production and Precision Agricultural segment accounted for 38% of FY25 sales, Small Ag & Turf segment accounted for 22%, and Construction & Forestry accounted for 25%.

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: Can GMNA EBIT-adj. margins recover to 8-10%?

Yes and we see the potential for margins, over time, to exceed 8-10%. Post disclosure of GM's net tariff exposure, we estimate that GM's existing 8-10% NA margin target becomes more like 5-7%. However, we see tailwinds from 1) potential further tariff relief, 2) reduced regulatory expense, 3) richer vehicle mix, 4) continued fixed cost reduction efforts, 5) potential to take price (which may be aided by rate cutting cycle). UBS currently forecasts GMNA getting back near the low-end of the 8-10% range as early as next year.

Q: Can the US market support a richer mix (more full-size pickups, SUVs) of vehicles?

We believe so. While purchasing regulatory credits and/or selling lower profit smaller (or EV) vehicles was a "cost" towards selling the high profit margin trucks that goes away, we believe there have been times that GM also under-shipped to demand. With little emissions regulations holding GM back and a potential US capex cycle driven by AI data center and infrastructure build as well as a potential rebound in housing starts, we see scope for mix of full-size pickups and SUVs to move higher. While the magnitude of the shift is not clear, a 1% shift is only ~33k units, but could be worth ~\$400mm in EBIT.

UBSVIEW

We are Buy rated on GM. We believe GMNA margins recover to 8-10% range given a benefit from 1) tariff relief, 2) lower emissions/fuel economy regulatory environment leading to a richer mix of vehicles, 3) continued cost savings. Further, we view GM as a potential beneficiary from US rate cutting and US capex cycles. The strong FCF profile and a capital allocation policy that supports share repurchases aids EPS growth and should add support to the shares.

EVIDENCE

Our detailed analysis on GM's historical sales mix trend, our understanding of the changing environmental regulatory landscape and historical shifts in higher margin vehicles during industrial cycles inform our view to earnings upside for GM. Our work has informed our differentiated view from the street, that margins in GMNA can return to 8-10% even in a tariff environment given other changes in the market that are not being fully appreciated.

WHAT'S PRICED IN?

Using our 6x 2027 P/E multiple, the market appears to be assuming \$13.47 in 2027 EPS vs. UBSe at \$16.20.

UPSIDE/DOWNSIDE SPECTRUM



Value drivers	2027 Total EBIT	2027 EPS	P/E
\$112 upside	\$17.2bn	\$17.22	7x
\$97 base	\$16.2bn	\$16.20	6x
\$54 downside	\$12bn	\$12.00	5x

Source: UBSe

COMPANY DESCRIPTION

General Motors, founded in 1908, is a global producer of cars and trucks. General Motors' automotive business operates through two segments: GM North America and GM International, which it sells under the following brands: Chevrolet, Cadillac, Buick, GMC, Baojun, and Wuling. General Motors also provides financial services through GM Financial. General Motors is headquartered in Detroit, MI.

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: Can JCI organic sales growth improve to mid single digit%+?

Yes, we see potential for 5%+ annual revenue growth in FY26 and beyond supported by greater concentration of high-growth Applied commercial HVAC and increasing share of high-margin stable service business. We estimate 7.5% CAGR growth for the company's applied commercial HVAC business (46% of revenue), with mid single growth across fire and security (44% of revenue) and other verticals (10%). Overall this leads to **JCI's** weighted average organic growth of 5%-6%. Field orders growth (+8% avg since 2021) and improving backlog (65% of next 12 months JCI sales vs 40% in 2019) also indicate upside to revenue expectations.

Q: Can JCI expand EBIT margins to high-teens% over the next three years?

Yes, we project EBIT margins improving from 13% in FY25 to 17% in FY28, driven by volume leverage, productivity as well as reduction in stranded costs (corporate overhead moving from 2% in FY25 to historical average of around 1% in FY28). While execution of announced multi-year restructuring plan (\$500 million annual run-rate savings) is important, we see opportunity for meaningful G&A cost leverage. We have noted in the past JCI's meaningful productivity opportunity. For example, the company is second to last among our coverage with respect to EBIT per employee, which reflects its huge cost base that could be better leveraged with higher service attachment. We note, if JCI narrowed its gap to other HVAC peers **CARR** and **TT** by half, it would equate to an over 40% uplift in profits. To be sure, this reflects the scope of JCI's service business relative to competitors, though it could also be an opportunity with recent new CEO appointment. Strong growth, simpler structure and focus on cost reduction should allow the company to achieve higher than 30% incremental margin target over the next few years. The bottom line is we see meaningful incremental margin potential, and we view the company's ability to execute as better following strategic actions and new management appointments.

UBSVIEW

We are Buy rated on JCI, based on upside potential from earnings growth and valuation re-rating. We see potential for 60% earnings upside over the next three years (FY25–FY28), driven by structural self-help, margin catch-up, and robust capital returns. Our constructive view is anchored in a structural margin improvement opportunity, catalyzed by the company's new leadership. We note the new, outsider CEO Joakim Weidemanis, oversaw 600 basis points of operating margin improvement (from 20.8% in 2020 to 26.8% in 2024, equating to 46% cumulative incremental margin) during his tenure as head of Danaher's Diagnostics business. When overlaying this with JCI's margin opportunity, we have greater confidence in the profit improvement potential.

EVIDENCE

Our analysis of order and backlog trends and profitability support significant upside to consensus earnings expectations.

WHAT'S PRICED IN?

We think the current stock price reflects +3% organic sales CAGR and 14% EBIT margin.

UPSIDE/DOWNSIDE SPECTRUM



Value drivers	2-yr organic sales CAGR	EBIT Margin	P/E
\$171 upside	7.5%	17.0%	~29x
\$140 base	5.7%	16.0%	~26x
\$83 downside	3.0%	13.6%	~20x

Source: UBS estimates & analysis

COMPANY DESCRIPTION

JCI is a leader in building products, systems and services including commercial HVAC, industrial refrigeration, controls, and fire & security.

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: Can LIN get back >10% EPS growth a year?

Yes, we believe LIN can transition to 10%+ growth in the 2H of 2026, and then model a medium term CAGR of ~11% adj EPS growth. We think growth improves from ~6% in 2025e to >10% as LIN laps volume declines from a weaker macro, particularly Europe, and laps pricing declines in Helium and rare gases. Our estimates for 2026 assume no macro growth. If we get back to more normal 1-2% base volume growth, then we think there is another 1-3% upside to our estimates

Q: Can LIN continue to expand segment margins by >30bps a year?

Yes, we model margin expansion of ~50bps a year in our forecast. This is driven more by cost savings and pricing near term. Longer term we see volume growth also helping support EBIT growth that is ~2x volume growth.

Q: Can LIN maintain a \$7B+ project backlog?

Yes, we believe LIN can maintain a \$7B+ backlog over the next year. We do conservatively model a step down after larger projects (still \$6B+) in 2027, and expect this can grow with new announcements. LIN has a \$7B Sale of Gas backlog currently, up from ~\$4B a few years ago. We think there is a larger opportunity set out there for similar clean energy related projects and there is a high potential for large new wins in electronics (multiple >\$1B projects) .

UBSVIEW

We have a Buy rating on LIN as we believe the stock is at an attractive 2.8x up/downside skew, and we think an acceleration in EPS growth in 2026 will be a positive catalyst. LIN is currently trading at ~10% discount to its average, consistent with where the stock has been when investors have shown lower confidence in growth. We think there are factors in 2025, that will not repeat in 2026, that will raise adj EPS growth from ~6% to ~9-10% Y/Y. Then more backlog start-ups over 2026-27 helps by another 1-2%. Overall we model adj EPS growth of ~9% in 2026 with no macro growth, and see adj EPS accelerating to ~11% CAGR in our medium term forecast.

EVIDENCE

LIN has managed to deliver mid-teens-plus EPS growth over 2019-2023 in a more challenging macro environment. EBIT margins have improved ~200bps a year over the last few years. EBIT margins are up ~50bps Y/Y in 2025. Incremental margins have been in the 40%+ range, with Europe setting a higher bar for the other segments to reach (500-600bps higher). LIN space opportunity (rocket fuel) is real, at 1.5% of sales this could grow 3-5x (up to 10x), which could add ~50-150+ of annual volume growth for all of LIN.

WHAT'S PRICED IN?

Using a reverse DCF we think LIN stock is pricing in ~\$2.8B in lower op income than we model by 2029. This translates to ~\$4.50 in EPS which would reduce our 2029 EPS by near 20%. Over a 4 year period that would reduce our adj EPS CAGR by ~4%, reflecting the market pricing in ~6-7% CAGR vs our ~11% estimate.

UPSIDE/DOWNSIDE SPECTRUM



Value drivers	2026E Volume Growth	2026E Pricing Growth	2026E Op. Margin	NTM EPS end SepQ27	NTM EPS Multiple
\$560 upside	4%	4%	31.5%	\$19.95	28x
\$500 base	2%	3%	30.5%	\$19.20	26x
\$365 downside	0%	1%	30%	\$17.25	21x

Source: UBS estimates

COMPANY DESCRIPTION

Linde plc is among the largest industrial gas companies in the world with ~\$33B in annual sales. Linde supplies products into the chemical processing, manufacturing, steel, healthcare, and electronics end markets. Linde is broadly balanced by gas distribution, with on-site accounting for 23%, bulk 30%, and cylinder 35%.

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: Can LOW improve its market share trends?

In our view, yes. Although the industry has been in a downturn, LOW has been executing its Total Home Strategy. This has shown early signs of success, demonstrated by resilient demand from its target small-to-medium sized pro customer and broad-based DIY improvement. Plus, its organic efforts have been bolstered by strategic acquisitions, which have accelerated its pro penetration. Altogether, we believe that LOW should see outsized market share gains as the home improvement recovery unfolds.

Q: What is the trajectory of LOW's operating margin?

In short, we think it will contract in '26, then return to a sustainable growth rate. While LOW's strategic actions are set to accelerate its top-line, its acquisitions are margin-dilutive due to mix shift. So, LOW will likely see a -50 to -65bp OM headwind in 1Q'26-3Q'26. But after the wraparound when we expect LOW to deliver steady 4% comp growth, it should drive a consistent 30bp of OM expansion in '27 onward. This means LOW can exceed 13% OM in 2030 (vs. 12.1% in '25).

UBSVIEW

Our view is that there has been too much skepticism toward Lowe's stock as of late. We believe the market is under-appreciating LOW's steady momentum in its target customer segment, consistent execution of its Total Home Strategy, and strategic steps toward increasing pro customer wallet share. So as Lowe's harvests returns from its investments and the home improvement recovery unfolds, LOW should see outsized market share gains and stock price appreciation. Our \$316 price target is ~22x our CY'27 EPS estimate of \$14.70.

EVIDENCE

The most recent UBS Evidence Lab DIY survey showed that 59% of homeowners were planning to do projects in the next 12 months (flat year-over-year). Further, our industry market share analysis concluded that Lowe's is under-penetrated in key categories such as electrical & lighting, kitchen & bath and flooring. This indicates that a significant opportunity to gain market share.

WHAT'S PRICED IN?

The market is pricing in an average 3.8% sales growth from '27-'29 and an average 24bp OM expansion. We think this is conservative and model an average 4.5% sales growth and 30bp OM expansion. This, coupled with a return to share repurchases, should drive an average 13.3% EPS growth. Moreover, given that we view LOW as a prime beneficiary of a home improvement recovery, we believe that the current valuation of ~19x NTM P/E (within 1 SD of its 5-yr avg.) is too low. Instead, we believe a premium multiple of ~22x P/E is warranted.

UPSIDE/DOWNSIDE SPECTRUM



Value drivers (CY'27)	Same store sales growth	Revenue	Revenue growth	Operating margin	EPS
\$360 upside	5.0%	\$99.97bn	5.5%	12.5%	\$15.50
\$316 base	3.9%	\$98.16bn	4.4%	12.2%	\$14.70
\$200 downside	1.0%	\$93.15bn	1.5%	11.5%	\$13.00

Source: UBS estimates

COMPANY DESCRIPTION

Lowe's Companies, Inc. is the second largest home improvement retailer, operating more than 1,850 stores in the US, Mexico, and Canada. The company offers products and services for home improvement, home decor, home maintenance, home repair, and remodeling and maintenance of commercial buildings. The company serves retail and commercial business customers.

UBS Research THESIS MAP a guide to our thinking and what's where in this report**PIVOTAL QUESTIONS****Q: Can MMC maintain its organic growth rate into 2026 despite a softening market?**

Yes, easier comps and a stable economic backdrop should enable MMC to generate mid-single-digit organic growth revenue growth in 2026. UBS economists are forecasting average nominal GDP growth in the US of 5% in 2026. Nominal GDP has historically correlated well with organic revenue growth at MMC. Marsh could also benefit from emerging opportunities like data center construction while Mercer continues to benefit from elevated medical cost inflation. We are modeling 3.9% and 3.8% organic growth for the RIS and Consulting segments, respectively, translating to a 3.9% for firm-wide level. This is versus 10 year average organic growth of 6% for RIS and 5% for Consulting.

Q: Can RIS and Consulting segments see margin expansions going into 2026?

Yes, operating leverage coupled with MMC's Thrive program should continue to drive margin expansion in 2026 through automation and workforce optimization. The Thrive initiative targets \$400M in savings over three years. For 2026, we are modeling adjusted operating margin expansion of 51bps and 40 bps for the RIS and Consulting segments, respectively. Overall, we are conservatively forecasting 8% operating EPS growth in 2026 which includes continued strong share buyback of \$1.4bb.

UBSVIEW

We rate MMC a Buy. With MMC's shares trading near historical lows relative to the S&P 500 equal weighted index, we see this as a buying opportunity heading into 2026. We reiterate our Buy rating and believe MMC can outperform peers in 2026 and is well positioned for multiple expansion as organic growth stabilizes (and potentially improves), and margins expand in 2026. We see upside to consensus estimates for organic growth and EPS. Recent strategic programs (i.e., Thrive program) and new opportunities should also benefit growth and margins in the near to medium term. MMC is also a beneficiary of inflation and is not exposed to any potential credit issues.

EVIDENCE

During the pre-2020 soft market, MMC traded at a 9% premium to the S&P 1500 versus a 15% discount today, despite stronger projected fundamentals (~4% growth and 28% margins vs. 3% growth and 20% margins previously). With better growth prospects and margin tailwinds from the Thrive program, we believe multiples have bottomed. Additionally, MMC is trading at 5.5% FCF yield, compared to an historical average of 5.1% in 2015-2025 and 5.9% in the last soft market.

WHAT'S PRICED IN?

Consensus model organic growth of 3.8% (UBSe 3.9%) and 59 bps of margin expansion. In terms of EV/EBITDA, MMC is trading at 13.3x NTM consensus estimates (UBSe 15.2x), a 3% premium compared to the peer average group of 12.9x (including AON, WTW and AJG).

UPSIDE/DOWNSIDE SPECTRUM

Value Drivers	2027E	Revenue		Revenue		EBITDA Margin	y/y %
	Price Target	Organic %	M&A / Other %	Total \$mm	Total y/ly		
45% Upside	\$267	5.8%	2.4%	30,701	8.2%	9,510	31.0%
34% Base	\$245	4.1%	1.4%	29,929	5.4%	9,113	30.4%
-17% Downside	\$152	0.7%	0.4%	28,692	1.1%	8,593	29.9%

Source: UBS Research

COMPANY DESCRIPTION

Marsh McLennan (MMC) is a global professional services firm specializing in risk, strategy, and people solutions. Through its four main businesses, Marsh (insurance brokerage and risk management), Guy Carpenter (reinsurance), Mercer (human resources and benefits consulting), and Oliver Wyman (management consulting), MMC serves clients across more than 130 countries.

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: Can NXT exceed its FY2030 revenue target of \$5.2bn?

Yes, we think it's likely NXT will exceed its FY2030 revenue target given the company's \$5.2bn goal does not account for any potential further M&A. Non-tracker revenues comprise ~one-third of the FY2030 revenue target despite Nextpower having only spent \$332mn on M&A to-date. We estimate that the company will receive nearly \$2bn of incremental 45X Advanced Manufacturing tax credits between now and YE CY2030, which we expect to be redeployed into accretive M&A and further new product development, representing significant potential upside to the current FY2030 revenue target.

Q: Can NXT maintain underlying gross margins >24%?

Yes, we model for NXT to achieve underlying gross margins +24% through YE FY2030. NXT's underlying gross margins are only ~25% compared to electrical equipment supplier peers with gross margins +35%. In our view, NXT is well positioned to capture significant share in the electrical segment at a gross margin profile that remains accretive to underlying gross margins. We see potential for NXT to capture additional gross margin upside in the long-term driven by higher pricing power in a U.S. market increasingly closed to incumbent Chinese electrical equipment and energy hardware suppliers.

UBSVIEW

We rate NXT a Buy. In our view, NXT is well positioned as a market-leading provider of solar hardware equipment, allowing the company to capture greater relative share of 45X advanced manufacturing tax credits to fund further solar industry consolidation and potential expansion into tangential product lines.

EVIDENCE

Non-tracker revenues comprise 32% of the FY2030 revenue target of \$5.2bn despite Nextpower having only spent \$332mn on M&A to-date. NXT has achieved underlying gross margins >24% in 5 of the past 6 consecutive fiscal quarters at an average 25.6% gross margin. NXT's electrical equipment peer SHLS has achieved +34% gross margins since FY2020.

WHAT'S PRICED IN?

Current consensus estimates for FY2030 revenues are \$5.4bn, within the company's guided FY2030 revenue target range of \$4.8-5.6bn and underestimating the potential scale of capital redeployment, in our view. We model for \$800mn/yr of share repurchases beginning in CY2026, a relatively conservative proxy for additional M&A, in our view. Based on our \$125 PT, NXT shares trade at just 12x FY2030E P/E compared to 18x P/E based on consensus FY2030 EPS.

UPSIDE/DOWNSIDE SPECTRUM



Value drivers CY4Q26-3Q27E	Revenue	EBITDA	Target Multiple
\$165 upside	\$5.0bn	\$1,406mn	16x
\$125 base	\$4.6bn	\$1,123mn	15x
\$60 downside	\$4.1bn	\$822mn	10x

Source: Company reports, UBS estimates

COMPANY DESCRIPTION

Nextpower Inc. is a provider of energy hardware, electrical equipment, and software solutions for utility-scale solar projects. Nextpower is the global and U.S. market leader with the U.S. representing 69% of revenue in FY2025. Nextpower rebranded from Nextracker in Nov-2025 and is listed under the ticker NXT.

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: Can OVV reduce Net Debt below \$4Bn?

Yes. We model OVV's Net Debt falling to \$3Bn in 3Q26 assuming a \$2.5Bn cash sale of its Anadarko Basin assets. OVV has set a \$4Bn Net Debt target, providing financial flexibility to use the extra cash for shareholder returns, M&A, and/or additional debt reduction.

Q: Can OVV maintain crude/condensate volumes at 200-205mbpd pro-forma for the transactions?

Yes. Despite losing 5mbpd net from the two transactions, we forecast lower volumes, we see OVV able to maintain volumes at 202mbpd. However, based on OVV's strong operational performance in Permian and Montney, we see upside, with 205+mbpd possible.

UBSVIEW

We are Buy Rated on OVV, as we believe the acquisition of NVA's Montney assets and the planned Anadarko Basin divestiture represents the best re-rating opportunity amongst E&Ps. The transactions add Montney resource depth, streamlines capital allocation, and most importantly, improves OVV's balance sheet and return of capital profile. Executing the Anadarko acquisition for \$2.5+Bn is the key catalyst to drive the stock higher.

EVIDENCE

Alongside the NVA acquisition, OVV announced the planned divestiture of its Anadarko Basin assets. Using current basin production of ~100mboepd and prior basin transactions in the \$25-25k/flowing boe range, we forecast OVV divesting the assets for \$2.5Bn, but there is upside. Our FY26 WTI and HH deck is \$60/bbl and \$4.00/mmbtu.

WHAT'S PRICED IN?

Trading at 3.4x 2026 EV/EBITDA, we see \$50 WTI priced in assuming our \$4.00 2026 HH deck. We see OVV's current multiple reflecting concerns over its balance sheet and Midland inventory depth. We see OVV reducing these concerns through the Anadarko divestiture and subsequent Midland bolt on transactions.

UPSIDE/DOWNSIDE SPECTRUM



Value drivers	FY27E WTI	FY27E HH	FY27E EBITDAX	FY27E EV/EBITDAX Multiple
\$76 upside	\$76	\$4.25	\$5.98Bn	4.00x
\$55 base	\$66	\$3.75	\$4.80Bn	3.75x
\$29 downside	\$56	\$3.25	\$3.61Bn	3.00x

Source: UBS Research, Company Reports

COMPANY DESCRIPTION

Ovintiv is an independent exploration and production company with a diversified oil and natural gas asset base across the US and Canada. Key assets include the Montney and Permian.

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: Can PEP Return to Growth at the Lower End of Its +4-6% LT Algorithm in the Medium-Term?

Yes. Given strong Int'l growth (+6% CAGR over the past 2+ years, now >40% of total sales), we believe PEP needs to simply return the North American business to ~LSD sales growth to hit the low end of their algorithm. While PEP's PFNA market share trends are still challenged following unprecedented pricing, recent tracked trend declines on both a category and company specific basis have recently stabilized, with the company pointing towards several upcoming initiatives in the next year to ultimately bring the segment back to growth. As such, we believe the business can return to growth over the medium term should execution/innovation improve. Meanwhile category growth in PBNA is far more resilient, such that continued modest share losses from here can still support growth. Taken together, we model +3.2% org. growth in FY26, +40bps vs. consensus, and believe top-line growth can return to the lower end of the +4-6% algorithm exiting 2026.

Q: Is +HSD Earnings Growth Achievable in FY26?

Yes. Beyond our top-line expectations, we believe improved top-line growth, favorable currency tailwinds, a greater emphasis on productivity (specifically in PFNA), and sharper investment execution will support operating margin expansion in FY26. We would also expect below-the-line items to be ~net-neutral to EPS next year (if not slightly accretive), vs. a -LSD headwind from interest expense + lower pension income this year. We model +7% growth in FY26, vs. Str. of +6%.

UBSVIEW

We believe PEP represents a unique rate-of-change story over the next 12-18 months and is one of the few large-cap Staples names with a compelling case for multiple expansion. With potential for a return to on-algo growth in 2H26 along with +HSD EPS growth for '26, we think the risk/reward for PEP is among the most attractive in the entire group. Our FY26 org. growth estimate is +40bps above the Str., and with shares trading at sub-18x (vs. 21-22x historically), we believe shares are pricing in that a return to on-algo growth is aspirational.

EVIDENCE

We utilize Numerator and Nielsen data to analyze recent trends across PEP's core categories in both beverages and packaged food. We utilize Euromonitor data to get a better look at competitive dynamics in Int'l markets.

WHAT'S PRICED IN?

Consensus estimates call for +2.8% org. sales growth and +6% EPS growth in FY26.

UPSIDE/DOWNSIDE SPECTRUM



Value drivers	Net sales growth	Gross margin	Operating margin	adj. EPS
\$222 upside	5.0%	55.5%	17.7%	\$10.06
\$172 base	4.0%	54.8%	16.6%	\$9.16
\$125 downside	3.0%	54.1%	15.5%	\$8.29

Source: UBS estimates and analysis

COMPANY DESCRIPTION

PepsiCo Inc. is a global CPG company that manufactures, markets, and distributes a wide portfolio of beverages and packaged foods. Its most popular brands include Pepsi, Gatorade, Lay's, Mountain Dew, Doritos, and Quaker with operations spanning more than 200 countries and territories.

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: Can debt issuance continue to support healthy Ratings segment revenue growth?

Yes. Issuance saw a strong rebound in FY24, but we expect a return to more normalized growth. Following 31% growth in FY24, we forecast 7.6% S&P Ratings revenue growth in FY25 (in line with FY25 guidance for +6.5-8.5%) and 6% in FY26.

Q: Can Market Intelligence accelerate revenue growth to the high-single-digits?

Maybe. We forecast revenue growth for the Market Intelligence segment of 5.9% in FY25 and 7.0% in FY26, in line with FY25 guidance for +5.5-6.5% and consistent with the updated medium-term guidance for MI of +6-8%.

Q: Can SPGI's other three segments drive attractive growth?

Yes. We see high-single digit growth in the medium term. We forecast FY25 revenue growth of 7.3% for Commodity Insights, 8.6% for Mobility, and 12.8% in Indices. In FY26, we forecast 8.0% for Commodity Insights, 8.0% for Mobility, and just under 9.7% for Indices.

UBSVIEW

We rate SPGI a Buy. We believe SPGI is poised to outperform as: 1) the ratings segment remains supportive, 2) market intelligence should improve in a better end market environment, and 3) the outlook for the other segments remains solid. We are also bullish on new growth opportunities, such as private markets, AI integration, and the recent Visible Alpha acquisition. With new management in place, we look for better execution, which should manifest in better performance in market intelligence in particular (both revenue growth and margins). Lastly, portfolio optimization efforts, including the planned spin-off of the Mobility segment could unlock incremental shareholder value.

EVIDENCE

SPGI's diversified business mix has supported a ~7% CAGR since 2016, demonstrating the resiliency of the model through various economic conditions. The IHS Markit integration has supported SPGI's top-line growth profile, with the company targeting 7%-9% organic revenue growth in the medium term. Additionally, the merger has brought the recurring revenue mix to SPGI to ~75% which, along with accelerated growth, should be supportive of the multiple. Aside from the top-line picture, the company expects 50-75bps of adj. operating margin expansion per year over the next few years, which could prove conservative in the near term.

WHAT'S PRICED IN?

SPGI's shares are trading at 25x NTM earnings, well below their 5yr historical median of 30x, as AI disruption fears and financial sector rotation have weighed on the shares.

UPSIDE/DOWNSIDE SPECTRUM



Value drivers (FY27e)	Ratings Growth	Non-ratings Growth	Ratings Op. Margin	Company Op. Margin	Buybacks
\$720 upside	+10.0%	+10.0%	69.5%	54.3%	\$6.0bn
\$620 base	+6.0%	+7.9%	67.4%	52.1%	\$5.1bn
\$390 downside	+2.0%	+4.0%	63.3%	48.5%	\$3.0bn

Source: UBS Estimates

COMPANY DESCRIPTION

S&P Global provides information products and services to the financial and commodities markets. Businesses include: S&P Ratings - a leading credit ratings agency; S&P Indices - the...

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: Can Snowflake benefit from a multi-year emphasis on data software?

We think so. Over the past 12 months, we've been struck by the uptick in tone from enterprises suggesting a need to 'get their data in order' ahead of GenAI initiatives, with Snowflake frequently coming up as a beneficiary (along with the hyperscalers, Palantir, and Databricks) both indirectly from data migration and centralization efforts along with a burgeoning direct uplift from newer products. With customers indicating data stack modernization timelines stretching into years, not quarters, we're comfortable with the view that this wave of data software investment has duration.

Q: Can Snowflake be successful outside the core data warehouse and maintain high-20s growth in FY27/CY26?

In our view, it's already happening. We estimate that off the \$200m ARR disclosure for 'data engineering' workloads in 3Q/Oct 2024, that revenue stream is now likely \$350 million or ~8% of revs (up from ~5%), now a material contributor while Snowflake also disclosed crossing \$100m in AI ARR in 3Q/Oct 2025, early validations of our customer conversations suggesting Snowflake is increasingly leveraged as a broader data platform which should provide a boost into FY27 and beyond.

UBSVIEW

We are Buy-rated on Snowflake shares on a view that Snowflake can benefit from a number of tailwinds including 1) increased customer interest on data migration and modernization projects due to GenAI initiatives, 2) relative prioritization of AI and data spend in a choppy macro, 3) increasing contribution from Snowflake's new products along with stability in core consumption such that Snowflake stands to deliver mid-to-high-20% Product revs growth in FY27/CY26E (vs consensus at 24%). We also see room for Snowflake to deliver meaningful operating leverage into 2026, a focus of the new CFO and an underappreciated opportunity in our view. While we acknowledge the risks around Databricks competition, particularly in core data warehousing, we're comfortable that both Databricks and Snowflake can co-exist and succeed in an environment where customers are focused on data software. We conclude that we may be just a few quarters into a multi-year data software upturn, such that Snowflake shares can continue to work from here.

EVIDENCE

In our enterprise partner and customer conversations over the past 12 months, we've heard interest in investing in and cleaning up data ahead of GenAI initiatives (benefiting Snowflake, Palantir, and Databricks), durability in current data and AI spend in a tighter IT budget environment, and traction with a set of Snowflake's newer offerings. We'd also note a number of SaaS vendors (Salesforce, ServiceNow, SAP) moving into the data layer, validating the interest and opportunity.

WHAT'S PRICED IN?

While investor sentiment on Snowflake shares leans long as shorter-duration investors seek exposure to the rising data software investment theme, shares have pulled back to 13.5x EV/S and 53x FCF on CY26E since the 3Q/Oct print given increasing debate around the 4Q/Jan and CY26 Product revs set-up. In our judgement, long duration investors are not yet overweight the stock.

UPSIDE/DOWNSIDE SPECTRUM



Value drivers	CY27E EV/S	CY27E EV/FCF	CY27E Revs Growth	CY27E Op Margin	CY27E FCF Margin
\$420 upside	20x	75x	26%	17%	27%
\$310 base	16x	62x	21%	13%	26%
\$150 downside	8x	35x	17%	13%	23%

Source: UBS estimates

COMPANY DESCRIPTION

Snowflake is a cloud-based data analytics platform that runs on top of AWS, Azure and GCP. Snowflake's AI Data Cloud is delivered through a consumption-based model, only charging customers for the resources consumed. The company generated \$3.6 billion in FY25 and has over 9,000 employees. Snowflake was incorporated in 2012 and is based in San Mateo, California.

UBS Research THESIS MAP a guide to our thinking and what’s where in this report

PIVOTAL QUESTIONS

Can SSNC maintain mid-single digit [MSD] organic growth?

Yes. We see steady organic growth settling in 4-8% organic 3Y revenue growth targets set at analyst day as evidenced by strong 2024 organic growth reaching 6.1% up from 2.8% in 2023. Our view is supported by improving retention, rising assets under administration, pricing discipline, and improving end markets.

Is the hedge fund environment stable?

Yes. SSNC indicators suggest redemptions were 2.43% in November—below 5-year average 2.90%—supporting our constructive view on SS&C alternatives [~25% revenue]. Volatility and a slowing global economy create a rich landscape for hedge funds to potentially generate superior returns, which could also possibly drive growth in hedge fund assets.

Is there an upside to the multiple of SSNC?

Yes. We believe the SSNC stock multiple is poised to continue rerating amid durable organic revenue growth, operating cash flow, and continued leverage improvement enabling capital returns as evidenced by a recent 50% boost in buybacks to \$1.5B [~7% market cap] + 8% dividend boost to 27¢ [1.3% yield] after debt repayment and opportunistic M&A.

UBSVIEW

Buy on durable organic growth—well-positioned, predictable model coupled with current fundamentals positioned for consistent 4-8% organic revenue growth helping fuel free cash flow beyond its current ~7% yield amid a focus on process automation, product depth, and alternative fund administration leadership. The market isn't fully discounting SS&C's ability to maintain healthy organic growth, in our view, which has been one of the primary debates in the stock.

EVIDENCE

Our hedge fund redemption tracking, performance, and flows implies a stable hedge fund environment. In addition, major client renewals—along with extending service agreements—and new logo announcements enhance the visibility of improving fundamental performance. Lastly, we hosted CEO Bill Stone at both the UBS Financial Services and UBS Global Technology conferences, with conversations reinforcing our view the stock is likely to enjoy multiple expansion.

WHAT’S PRICED IN?

Based on our target multiple of 15.3x 2027E EPS, it appears that the market (at 11.9x) is pricing in 2027 EPS of \$5.29 vs. our \$6.80. SSNC shares are up ~15% YTD meaningfully outperforming peers. Growth is expected to decelerate in 2025 as we see the stock outperforming despite macro and geopolitical uncertainty.

UPSIDE/DOWNSIDE SPECTRUM



Value drivers	FY25 Revenue Growth	FY26 Revenue Growth	FY25 Net Margin	FY26 Net Margin
\$125 upside	5.9%	5.9%	25.6%	26.0%
\$112 base	4.6%	4.2%	24.6%	24.7%
\$60 downside	2.8%	2.8%	23.6%	22.0%

Source: UBS Research

COMPANY DESCRIPTION

SS&C Technologies provides software products and software-enabled services to a variety of customers primarily in financial services but also healthcare firms. SS&C GlobeOp provides fund administration services to alternative and traditional asset managers.

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: Can Sysco narrow the local case volume gap with USFD & PFGC in the year ahead?

Yes. After underinvesting in its sales force headcount, SYY added ~450 net sales people (~7% growth) in FY'24, followed by ~300 in FY'25, and an anticipated ~300 in FY'26. SYY's investments in its sales force should drive a continued tailwind as these new employees hit their productivity inflection points, which tend to occur 12-18 months after time of hire. Further, SYY is now past attrition challenges related to its change in local sales compensation (from a base heavy to more balanced base/variable structure), which took place in July 2024. Meanwhile, USFD is transitioning away from a sales compensation model that's quite similar to SYY, which could provide SYY with a short term opportunity to benefit from any attrition at its competitor.

Q: Can Sysco grow its earnings in line with its algo in CY'26?

Yes. We believe Sysco's improving local case growth trends & strength in International can help it approach the low end of its sales growth algo (of 4%-6%), even as it deals with a still challenged US Food Away From Home backdrop. Its strategic sourcing work, productivity enhancements, and mix shifts (e.g. more local sales, more private label sales) should help to drive 6.5% adj. EPS growth in CY'26 per our estimates, within its long term 6-8% algorithm range. We see room for upside if restaurant traffic improves.

UBSVIEW

Sysco's scale & ability to invest in its network should help it take market share from smaller, less well capitalized competitors in a challenged, Food Away From Home landscape. It's already executing effectively on the chain side of the business, and the distributor has made meaningful progress in narrowing the margin gap between its international and domestic businesses. Its investments in technology should make it more efficient & nimble, while its sales force additions and new compensation program should position it to win more incremental local business over time, supporting both its top-line and bottom-line growth trajectories.

EVIDENCE

UBS Evidence Lab data suggests SYY has 518k restaurants within a 60 min drive of its US DCs, which compares to 423k at USFD and 369k at PFGC, giving it a competitive edge on route miles and fleet utilization. Sysco changed its compensation model from a base heavy model to a balanced variable/base model in July 2024, which caused some temporary disruption in its local case growth. It's recent results suggest that it's now largely past that headwind. Sysco's local case volume improved by 200 bps sequentially from C1Q'25 to C2Q'25, and by another 120 bps between C2Q'25 to C3Q'25, despite persistent industry traffic challenges.

WHAT'S PRICED IN?

The consensus is forecasting a 3.7% US Foodservice sales CAGR from FY'25-FY'28, which compares to our 4.1% estimate. Further, the consensus is pricing in a total company EBITDA CAGR of 5.0% from FY'25-FY'28, which compares to our 5.2%.

UPSIDE/DOWNSIDE SPECTRUM



Value drivers (NTM, 12 mos out)	Sales Growth	EBITDA Margin	NTM EV/EBITDA Multiple	Net Debt	Shares Outstanding
\$110 upside	5.5%	5.5%	13x	\$11,258 mm	465.5 mm
\$90 base	4.4%	5.4%	11x	\$11,258 mm	465.5 mm
\$52 downside	3.5%	5.3%	8x	\$11,258 mm	465.5 mm

Source: UBS estimates

COMPANY DESCRIPTION

Sysco Corp. is the nation's largest foodservice distributor, accounting for roughly 18% of the total market. It operates four main segments: US Foodservice Operations (70% of sales in FY25), International Foodservice Operations (18% of sales), SYGMA (11% of sales), and Other (1% of sales). The company is headquartered in Houston, TX.

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: Will TXN regain share lost in the past downturn for the analog market?

Yes. We believe most of TI's share loss is artificial in nature and not reflective of competitiveness, as TI gained share from 2016 until it became supply-constrained in 2020 and began to lose orders to peers. Unlike TI, peers also used non-cancellable non-refundable orders ('NCNRs' or 'take or pays') during shortage times, which pushed unwanted product onto customers as demand softened. With signs of recovery in the Autos and Industrial end markets, TXN is poised to recapture this share. This share normalization alone translates into \$2B+ of annual revenue.

Q: Can TXN compete against domestic Chinese companies within the analog space?

Yes. We think TI demonstrates strong cost leadership among Western analog semis companies against subsidized Chinese competitors, supported by its advanced 300mm fabs and vertical integration of A&T and distribution too. In contrast to Western peers who are collectively losing share, TI sees China as more of an opportunity, citing idiosyncratic market share gains.

Q: Can TXN bring down capex and ramp its profitability profile back to historical levels?

Yes. As TI winds down its shell construction and pilot lines on new US fab projects, it should be set up to add capacity on a variable basis as revenue ramps, giving an admirable ramp of FCF with revenue and driving positive FCF momentum. We think C2026 capex likely comes in well toward the low-end of management's stated \$2-5B guidance, unlike street estimates that call for both weak revenue and high capex. We have FCF moving from 10% of revenue in C24 to 42% in C26E, alongside dividends and repurchases ramping substantially. TI's commentary on FCF is moderately bullish, saying there is a "good probability" to reach at least \$8/share at low end of its financial model for C2026.

UBSVIEW

We rate TXN a Buy. TXN remains one of our best ideas in semis given the company's idiosyncratic share gain opportunity and positive FCF momentum. TI is already regaining lost share from this past downturn and its actions around factory loadings and finished goods suggest that revenue growth off the bottom will likely be highly idiosyncratic and outpace most if not all peers. We expect TXN to recover its market share, driving \$2B+ of annual incremental revenue growth, on top of the industry macro recovery shared by all analog suppliers. With TI's capex cycle now winding down, we see FCFPS exceeding \$9 in C2026 and reaching ~\$12 or higher in C2027E under a moderate market.

EVIDENCE

Based on SIA data, TXN's TTM analog share has begun expanding again to 16.2% off 1Q24 lows of 15.7%, suggesting the company is starting to regain idiosyncratic share off the bottom on the basis of cost leadership, geopolitically secure supply, and direct sales channel (~85% of revenue). [Our distributor inventory dataset and B2B semi purchaser survey](#) allow us to track this share gain story as it unfolds.

WHAT'S PRICED IN?

Our \$245 EV/FCF PT for TXN is based on a 21x EV/FCF multiple on UBSe CY27 FCF of \$11.0B; applying this 21x multiple to TXN's current stock price implies buyside expectations of ~\$8.3B FCF currently priced into the stock, above the Street \$7.7B but still ~25% below our estimate.

UPSIDE/DOWNSIDE SPECTRUM



Source: UBS estimates.

COMPANY DESCRIPTION

Texas Instruments is the largest supplier of analog and MCU semiconductors. It is an IDM with fabs in the US, Germany, and Japan and has focused on vertical integration of front end, back end manufacturing, and distribution. It supplies analog, power, and MCU products to the industrial, auto, communications, data center, and personal electronics markets.

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: Can TPG's premier PE platform and recent strategic acquisitions unlock greater optionality and position the firm for above-peer FRE growth over the net three years?

Yes. Given strong performance and a differentiated product set, we view TPG as occupying an ideal market position to produce best-in-class growth at a 27% DE/sh & 23% FRE/sh CAGR in '25E-'28E. In the near term, TPG is entering a significant fundraising phase, which should support this growth and a backlog of AUM waiting to be deployed. Further, TPG has meaningful white space opportunities in Insurance and Individual Wealth to expand its existing toeholds in those currently smaller distribution channels.

Q: Can TPG's FRE margins reach 50% by 2029?

Yes. We believe there is meaningful upside to TPG's Fee-Related Earnings margin long-term target of >45%. TPG's FRE margin expansion potential is significant as TPG drives compensation leverage as it scales its platform. Further, in our view FRE margin upside is not recognized by the street; our FRE margin is on average 150bps above consensus estimates in '26E-'28E due to compensation leverage for TPG as it scales its platform. With meaningful growth in Credit in 2025 and scaling of existing Buyout and Growth PE strategies expected in the next few years, we believe TPG can achieve 50%+ FRE margins in '29E. TPG has FRE upside of 4/7% in '26E/'27E from accelerating fundraising and margin expansion.

UBSVIEW

We rate TPG a Buy. We view TPG as occupying a prime position to leverage a unique high-growth product set across private equity, real estate, and credit that have produced strong performance returns in recent vintages. Accelerated growth, fundraising momentum and a more conducive realization environment are supportive of TPG's forward DE multiple. TPG is well-positioned to benefit from lower rates, thanks to its higher relative exposure to private equity and its real estate platform (areas that should benefit from lower rates) while private credit still has a long growth runway.

EVIDENCE

Our analysis of TPG's FPAUM/AUM ratio suggests the outlook for FRE and management fee growth could expand as deployment accelerates. This ratio could trough after the close of the Peppertree transaction at 55% and return to ~60% as committed funds are deployed into investments in 2026 and beyond. Further, our analysis of TPG's compensation costs relative to headcount supports FRE margin upside. As growth builds in total AUM for TPG in Credit and Private Equity, our analysis suggests >50% FRE margins longer-term, well north of TPG's stated target of 45%+ FRE margins.

WHAT'S PRICED IN?

Current street expectations for 2026/2027E fundraising stand at \$47.8/48.3B or \$3.8B/\$1.2B below UBS. With high incremental margins from scaling strategies and fundraising momentum in 2025 and 2026, we believe there is ~150bps upside for TPG's FRE margins over the next several years. As a result, our 2027E FRE and DE estimates are 7%/6% above Street consensus, respectively.

UPSIDE/DOWNSIDE SPECTRUM



Value drivers (2027E)	Blended Fee Rate	FPAUM	Comp Ratio	FRE	FRE Margin
\$104 upside	1.25 %	\$215,000 M	32.5 %	\$1,459 M	48.2 %
\$82 base	1.23 %	\$231,464 M	33.0 %	\$1,408 M	47.6 %
\$47 downside	1.20 %	\$195,000 M	35.0 %	\$1,181 M	44.1 %

Source: UBS Estimates

COMPANY DESCRIPTION

TPG Inc. (TPG) is a global alternative asset management firm founded in 1992 that manages and deploys capital into various strategies, including private equity, impact, credit, real estate, and market solutions.

UBS Research THESIS MAP a guide to our thinking and what's where in this report

PIVOTAL QUESTIONS

Q: Can UNH return back to its historical 13-16% EPS growth?

Yes, but will likely need to wait until 2027. The company indicated that \$17.60 was an appropriate EPS baseline for 2026 (6.7% growth) and would return back to double digits growth in 2027. We model \$18.00 EPS in 2026E (9% growth), and \$21.50 for 2027, which implies a 2-Yr. CAGR of 14%. Underlying assumptions include commercial margins within the targeted 7-9% range and MA margins at the upper half of the 2-4% range by 2027. With v28 ongoing and the shift of Optum Financial into Insights, Optum Health will not show meaningful growth until 2027 given the time needed for cohort maturation and positioning. Additionally, the company has indicated it plans to resume share buybacks in the back half of 2026, which would contribute to the EPS growth equation.

Q: Can the company navigate through any potential political headwinds?

Yes. The business mix of UNH is more focused towards Medicare Advantage, where there have not been any major policy changes despite the increased scrutiny on risk coding. The 5.06% rate notice for 2026 reverses two years of flat to negative rate updates prior, and early FFS cost trends seem to indicate another favorable rate for 2027. While OBBBA is poised to bring more shifts within Medicaid, the earnings contribution from that line of business is only in the low single digits for UNH. Pressure on Exchange growth will also have minimal impact for UNH given its relative size. With PBM legislation coming back into discussion, the proposed provisions continue to focus around the same areas as before. OptumRx has been evolving beyond the traditional PBM model and should be able to address any changes appropriately. On antitrust, UNH has shown its ability to navigate through regulatory challenges and close acquisitions as seen in the prolonged Amedisys deal.

UBSVIEW

We think UNH (Buy) has conservatively rebased its EPS outlook at this point, and we expect incremental upside from here. There is the potential for higher than low double digit growth in 2027 if MA rates and trend come in better than current company expectations. Management's focus on technology investments within healthcare services will support UNH in returning to one of the fastest earnings growth target among diversified MCOs.

EVIDENCE

UNH has the most diversified earnings mix among leading MCOs. This diversity has allowed UNH to shield its exposure to some of the policy headwinds facing Medicaid and the Exchanges in the upcoming years. After a 5.06% MA rate for 2026, early indications from peers suggest another positive rate update for 2027 in the 4-5% range, which could accelerate the margin recovery process for both UHC & Optum Health. The current 2026 baseline of \$17.60 embeds some of the most conservative cost trend assumptions within the industry.

WHAT'S PRICED IN?

Assuming a 20x multiple, the current share price would equate to just ~\$16 in 2027 EPS, versus our \$21.50 F27E. Current consensus EPS for 2027 of \$20.90 implies a multiple of 15.5x, which is below the company's 5-year and 10-year average forward P/E of 19x and 18x, respectively. The company's price performance this year has been hindered by regulatory concerns related to MA and with respect to any impact to Optum.

UPSIDE/DOWNSIDE SPECTRUM



Value drivers	2027E MLR	2027E SG&A Ratio	2027 EPS	Applied 2027 P/E
\$460 upside	88.2%	12.6%	\$23.00	20x
\$430 base	88.5%	12.7%	\$21.50	20x
\$280 downside	88.9%	13.0%	\$18.50	15x

Source: UBS estimates and FactSet

COMPANY DESCRIPTION

UnitedHealth Group, the largest healthcare company by revenue, offers a diversified array of health benefit plans through its UnitedHealthcare (UHC) segment and various health services through its Optum line of business.

UBS Research THESIS MAP a guide to our thinking and what's where in this report**PIVOTAL QUESTIONS****Q: Can Woodward compound LDD growth in Aerospace through the end of the decade?**

Yes. We believe Woodward can grow Aerospace revenue at a LDD CAGR through the end of the decade, driven by M-HDD growth in both commercial OE and aftermarket, partially offset by slower growth in defense. Commercial Aero strength is supported by 3X OE content gains driving incremental 5X next-gen engine aftermarket services. We are 1/4/7% above consensus FY26/27/28 revenue.

Q: Will Aerospace margins and FCF continue to expand?

Yes. We see WWD achieving a 25% Aerospace margin (up ~310bps vs 2025) in FY28. We see multiple segments driving margins with aftermarket continuing to expand, OE growth accelerating with content increases, and price resets on JDAM driving higher smart defense margins. In the same period, we see a FCF more than doubling on EBITDA growth drop-through and stable working capital assumptions. The step-up in capex is needed to support the ramp-up of the A350 spoiler actuation win should be more than offset by strong operating cash flow generation. We model operating cash flow margins averaging 17% compared to 15% in the five years pre-COVID. We also expect WWD to deploy capital at a steady pace as the balance sheet continues to de-lever.

Q: Can Industrial revenue and margins continue to grow?

Yes. We see M-HSD Industrial revenue growth over the next three years, driven by both engines and turbines, based on our detailed revenue build-up and UBS estimates (3/5% above consensus FY26/27 revenue). We see steady but slower margin expansion, and model 70bps of expansion in FY27 from FY25.

UBSVIEW

We have a Buy rating on Woodward. Demand for new aircraft and aftermarket is strong, WWD continues to gain content, and industrial should grow mid-single digits. Combined with pricing and normalizing supply chain/labor inefficiency, we see 30% incrementals leading to an 20.3% EBITDA margin and 9% cash margin in FY26, expanding to 23.4%/15% respectively by the end of the decade; we are 1/4/3% above consensus revenue/EBITDA/FCF in FY26 and 4/8/17% above in FY27.

EVIDENCE

Our detailed part-by-part commercial aftermarket build suggests 19% aftermarket growth for WWD through the end of the decade, and conservatively does not assume any early upgrades or breakage. **Our OE build** points to DD revenue growth through the end of the decade, led by improving Boeing production rates, content gains and strong defense demand. **Our Industrial build** of weighted customer growth rates indicates growth will continue at a M-HSD pace through the end of the decade. Our dry powder analysis suggests WWD could deploy 24% of its market cap by the end of FY28 assuming 3X net leverage.

WHAT'S PRICED IN?

Based on our target multiple of 22.5X 5-8Q EV/EBITDA, it appears the market is pricing in 5-8Q EBITDA of \$838mn, vs. our forecast of \$955mn and consensus at \$887mn.

UPSIDE/DOWNSIDE SPECTRUM

Value drivers	Two year organic revenue CAGR	5-8 quarter EBITDA margin	NTM FCF
\$441 upside	12%	24.1%	\$456mn
\$345 base	10%	21.6%	\$351mn
\$244 downside	8%	19.6%	\$246mn

Source: UBS.

COMPANY DESCRIPTION

Woodward manufactures fluid, combustion, electrical, and motion control solutions for the Aerospace (commercial, military, defense) and Industrial (power generation, transportation, oil & gas) markets.

FINANCIAL SUMMARY

Please find below financial snapshots of our highest conviction calls.

ACADIA Pharmaceuticals Inc (ACAD US)						Rating: Buy (CBE)						Price target/current (USD): 35 / 27.15						United States			
Biotechnology																		https://acadia.com/			
P&L (USD m)						Bal Sheet (USD m)						ACADIA Pharmaceuticals Inc (ACAD US) vs S & P 500									
Revenues	12/24	12/25E	12/26E	12/27E	12/28E	Net tangible fixed assets	12/24	12/25E	12/26E	12/27E	12/28E					Performance (%)					
EBITDA	85	116	130	274	409	Goodwill	0	0	0	0	0									Absolute performance	10.1%
EBIT	84	115	128	272	406	Other intangible assets	120	120	120	120	120	Relative to local index	6.6%	27.5%	39.4%	3%					
Profit before tax	112	142	154	298	431	Net working capital	(213)	73	90	123	153	Relative to UBS sector	-7.0%	21.1%	33.9%	63%					
Net income (stated)	80	112	122	235	341	Other fixed assets	117	117	117	117	117	Acadia Pharmaceuticals (ACAD) is a commercial-stage biotech company. ACAD launched: 1) Nuplazid for Parkinson's disease psychosis in 2016; and 2) Daybue for Rett syndrome in 2023. ACAD is studying Nuplazid in negative symptoms of schizophrenia, and has other pipeline assets in clinical development: ACP-101 for hyperphagia in Prader-Willi syndrome, ACP-204 for Alzheimer's disease psychosis, and MNZ-2531 for Rett syndrome and Fragile X syndrome.									
Margins						Provisions	0	0	0	0	0										
EBITDA margin	8.9%	10.7%	10.6%	19.6%	26.7%	Total IC	(32)	259	280	318	360	Ashwani Verma - Analyst +1-212-713 4053 ash.verma@ubs.com									
EBIT margin	8.8%	10.6%	10.5%	19.5%	26.5%	Investments	0	0	0	0	0										
EBIT ROIC	-375.8%	101.6%	47.7%	91.1%	119.7%	Net cash/(debt)	765	654	821	1,085	1,451										
Net RoE	13.7%	13.7%	12.1%	18.8%	21.2%	Others	0	0	0	0	0										
Interest cover (EBIT)	-	-	-	-	-	Minority interest	0	0	0	0	0										
Dividend cover (EPS)	-	-	-	-	-	Shareholders equity	733	912	1,101	1,403	1,811										
CF (USD m)						Productivity															
EBIT	84	115	128	272	406	Depreciation % of sales	0.1%	0.1%	0.1%	0.1%	0.2%										
Depr./amortisation	1	1	1	2	3	Capex % of sales	0.1%	0.5%	0.5%	0.5%	1.0%										
Net change in WC	4	(286)	(16)	(33)	(30)	Revenues to IC	-42.7%	9.5%	4.5%	4.7%	4.5%										
Other (operating)	(79)	67	67	67	67	Net debt / total equity	-104.4%	-71.6%	-74.6%	-77.3%	-80.1%										
Operating CF	10	(103)	180	308	446	Net debt / EBITDA	-9.0%	-5.6%	-6.3%	-4.0%	-3.5%										
Net interest	25	25	25	25	25	Per Share (USD)															
Capex	(1)	(5)	(6)	(7)	(15)	EPS (UBS adjusted)	12/24	12/25E	12/26E	12/27E	12/28E										
Tax paid	(32)	(30)	(32)	(63)	(91)	Cash EPS	0.49	0.68	0.74	1.41	2.00										
Dividends paid	0	0	0	0	0	Net DPS	0.00	0.00	0.00	0.00	0.00										
Net (acqu.) / disposals	0	0	0	0	0	BVPS (stated)	4.48	5.48	6.62	8.28	10.44										
Change in equity	7	0	0	0	0	Valuation*															
Other items	310	2	0	0	0	Market C (USD m)	12/24	12/25E	12/26E	12/27E	12/28E										
(Incr.) / (decr.) net debt	320	(111)	167	264	366	EV (EV, avg.)	4,580	4,580	4,580	4,580	4,580										
Momentum						EV/Sales (core)	2.5x	3.6x	3.1x	2.6x	2.4x										
Sales growth	31.8%	12.9%	13.1%	14.2%	9.7%	EV/EBITDA (core)	28.2x	33.4x	29.6x	13.2x	8.9x										
EBITDA growth	-216.5%	35.3%	12.1%	111.4%	43.0%	EV/EBIT (core)	28.5x	33.6x	29.9x	13.3x	8.9x										
EBIT growth	-214.3%	36.6%	11.5%	112.0%	49.1%	EV/OpFCF	28.4x	35.1x	31.1x	13.6x	9.2x										
Cash EPS	-233.6%	39.3%	8.7%	91.2%	41.3%	P/E	38.1x	40.2x	37.2x	19.4x	13.7x										
EPS (UBS)	-228.9%	40.1%	8.1%	91.7%	41.9%	Dividend yield (net)	0.0%	0.0%	0.0%	0.0%	0.0%										
DPS (net)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	P/BV (average)	4.1x	5.0x	4.1x	3.3x	2.6x										

Source: Company data and UBS estimates

Alliant Energy Corp (LNT US)						Rating: Buy						Price target/current (USD): 79 / 65.33						United States			
Electric Utilities																		http://www.alliant-energy.com			
P&L (USD m)						Bal Sheet (USD m)						Alliant Energy Corp (LNT US) vs S & P 500									
Revenues	12/24	12/25E	12/26E	12/27E	12/28E	Net tangible fixed assets	12/24	12/25E	12/26E	12/27E	12/28E					Performance (%)					
EBITDA	1,789	1,737	1,874	2,145	2,662	Goodwill	0	0	0	0	0									Absolute performance	0.3%
EBIT	1,017	890	938	1,090	1,466	Other intangible assets	0	0	0	0	0	Relative to local index	-2.2%	-4.8%	-4.2%	-33%					
Profit before tax	707	547	542	661	1,014	Net working capital	613	397	538	405	258	Relative to UBS sector	0.3%	-2.5%	-2.7%	-1%					
Net income (stated)	781	829	919	1,041	1,191	Other fixed assets	3,549	3,424	3,024	2,674	2,324	Alliant Energy is a utility holding company that maintains its principal executive offices in Madison, WI. Alliant Energy's focus is to provide regulated electric and gas service to approximately 985,000 electric and 425,000 gas customers in the Midwest (primarily in Iowa and Wisconsin) through its utility subsidiaries, IPL and WPL. Through a subsidiary of WPL, Alliant Energy owns 16% of ATC (American Transmission Company).									
Margins						Provisions	(224)	(224)	(224)	(224)	(224)										
EBITDA margin	44.3%	43.7%	45.1%	48.0%	52.9%	Total IC	16,946	19,035	20,689	23,795	26,836	William Appicelli, CFA - Analyst +1-212-713 1414 william.appicelli@ubs.com									
EBIT margin	25.5%	22.4%	22.6%	24.4%	29.1%	Investments	0	0	0	0	0										
EBIT ROIC	6.2%	4.9%	4.7%	4.9%	5.8%	Net cash/(debt)	(9,718)	(11,191)	(11,630)	(13,626)	(15,472)										
Net RoE	11.3%	11.3%	11.2%	11.1%	11.3%	Others	(224)	(224)	(224)	(224)	(224)										
Interest cover (EBIT)	1.8x	-	-	-	-	Minority interest	0	0	0	0	0										
Dividend cover (EPS)	1.6x	-	-	-	-	Shareholders equity	7,004	7,619	8,835	9,945	11,140										
CF (USD m)						Productivity															
EBIT	1,017	890	938	1,090	1,466	Depreciation % of sales	19.4%	21.3%	22.5%	23.6%	23.8%										
Depr./amortisation	772	846	936	1,055	1,196	Capex % of sales	51.5%	60.0%	73.8%	94.1%	86.3%										
Net change in WC	0	0	0	0	0	Revenues to IC	0.2x	0.2x	0.2x	0.2x	0.2x										
Other (operating)	(386)	(169)	15	(90)	(39)	Net debt / total equity	138.7%	146.9%	131.6%	137.0%	138.9%										
Operating CF	1,403	1,568	1,889	2,056	2,623	Net debt / EBITDA	5.4x	6.4x	6.2x	6.4x	5.8x										
Net interest	(449)	(492)	(569)	(640)	(723)	Per Share (USD)															
Capex	(2,052)	(2,382)	(3,064)	(4,205)	(4,344)	EPS (UBS adjusted)	12/24	12/25E	12/26E	12/27E	12/28E										
Tax paid	0	0	0	0	0	Cash EPS	6.05	6.47	6.91	7.48	8.21										
Dividends paid	(493)	(527)	(578)	(640)	(703)	Net DPS	1.92	2.03	2.15	2.28	2.42										
Net (acqu.) / disposals	0	0	0	0	0	BVPS (stated)	27.90	29.12	32.10	34.83	37.66										
Change in equity	0	313	875	708	708	Valuation*															
Other items	1,319	47	1,009	724	594	Market C (USD m)	16,398	16,398	16,398	16,398	16,398										
(Incr.) / (decr.) net debt	(272)	(1,473)	(438)	(1,997)	(1,845)	EV (EV, avg.)	24,650	27,077	28,032	29,250	31,171										
Momentum						EV/Sales (core)	5.9x	6.8x	6.7x	6.5x	6.2x										
Sales growth	-1.1%	-0.2%	4.6%	7.6%	12.6%	EV/EBITDA (core)	13.1x	15.6x	15.0x	13.6x	11.7x										
EBITDA growth	9.8%	-2.9%	7.9%	14.5%	24.1%	EV/EBIT (core)	23.0x	30.4x	29.9x	26.8x	21.3x										
EBIT growth	6.6%	-12.4%	5.4%	16.2%	34.5%	EV/OpFCF	23.0x	30.4x	29.9x	26.8x	21.3x										
Cash EPS	10.2%	6.8%	6.9%	8.2%	9.8%	P/E	17.8x	20.4x	19.1x	17.6x	15.9x										
EPS (UBS)	7.9%	5.1%	7.0%	8.4%	10.3%	Dividend yield (net)	3.5%	3.1%	3.3%	3.5%	3.7%										
DPS (net)	6.1%	5.7%	6.0%	6.0%	6.0%	P/BV (average)	1.9x	2.2x	2.0x	1.9x	1.7x										

Source: Company data and UBS estimates

Amazon.com (AMZN US)						Rating: Buy	Price target/current (USD): 310 / 226.19					United States					
Internet Services						http://www.amazon.com											
P&L (USD m)						12/24	12/25E	12/26E	12/27E	12/28E	Bal Sheet (USD m)						
Revenues	637,959	710,401	793,963	887,456	991,155	Net tangible fixed assets	252,665	345,503	423,400	492,830	558,040	Amazon.com (AMZN US) vs S & P 500					
EBITDA	143,379	163,614	208,134	262,391	321,418	Goodwill	23,074	23,260	23,260	23,260	23,260						
EBIT	90,604	100,329	133,306	176,095	222,991	Other intangible assets	0	0	0	0	0	— Closing price AMZN US (th)					
Profit before tax	90,625	116,567	138,468	185,614	238,338	Net working capital	11,436	19,742	68,628	172,137	324,644	— Price rel. to S & P 500 (th)					
Net income (stated)	53,248	77,589	96,190	134,468	177,913	Other fixed assets	158,288	170,693	167,411	166,589	166,165	—					
Margins						12/24	12/25E	12/26E	12/27E	12/28E	Total IC						
EBITDA margin	22.5%	23.0%	26.2%	29.6%	32.4%	Investments	0	0	0	0	0	416,870					
EBIT margin	14.2%	14.1%	16.8%	19.8%	22.5%	Net cash / (debt)	(130,300)	(140,069)	(127,822)	(124,182)	(120,165)	531,523					
EBIT ROIC	24.0%	21.2%	22.5%	23.8%	23.8%	Others	0	0	0	0	0	655,025					
Net PoE	33.7%	30.2%	26.7%	26.5%	25.6%	Minority interest	0	0	0	0	0	827,140					
Interest cover (EBIT)	-	-	-	-	-	Shareholders equity	285,970	391,454	527,203	702,959	924,269	1,044,434					
Dividend cover (EPS)	-	-	-	-	-	Productivity						12/24	12/25E	12/26E	12/27E	12/28E	
CF (USD m)						12/24	12/25E	12/26E	12/27E	12/28E	Depreciation % of sales						
EBIT	90,604	100,329	133,306	176,095	222,991	Capex % of sales	12.2%	17.5%	16.5%	15.1%	14.3%	8.3%					
Depr./amortisation	52,775	63,285	74,828	86,297	98,427	Revenues to IC	1.7x	1.5x	1.3x	1.2x	1.1x	8.9%					
Net change in WC	(15,541)	14,187	23,352	9,735	17,214	Net debt / total equity	45.8%	35.8%	24.2%	17.7%	13.0%	9.4%					
Other (operating)	19,375	17,525	25,324	27,416	29,628	Shareholders equity	0.9x	0.9x	0.6x	0.5x	0.4x	9.7%					
Operating CF	147,213	195,326	256,809	299,542	368,261	Per Share (USD)						12/24	12/25E	12/26E	12/27E	12/28E	
Net interest	2,271	2,186	5,182	9,519	15,947	EPS (UBS adjusted)	7.84	9.61	11.38	14.98	18.97	7.84					
Capex	(77,658)	(124,629)	(130,937)	(134,224)	(142,207)	Cash EPS	12.88	15.55	18.34	22.92	27.92	9.61					
Tax paid	(9,265)	(17,856)	(16,975)	(23,730)	(31,396)	Net DPS	0.00	0.00	0.00	0.00	0.00	11.38					
Dividends paid	0	0	0	0	0	BVPS (stated)	27.82	36.60	48.81	64.39	83.73	15.55					
Net (acq./)disposals	(7,082)	(2,438)	0	0	0	Valuation*						12/24	12/25E	12/26E	12/27E	12/28E	
Change in equity	0	0	0	0	0	Market C (USD m)	2,325,233	2,325,233	2,325,233	2,325,233	2,325,233	2,325,233					
Other items	(50,768)	(61,757)	(101,772)	(147,468)	(206,587)	EV (EV, avg.)	2,388,585	2,460,718	2,459,178	2,451,235	2,451,235	2,460,718					
Incr./decr. net debt	4,711	(9,169)	12,247	3,640	4,017	EV/Sales (core)	3.2x	3.5x	3.1x	2.8x	2.5x	3.5x					
Momentum						12/24	12/25E	12/26E	12/27E	12/28E	EV/EBITDA (core)						
Sales growth	11.0%	11.4%	11.8%	11.8%	11.7%	EV/EBIT (core)	22.4x	24.5x	18.4x	13.9x	11.0x	15.0x					
EBITDA growth	30.9%	14.1%	27.2%	26.1%	22.5%	EV/OpFCF	33.6x	67.3x	31.9x	19.1x	13.7x	11.8x					
EBIT growth	48.8%	10.7%	32.9%	32.1%	26.6%	P/E	23.5x	23.5x	19.9x	15.1x	11.9x	15.0x					
Cash EPS	27.7%	20.7%	17.9%	25.0%	21.9%	Dividend yield (net)	0.0%	0.0%	0.0%	0.0%	0.0%	23.5x					
EPS (UBS)	48.3%	22.5%	18.5%	31.6%	26.7%	P/BV (average)	6.6x	6.2x	4.6x	3.5x	2.7x	23.5x					
DPS (net)	#DIV0!	#DIV0!	#DIV0!	#DIV0!	#DIV0!	Performance (%)						3m	YTD	12m	3yr		
						Absolute performance						-2.3%	3.1%	-0.6%	155.7%		
						Relative to local index						-5.3%	-11.2%	-11.9%	46%		
						Relative to UBS sector						-	-	-	-		

Amazon is the largest eCommerce company globally, with an extensive logistics network that delivers more eCommerce packages than FedEx or UPS. In addition, its AWS business is the undisputed leader in public Cloud infrastructure services.

Stephen Ju - Analyst
+1-212-862 5192
stephen.ju@ubs.com

Source: Company data and UBS estimates

American Tower Corporation (AMT US)						Rating: Buy	Price target/current (USD): 260 / 180.7					United States					
Wireless Communications						http://www.americantower.com											
P&L (USD m)						12/24	12/25E	12/26E	12/27E	12/28E	Bal Sheet (USD m)						
Revenues	10,804	10,583	10,909	11,219	11,854	Net tangible fixed assets	19,057	20,348	20,718	21,063	21,383	American Tower Corporation (AMT US) vs S & P 500					
EBITDA	7,123	7,094	7,375	7,637	8,155	Goodwill	11,768	12,256	12,256	12,256	12,256						
EBIT	5,012	5,052	5,328	5,572	6,064	Other intangible assets	14,474	14,531	13,718	12,921	12,133	— Closing price AMT US (th)					
Profit before tax	3,981	2,926	3,461	3,631	4,078	Net working capital	(2,203)	(2,083)	(2,133)	(2,185)	(2,251)	— Price rel. to S & P 500 (th)					
Net income (stated)	2,255	2,417	2,842	2,979	3,354	Other fixed assets	12,599	13,220	13,220	13,220	13,220	—					
Margins						12/24	12/25E	12/26E	12/27E	12/28E	Total IC						
EBITDA margin	65.9%	67.0%	67.6%	68.1%	68.8%	Investments	0	0	0	0	0	44,151					
EBIT margin	46.4%	47.7%	48.8%	49.7%	51.2%	Net cash / (debt)	(34,502)	(35,378)	(35,754)	(36,243)	(36,631)	45,994					
EBIT ROIC	10.9%	11.2%	11.6%	12.3%	13.6%	Others	0	0	0	0	0	45,501					
Net PoE	93.1%	67.3%	84.4%	122.2%	226.7%	Minority interest	(6,267)	(6,813)	(6,813)	(6,813)	(6,813)	44,997					
Interest cover (EBIT)	4.1x	-	-	-	-	Shareholders equity	3,382	3,802	2,934	1,941	1,019	44,463					
Dividend cover (EPS)	0.8x	-	-	-	-	Productivity						12/24	12/25E	12/26E	12/27E	12/28E	
CF (USD m)						12/24	12/25E	12/26E	12/27E	12/28E	Depreciation % of sales						
EBIT	5,012	5,052	5,328	5,572	6,064	Capex % of sales	14.7%	15.3%	14.7%	14.4%	13.7%	19.5%					
Depr./amortisation	2,110	2,042	2,047	2,065	2,090	Revenues to IC	0.2x	0.2x	0.2x	0.2x	0.3x	19.3%					
Net change in WC	(10)	(191)	50	52	66	Net debt / total equity	357.6%	333.3%	366.8%	414.0%	467.7%	18.8%					
Other (operating)	(4,355)	(4,268)	(4,933)	(5,097)	(5,510)	Shareholders equity	4.8x	5.0x	4.8x	4.7x	4.5x	18.4%					
Operating CF	2,757	2,635	2,487	2,592	2,711	Per Share (USD)						12/24	12/25E	12/26E	12/27E	12/28E	
Net interest	(1,243)	(1,247)	(1,333)	(1,410)	(1,451)	EPS (UBS adjusted)	7.56	5.16	6.12	6.47	7.35	7.56					
Capex	(1,530)	(1,618)	(1,605)	(1,613)	(1,622)	Cash EPS	12.08	9.53	10.53	10.96	11.94	5.16					
Tax paid	278	293	363	381	428	Net DPS	6.48	6.80	7.35	7.93	8.57	6.12					
Dividends paid	(3,075)	(3,157)	(3,417)	(3,656)	(3,914)	BVPS (stated)	7.22	8.13	6.32	4.22	2.23	9.53					
Net (acq./)disposals	(123)	(283)	0	0	0	Valuation*						12/24	12/25E	12/26E	12/27E	12/28E	
Change in equity	0	(150)	(750)	(1,000)	(1,000)	Market C (USD m)	84,755	84,755	84,755	84,755	84,755	84,755					
Other items	5,448	2,651	3,885	4,216	4,461	EV (EV, avg.)	131,152	130,542	130,542	130,542	130,542	130,542					
Incr./decr. net debt	2,446	(876)	(375)	(490)	(387)	EV/Sales (core)	13.0x	12.3x	12.0x	11.6x	11.0x	12.3x					
Momentum						12/24	12/25E	12/26E	12/27E	12/28E	EV/EBITDA (core)						
Sales growth	-3.1%	-2.0%	3.1%	2.8%	5.7%	EV/EBIT (core)	28.0x	25.8x	24.5x	23.4x	21.5x	18.4x					
EBITDA growth	0.5%	-0.4%	4.0%	3.5%	6.8%	EV/OpFCF	20.1x	18.7x	18.0x	17.4x	16.3x	18.4x					
EBIT growth	25.3%	0.8%	5.5%	4.6%	8.8%	P/E	27.0x	35.0x	29.5x	27.9x	24.6x	18.0x					
Cash EPS	16.3%	-21.1%	10.5%	4.2%	8.3%	Dividend yield (net)	3.2%	3.8%	4.1%	4.4%	4.7%	35.0x					
EPS (UBS)	101.0%	-31.7%	18.5%	5.8%	13.6%	P/BV (average)	28.2x	22.2x	28.6x	42.8x	80.9x	29.5x					
DPS (net)	0.5%	5.0%	8.0%	8.0%	8.0%	Performance (%)						3m	YTD	12m	3yr		
						Absolute performance						-6.1%	-1.5%	-8.3%	-17.2%		
						Relative to local index						-9.0%	-15.1%	-18.8%	-53%		
						Relative to UBS sector						6.0%	2.1%	0.5%	-28%		

American Tower owns and operates 170k+ wireless communications towers in the US, India, Latin America (Mexico, Brazil, Chile, Peru, Colombia), and Africa (South Africa, Uganda, Ghana, Nigeria). Rental and management is the company's primary line of business, comprising 98% of revenue, while over 45% of rental revenue is generated outside the US. AMT completed its conversion to a REIT structure in 2012.

Batya Levi - Analyst
+1-212-713 8824
batya.levi@ubs.com

Source: Company data and UBS estimates

Arista Networks Inc (ANET US)						Rating: Buy (CBE)						Price target/current (USD): 155 / 124.76						United States																
Communications Technology																		http://www.arista.com/en/company																
P&L (USD m)																		Arista Networks Inc (ANET US) vs S & P 500																
12/24	12/25E	12/26E	12/27E	12/28E	12/24	12/25E	12/26E	12/27E	12/28E	12/24	12/25E	12/26E	12/27E	12/28E	12/24	12/25E	12/26E	12/27E	12/28E															
Revenues	7,003	8,871	10,690	12,393	14,109	Net tangible fixed assets	99	183	277	384	507	Price rel. to S & P 500 (%)	10%	15%	20%	25%																		
EBITDA	3,381	4,332	4,959	5,652	6,475	Goodwill	269	365	365	365	365	Closing price ANET US (1st)	0%	5%	10%	15%																		
EBIT	3,319	4,256	4,870	5,546	6,331	Other intangible assets	62	46	29	28	27	<p>Arista Networks, Inc. is a supplier of cloud networking solutions that use software innovations to address the needs of large-scale Internet companies, cloud service providers and next-generation enterprise. Arista's cloud networking solutions consist of the Extensible Operating System (EOS), a set of network applications and 1/2, 5/5/10/25/40/50/100/400 Gigabit Ethernet switching and routing platforms. Corporate headquarters are located in Santa Clara, California.</p>																						
Profit before tax	3,627	4,658	5,421	6,284	7,289	Net working capital	1,454	998	1,323	1,372	1,562	Performance (%)																						
Net income (stated)	2,902	3,665	4,255	4,933	5,722	Other fixed assets	1,704	2,319	2,939	3,098	3,529	Absolute performance	-14.2%	12.9%	11.0%	297.4%																		
Margins																																		
12/24	12/25E	12/26E	12/27E	12/28E	Productivity						3m						YTD						12m						3yr					
EBITDA margin	48.3%	48.8%	46.4%	45.6%	45.3%	Depreciation % of sales	0.9%	0.8%	0.8%	0.9%	1.0%	Relative to local index	-16.3%	-2.8%	-1.6%	127%																		
EBIT margin	47.4%	48.0%	45.6%	44.7%	44.9%	Capex % of sales	0.5%	1.3%	1.6%	1.7%	1.9%	Relative to UBS sector	-12.6%	-4.2%	-5.0%	126%																		
EBIT ROIC	130.8%	162.0%	179.2%	177.0%	162.4%	Revenues to IC	2.8x	3.8x	3.9x	4.0x	4.1x																							
Net PoE	33.7%	32.1%	28.5%	25.3%	23.0%	Net debt / total equity	-77.3%	-81.2%	-82.2%	-85.3%	-86.6%																							
Interest cover (EBIT)	-	-	-	-	-	Net debt / EBITDA	-2.3x	-2.4x	-2.8x	-3.3x	-3.7x																							
Dividend cover (EPS)	-	-	-	-	-	Per Share (USD)																												
CF (USD m)																																		
12/24	12/25E	12/26E	12/27E	12/28E	EPS (UBS adjusted)	2.31	2.91	3.36	3.87	4.49																								
EBIT	3,319	4,258	4,870	5,546	6,331	Cash EPS	2.36	2.97	3.43	3.95	4.57																							
Depr./amortisation	62	75	89	107	144	Net DPS	0.00	0.00	0.00	0.00	0.00																							
Net change in WC	985	573	265	103	221	BVPS (stated)	7.95	10.20	13.48	17.24	21.55																							
Other (operating)	(131)	118	(289)	4	(268)	Valuation*																												
Operating CF	4,175	5,023	4,936	5,759	6,428	12/24	12/25E	12/26E	12/27E	12/28E																								
Net interest	308	402	550	739	958	Market C (USD m)	156,948	156,948	156,948	156,948	156,948																							
Capex	(32)	(113)	(167)	(212)	(268)	EV (EV, avg.)	130,735	145,814	142,027	137,266	135,584																							
Tax paid	(413)	(788)	(1,065)	(1,304)	(1,520)	EV/Sales (core)	13.7x	16.4x	13.9x	11.1x	9.6x																							
Dividends paid	0	0	0	0	0	EV/EBITDA (core)	28.3x	33.7x	28.6x	24.3x	20.9x																							
Net (acq.)/(disposals)	0	0	0	0	0	EV/EBIT (core)	28.9x	34.3x	29.2x	24.8x	21.4x																							
Change in equity	60	57	0	0	0	EV/OpFCF	28.6x	34.6x	29.6x	25.2x	21.8x																							
Other items	(789)	(1,876)	(656)	(268)	(351)	P/E	36.0x	42.8x	37.1x	32.2x	28.0x																							
(Incr.)/(decr.) net debt	3,310	2,704	3,598	4,713	5,249	Dividend yield (net)	0.0%	0.0%	0.0%	0.0%	0.0%																							
Momentum																																		
12/24	12/25E	12/26E	12/27E	12/28E	PIBV (average)	10.5x	12.2x	9.3x	7.2x	5.8x																								
Sales growth	19.5%	26.7%	20.5%	15.9%	13.8%																													
EBITDA growth	26.7%	28.1%	14.5%	14.0%	14.6%																													
EBIT growth	27.7%	28.2%	14.4%	13.9%	14.2%																													
Cash EPS	28.3%	26.0%	15.6%	15.1%	15.5%																													
EPS (UBS)	30.3%	26.1%	15.5%	15.1%	15.1%																													
DPS (net)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!																													

Source: Company data and UBS estimates

Capital One Financial Corp (COF US)						Rating: Buy						Price target/current (USD): 270 / 237.87						United States																
Banks, Ex-S&L																		http://www.capitalone.com																
P&L (USD m)																		Capital One Financial Corp (COF US) vs S & P 500																
12/24	12/25E	12/26E	12/27E	12/28E	12/24	12/25E	12/26E	12/27E	12/28E	12/24	12/25E	12/26E	12/27E	12/28E	12/24	12/25E	12/26E	12/27E	12/28E															
NII	31,208	43,141	51,379	54,725	57,561	RWA's (USD m)	377,147	514,773	523,723	549,060	569,483	Price rel. to S & P 500 (%)	10%	15%	20%	25%																		
Other Incomes	7,966	10,608	12,936	14,106	15,034	Tier one capital (USD m)	55,652	78,952	80,861	83,005	83,533	Closing price COF US (1st)	0%	5%	10%	15%																		
Total revenues	39,174	53,749	64,375	68,831	72,655	Total capital (USD m)	61,805	88,424	90,333	92,477	93,005	<p>Capital One is a leading financial services company specializing in credit cards, auto lending, and banking services. Headquartered in McLean, VA and led by founder and CEO Richard Fairbank, it is one of the largest card issuers in the US, known for its data-driven and tech-forward approach. In May 2025, COF acquired Discover Financial in its largest ever transaction, which transformed it into a vertically integrated payment company.</p>																						
PTP	7,248	14,247	17,511	19,660	20,807	Tier one ratio	14.8	15.3	15.3	15.1	14.7	Performance (%)																						
Net Income (reported)	4,445	2,033	11,530	13,569	14,828	Capital ratio	16.4	17.2	17.1	16.8	16.3	Absolute performance	5.0%	33.4%	28.9%	153.5%																		
Margins																																		
12/24	12/25E	12/26E	12/27E	12/28E	Productivity						3m						YTD						12m						3yr					
Net interest margin	6.4	7.4	7.6	7.8	8.0	Cost income ratio	53.7	51.2	48.8	48.2	48.2	Relative to local index	1.7%	14.9%	14.2%	45%																		
RoAdjE	9.9	12.1	12.6	14.1	15.0	Cash cost income ratio	53.7	51.2	48.8	48.2	48.2	Relative to UBS sector	-1.4%	5.3%	4.2%	34%																		
RoRWA	1.5	2.4	2.6	2.9	2.9																													
RoA	1.2	1.9	2.1	2.2	2.3																													
Bal Sheet (USD m)																																		
12/24	12/25E	12/26E	12/27E	12/28E	Per Share (USD)																													
Common equity	55,939	108,467	108,388	108,573	107,314	DPS (ex. Goodwill)	47.3	48.6	54.1	62.9	72.1																							
Year end total assets	490,144	671,734	688,125	703,859	733,037	EPS (stated)	11.6	3.8	16.9	23.9	28.4																							
Net customer loans	327,775	455,525	476,542	500,039	524,853	EPS (UBS adjusted)	14.2	19.8	22.4	27.0	31.1																							
Tot. customer deposits	362,707	480,090	497,352	520,171	544,043	DPS	2.4	2.4	2.8	4.0	5.0																							
Shareholders funds	60,784	113,874	113,795	113,980	112,721	BVPS	146.7	172.5	184.0	198.8	215.7																							
Asset quality																																		
12/24	12/25E	12/26E	12/27E	12/28E	Valuation*																													
NPAs (USD m)	0	0	0	0	0	12/24	12/25E	12/26E	12/27E	12/28E																								
Risk reserves (USD m)	16,258	23,611	24,028	25,419	26,668	Market C (USD m)	67,976	151,214	151,214	151,214	151,214																							
NPLs : loans (USD m)	0	0	0	0	0	PIBV	1.0x	1.4x	1.3x	1.2x	1.1x																							
NPA/Shareholders fun	-28.7	-20.7	-21.1	-22.3	-23.7	P/E (reported)	12.8x	63.2x	12.6x	10.0x	8.4x																							
Momentum																																		
12/24	12/25E	12/26E	12/27E	12/28E	P/E (UBS adjusted)	10.4x	12.0x	10.6x	8.8x	7.6x																								
Revenue growth	6.4%	37.2%	19.8%	6.9%	5.6%	Dividend yield (% net)	1.6	1.0	1.2	1.7	2.1																							
NII growth	6.7%	38.2%	19.1%	6.5%	5.2%	Market cap./Revenues	1.7x	2.8x	2.3x	2.2x	2.1x																							
PTP growth	13.8%	96.6%	22.9%	12.3%	5.8%																													
Net Income growth	-3.0%	-54.3%	467.2%	17.7%	9.3%																													
EPS (UBS) growth	13.0%	39.4%	12.8%	20.7%	15.3%																													
DPS (net) growth	0.0%	0.0%	16.7%	42.9%	25.0%																													

Source: Company data and UBS estimates

Deckers Outdoor Corp (DECK US)

Rating: Buy (CBE)

Price target/current (USD): 157 / 101.18

United States

Retailers, Apparel

<http://www.doverdowns.com/>

P&L (USD m)	03/25	03/26E	03/27E	03/28E	03/29E
Revenues	4,986	5,404	5,913	6,460	7,035
EBITDA	1,248	1,262	1,392	1,538	1,697
EBIT	1,179	1,193	1,318	1,458	1,610
Profit before tax	1,243	1,258	1,338	1,478	1,630
Net income (stated)	966	973	1,017	1,120	1,235

Margins	03/25	03/26E	03/27E	03/28E	03/29E
EBITDA margin	25.0%	23.4%	23.5%	23.8%	24.1%
EBIT margin	23.8%	22.1%	22.3%	22.6%	22.9%
EBIT ROIC	191.8%	183.9%	188.1%	192.4%	196.3%
Net RoE	41.8%	36.4%	32.6%	29.6%	26.8%
Interest cover (EBIT)	-	-	-	-	-
Dividend cover (EPS)	-	-	-	-	-

CF (USD m)	03/25	03/26E	03/27E	03/28E	03/29E
EBIT	1,179	1,193	1,318	1,458	1,610
Depr./amortisation	69	69	74	80	87
Net change in w/C	33	(19)	(20)	(21)	(23)
Other (operating)	(24)	(6)	(7)	(7)	(8)
Operating CF	1,258	1,237	1,365	1,510	1,666
Net interest	0	0	0	0	0
Capex	(86)	(93)	(102)	(112)	(122)
Tax paid	(277)	(285)	(321)	(358)	(394)
Dividends paid	0	0	0	0	0
Net (acqu./)disposals	0	0	0	0	0
Change in equity	(581)	(650)	(450)	(350)	(350)
Other items	74	65	20	20	20
(Incr./)decr. net debt	387	274	512	710	820

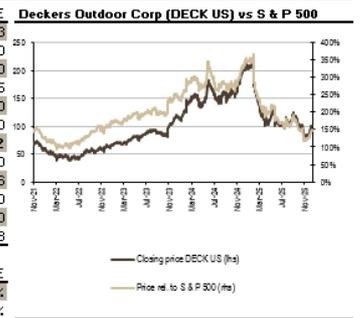
Momentum	03/25	03/26E	03/27E	03/28E	03/29E
Sales growth	16.3%	8.4%	9.4%	9.2%	8.9%
EBITDA growth	26.7%	1.1%	10.3%	10.5%	10.3%
EBIT growth	27.1%	1.1%	10.5%	10.6%	10.4%
Cash EPS	29.4%	4.0%	6.3%	12.0%	12.0%
EPS (UBS)	29.3%	4.0%	6.1%	12.1%	12.1%
DPS (net)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

Bal Sheet (USD m)	03/25	03/26E	03/27E	03/28E	03/29E
Net tangible fixed assets	326	350	377	409	443
Goodwill	30	30	30	30	30
Other intangible assets	0	0	0	0	0
Net working capital	201	221	241	262	285
Other fixed assets	354	384	420	459	500
Provisions	0	0	0	0	0
Total IC	624	673	728	787	852
Investments	0	0	0	0	0
Net cash / (debt)	1,889	2,163	2,675	3,385	4,206
Others	0	0	0	0	0
Minority interest	0	0	0	0	0
Shareholders equity	2,513	2,836	3,403	4,173	5,058

Productivity	03/25	03/26E	03/27E	03/28E	03/29E
Depreciation % of sales	1.4%	1.3%	1.3%	1.2%	1.2%
Capex % of sales	1.7%	1.7%	1.7%	1.7%	1.7%
Revenues to IC	8.1x	8.3x	8.4x	8.5x	8.6x
Net debt / total equity	-75.2%	-76.3%	-78.6%	-81.1%	-83.2%
Net debt / EBITDA	-1.5x	-1.7x	-1.9x	-2.2x	-2.5x

Per Share (USD)	03/25	03/26E	03/27E	03/28E	03/29E
EPS (UBS adjusted)	6.36	6.61	7.01	7.86	8.82
Cash EPS	6.81	7.08	7.53	8.43	9.44
Net DPS	0.00	0.00	0.00	0.00	0.00
BVPS (stated)	16.49	19.27	23.47	29.30	36.11

Valuation*	03/25	03/26E	03/27E	03/28E	03/29E
Market C (USD m)	15,140	15,140	15,140	15,140	15,140
EV (EV, avg.)	13,698	13,898	13,698	13,698	13,698
EV/Sales (core)	4.8x	2.6x	2.4x	2.2x	2.0x
EV/EBITDA (core)	19.2x	11.0x	10.0x	9.0x	8.2x
EV/EBIT (core)	20.3x	11.7x	10.5x	9.5x	8.6x
EV/OpFCF	20.6x	11.9x	10.8x	9.7x	8.8x
P/E	25.5x	15.3x	14.4x	12.9x	11.5x
Dividend yield (net)	0.0%	0.0%	0.0%	0.0%	0.0%
P/BV (average)	9.8x	5.2x	4.3x	3.5x	2.8x



Performance (%)	3m	YTD	12m	3yr
Absolute performance	-14.7%	-50.2%	-51.0%	60.8%
Relative to local index	-17.4%	-57.1%	-56.6%	-8%
Relative to UBS sector	-22.8%	-56.6%	-56.5%	-5%

Deckers Outdoor Corp designs, markets, and distributes mainly footwear, as well as apparel and accessories, for lifestyle and high-performance activities. The company distributes its products through the direct-to-consumer channel (including company-operated stores and eCommerce) and wholesale. Its offerings include brands such as UGG, HOKA, Koolhausa, Sanuk, Teva, and others. As of March 31, 2023, it operates 52 retail stores in the US. Internationally, it operates 112 retail stores in Austria, Belgium, Canada, China, France, Germany, Japan, the Netherlands, Switzerland, and the UK.

Jay Sole - Analyst
+1-212-713 3553
jay.sole@ubs.com

Source: Company data and UBS estimates

Deere & Co. (DE US)

Rating: Buy

Price target/current (USD): 535 / 484.8

United States

Heavy Machinery

<http://www.deere.com>

P&L (USD m)	10/25	10/26E	10/27E	10/28E	10/29E
Revenues	40,257	40,247	45,031	47,202	48,805
EBITDA	5,816	5,433	7,339	7,845	8,282
EBIT	5,516	5,133	7,039	7,545	7,982
Profit before tax	6,256	5,860	7,652	8,303	8,904
Net income (stated)	5,027	4,380	6,057	6,552	6,936

Margins	10/25	10/26E	10/27E	10/28E	10/29E
EBITDA margin	14.4%	13.5%	16.3%	16.6%	17.0%
EBIT margin	13.7%	12.8%	15.6%	16.0%	16.4%
EBIT ROIC	6.8%	6.3%	8.6%	8.9%	9.1%
Net RoE	20.6%	16.6%	22.3%	23.3%	23.7%
Interest cover (EBIT)	17.3x	-	-	-	-
Dividend cover (EPS)	3.3x	-	-	-	-

CF (USD m)	10/25	10/26E	10/27E	10/28E	10/29E
EBIT	5,516	5,133	7,039	7,545	7,982
Depr./amortisation	300	300	300	300	300
Net change in w/C	(443)	(732)	(612)	(140)	(158)
Other (operating)	2,604	1,151	1,243	1,467	1,409
Operating CF	7,977	5,852	7,971	9,172	9,533
Net interest	(371)	(383)	(373)	(382)	(386)
Capex	(557)	(1,372)	(1,397)	(1,465)	(1,515)
Tax paid	(1,259)	(1,491)	(1,607)	(1,762)	(1,984)
Dividends paid	(1,720)	(1,736)	(1,705)	(1,660)	(1,612)
Net (acqu./)disposals	0	0	0	0	0
Change in equity	(1,138)	(1,800)	(3,600)	(3,360)	(4,356)
Other items	(1,837)	2,755	(1,124)	(1,726)	(1,691)
(Incr./)decr. net debt	2,209	1,824	(1,834)	(1,782)	(2,012)

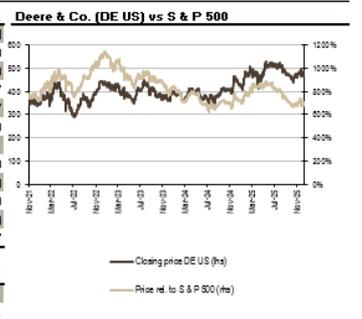
Momentum	10/25	10/26E	10/27E	10/28E	10/29E
Sales growth	-13.2%	0.0%	11.9%	4.8%	3.4%
EBITDA growth	-35.4%	-6.6%	35.1%	6.3%	5.6%
EBIT growth	-36.6%	-6.9%	37.1%	7.2%	5.8%
Cash EPS	-26.7%	-11.2%	38.3%	10.7%	8.7%
EPS (UBS)	-27.9%	-11.9%	40.6%	11.1%	9.0%
DPS (net)	5.9%	16.6%	0.0%	0.0%	0.0%

Bal Sheet (USD m)	10/25	10/26E	10/27E	10/28E	10/29E
Net tangible fixed assets	8,079	8,135	8,057	7,975	7,891
Goodwill	0	0	0	0	0
Other intangible assets	5,080	5,080	5,080	5,080	5,080
Net working capital	10,228	10,811	11,658	12,064	12,497
Other fixed assets	60,424	58,808	60,725	63,216	65,947
Provisions	0	0	0	0	0
Total IC	81,667	80,687	83,374	86,189	89,268
Investments	0	0	0	0	0
Net cash / (debt)	(55,660)	(53,836)	(55,671)	(57,453)	(59,465)
Others	0	0	0	0	0
Minority interest	(57)	(57)	(57)	(57)	(57)
Shareholders equity	25,950	26,794	27,646	28,679	29,747

Productivity	10/25	10/26E	10/27E	10/28E	10/29E
Depreciation % of sales	0.7%	0.7%	0.7%	0.6%	0.6%
Capex % of sales	-1.4%	3.4%	3.1%	3.1%	3.1%
Revenues to IC	0.5x	0.5x	0.5x	0.6x	0.6x
Net debt / total equity	214.0%	200.5%	201.0%	199.9%	199.5%
Net debt / EBITDA	9.6x	9.9x	7.6x	7.3x	7.2x

Per Share (USD)	10/25	10/26E	10/27E	10/28E	10/29E
EPS (UBS adjusted)	18.55	16.35	23.02	25.58	27.88
Cash EPS	19.66	17.47	24.16	26.75	29.09
Net DPS	5.56	6.48	6.48	6.48	6.48
BVPS (stated)	95.61	100.00	105.08	111.97	119.53

Valuation*	10/25	10/26E	10/27E	10/28E	10/29E
Market C (USD m)	131,581	131,581	131,581	131,581	131,581
EV (EV, avg.)	168,569	168,549	168,549	168,549	168,549
EV/Sales (core)	4.6x	4.7x	4.2x	4.0x	3.9x
EV/EBITDA (core)	32.0x	34.7x	25.7x	24.0x	22.8x
EV/EBIT (core)	33.7x	36.7x	26.8x	25.0x	23.6x
EV/OpFCF	35.0x	38.2x	27.6x	25.7x	24.2x
P/E	25.5x	29.7x	21.1x	19.0x	17.4x
Dividend yield (net)	1.2%	1.3%	1.3%	1.3%	1.3%
P/BV (average)	4.9x	4.8x	4.6x	4.3x	4.1x



Performance (%)	3m	YTD	12m	3yr
Absolute performance	3.3%	14.4%	10.1%	12.8%
Relative to local index	0.1%	-1.4%	-2.4%	-36%
Relative to UBS sector	-15.2%	-18.7%	-18.2%	-31%

Deere & Company makes and distributes agricultural and construction equipment, primarily for commercial use but also for consumer use. The company also provides credit services, including retail, wholesale, and lease financing. Its Production and Precision Agricultural segment accounted for 41% of FY24 sales; its Small Ag & Turf segment accounted for 22%; its Construction & Forestry segment accounted for 26%; and the Financial Services segment accounted for 11%.

Steven Fisher, CFA - Analyst
+1-212-713 8634
steven.fisher@ubs.com

Source: Company data and UBS estimates

General Motors Company (GM US)

Rating: Buy

Price target/current (US\$): 97.0 / 81.98

United States

Automobile Manufacturers

http://www.gm.com

P&L (US\$ m)	12/25E	12/26E	12/27E	12/28E	12/29E
Revenues	186,719	184,468	185,155	186,630	188,127
EBITDA	17,024	18,928	21,019	22,047	22,528
EBIT	12,870	14,464	15,952	16,625	16,820
Profit before tax	12,886	14,706	16,238	17,008	17,314
Net income (stated)	8,898	12,063	13,274	13,921	14,180

Margins (%)	12/25E	12/26E	12/27E	12/28E	12/29E
EBITDA Margin	10.7	11.8	12.9	13.4	13.6
EBIT margin	6.9	7.8	8.6	8.9	8.9
EBIT ROIC	19.7	21.1	22.0	21.6	20.8
Net RoE	15.9	17.4	17.6	16.9	16.0
Interest cover (EBIT)	-	-	-	-	-
Dividend cover (EPS)	19.0	23.3	27.7	31.3	34.6

CF (US\$ m)	12/25E	12/26E	12/27E	12/28E	12/29E
EBIT	12,870	14,464	15,952	16,625	16,820
Depr./amortisation	7,047	7,361	7,993	8,377	8,693
Net change in WC	363	1,991	(168)	(1)	(12)
Other (operating)	3,796	(1,484)	(902)	(1,569)	(1,582)
Operating CF	24,076	22,331	22,875	23,432	23,918
Net interest	16	243	286	382	494
Capex	(10,054)	(11,500)	(11,500)	(11,000)	(11,000)
Tax paid	(1,289)	(1,471)	(1,624)	(1,701)	(1,731)
Dividends paid	(538)	(517)	(480)	(445)	(410)
Net (acqu./)disposals	0	0	0	0	0
Change in equity	(5,512)	(6,000)	(6,089)	(6,809)	(7,195)
Other items	(6,596)	(1,173)	(1,340)	(1,386)	(1,402)
(Incr./)decr. net debt	103	1,913	2,129	2,474	2,674

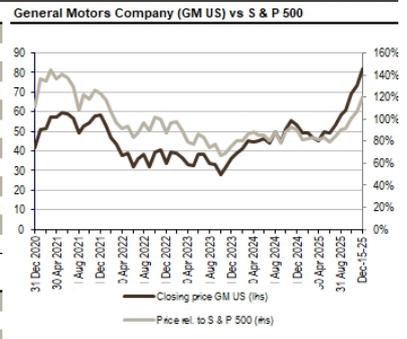
Momentum (%)	12/25E	12/26E	12/27E	12/28E	12/29E
Sales growth	(0.4)	(1.2)	0.4	0.8	0.8
EBITDA growth	(7.3)	9.6	9.7	4.4	2.0
EBIT growth	(13.8)	12.4	10.3	4.2	1.2
Cash EPS	9.9	23.5	18.0	13.1	11.3
EPS (UBS)	1.0	29.0	18.6	13.2	10.5
DPS (net)	18.8	5.3	0.0	0.0	0.0

Bal Sheet (US\$ m)	12/25E	12/26E	12/27E	12/28E	12/29E
Net tangible fixed assets	53,995	58,134	61,641	64,264	66,571
Goodwill	3,104	3,104	3,104	3,104	3,104
Other intangible assets	0	0	0	0	0
Net working capital	(21,393)	(23,784)	(24,417)	(24,415)	(24,403)
Other fixed assets	172,293	174,016	175,602	177,171	178,753
Provisions	(9,674)	(9,674)	(9,674)	(9,674)	(9,674)
Total IC	66,921	70,393	74,853	79,047	82,948
Investments	5,256	5,416	5,532	5,532	5,532
Net cash/(debt)	6,137	8,050	10,180	12,653	15,327
Others	(9,674)	(9,674)	(9,674)	(9,674)	(9,674)
Minority interest	(2,028)	(2,028)	(2,028)	(2,028)	(2,028)
Shareholders equity	66,612	72,158	78,864	85,530	92,105

Productivity (%)	12/25E	12/26E	12/27E	12/28E	12/29E
Depreciation % of sales	3.8	4.0	4.3	4.5	4.6
Capex % of sales	5.4	6.2	6.2	5.9	5.8
Revenues to IC (x)	2.9	2.7	2.5	2.4	2.3
Net debt / total equity	(8.9)	(10.9)	(12.6)	(14.5)	(16.3)
Net debt / EBITDA (x)	(0.3)	(0.4)	(0.4)	(0.5)	(0.6)

Per share (USD)	12/25E	12/26E	12/27E	12/28E	12/29E
EPS (UBS adjusted)	10.84	13.99	16.60	18.78	20.75
Cash EPS	18.25	22.53	26.59	30.08	33.47
Net DPS	0.57	0.60	0.60	0.60	0.60
BVPS (stated)	73.00	83.70	98.80	115.39	134.78

Valuation* (x)	12/25E	12/26E	12/27E	12/28E	12/29E
Market C (US\$ m)	79,029	79,029	79,029	79,029	79,029
EV (EV, avg.)	66,081	62,176	57,229	54,275	51,290
EV/Sales (core)	0.4	0.3	0.3	0.3	0.3
EV/EBITDA (core)	3.9	3.3	2.7	2.5	2.3
EV/EBIT (core)	5.1	4.3	3.6	3.3	3.0
EV/OPFCF	9.0	6.6	6.1	4.9	4.5
P/E	7.6	5.9	4.9	4.4	4.0
Dividend yield (net)	0.7	0.7	0.7	0.7	0.7
P/BV (average)	1.1	1.0	0.8	0.7	0.6



Performance (%)	3m	YTD	12m	3yr
Absolute performance	39.1	53.9	56.1	117.9
Relative to local index	35.0	32.8	38.5	24.5
Relative to UBS sector	18.9	28.2	39.7	(19.5)

General Motors, founded in 1908, is a global producer of cars and trucks. General Motors' automotive business operates through two segments, GM North America and GM International, and sells under the brands Chevrolet, Cadillac, Buick, GMC, Baojun, and Wuling. General Motors also provides financial services through GM Financial and has acquired the autonomous driving company Cruise. General Motors is headquartered in Detroit, MI.

Joseph Spak, CFA - Analyst
+1-212-713 3089
joseph.spak@ubs.com

Source: Company data and UBS estimates

Johnson Controls International plc (JCI US)

Rating: Buy

Price target/current (USD): 140 / 114.76

United States

Industrial, Diversified

http://www.jci.com

P&L (USD m)	09/25	09/26E	09/27E	09/28E	09/29E
Revenues	23,596	24,969	26,359	27,651	28,942
EBITDA	3,987	4,630	5,156	5,625	6,029
EBIT	3,122	3,727	4,216	4,653	5,026
Profit before tax	2,803	3,407	3,896	4,333	4,706
Net income (stated)	2,368	2,825	3,230	3,592	3,902

Margins	09/25	09/26E	09/27E	09/28E	09/29E
EBITDA margin	16.9%	18.5%	19.6%	20.3%	20.8%
EBIT margin	13.2%	14.9%	16.0%	16.8%	17.4%
EBIT ROIC	17.6%	21.4%	24.1%	26.3%	28.1%
Net RoE	17.0%	21.1%	22.3%	22.6%	22.1%
Interest cover (EBIT)	9.8x	-	-	-	-
Dividend cover (EPS)	2.3x	-	-	-	-

CF (USD m)	09/25	09/26E	09/27E	09/28E	09/29E
EBIT	3,122	3,727	4,216	4,653	5,026
Depr./amortisation	865	903	940	972	1,003
Net change in WC	(728)	(538)	(653)	(670)	(705)
Other (operating)	27	101	101	101	101
Operating CF	3,286	4,193	4,604	5,056	5,425
Net interest	(319)	(320)	(320)	(320)	(320)
Capex	(425)	(449)	(474)	(498)	(521)
Tax paid	(338)	(579)	(662)	(737)	(800)
Dividends paid	(376)	(1,022)	(1,059)	(1,099)	(1,140)
Net (acqu./)disposals	2	0	0	0	0
Change in equity	(5,991)	(1,000)	(1,000)	(1,000)	(1,000)
Other items	4,147	(3)	(3)	(4)	(4)
(Incr./)decr. net debt	(614)	818	1,084	1,400	1,640

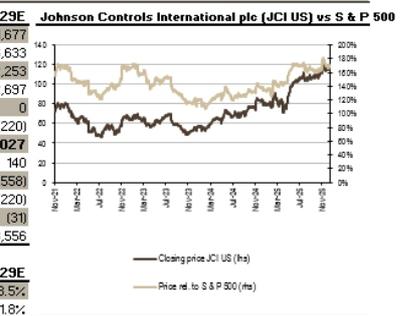
Momentum	09/25	09/26E	09/27E	09/28E	09/29E
Sales growth	2.8%	5.8%	5.6%	4.9%	4.7%
EBITDA growth	8.6%	16.1%	11.4%	9.1%	7.2%
EBIT growth	11.8%	19.4%	13.1%	10.4%	8.0%
Cash EPS	12.8%	20.5%	13.4%	10.8%	8.7%
EPS (UBS)	17.4%	23.4%	15.9%	12.6%	9.9%
DPS (net)	5.0%	5.0%	5.0%	5.0%	5.0%

Bal Sheet (USD m)	09/25	09/26E	09/27E	09/28E	09/29E
Net tangible fixed assets	2,193	2,080	1,954	1,820	1,677
Goodwill	16,633	16,633	16,633	16,633	16,633
Other intangible assets	3,613	3,273	2,933	2,593	2,253
Net working capital	131	669	1,323	1,992	2,697
Other fixed assets	0	0	0	0	0
Provisions	(220)	(220)	(220)	(220)	(220)
Total IC	17,337	17,422	17,610	17,805	18,027
Investments	140	140	140	140	140
Net cash/(debt)	(3,501)	(8,683)	(7,598)	(6,199)	(4,558)
Others	(220)	(220)	(220)	(220)	(220)
Minority interest	(27)	(28)	(29)	(30)	(31)
Shareholders equity	12,927	13,829	15,100	16,694	18,556

Productivity	09/25	09/26E	09/27E	09/28E	09/29E
Depreciation % of sales	3.7%	3.6%	3.6%	3.5%	3.5%
Capex % of sales	1.8%	1.8%	1.8%	1.8%	1.8%
Revenues to IC	1.3x	1.4x	1.5x	1.6x	1.6x
Net debt / total equity	73.3%	62.7%	50.2%	37.1%	24.5%
Net debt / EBITDA	2.4x	1.9x	1.5x	1.1x	0.8x

Per Share (USD)	09/25	09/26E	09/27E	09/28E	09/29E
EPS (UBS adjusted)	3.76	4.65	5.38	6.06	6.66
Cash EPS	5.09	6.13	6.95	7.70	8.37
Net DPS	1.60	1.68	1.77	1.85	1.95
BVPS (stated)	19.72	22.74	25.17	28.17	31.68

Valuation*	09/25	09/26E	09/27E	09/28E	09/29E
Market C (USD m)	75,214	75,214	75,214	75,214	75,214
EV (EV, avg.)	77,527	77,528	77,529	77,530	77,531
EV/Sales (core)	2.7x	3.1x	2.9x	2.8x	2.7x
EV/EBITDA (core)	16.0x	16.7x	15.0x	13.8x	12.9x
EV/EBIT (core)	20.5x	20.8x	18.4x	16.7x	15.4x
EV/OPFCF	22.5x	21.3x	19.2x	17.4x	16.1x
P/E	24.0x	24.7x	21.3x	18.9x	17.2x
Dividend yield (net)	1.8%	1.5%	1.5%	1.6%	1.7%
P/BV (average)	4.6x	5.0x	4.6x	4.1x	3.6x



Performance (%)	3m	YTD	12m	3yr
Absolute performance	6.4%	45.4%	38.9%	77.0%
Relative to local index	3.1%	25.3%	23.1%	1%
Relative to UBS sector	5.7%	30.6%	32.0%	13%

Johnson Controls is a globally diversified company providing equipment, installation and services primarily for commercial and residential buildings. JCI manufactures and services HVAC systems, fire & security systems, and building management systems and controls. In 2016, Johnson Controls merged with Tyco, while also divesting JCI's former automotive experience division (seating and other interior components). In 2013, JCI completed the divestiture of its former Power Solutions (automotive lead acid batteries) business.

Amit Mehrotra - Analyst
+1-201-352 1410
amit.mehrotra@ubs.com

Source: Company data and UBS estimates

Linde PLC (LIN US)

Rating: Buy

Price target/current (USD): 500 / 416.24

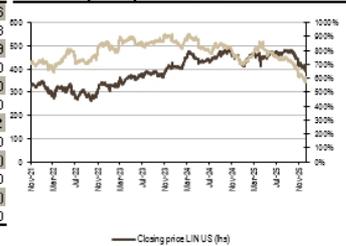
United States

Chemicals, Commodity

<https://www.lindeplc.com>

P&L (USD m)	12/24	12/25E	12/26E	12/27E	12/28E	Bal Sheet (USD m)	12/24	12/25E	12/26E	12/27E	12/28E
Revenues	33,005	33,869	35,536	37,951	40,051	Net tangible fixed assets	24,775	27,867	28,639	28,513	28,426
EBITDA	12,577	13,366	14,261	15,470	16,436	Goodwill	25,937	27,828	27,828	27,828	27,828
EBIT	9,720	10,146	10,824	11,839	12,709	Other intangible assets	15,490	16,293	16,293	16,293	16,293
Profit before tax	9,661	10,124	10,761	11,533	12,557	Net working capital	(163)	(319)	174	514	610
Net income (stated)	6,565	7,126	7,520	8,336	9,123	Other fixed assets	0	0	0	0	0
						Provisions	0	0	0	0	0
Margins	12/24	12/25E	12/26E	12/27E	12/28E	Total IC	55,261	60,587	62,216	62,701	63,262
EBITDA margin	38.1%	39.5%	40.1%	40.8%	41.2%	Investments	0	0	0	0	0
EBIT margin	29.5%	30.0%	30.5%	31.2%	31.7%	Net cash / (debt)	(16,773)	(21,510)	(23,347)	(23,654)	(24,931)
EBIT ROIC	17.7%	17.5%	17.6%	19.0%	20.2%	Others	0	0	0	0	0
Net RoE	19.2%	20.2%	21.6%	23.4%	25.6%	Minority interest	(1,396)	(1,516)	(1,631)	(1,870)	(2,052)
Interest cover (EBIT)	40.7x	-	-	-	-	Shareholders equity	38,092	38,561	38,179	38,177	37,220
Dividend cover (EPS)	2.5x	-	-	-	-						
						Productivity	12/24	12/25E	12/26E	12/27E	12/28E
CF (USD m)	12/24	12/25E	12/26E	12/27E	12/28E	Depreciation % of sales	8.7%	9.5%	9.7%	9.6%	9.5%
EBIT	9,720	10,146	10,824	11,839	12,709	Capex % of sales	13.6%	15.1%	13.5%	10.0%	10.0%
Depr./amortisation	2,657	3,220	3,437	3,632	3,787	Revenues to IC	0.6x	0.6x	0.6x	0.6x	0.6x
Net change in w/C	(381)	(193)	(494)	(340)	(295)	Net debt / total equity	42.5%	53.7%	58.6%	59.1%	63.6%
Other (operating)	0	0	0	0	0	Net debt / EBITDA	1.3x	1.6x	1.6x	1.5x	1.5x
Operating CF	12,196	13,167	13,767	15,130	16,200						
Net interest	(259)	(255)	(263)	(295)	(352)	Per Share (USD)	12/24	12/25E	12/26E	12/27E	12/28E
Capex	(4,497)	(5,103)	(4,800)	(3,800)	(4,000)	EPS (UBS adjusted)	15.50	16.42	17.90	19.70	21.85
Tax paid	(2,560)	(2,876)	(2,798)	(3,014)	(3,265)	Cash EPS	21.43	23.23	25.33	27.72	30.41
Dividends paid	(2,655)	(2,816)	(3,053)	(3,288)	(3,531)	Net DPS	5.51	5.96	6.60	7.26	7.93
Net (acqu./)disposals	(147)	(457)	0	0	0	BVPS (stated)	79.21	81.62	82.55	84.31	84.19
Change in equity	(4,451)	(4,231)	(4,800)	(5,000)	(6,500)						
Other items	309	(2,106)	110	(40)	110	Valuation*	12/24	12/25E	12/26E	12/27E	12/28E
(Incr./)decr. net debt	(2,064)	(4,737)	(1,836)	(307)	(1,337)	Market C (USD m)	196,261	196,261	196,261	196,261	196,261
						EV (EV, avg.)	217,475	215,313	219,300	220,631	221,635
Momentum	12/24	12/25E	12/26E	12/27E	12/28E	EV/Sales (core)	7.1x	6.4x	6.2x	5.8x	5.5x
Sales growth	0.5%	2.6%	4.9%	6.8%	5.5%	EV/EBITDA (core)	18.5x	16.2x	15.4x	14.3x	13.4x
EBITDA growth	5.7%	6.3%	6.7%	8.5%	6.6%	EV/EBIT (core)	23.9x	21.3x	20.3x	18.6x	17.4x
EBIT growth	7.2%	4.4%	6.7%	9.4%	7.4%	EV/OpFCF	28.8x	26.1x	23.2x	18.9x	17.7x
Cash EPS	7.5%	8.4%	9.0%	9.4%	9.7%	P/E	28.8x	25.4x	23.3x	21.1x	19.1x
EPS (UBS)	9.2%	5.9%	9.0%	10.0%	10.9%	Dividend yield (net)	1.2%	1.4%	1.6%	1.7%	1.9%
DPS (net)	9.2%	8.2%	10.7%	10.0%	10.0%	P/BV (average)	5.6x	5.1x	5.0x	4.3x	4.3x

Linde PLC (LIN US) vs S & P 500



Performance (%)	3m	YTD	12m	3yr
Absolute performance	-12.7%	-0.6%	-4.4%	25.8%
Relative to local index	-15.4%	-14.4%	-15.3%	-28%
Relative to UBS sector	-0.9%	13.0%	13.2%	35%

The merger of Linde AG and Praxair to form Linde plc created the largest industrial gas company by market share (c31-32%), ahead of Air Liquide and Air Products. Linde plc supplies products into the chemical processing, manufacturing, steel, healthcare, and electronics end markets. Linde plc is broadly balanced by gas distribution, with onsite accounting for 27%, bulk 26%, and cylinder 33%. Linde plc is also a leader in surface technology and engineering services for gases, petrochemicals, and natural gases.

Joshua Spector, CFA - Analyst

+1-212-713 6188

joshua.spector@ubs.com

Source: Company data and UBS estimates

Lowe's Companies, Inc. (LOW US)

Rating: Buy

Price target/current (USD): 316 / 247.29

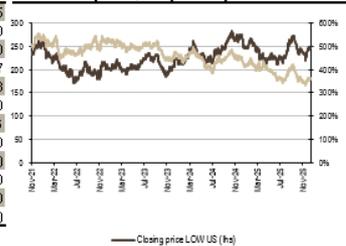
United States

Retailers, Broadline

<http://www.lowes.com>

P&L (USD m)	01/25	01/26E	01/27E	01/28E	01/29E	Bal Sheet (USD m)	01/25	01/26E	01/27E	01/28E	01/29E
Revenues	83,673	86,001	93,994	98,158	102,585	Net tangible fixed assets	17,649	18,680	18,941	19,116	19,195
EBITDA	12,261	12,457	13,324	14,335	15,290	Goodwill	0	0	0	0	0
EBIT	10,289	10,378	11,047	11,958	12,805	Other intangible assets	0	0	0	0	0
Profit before tax	8,375	8,391	9,582	10,708	11,580	Net working capital	2,451	2,674	2,426	2,526	2,647
Net income (stated)	6,957	6,701	8,138	8,743	9,448	Other fixed assets	4,574	14,650	14,678	14,703	14,733
						Provisions	0	0	0	0	0
Margins	01/25	01/26E	01/27E	01/28E	01/29E	Total IC	18,999	29,113	29,128	29,404	29,606
EBITDA margin	14.7%	14.5%	14.2%	14.6%	14.9%	Investments	0	0	0	0	0
EBIT margin	12.3%	12.1%	11.8%	12.2%	12.5%	Net cash / (debt)	(33,751)	(39,199)	(33,765)	(31,670)	(31,723)
EBIT ROIC	53.5%	43.1%	37.9%	40.9%	43.4%	Others	0	0	0	0	0
Net RoE	-46.6%	-56.9%	-102.8%	-256.5%	-457.3%	Minority interest	0	0	0	0	0
Interest cover (EBIT)	7.8x	-	-	-	-	Shareholders equity	(14,231)	(9,805)	(4,358)	(1,987)	(1,837)
Dividend cover (EPS)	2.7x	-	-	-	-						
						Productivity	01/25	01/26E	01/27E	01/28E	01/29E
CF (USD m)	01/25	01/26E	01/27E	01/28E	01/29E	Depreciation % of sales	2.4%	2.4%	2.4%	2.4%	2.4%
EBIT	10,289	10,378	11,047	11,958	12,805	Capex % of sales	2.3%	2.3%	2.7%	2.6%	2.5%
Depr./amortisation	1,972	2,073	2,277	2,378	2,485	Revenues to IC	4.3x	3.6x	3.2x	3.4x	3.5x
Net change in w/C	118	370	244	(104)	(126)	Net debt / total equity	-237.2%	-399.8%	-774.8%	-1534.2%	-1727.0%
Other (operating)	578	853	856	894	934	Net debt / EBITDA	2.8x	3.1x	2.5x	2.2x	2.1x
Operating CF	12,957	13,680	14,424	15,125	16,098						
Net interest	(1,314)	(1,387)	(1,465)	(1,250)	(1,225)	Per Share (USD)	01/25	01/26E	01/27E	01/28E	01/29E
Capex	(1,927)	(2,503)	(2,538)	(2,552)	(2,565)	EPS (UBS adjusted)	12.11	12.29	13.10	14.80	16.75
Tax paid	(2,149)	(2,157)	(2,300)	(2,570)	(2,837)	Cash EPS	15.61	16.03	17.13	19.13	21.51
Dividends paid	(2,566)	(2,635)	(2,688)	(2,658)	(2,524)	Net DPS	4.55	4.70	4.80	4.80	4.80
Net (acqu./)disposals	271	(9)	0	0	0	BVPS (stated)	-25.14	-17.64	-7.84	-3.61	-3.52
Change in equity	(3,894)	(129)	0	(4,000)	(7,000)						
Other items	(104)	(10,308)	(0)	0	0	Valuation*	01/25	01/26E	01/27E	01/28E	01/29E
(Incr./)decr. net debt	1,274	(5,448)	5,433	2,095	(53)	Market C (USD m)	138,235	138,235	138,235	138,235	138,235
						EV (EV, avg.)	174,236	174,436	170,967	169,737	169,255
Momentum	01/25	01/26E	01/27E	01/28E	01/29E	EV/Sales (core)	2.1x	2.0x	1.9x	1.7x	1.7x
Sales growth	-3.1%	2.8%	3.3%	4.4%	4.5%	EV/EBITDA (core)	14.2x	14.0x	13.1x	11.9x	11.1x
EBITDA growth	-8.6%	1.6%	7.0%	7.6%	6.7%	EV/EBIT (core)	16.9x	16.8x	15.8x	14.3x	13.2x
EBIT growth	-10.5%	0.9%	6.4%	8.2%	7.1%	EV/OpFCF	16.2x	16.8x	15.4x	13.8x	12.8x
Cash EPS	-5.6%	2.7%	7.2%	11.3%	12.5%	P/E	20.3x	20.1x	18.9x	16.7x	14.8x
EPS (UBS)	-8.4%	1.5%	6.6%	13.0%	13.2%	Dividend yield (net)	1.9%	1.9%	1.9%	1.9%	1.9%
DPS (net)	4.6%	3.3%	2.1%	0.0%	0.0%	P/BV (average)	-9.8x	-14.0x	-31.6x	-68.4x	-70.3x

Lowe's Companies, Inc. (LOW US) vs S & P 500



Performance (%)	3m	YTD	12m	3yr
Absolute performance	-9.1%	0.2%	-5.8%	18.9%
Relative to local index	-11.9%	-13.7%	-16.5%	-32%
Relative to UBS sector	-8.4%	-8.4%	-9.1%	-24%

Lowe's Companies, Inc. is the second largest home improvement retailer, operating more than 1,850 stores in the US, Mexico, and Canada. The company offers products and services for home improvement, home decor, home maintenance, home repair, and remodeling and maintenance of commercial buildings. The company serves retail and commercial business customers.

Michael Lasser - Analyst

+1-212-713 2440

michael.lasser@ubs.com

Source: Company data and UBS estimates

Marsh McLennan (MMC US)

Rating: Buy

Price target/current (USD): 245 / 186.21

United States

Insurance, Property & Casualty

<http://www.mmc.com>

P&L (USD m)	12/24	12/25E	12/26E	12/27E	12/28E
Revenues	24,528	27,034	28,458	30,004	31,658
EBITDA	7,269	7,718	8,300	8,905	9,424
EBIT	6,438	7,277	7,859	8,447	8,986
Profit before tax	5,623	6,397	7,005	7,612	8,131
Net income (stated)	4,049	3,676	4,938	5,351	5,778

Margins	12/24	12/25E	12/26E	12/27E	12/28E
EBITDA margin	29.3%	28.3%	28.3%	29.4%	29.5%
EBIT margin	26.2%	26.9%	27.6%	28.2%	28.4%
EBIT ROIC	25.1%	24.3%	25.3%	27.0%	28.1%
Net RoE	33.6%	33.0%	32.3%	31.7%	30.0%
Interest cover (EBIT)	8.3x	-	-	-	-
Dividend cover (EPS)	2.3x	-	-	-	-

CF (USD m)	12/24	12/25E	12/26E	12/27E	12/28E
EBIT	6,438	7,277	7,859	8,447	8,986
Depr./amortisation	746	361	364	364	364
Net change in w/C	(1,198)	(394)	(716)	(738)	(311)
Other (operating)	414	429	478	487	497
Operating CF	6,400	7,673	7,985	8,560	9,535
Net interest	(615)	(880)	(855)	(835)	(855)
Capex	(316)	(282)	(362)	(442)	(522)
Tax paid	(1,285)	(1,606)	(1,753)	(1,906)	(2,036)
Dividends paid	(1,513)	(1,656)	(1,667)	(1,732)	(1,800)
Net (acqu./)disposals	(8,453)	(363)	(1,100)	(1,100)	(1,200)
Change in equity	(816)	(1,338)	(1,400)	(1,450)	(1,600)
Other items	(846)	(103)	(234)	63	284
(Incr./)decr. net debt	(7,444)	1,445	614	1,159	1,807

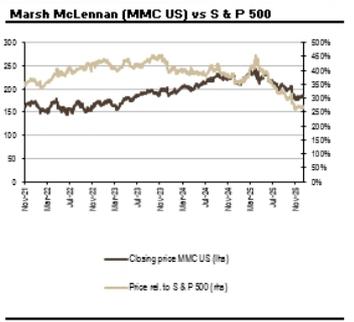
Momentum	12/24	12/25E	12/26E	12/27E	12/28E
Sales growth	7.6%	10.2%	5.3%	5.4%	5.5%
EBITDA growth	6.0%	6.2%	7.5%	7.3%	5.8%
EBIT growth	11.0%	13.0%	8.0%	7.5%	6.4%
Cash EPS	9.3%	0.2%	8.0%	7.8%	4.8%
EPS (UBS)	10.0%	9.1%	8.6%	8.4%	5.2%
DPS (net)	17.3%	6.9%	3.7%	3.6%	3.4%

Bal Sheet (USD m)	12/24	12/25E	12/26E	12/27E	12/28E
Net tangible fixed assets	859	825	823	901	1,053
Goodwill	28,126	28,720	29,220	29,712	30,312
Other intangible assets	0	0	0	0	0
Net working capital	720	134	171	221	(164)
Other fixed assets	3,465	3,432	3,432	3,432	3,432
Provisions	(840)	(791)	(791)	(791)	(791)
Total IC	30,010	29,983	30,798	31,697	32,351
Investments	0	0	0	0	0
Net cash/(debt)	(17,549)	(16,104)	(15,490)	(14,331)	(12,524)
Others	(840)	(791)	(791)	(791)	(791)
Minority interest	0	0	0	0	0
Shareholders equity	13,535	15,300	16,729	18,788	21,248

Productivity	12/24	12/25E	12/26E	12/27E	12/28E
Depreciation % of sales	3.0%	1.3%	1.3%	1.2%	1.1%
Capex % of sales	1.3%	1.0%	1.3%	1.5%	1.6%
Revenues to IC	1.0x	0.9x	0.9x	1.0x	1.0x
Net debt / total equity	129.7%	105.3%	92.6%	76.3%	58.9%
Net debt / EBITDA	2.4x	2.1x	1.9x	1.6x	1.3x

Per Share (USD)	12/24	12/25E	12/26E	12/27E	12/28E
EPS (UBS adjusted)	8.86	9.67	10.50	11.38	11.97
Cash EPS	10.38	10.40	11.24	12.11	12.69
Net DPS	3.05	3.26	3.38	3.50	3.62
BVPS (stated)	27.51	31.10	33.89	37.92	42.72

Valuation*	12/24	12/25E	12/26E	12/27E	12/28E
Market C (USD m)	91,545	91,545	91,545	91,545	91,545
EV (EV, avg.)	115,425	106,163	109,163	108,133	107,246
EV/Sales (core)	4.7x	3.9x	3.8x	3.6x	3.4x
EV/EBITDA (core)	15.9x	13.8x	13.2x	12.1x	11.4x
EV/EBIT (core)	16.9x	13.5x	12.9x	11.9x	11.2x
EV/OpFCF	16.6x	14.3x	13.8x	12.8x	12.0x
P/E	24.0x	19.3x	17.7x	16.4x	15.6x
Dividend yield (net)	1.4%	1.8%	1.8%	1.9%	1.9%
P/BV (average)	7.7x	6.0x	5.5x	4.9x	4.4x



Performance (%)	3m	YTD	12m	3yr
Absolute performance	-6.0%	-12.3%	-13.4%	10.8%
Relative to local index	-8.3%	-24.5%	-23.3%	-37%
Relative to UBS sector	-7.0%	-18.6%	-18.7%	-29%

Marsh & McLennan is a global professional services firm with annual revenue of approximately \$17 billion. It is the parent company of Marsh Inc., one of the world's largest risk and insurance services firms; Guy Carpenter, the leading risk and reinsurance specialist; Mercer, a major global provider of human resource and specialty consulting services; and Oliver Wyman, a management consulting company. In 2019, MMC completed its acquisition of Jardine Lloyd Thompson Group (JLT) to expand its insurance & reinsurance brokerage, and health & retirement operations.

Brian Meredith - Analyst
+1-212-713 2492
brian.meredith@ubs.com

Source: Company data and UBS estimates

Nextpower Inc. (NXT US)

Rating: Buy

Price target/current (USD): 125 / 86.75

United States

Electric Utilities

<https://www.nexttracker.com/>

P&L (USD m)	03/25	03/26E	03/27E	03/28E	03/29E
Revenues	2,959	3,463	4,130	4,922	5,587
EBITDA	776	821	939	1,222	1,409
EBIT	763	793	960	1,182	1,367
Profit before tax	648	690	856	1,078	1,263
Net income (stated)	517	545	676	852	998

Margins	03/25	03/26E	03/27E	03/28E	03/29E
EBITDA margin	26.2%	23.7%	24.2%	24.8%	25.2%
EBIT margin	25.8%	22.9%	23.3%	24.0%	24.5%
EBIT ROIC	100.1%	73.8%	75.5%	95.2%	112.5%
Net RoE	48.1%	35.6%	39.3%	49.7%	53.9%
Interest cover (EBIT)	58.3x	-	-	-	-
Dividend cover (EPS)	-	-	-	-	-

CF (USD m)	03/25	03/26E	03/27E	03/28E	03/29E
EBIT	763	793	960	1,182	1,367
Depr./amortisation	13	28	38	40	41
Net change in w/C	125	(163)	33	33	28
Other (operating)	0	0	0	0	0
Operating CF	902	652	1,032	1,255	1,436
Net interest	(13)	(2)	0	0	0
Capex	(34)	(67)	(42)	(44)	(45)
Tax paid	0	0	0	0	0
Dividends paid	0	0	0	0	0
Net (acqu./)disposals	0	0	0	0	0
Change in equity	0	(200)	(800)	(800)	(800)
Other items	(419)	(408)	(284)	(300)	(369)
(Incr./)decr. net debt	436	(25)	(94)	81	222

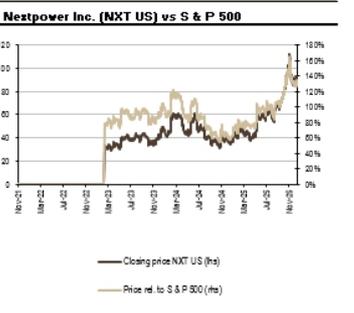
Momentum	03/25	03/26E	03/27E	03/28E	03/29E
Sales growth	18.4%	17.0%	19.3%	19.2%	13.5%
EBITDA growth	50.7%	5.8%	21.6%	22.3%	15.3%
EBIT growth	49.3%	3.9%	21.1%	23.1%	15.7%
Cash EPS	39.6%	4.2%	26.3%	28.5%	21.9%
EPS (UBS)	38.0%	1.9%	25.6%	29.5%	22.4%
DPS (net)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

Bal Sheet (USD m)	03/25	03/26E	03/27E	03/28E	03/29E
Net tangible fixed assets	60	110	114	118	122
Goodwill	371	474	474	474	474
Other intangible assets	53	82	82	82	82
Net working capital	358	594	561	528	500
Other fixed assets	550	590	590	590	590
Provisions	0	0	0	0	0
Total IC	862	1,286	1,256	1,227	1,204
Investments	0	0	0	0	0
Net cash/(debt)	766	741	647	727	949
Others	0	0	0	0	0
Minority interest	0	0	0	0	0
Shareholders equity	1,628	2,027	1,903	1,955	2,153

Productivity	03/25	03/26E	03/27E	03/28E	03/29E
Depreciation % of sales	0.5%	0.8%	0.9%	0.8%	0.7%
Capex % of sales	1.1%	1.9%	1.0%	0.9%	0.8%
Revenues to IC	3.9x	3.2x	3.2x	4.0x	4.6x
Net debt / total equity	-47.1%	-36.6%	-34.0%	-37.2%	-44.1%
Net debt / EBITDA	-1.0x	-0.9x	-0.6x	-0.6x	-0.7x

Per Share (USD)	03/25	03/26E	03/27E	03/28E	03/29E
EPS (UBS adjusted)	4.22	4.31	5.41	7.00	8.57
Cash EPS	4.31	4.49	5.67	7.29	8.89
Net DPS	0.00	0.00	0.00	0.00	0.00
BVPS (stated)	11.09	13.40	13.12	14.27	16.69

Valuation*	03/25	03/26E	03/27E	03/28E	03/29E
Market C (USD m)	12,842	12,842	12,842	12,842	12,842
EV (EV, avg.)	13,211	13,139	13,176	13,363	13,673
EV/Sales (core)	2.3x	3.8x	3.2x	2.7x	2.4x
EV/EBITDA (core)	8.6x	16.1x	13.1x	10.8x	9.5x
EV/EBIT (core)	8.8x	16.7x	13.7x	11.2x	9.8x
EV/OpFCF	9.0x	17.5x	13.7x	11.2x	9.8x
P/E	10.2x	20.1x	16.0x	12.4x	10.1x
Dividend yield (net)	0.0%	0.0%	0.0%	0.0%	0.0%
P/BV (average)	3.9x	6.5x	6.6x	6.1x	5.2x



Performance (%)	3m	YTD	12m	3yr
Absolute performance	28.3%	137.5%	144.6%	-
Relative to local index	24.3%	104.6%	116.8%	-
Relative to UBS sector	27.5%	109.6%	120.1%	-

Nextpower Inc. is a provider of energy hardware, electrical equipment, and software solutions for utility-scale solar projects. Nextpower is the global and US market leader, with the US representing 69% of revenue in FY25. Nextpower rebranded from Nexttracker in Nov 2025 and is listed under the ticker NXT.

Jon Windham, CFA - Analyst
+1-617-478-4711
jon.windham@ubs.com

Source: Company data and UBS estimates

Ovintiv Inc (OVV US)

Rating: Buy (CBE)

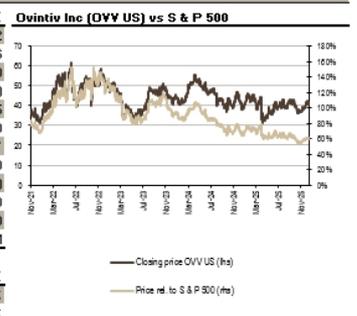
Price target/current (USD): 55 / 40.34

United States

Oil Drilling, Equipment & Services

http://www.encyana.com

P&L (USD m)	12/24	12/25E	12/26E	12/27E	12/28E	Bal Sheet (USD m)	12/24	12/25E	12/26E	12/27E	12/28E
Revenues	9,152	8,884	10,022	9,904	10,618	Net tangible fixed assets	14,364	14,489	14,273	14,261	14,162
EBITDA	4,474	3,991	4,677	4,795	5,341	Goodwill	2,546	2,566	2,566	2,566	2,566
EBIT	1,598	1,023	2,299	2,555	3,058	Other intangible assets	0	0	0	0	0
Profit before tax	1,351	636	1,940	2,234	2,797	Net working capital	(754)	(676)	(704)	(732)	(760)
Net income (stated)	1,014	392	1,451	1,726	2,116	Other fixed assets	975	1,525	1,525	1,525	1,525
						Provisions	0	0	0	0	0
Margins	12/24	12/25E	12/26E	12/27E	12/28E	Total IC	15,742	15,744	15,224	14,900	14,427
EBITDA margin	48.9%	44.9%	46.7%	48.4%	50.3%	Investments	0	0	0	0	0
EBIT margin	17.5%	11.5%	22.9%	25.8%	28.6%	Net cash / (debt)	(5,411)	(5,404)	(2,758)	(2,327)	(1,656)
EBIT ROIC	10.0%	6.5%	14.8%	17.0%	20.9%	Others	0	0	0	0	0
Net RoE	10.9%	4.6%	13.2%	14.2%	17.1%	Minority interest	0	0	0	0	0
Interest cover (EBIT)	2.7x	-	-	-	-	Shareholders equity	10,331	10,340	12,466	12,573	12,771
Dividend cover (EPS)	1.3x	-	-	-	-						
						Productivity	12/24	12/25E	12/26E	12/27E	12/28E
CF (USD m)	12/24	12/25E	12/26E	12/27E	12/28E	Depreciation % of sales	31.4%	33.4%	23.7%	22.6%	21.5%
EBIT	1,598	1,023	2,299	2,555	3,058	Capex % of sales	25.2%	24.2%	22.5%	22.2%	20.3%
Depr./amortisation	2,876	2,968	2,378	2,240	2,283	Revenues to IC	0.6x	0.6x	0.6x	0.7x	0.7x
Net change in w/C	(321)	(96)	0	0	0	Net debt / total equity	52.4%	52.3%	22.1%	18.5%	13.0%
Other (operating)	152	221	328	336	398	Net debt / EBITDA	1.2x	1.4x	0.6x	0.5x	0.3x
Operating CF	4,305	4,116	5,005	5,131	5,739						
Net interest	(412)	(373)	(359)	(261)	(261)	Per Share (USD)	12/24	12/25E	12/26E	12/27E	12/28E
Capex	(2,303)	(2,147)	(2,250)	(2,200)	(2,156)	EPS (UBS adjusted)	4.25	1.86	5.47	6.74	9.01
Tax paid	(82)	(102)	(160)	(232)	(283)	Cash EPS	15.12	13.36	14.13	15.23	18.51
Dividends paid	(316)	(309)	(365)	(366)	(387)	Net DPS	1.20	1.20	1.32	1.45	1.60
Net (acq.) / disposals	(30)	(822)	115	0	0	BVPS (stated)	39.69	40.36	45.30	49.68	56.28
Change in equity	(537)	(307)	529	(1,285)	(1,583)						
Other items	(242)	(48)	131	(336)	(398)	Valuation*	12/24	12/25E	12/26E	12/27E	12/28E
(Incr.) / (decr.) net debt	323	7	2,646	431	671	Market C (USD m)	10,501	10,501	10,501	10,501	10,501
						EV (EV, avg.)	16,116	15,602	13,657	10,833	8,700
Momentum	12/24	12/25E	12/26E	12/27E	12/28E	EV/Sales (core)	1.9x	1.8x	1.4x	1.1x	0.8x
Sales growth	-25.6%	-2.9%	12.8%	-1.2%	7.2%	EV/EBITDA (core)	4.0x	3.9x	2.9x	2.3x	1.6x
EBITDA growth	-0.3%	-10.8%	17.2%	2.5%	11.4%	EV/EBIT (core)	11.1x	15.3x	5.9x	4.2x	2.8x
EBIT growth	-62.5%	-36.0%	124.7%	11.2%	19.7%	EV/OpFCF	12.6x	13.4x	7.9x	5.8x	3.6x
Cash EPS	4.7%	-11.6%	5.7%	7.8%	21.6%	P/E	10.6x	21.7x	7.4x	6.0x	4.5x
EPS (UBS)	-68.4%	-58.3%	194.4%	23.1%	33.8%	Dividend yield (net)	2.7%	3.0%	3.3%	3.6%	4.0%
DPS (net)	5.1%	0.0%	10.0%	10.0%	10.0%	P/BV (average)	1.1x	1.0x	0.9x	0.8x	0.7x



Performance (%)	3m	YTD	12m	3yr
Absolute performance	-0.8%	-0.4%	-0.4%	-21.3%
Relative to local index	-3.9%	-14.2%	-11.7%	-55%
Relative to UBS sector	-10.9%	-12.8%	-10.7%	-30%

Ovintiv is an independent exploration and production company with a diversified oil and natural gas asset base across the US and Canada. Key assets include the Montney, Permian, Anadarko, Bakken, and Uinta Basins.

Josh Silverstein - Analyst
+1-212-713 3513
josh.silverstein@ubs.com

Source: Company data and UBS estimates

PepsiCo Inc (PEP US)

Rating: Buy

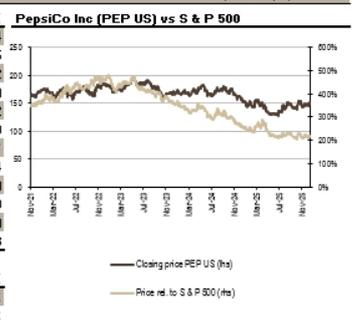
Price target/current (USD): 172 / 150.65

United States

Soft Drinks

http://www.pepsico.com

P&L (USD m)	12/24	12/25E	12/26E	12/27E	12/28E	Bal Sheet (USD m)	12/24	12/25E	12/26E	12/27E	12/28E
Revenues	91,854	93,592	97,425	101,370	105,338	Net tangible fixed assets	28,008	30,468	31,947	33,460	35,004
EBITDA	17,858	18,292	19,758	20,869	22,244	Goodwill	17,534	18,845	18,845	18,845	18,845
EBIT	14,698	14,814	15,955	16,884	18,072	Other intangible assets	14,801	14,852	14,852	14,852	14,852
Profit before tax	14,065	13,901	14,964	16,076	17,485	Net working capital	(7,133)	(7,847)	(8,049)	(8,279)	(8,453)
Net income (stated)	11,246	11,147	11,921	12,811	13,938	Other fixed assets	11,313	13,002	13,002	13,002	13,002
						Provisions	0	0	0	0	0
Margins	12/24	12/25E	12/26E	12/27E	12/28E	Total IC	51,987	57,917	59,195	60,477	61,847
EBITDA margin	19.4%	19.5%	20.3%	20.6%	21.1%	Investments	1,985	2,084	2,084	2,084	2,084
EBIT margin	16.0%	15.8%	16.4%	16.7%	17.2%	Net cash / (debt)	(35,801)	(39,532)	(36,559)	(33,003)	(28,788)
EBIT ROIC	28.7%	27.0%	27.2%	28.2%	29.5%	Others	0	0	0	0	0
Net RoE	61.5%	58.2%	53.2%	47.5%	43.3%	Minority interest	(130)	(155)	(155)	(155)	(155)
Interest cover (EBIT)	13.8x	-	-	-	-	Shareholders equity	18,041	20,254	24,565	29,403	34,388
Dividend cover (EPS)	1.5x	-	-	-	-						
						Productivity	12/24	12/25E	12/26E	12/27E	12/28E
CF (USD m)	12/24	12/25E	12/26E	12/27E	12/28E	Depreciation % of sales	3.4%	3.7%	3.9%	3.9%	4.0%
EBIT	14,698	14,814	15,955	16,884	18,072	Capex % of sales	5.8%	5.4%	5.4%	5.4%	5.4%
Depr./amortisation	3,160	3,477	3,802	3,985	4,172	Revenues to IC	1.8x	1.7x	1.7x	1.7x	1.7x
Net change in w/C	(1,696)	(821)	202	230	174	Net debt / total equity	197.0%	194.0%	147.9%	111.7%	81.9%
Other (operating)	(203)	(316)	321	331	341	Net debt / EBITDA	2.0x	2.2x	1.9x	1.6x	1.3x
Operating CF	15,959	17,155	20,281	21,431	22,760						
Net interest	(919)	(1,089)	(1,168)	(984)	(763)	Per Share (USD)	12/24	12/25E	12/26E	12/27E	12/28E
Capex	(5,318)	(5,078)	(5,282)	(5,438)	(5,716)	EPS (UBS adjusted)	8.18	8.14	8.72	9.37	10.19
Tax paid	0	0	0	0	0	Cash EPS	10.48	10.68	11.50	12.28	13.24
Dividends paid	(7,229)	(7,637)	(8,006)	(8,406)	(8,827)	Net DPS	5.26	5.58	5.85	6.15	6.45
Net (acq.) / disposals	252	(2,899)	0	0	0	BVPS (stated)	13.07	14.78	17.96	21.50	25.58
Change in equity	(834)	(1,042)	75	102	132						
Other items	(3,318)	(3,202)	(2,867)	(3,089)	(3,371)	Valuation*	12/24	12/25E	12/26E	12/27E	12/28E
(Incr.) / (decr.) net debt	(1,407)	(3,731)	3,033	3,556	4,215	Market C (USD m)	207,897	207,897	207,897	207,897	207,897
						EV (EV, avg.)	245,072	245,736	246,127	242,833	238,947
Momentum	12/24	12/25E	12/26E	12/27E	12/28E	EV/Sales (core)	2.9x	2.8x	2.5x	2.4x	2.3x
Sales growth	0.4%	1.9%	4.1%	4.0%	3.9%	EV/EBITDA (core)	15.0x	13.4x	12.5x	11.6x	10.7x
EBITDA growth	6.2%	2.4%	8.0%	5.6%	6.6%	EV/EBIT (core)	18.3x	16.6x	15.4x	14.4x	13.2x
EBIT growth	5.9%	0.8%	7.7%	5.8%	7.0%	EV/OpFCF	21.4x	18.6x	17.0x	15.8x	14.5x
Cash EPS	7.0%	1.8%	7.7%	6.8%	7.8%	P/E	20.7x	18.5x	17.3x	16.1x	14.8x
EPS (UBS)	6.9%	-0.6%	7.1%	7.5%	8.6%	Dividend yield (net)	3.1%	3.7%	3.9%	4.1%	4.3%
DPS (net)	8.4%	6.0%	5.0%	5.0%	5.0%	P/BV (average)	12.9x	10.2x	8.4x	7.0x	5.9x



Performance (%)	3m	YTD	12m	3yr
Absolute performance	7.1%	-0.9%	-4.6%	-16.4%
Relative to local index	3.8%	-14.7%	-15.5%	-52%
Relative to UBS sector	0.3%	-9.7%	-10.8%	-23%

PepsiCo, Inc. (PEP) is a global snack, food, and beverage company, serving consumers in more than 200 countries and territories. It operates through the following business segments: Frito-Lay North America; Quaker Foods North America; PepsiCo Beverages North America; Latin America; Europe; Africa, Middle East, and South Asia; and Asia-Pacific, Australia, New Zealand, and China. Key brands include Frito-Lay, Gatorade, Pepsi-Cola, and Quaker. The US, Mexico, Russia, Canada, the UK, China, and Brazil are some of the company's largest markets.

Peter Grom - Analyst
+1-212-713 3482
peter.grom@ubs.com

Source: Company data and UBS estimates

S&P Global (SPGI US)

Rating: Buy

Price target/current (USD): 620 / 501.03

United States

Diversified Financial						Bal Sheet (USD m)						S&P Global (SPGI US) vs S & P 500						
	12/24	12/25E	12/26E	12/27E	12/28E		12/24	12/25E	12/26E	12/27E	12/28E		12/24	12/25E	12/26E	12/27E	12/28E	
P&L (USD m)						Net tangible fixed assets	265	270	262	263	275		S&P Global (SPGI US) vs S & P 500					
Revenues	14,207	15,310	16,428	17,631	18,925	Goodwill	51,472	50,729	50,729	50,729	50,729		Absolute performance	-7.3%	0.6%	-0.9%	45.4%	
EBITDA	8,094	8,908	9,668	10,578	11,572	Other intangible assets	1	1	1	1	1		Relative to local index	-10.8%	-13.3%	-12.2%	-17%	
EBIT	6,921	7,732	8,385	9,178	10,042	Net working capital	(2,565)	(1,818)	(1,618)	(1,418)	(1,218)		Relative to UBS sector	-8.8%	-10.6%	-10.1%	-15%	
Profit before tax	5,308	6,091	6,933	7,726	8,590	Other fixed assets	0	0	0	0	0		<p>S&P Global Inc. (SPGI) provides credit ratings, benchmarks, data & analytics and workflow solutions to issuers, asset managers, investment & commercial banks, insurers, and exchanges; producers, consumers, and traders within the energy, chemicals, shipping, metals, carbon and agriculture industries; and manufacturers, suppliers, dealerships, service shops and customers within the automotive industry. SPGI's products and services are available through both third-party and proprietary distribution channels. The company's five segments are Ratings, Market Intelligence, Indices, Commodity Insights, and Mobility.</p> <p>Alex Kramm, CFA - Analyst +1-212-713 4060 alex.kramm@ubs.com</p>					
Net income (stated)	4,898	5,427	5,911	6,488	7,117	Provisions	(160)	0	0	0	0							
Margins						Total IC	44,426	44,316	44,508	44,709	44,921							
EBITDA margin	57.0%	58.2%	58.3%	60.0%	61.1%	Investments	3,024	3,095	3,095	3,095	3,095							
EBIT margin	48.7%	50.5%	51.0%	52.1%	53.1%	Net cash / (debt)	(9,762)	(9,713)	(9,861)	(9,450)	(8,429)							
EBIT ROIC	15.4%	17.4%	18.3%	20.6%	22.4%	Others	(160)	0	0	0	0							
Net RoE	14.5%	16.3%	17.8%	19.3%	23.3%	Minority interest	(4,252)	(4,460)	(4,460)	(4,460)	(4,460)							
Interest cover (EBIT)	22.3x	-	-	-	-	Shareholders equity	33,256	33,238	33,281	33,894	35,127							
Dividend cover (EPS)	4.6x	-	-	-	-	Productivity												
CF (USD m)						Depreciation % of sales	8.3%	7.7%	7.8%	7.9%	8.1%							
EBIT	6,921	7,732	8,385	9,178	10,042	Capex % of sales	0.9%	1.3%	1.3%	1.4%	1.4%							
Depr./amortisation	1,173	1,176	1,283	1,400	1,530	Revenues to IC	0.3x	0.3x	0.4x	0.4x	0.4x							
Net change in w/C	369	(777)	(200)	(200)	(200)	Net debt / total equity	26.0%	25.8%	26.1%	24.6%	21.3%							
Other (operating)	428	517	621	671	726	Net debt / EBITDA	1.2x	1.1x	1.0x	0.9x	0.7x							
Operating CF	8,891	8,648	10,089	11,050	12,093	Per Share (USD)												
Net interest	(321)	(337)	(337)	(337)	(337)	EPS (UBS adjusted)	15.72	17.82	20.07	22.48	29.22							
Capex	(124)	(193)	(219)	(241)	(265)	Cash EPS	19.49	21.68	24.42	27.34	34.63							
Tax paid	(1,141)	(1,336)	(1,525)	(1,700)	(1,890)	Net DPS	3.64	3.84	4.30	4.82	5.39							
Dividends paid	(1,421)	(1,494)	(1,653)	(1,818)	(1,997)	BVPS (stated)	105.44	109.13	112.98	117.45	124.31							
Net (acq.) / disposals	(305)	(50)	0	0	0	Valuation*												
Change in equity	(3,530)	(5,110)	(5,001)	(5,001)	(5,001)	Market C (USD m)	158,025	158,025	158,025	158,025	158,025							
Other items	(1,669)	(72)	(1,502)	(1,542)	(1,588)	EV (EV, avg.)	166,995	163,499	163,875	163,857	163,337							
(Incr.) / (decr.) net debt	380	49	(148)	411	1,021	EV/Sales (core)	11.1x	10.7x	10.0x	9.3x	8.6x							
Momentum						EV/EBITDA (core)	19.4x	18.4x	16.9x	15.5x	14.1x							
Sales growth	13.7%	7.8%	7.3%	7.3%	7.3%	EV/EBIT (core)	22.7x	21.1x	19.5x	17.9x	16.3x							
EBITDA growth	17.7%	10.1%	8.5%	9.4%	9.4%	EV/OpFCF	19.6x	18.6x	17.1x	15.6x	14.2x							
EBIT growth	20.7%	11.7%	8.5%	9.5%	9.4%	P/E	29.7x	28.1x	25.0x	22.3x	17.1x							
Cash EPS	20.2%	11.3%	12.6%	11.9%	26.7%	Dividend yield (net)	0.8%	0.8%	0.9%	1.0%	1.1%							
EPS (UBS)	24.5%	13.3%	12.6%	12.0%	30.0%	P/BV (average)	4.4x	4.6x	4.4x	4.3x	4.0x							
DPS (net)	1.1%	5.5%	12.0%	12.0%	12.0%													

Source: Company data and UBS estimates

Snowflake Inc (SNOW US)

Rating: Buy (CBE)

Price target/current (USD): 310 / 217.93

United States

Software						Bal Sheet (USD m)						Snowflake Inc (SNOW US) vs S & P 500						
	01/25	01/26E	01/27E	01/28E	01/29E		01/25	01/26E	01/27E	01/28E	01/29E		01/25	01/26E	01/27E	01/28E	01/29E	
P&L (USD m)						Net tangible fixed assets	656	520	473	416	348		Snowflake Inc (SNOW US) vs S & P 500					
Revenues	3,626	4,683	5,851	7,103	8,519	Goodwill	1,057	1,175	1,175	1,175	1,175		Absolute performance	-3.5%	41.1%	30.0%	52.8%	
EBITDA	414	683	928	1,248	1,529	Other intangible assets	278	236	168	103	91		Relative to local index	-6.5%	21.6%	15.2%	-13%	
EBIT	232	475	684	952	1,239	Net working capital	(2,069)	(2,524)	(3,139)	(4,168)	(5,113)		Relative to UBS sector	5.3%	27.4%	24.0%	-21%	
Profit before tax	405	632	784	1,052	1,319	Other fixed assets	518	646	743	839	886		<p>Snowflake is a cloud-based data analytics platform that runs on top of AWS, Azure and GCP. Snowflake's Data Cloud is delivered through a consumption-based model, only charging customers for the resources consumed. The company generated \$590 million in FY21 and has over 2,200 employees. Snowflake was incorporated in 2021 and is based in San Mateo, California.</p> <p>Karl Keirstead - Analyst +1-310-734 2455 karl.keirstead@ubs.com</p>					
Net income (stated)	(1,285)	(1,384)	(1,594)	(1,719)	(1,784)	Provisions	0	0	0	0	0							
Margins						Total IC	(16)	(635)	(1,667)	(2,867)	(4,237)							
EBITDA margin	11.4%	14.6%	15.3%	17.6%	17.9%	Investments	0	0	0	0	0							
EBIT margin	6.4%	10.1%	11.7%	13.4%	14.5%	Net cash / (debt)	2,366	1,832	3,318	5,143	7,370							
EBIT ROIC	112.5%	-145.3%	-59.5%	-42.0%	-34.3%	Others	0	0	0	0	0							
Net RoE	7.3%	18.1%	23.5%	25.9%	26.1%	Minority interest	0	0	0	0	0							
Interest cover (EBIT)	-	-	-	-	-	Shareholders equity	3,007	2,239	2,693	3,318	4,175							
Dividend cover (EPS)	-	-	-	-	-	Productivity												
CF (USD m)						Depreciation % of sales	5.0%	4.4%	4.2%	4.2%	3.4%							
EBIT	232	475	684	952	1,239	Capex % of sales	2.1%	2.4%	2.2%	2.5%	2.5%							
Depr./amortisation	183	208	243	296	289	Revenues to IC	17.6x	-14.4x	-5.1x	-3.1x	-2.4x							
Net change in w/C	444	473	917	1,079	1,289	Net debt / total equity	-78.7%	-81.8%	-123.2%	-155.0%	-176.5%							
Other (operating)	144	115	0	0	0	Net debt / EBITDA	-5.7x	-2.7x	-3.6x	-4.1x	-4.8x							
Operating CF	1,001	1,271	1,845	2,326	2,817	Per Share (USD)												
Net interest	173	157	100	100	80	EPS (UBS adjusted)	0.83	1.41	1.71	2.27	2.82							
Capex	(46)	(111)	(70)	(85)	(102)	Cash EPS	1.33	2.03	2.43	3.14	3.66							
Tax paid	(105)	(158)	(204)	(273)	(343)	Net DPS	0.00	0.00	0.00	0.00	0.00							
Dividends paid	0	0	0	0	0	BVPS (stated)	8.31	6.67	7.94	9.68	12.07							
Net (acq.) / disposals	0	0	0	0	0	Valuation*												
Change in equity	45	63	0	0	0	Market C (USD m)	81,365	81,365	81,365	81,365	81,365							
Other items	(2,548)	(1,756)	(185)	(242)	(225)	EV (EV, avg.)	78,172	77,788	76,231	74,235	74,067							
(Incr.) / (decr.) net debt	(1,480)	(534)	1,486	1,825	2,227	EV/Sales (core)	13.8x	16.7x	13.3x	10.7x	8.7x							
Momentum						EV/EBITDA (core)	121.0x	114.6x	83.8x	61.0x	48.5x							
Sales growth	29.2%	29.1%	24.3%	21.4%	19.3%	EV/EBIT (core)	216.3x	164.7x	113.6x	79.9x	59.8x							
EBITDA growth	18.5%	64.8%	35.3%	34.4%	22.5%	EV/OpFCF	61.8x	74.3x	43.8x	34.0x	27.3x							
EBIT growth	0.3%	105.0%	44.1%	39.1%	30.2%	P/E	179.5x	154.3x	127.2x	95.8x	77.2x							
Cash EPS	2.2%	52.4%	19.7%	29.1%	16.7%	Dividend yield (net)	0.0%	0.0%	0.0%	0.0%	0.0%							
EPS (UBS)	-14.8%	70.6%	21.3%	32.8%	24.2%	P/BV (average)	17.3x	32.7x	27.5x	22.5x	18.1x							
DPS (net)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!													

Source: Company data and UBS estimates

Semiconductors

http://www.ti.com

P&L (USD m)	12/24	12/25E	12/26E	12/27E	12/28E	Bal Sheet (USD m)	12/24	12/25E	12/26E	12/27E	12/28E
Revenues	15,641	17,772	20,543	24,545	27,168	Net tangible fixed assets	11,347	12,714	11,459	10,245	9,863
EBITDA	6,868	8,077	10,006	13,011	14,920	Goodwill	4,362	4,362	4,362	4,362	4,362
EBIT	5,341	6,164	7,782	10,907	12,820	Other intangible assets	0	0	0	0	0
Profit before tax	5,323	5,864	7,447	10,611	12,530	Net working capital	4,553	5,648	5,159	4,691	3,780
Net income (stated)	4,774	5,071	6,442	9,126	10,776	Other fixed assets	0	0	0	0	0
						Provisions	(110)	(125)	(125)	(125)	(125)
						Total IC	18,255	21,136	19,392	17,710	16,417
						Investments	0	0	0	0	0
						Net cash / (debt)	(6,016)	(9,172)	(9,132)	(8,899)	(8,386)
						Others	(110)	(125)	(125)	(125)	(125)
						Minority interest	0	0	0	0	0
						Shareholders equity	16,903	16,289	14,671	13,373	12,541

Margins	12/24	12/25E	12/26E	12/27E	12/28E
EBITDA margin	43.9%	45.5%	48.7%	53.0%	54.9%
EBIT margin	34.1%	34.7%	37.9%	44.4%	47.2%
EBIT ROIC	30.5%	31.3%	38.4%	58.8%	75.1%
Net RoE	27.4%	30.5%	41.6%	65.1%	83.2%
Interest cover (EBIT)	20.5x	-	-	-	-
Dividend cover (EPS)	1.0x	-	-	-	-

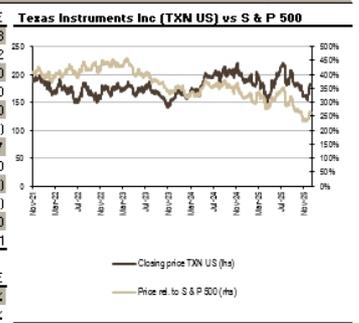
CF (USD m)	12/24	12/25E	12/26E	12/27E	12/28E
EBIT	5,341	6,164	7,782	10,907	12,820
Depr. / amortisation	1,527	1,913	2,224	2,104	2,100
Net change in WC	(83)	(159)	402	318	363
Other (operating)	100	673	1,232	1,061	1,213
Operating CF	6,885	8,591	11,641	14,389	17,096
Net interest	(12)	(300)	(335)	(235)	(290)
Capex	(4,820)	(4,515)	(1,750)	(1,485)	(2,445)
Tax paid	(654)	(687)	(1,005)	(1,486)	(1,754)
Dividends paid	(4,795)	(4,987)	(5,161)	(5,356)	(5,580)
Net (acqui./disposals)	0	0	0	0	0
Change in equity	(412)	(1,123)	(3,349)	(5,534)	(6,514)
Other items	440	(134)	(0)	0	(0)
(Incr./decr. net debt)	(3,368)	(3,156)	41	233	513

Momentum	12/24	12/25E	12/26E	12/27E	12/28E
Sales growth	-10.7%	13.6%	15.6%	19.5%	10.7%
EBITDA growth	-19.3%	17.6%	23.9%	30.0%	14.7%
EBIT growth	-27.1%	15.4%	26.2%	40.2%	17.5%
Cash EPS	-19.5%	13.8%	25.5%	31.2%	16.3%
EPS (UBS)	-28.4%	9.8%	28.5%	43.4%	19.7%
DPS (net)	4.8%	4.6%	4.5%	5.0%	5.6%

Productivity	12/24	12/25E	12/26E	12/27E	12/28E
Depreciation % of sales	9.8%	10.8%	10.8%	8.6%	7.7%
Capex % of sales	30.8%	25.4%	8.5%	6.1%	9.0%
Revenues to IC	0.9x	0.9x	1.0x	1.3x	1.6x
Net debt / total equity	35.6%	56.3%	62.2%	66.5%	66.3%
Net debt / EBITDA	0.9x	1.1x	0.9x	0.7x	0.6x

Per Share (USD)	12/24	12/25E	12/26E	12/27E	12/28E
EPS (UBS adjusted)	5.09	5.58	7.18	10.29	12.32
Cash EPS	6.76	7.63	9.65	12.66	14.72
Net DPS	5.26	5.50	5.75	6.04	6.38
BVPS (stated)	18.53	18.09	16.40	15.15	14.41

Valuation*	12/24	12/25E	12/26E	12/27E	12/28E
Market C (USD m)	163,117	163,117	163,117	163,117	163,117
EV (EV, avg.)	165,502	157,903	157,823	157,671	157,724
EV/Sales (core)	10.6x	8.9x	7.7x	6.4x	5.8x
EV/EBITDA (core)	24.2x	19.5x	15.8x	12.1x	10.6x
EV/EBIT (core)	31.1x	25.6x	20.3x	14.5x	12.3x
EV/OpFCF	81.1x	51.3x	20.6x	14.3x	12.6x
P/E	37.0x	32.1x	25.0x	17.4x	14.6x
Dividend yield (net)	2.8%	3.1%	3.2%	3.4%	3.6%
P/BV (average)	10.2x	9.9x	10.9x	11.8x	12.5x



Performance (%)	3m	YTD	12m	3yr
Absolute performance	0.7%	-4.3%	-6.4%	5.5%
Relative to local index	-2.4%	-17.6%	-17.0%	-40%
Relative to UBS sector	-3.5%	-31.0%	-31.6%	-90%

Founded in 1930, Texas Instruments designs and manufactures semiconductors for analog and digital embedded and application processing. It operates through the Analog and Embedded Processing segments. Analog semiconductors change real-world signals such as sound, temperature, or pressure by conditioning, amplifying, and converting them to a stream of digital data that can be processed by other semiconductors, such as embedded processors. Embedded processing is designed to handle specific tasks and can be optimized for various combinations of performance, power and cost, depending on the application.

Timothy Arcuri - Analyst
+1-415-352-5676
timothy.arcuri@ubs.com

Source: Company data and UBS estimates

Diversified Financial

https://www.tpg.com/

P&L (USD m)	12/24	12/25E	12/26E	12/27E	12/28E	Capital dynamics	12/24	12/25E	12/26E	12/27E	12/28E
Nil	0	0	0	0	0	RWAs (USD m)	0	0	0	0	0
Other incomes	2,018	2,300	2,917	3,402	3,808	Tier one capital (USD m)	NM	NM	NM	NM	NM
Total revenues	2,018	2,300	2,917	3,402	3,808	Total capital (USD m)	NM	NM	NM	NM	NM
PTP	911	1,048	1,436	1,780	2,081	Tier one ratio	NM	NM	NM	NM	NM
Net Income (reported)	217	362	482	605	749	Capital ratio	NM	NM	NM	NM	NM

Margins	12/24	12/25E	12/26E	12/27E	12/28E
Net interest margin	0.0	0.0	0.0	0.0	0.0
RoAdjE	6.2	3.8	12.6	15.6	18.9
RoRWA	NM	NM	NM	NM	NM
RoA	8.8	8.6	10.4	12.7	14.6

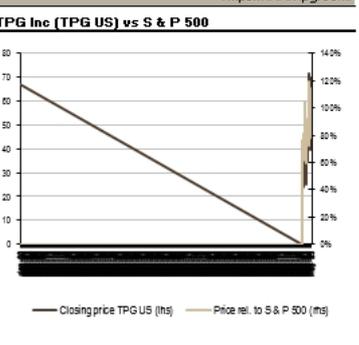
Productivity	12/24	12/25E	12/26E	12/27E	12/28E
Cost income ratio	53.1	51.0	47.8	45.4	43.8
Cash cost income ratio	52.1	50.2	47.1	44.8	43.3

Per Share (USD)	12/24	12/25E	12/26E	12/27E	12/28E
DPS (ex. Goodwill)	9.0	7.4	9.9	12.1	14.0
EPS (stated)	2.0	2.4	3.1	4.0	4.9
EPS (UBS adjusted)	2.1	2.4	3.1	4.0	4.9
DPS	1.7	2.1	2.7	3.4	4.2
BVPS	32.9	24.7	25.1	25.5	26.1

Valuation*	12/24	12/25E	12/26E	12/27E	12/28E
Market C (USD m)	6,863	7,289	7,289	7,289	7,289
PIBV	1.5x	2.7x	2.7x	2.6x	2.6x
P/E (reported)	25.3x	28.3x	21.2x	16.9x	13.6x
P/E (UBS adjusted)	24.4x	28.3x	21.2x	16.9x	13.6x
Dividend yield (% net)	3.5	3.2	4.0	5.0	6.2
Market cap./Revenues	3.4x	3.2x	2.5x	2.1x	1.9x

Asset quality	12/24	12/25E	12/26E	12/27E	12/28E
NPAs (USD m)	NM	NM	NM	NM	NM
Risk reserves (USD m)	NM	NM	NM	NM	NM
NPLs: loans (USD m)	NM	NM	NM	NM	NM
NPA/Shareholders funds	NM	NM	NM	NM	NM

Momentum	12/24	12/25E	12/26E	12/27E	12/28E
Revenue growth	46.8%	13.9%	26.9%	16.6%	11.9%
Nil growth	0.0%	0.0%	0.0%	0.0%	0.0%
PTP growth	42.3%	15.0%	37.1%	23.9%	16.9%
Net Income growth	69.6%	66.5%	33.2%	25.6%	23.8%
EPS (UBS) growth	29.4%	14.9%	33.2%	25.6%	23.8%
DPS (net) growth	29.9%	21.3%	26.6%	25.6%	23.8%



Performance (%)	3m	YTD	12m	3yr
Absolute performance	7.4%	6.2%	-0.2%	119.8%
Relative to local index	4.1%	-8.4%	-11.4%	24%
Relative to UBS sector	6.6%	-5.4%	-9.2%	27%

TPG is a global alternative asset manager with over \$100bn in AUM that manages private equity, real estate, and other alternative investment strategies, with a 30-year track record of organic growth and attractive risk-adjusted returns. The firm's private equity franchise includes scaled offerings in growth equity and impact and builds on the firm's historical expertise in tech and other growth industries. TPG has nearly 1,000 employees across 8 countries, creating a substantial global footprint and network for sourcing transactions, raising capital, and driving value in investments.

Michael Brown - Analyst
+1-212-713 1387
michael-c.brown@ubs.com

Source: Company data and UBS estimates

UnitedHealth Group Inc (UNH US)						Rating: Buy	Price target/current (USD): 430 / 341.84					United States
Healthcare Providers											http://www.unitedhealthcare.com	
P&L (USD m)						Bal Sheet (USD m)						
Revenues	400,498	465,601	490,689	490,689	490,689	Net tangible fixed assets	10,553	12,331	14,090	15,416		16,895
EBITDA	40,171	27,394	30,400	35,023	38,749	Goodwill	106,734	109,940	113,605	117,564		121,840
EBIT	36,072	23,653	25,876	30,276	33,738	Other intangible assets	23,268	22,867	22,785	22,762		22,805
Profit before tax	32,418	19,480	21,919	26,241	29,408	Net working capital	(38,757)	(33,753)	(33,999)	(36,415)		(38,869)
Net income (stated)	25,639	15,047	16,435	19,540	21,943	Other fixed assets	19,590	22,517	23,055	24,760		26,489
Margins						Total IC						
EBITDA margin	10.0%	6.3%	6.5%	7.1%	7.4%	Investments	0	0	0	0		0
EBIT margin	9.0%	5.3%	5.6%	6.2%	6.5%	Net cash (f/debt)	(51,592)	(53,726)	(58,503)	(57,404)		(54,356)
EBIT ROIC	37.3%	22.0%	22.4%	25.4%	27.5%	Others	0	0	0	0		0
Net RoE	26.7%	15.1%	15.7%	17.5%	18.2%	Minority interest	(4,323)	(4,438)	(5,152)	(5,906)	(6,709)	
Interest cover (EBIT)	5.3x	-	-	-	-	Shareholders equity	98,268	101,628	107,992	115,500	125,460	
Dividend cover (EPS)	1.3x	-	-	-	-	Productivity						
CF (USD m)						Per Share (USD)						
EBIT	36,072	23,653	25,876	30,276	33,738	EPS (UBS adjusted)	27.67	16.50	18.00	21.50	24.30	
Depr./amortisation	4,099	4,341	4,525	4,747	5,012	Cash EPS	32.08	21.26	22.96	26.73	23.85	
Net change in WC	(6,612)	(3,865)	1,654	3,858	3,395	Net DPS	8.17	8.73	8.84	8.84	8.84	
Other (operating)	1,018	995	1,065	1,139	1,219	BVPS (stated)	105.89	111.45	118.28	127.11	138.33	
Operating CF	34,577	25,124	33,119	40,202	43,963	Valuation*						
Net interest	(3,633)	(4,034)	(3,956)	(4,035)	(4,329)	Market C (USD m)	311,074	311,074	311,074	311,074	311,074	
Capex	(3,499)	(3,732)	(4,030)	(4,353)	(4,701)	EV (EV, avg.)	465,758	307,137	306,532	303,352	311,637	
Tax paid	(5,862)	(3,696)	(4,771)	(5,947)	(6,662)	EV/Sales (core)	1.2x	0.7x	0.7x	0.6x	0.6x	
Dividends paid	(7,597)	(7,982)	(8,071)	(8,032)	(7,983)	EV/EBITDA (core)	12.3x	11.0x	10.1x	8.7x	8.0x	
Net (acq.) /disposals	(9,886)	(6,052)	(5,237)	(5,656)	(6,108)	EV/EBIT (core)	13.7x	13.0x	11.8x	10.0x	9.2x	
Change in equity	(12,466)	(7,187)	(3,778)	(5,893)	(6,022)	EV/OpFCF	13.5x	12.7x	11.6x	9.9x	9.2x	
Other items	(6,096)	(575)	(2,053)	(5,005)	(5,101)	P/E	13.3x	20.7x	19.0x	15.9x	14.1x	
Incr./decr. net debt	(14,462)	(8,134)	1,222	1,039	3,048	Dividend yield (net)	1.5%	2.6%	2.6%	2.6%	2.6%	
Momentum						Market C (USD m)						
Sales growth	7.8%	11.6%	4.2%	5.4%	6.5%	EV (EV, avg.)	465,758	307,137	306,532	303,352	311,637	
EBITDA growth	10.6%	-30.3%	8.6%	15.2%	10.6%	EV/Sales (core)	1.2x	0.7x	0.7x	0.6x	0.6x	
EBIT growth	11.5%	-34.4%	9.4%	17.0%	11.4%	EV/EBITDA (core)	12.3x	11.0x	10.1x	8.7x	8.0x	
Cash EPS	9.3%	-33.7%	8.0%	16.4%	11.7%	EV/EBIT (core)	13.7x	13.0x	11.8x	10.0x	9.2x	
EPS (UBS)	10.2%	-40.4%	9.1%	19.5%	13.0%	EV/OpFCF	13.5x	12.7x	11.6x	9.9x	9.2x	
DPS (net)	14.2%	6.3%	1.3%	0.0%	0.0%	P/E	13.3x	20.7x	19.0x	15.9x	14.1x	
						Valuation*						
						Market C (USD m)						
						EV (EV, avg.)						
						EV/Sales (core)						
						EV/EBITDA (core)						
						EV/EBIT (core)						
						EV/OpFCF						
						P/E						
						Dividend yield (net)						
						P/BV (average)						

UnitedHealth Group, the largest healthcare company by revenue, offers a diversified array of health benefit plans through its UnitedHealthcare (UHC) segment and various health services through its Optum line of business. Its UHC segment offers commercial and government health plans and accounts for the main part of the company's earnings. Its Optum line of business makes up the rest of its earnings and is split into three segments. OptumRx offers pharmacy care services. OptumInsight provides tech-focused consulting to the healthcare industry. OptumHealth is a diversified health and wellness business.

AJ Rice - Analyst
+1-212-713 4293
aj.rice@ubs.com

Source: Company data and UBS estimates

Woodward Inc (WWD US)						Rating: Buy	Price target/current (USD): 345 / 297.95					United States
Aerospace											http://www.woodward.com/	
P&L (USD m)						Bal Sheet (USD m)						
Revenues	3,567	3,995	4,430	4,999	5,444	Net tangible fixed assets	987	1,146	1,166	1,181		1,137
EBITDA	670	811	955	1,120	1,274	Goodwill	832	832	832	832		832
EBIT	556	683	800	945	1,084	Other intangible assets	428	428	428	428		428
Profit before tax	521	640	754	897	1,039	Net working capital	895	919	975	1,028		1,116
Net income (stated)	442	506	603	718	831	Other fixed assets	499	499	499	499		499
Margins						Total IC						
EBITDA margin	18.8%	20.3%	21.6%	22.4%	23.4%	Investments	0	0	0	0		0
EBIT margin	15.6%	17.1%	18.1%	18.9%	19.3%	Net cash (f/debt)	(375)	(694)	(680)	(554)		(415)
EBIT ROIC	19.5%	22.5%	25.2%	29.1%	32.3%	Others	0	0	0	0		0
Net RoE	17.9%	20.2%	24.3%	27.3%	29.6%	Minority interest	0	0	0	0	0	
Interest cover (EBIT)	13.4x	-	-	-	-	Shareholders equity	2,566	2,431	2,541	2,714	2,897	
Dividend cover (EPS)	6.6x	-	-	-	-	Productivity						
CF (USD m)						Per Share (USD)						
EBIT	556	683	800	945	1,084	EPS (UBS adjusted)	7.11	8.58	10.43	12.62	14.88	
Depr./amortisation	113	128	155	175	191	Cash EPS	9.01	10.75	13.11	15.69	18.30	
Net change in WC	(140)	(25)	(56)	(52)	(88)	Net DPS	1.12	1.16	1.22	1.28	1.35	
Other (operating)	49	29	30	30	30	BVPS (stated)	42.84	41.64	44.21	47.99	52.27	
Operating CF	578	815	930	1,098	1,216	Valuation*						
Net interest	(42)	(43)	(46)	(48)	(45)	Market C (USD m)	17,847	17,847	17,847	17,847	17,847	
Capex	(131)	(287)	(195)	(170)	(147)	EV (EV, avg.)	18,193	17,707	17,359	16,834	16,081	
Tax paid	(42)	(42)	(43)	(46)	(48)	EV/Sales (core)	3.5x	4.5x	3.9x	3.4x	3.0x	
Dividends paid	(65)	(71)	(73)	(75)	(78)	EV/EBITDA (core)	18.8x	21.9x	18.3x	15.2x	12.9x	
Net (acq.) /disposals	8	0	0	0	0	EV/EBIT (core)	22.6x	26.0x	21.8x	18.0x	15.1x	
Change in equity	(68)	(600)	(450)	(500)	(600)	EV/OpFCF	18.5x	32.4x	21.4x	16.9x	13.5x	
Other items	(24)	(93)	(108)	(133)	(160)	P/E	28.5x	34.7x	28.6x	23.6x	20.0x	
Incr./decr. net debt	215	(320)	15	125	139	Dividend yield (net)	0.6%	0.4%	0.4%	0.4%	0.5%	
Momentum						Market C (USD m)						
Sales growth	7.3%	12.0%	10.9%	12.8%	8.9%	EV (EV, avg.)	18,193	17,707	17,359	16,834	16,081	
EBITDA growth	8.0%	21.1%	17.8%	17.3%	13.8%	EV/Sales (core)	3.5x	4.5x	3.9x	3.4x	3.0x	
EBIT growth	10.4%	22.8%	17.2%	18.1%	14.7%	EV/EBITDA (core)	18.8x	21.9x	18.3x	15.2x	12.9x	
Cash EPS	9.3%	19.3%	22.0%	19.7%	16.6%	EV/EBIT (core)	22.6x	26.0x	21.8x	18.0x	15.1x	
EPS (UBS)	12.7%	20.7%	21.6%	21.0%	18.0%	EV/OpFCF	18.5x	32.4x	21.4x	16.9x	13.5x	
DPS (net)	12.0%	3.7%	5.0%	5.0%	5.0%	P/E	28.5x	34.7x	28.6x	23.6x	20.0x	
						Valuation*						
						Market C (USD m)						
						EV (EV, avg.)						
						EV/Sales (core)						
						EV/EBITDA (core)						
						EV/EBIT (core)						
						EV/OpFCF						
						P/E						
						Dividend yield (net)						
						P/BV (average)						

Woodward manufactures fluid, combustion, electrical and motion control solutions for the aerospace and industrial markets. In aerospace, the company is diversified across large and small commercial and military aircraft, as well as guided munitions and other defense applications. In industrial, Woodward principally sells into the power generation, transportation and oil & gas industries.

Gavin Parsons - Analyst
+1-212-713 2389
gavin.parsons@ubs.com

Source: Company data and UBS estimates

Valuation Method and Risk Statement

Equity market returns are influenced by corporate earnings, interest rates, risk premia, as well as other variables influenced by the business cycle. The outlook for any and all of these variables is subject to change. Forecasting earnings and corporate financial behavior is difficult because it is affected by a wide variety of economic, financial, accounting, and regulatory trends, as well as changes in tax policy.

Required Disclosures

This document has been prepared by UBS Securities LLC, an affiliate of UBS AG. UBS AG, its subsidiaries, branches and affiliates, including former Credit Suisse AG and its subsidiaries, branches and affiliates are referred to herein as "UBS".

For information on the ways in which UBS manages conflicts and maintains independence of its UBS Global Research product; historical performance information; certain additional disclosures concerning UBS Global Research recommendations; and terms and conditions for certain third party data used in research report, please visit <https://www.ubs.com/disclosures>. Unless otherwise indicated, information and data in this report are based on company disclosures including but not limited to annual, interim, quarterly reports and other company announcements. The figures contained in performance charts refer to the past; past performance is not a reliable indicator of future results. Additional information will be made available upon request. UBS Securities Co. Limited is licensed to conduct securities investment consultancy businesses by the China Securities Regulatory Commission. UBS acts or may act as principal in the debt securities (or in related derivatives) that may be the subject of this report. This recommendation was finalized on: 16 December 2025 09:50 PM GMT. UBS has designated certain UBS Global Research department members as Derivatives Research Analysts where those department members publish research principally on the analysis of the price or market for a derivative, and provide information reasonably sufficient upon which to base a decision to enter into a derivatives transaction. Where Derivatives Research Analysts co-author research reports with Equity Research Analysts or Economists, the Derivatives Research Analyst is responsible for the derivatives investment views, forecasts, and/or recommendations. **Quantitative Research Review:** UBS Global Research publishes a quantitative assessment of its analysts' responses to certain questions about the likelihood of an occurrence of a number of short term factors in a product known as the 'Quantitative Research Review'. Views contained in this assessment on a particular stock reflect only the views on those short term factors which are a different timeframe to the 12-month timeframe reflected in any equity rating set out in this note. For the latest responses, please see the Quantitative Research Review Addendum at the back of this report, where applicable. For previous responses please make reference to (i) previous UBS Global Research reports; and (ii) where no applicable research report was published that month, the Quantitative Research Review which can be found at <https://neo.ubs.com/quantitative>, or contact your UBS sales representative for access to the report or the Quantitative Research Team on ubs-quant-answers@ubs.com. A consolidated report which contains all responses is also available and again you should contact your UBS sales representative for details and pricing or the Quantitative Research team on the email above.

Analyst Certification:

Each research analyst primarily responsible for the content of this research report, in whole or in part, certifies that with respect to each security or issuer that the analyst covered in this report: (1) all of the views expressed accurately reflect his or her personal views about those securities or issuers and were prepared in an independent manner, including with respect to UBS, and (2) no part of his or her compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed by that research analyst in the research report.

UBS Global Research: Global Equity Rating Definitions

12-Month Rating	Definition	Coverage ¹	IB Services ²
Buy	FSR is > 6% above the MRA.	51%	23%
Neutral	FSR is between -6% and 6% of the MRA.	41%	20%
Sell	FSR is > 6% below the MRA.	8%	23%
Short-Term Rating	Definition	Coverage ³	IB Services ⁴
Buy	Stock price expected to rise within three months from the time the rating was assigned because of a specific catalyst or event.	<1%	<1%
Sell	Stock price expected to fall within three months from the time the rating was assigned because of a specific catalyst or event.	<1%	<1%

Source: UBS. Rating allocations are as of 30 September 2025.

1:Percentage of companies under coverage globally within the 12-month rating category.

2:Percentage of companies within the 12-month rating category for which investment banking (IB) services were provided within the past 12 months.

3:Percentage of companies under coverage globally within the Short-Term rating category.

4:Percentage of companies within the Short-Term rating category for which investment banking (IB) services were provided within the past 12 months.

KEY DEFINITIONS: Forecast Stock Return (FSR) is defined as expected percentage price appreciation plus gross dividend yield over the next 12 months. In some cases, this yield may be based on accrued dividends. **Market Return Assumption (MRA)** is defined as the one-year local market interest rate plus 5% (a proxy for, and not a forecast of, the equity risk premium). **Under Review (UR)** Stocks may be flagged as UR by the analyst, indicating that the stock's price target and/or rating are subject to possible change in the near term, usually in response to an event that may affect the investment case or valuation. **Equity Price Targets** have an investment horizon of 12 months.

EXCEPTIONS AND SPECIAL CASES: UK and European Investment Fund ratings and definitions are: **Buy:** Positive on factors such as structure, management, performance record, discount; **Neutral:** Neutral on factors such as structure, management, performance record, discount; **Sell:** Negative on factors such as structure, management, performance record, discount. **Core Banding Exceptions (CBE):** Exceptions to the standard +/-6% bands may be granted by the Investment Review Consultation (IRC). Factors considered by the IRC include the stock's volatility and the credit spread of the respective company's debt. As a result, stocks deemed to be very high or low risk may be subject to higher or lower bands as they relate to the rating. When such exceptions apply, they will be identified in the Company Disclosures table in the relevant research piece.

Research analysts contributing to this report who are employed by any non-US affiliate of UBS Securities LLC are not registered/qualified as research analysts with FINRA. Such analysts may not be associated persons of UBS Securities LLC and therefore are not subject to the FINRA restrictions on communications with a subject company, public appearances, and trading securities held by a research analyst account. The name of each affiliate and analyst employed by that affiliate contributing to this report, if any, follows.

UBS Securities LLC: Cynthia Henry, Joseph Parkhill, Perry Eisemann, Peter Lennox-King, Ryan Bell.

Company Disclosures

Company Name	Reuters	12-month rating	Price	Price date
ACADIA Pharmaceuticals Inc ^{20b,16,28}	ACAD.O	Buy (CBE)	US\$27.26	15 Dec 2025
Alliant Energy Corp ^{16,28}	LNT.O	Buy	US\$65.63	15 Dec 2025
Amazon.com ¹⁶	AMZN.O	Buy	US\$222.54	15 Dec 2025
American Tower Corporation ¹⁶	AMT.N	Buy	US\$180.26	15 Dec 2025
Arista Networks Inc ^{20a,16,28}	ANET.N	Buy (CBE)	US\$125.89	15 Dec 2025
Capital One Financial Corp ^{16,28,7,6b,6c}	COF.N	Buy	US\$239.81	15 Dec 2025
Cisco Systems Inc. ^{16,28}	CSCO.O	Buy	US\$78.25	15 Dec 2025
Danaher Corp ^{16,28,7}	DHR.N	Buy	US\$228.53	15 Dec 2025
Deckers Outdoor Corp ^{20a,16}	DECK.N	Buy (CBE)	US\$103.99	15 Dec 2025
Deere & Co. ^{16,28,7}	DE.N	Buy	US\$488.01	15 Dec 2025
General Motors Company ^{4,5,16,28}	GM.N	Buy	US\$81.98	15 Dec 2025
Johnson Controls International plc ^{16,28,7}	JCI.N	Buy	US\$116.88	15 Dec 2025
Linde PLC ^{2,4,16,28,7}	LIN.O	Buy	US\$416.99	15 Dec 2025
Lowe's Companies, Inc. ^{16,28}	LOW.N	Buy	US\$248.78	15 Dec 2025
Marsh McLennan ^{16,28,7}	MMC.N	Buy	US\$187.30	15 Dec 2025
Nextpower Inc. ^{16,28}	NXT.O	Buy	US\$87.16	15 Dec 2025
Ovintiv Inc ^{20a,16,28}	OVV.N	Buy (CBE)	US\$39.24	15 Dec 2025
PepsiCo Inc ^{16,28,7}	PEP.O	Buy	US\$151.22	15 Dec 2025
S&P Global ^{2,4,5,16,28,7,6a}	SPGI.N	Buy	US\$499.63	15 Dec 2025
SS&C Technologies Holdings Inc ^{4,5,16,28,7,6a,6b}	SSNC.O	Buy	US\$86.50	15 Dec 2025
Snowflake Inc ^{20a,16,28}	SNOW.N	Buy (CBE)	US\$215.28	15 Dec 2025
Sysco Corp ^{16,28,7,6b}	SYN.N	Buy	US\$75.43	15 Dec 2025
TPG Inc ^{2,20a,4,16,28,7,6a,6b,6c}	TPG.O	Buy (CBE)	US\$66.74	15 Dec 2025
Texas Instruments Inc ^{16,28}	TXN.O	Buy	US\$177.97	15 Dec 2025
UnitedHealth Group Inc ^{16,28}	UNH.N	Buy	US\$341.10	15 Dec 2025
Woodward Inc ^{16,28}	WWD.O	Buy	US\$298.34	15 Dec 2025

Source: UBS Global Research; LSEG Eikon. All prices as of local market close. Ratings in this table are the most current published ratings prior to this report. They may be more recent than the stock pricing date.

2. UBS has acted as manager/co-manager in the underwriting or placement of securities of this company/entity or one of its affiliates within the past 12 months.
4. Within the past 12 months, UBS has received compensation for investment banking services from this company/entity or one of its affiliates.
5. UBS expects to receive or intend to seek compensation for investment banking services from this company/entity within the next three months.
- 6a. This company/entity is, or within the past 12 months has been, a client of UBS Securities LLC, and investment banking services are being, or have been, provided.
- 6b. This company/entity is, or within the past 12 months has been, a client of UBS Securities LLC, and non-investment banking securities-related services are being, or have been, provided.
- 6c. This company/entity is, or within the past 12 months has been, a client of UBS Securities LLC, and non-securities services are being, or have been, provided.
7. Within the past 12 months, UBS has received compensation for products and services other than investment banking services from this company/entity.
16. UBS Securities LLC makes a market in the securities and/or ADRs of this company.
- 20a. Because this security exhibits higher-than-average volatility, the FSR has been set at 15% above the MRA for a Buy rating, and at -15% below the MRA for a Sell rating (compared with 6/-6% under the normal rating system).
- 20b. Because this security exhibits higher-than-average volatility, the FSR has been set at 25% above the MRA for a Buy rating, and at -25% below the MRA for a Sell rating (compared with 6/-6% under the normal rating system).
28. UBS holds a long or short position of 0.5% or more of the listed shares of this company.

Unless otherwise indicated, please refer to the Valuation and Risk sections within the body of this report. For a complete set of disclosure statements associated with the companies discussed in this report, including information on valuation and risk, please contact UBS Securities LLC, 11 Madison Avenue, New York, NY 10010, USA, Attention: Investment Research.

The Disclaimer relevant to Global Wealth Management clients follows the Global Research Disclaimer. The Disclaimer relevant to Credit Suisse Wealth Management follows the Global Wealth Management Disclaimer.

UBS Global Research Disclaimer

This document has been prepared by UBS Securities LLC, an affiliate of UBS AG. UBS AG, its subsidiaries, branches and affiliates, including former Credit Suisse AG and its subsidiaries, branches and affiliates are referred to herein as "UBS".

Any opinions expressed in this document may change without notice and are only current as of the date of publication. Different areas, groups, and personnel within UBS may produce and distribute separate research products independently of each other. For example, research publications from **UBS CIO** are produced by UBS Global Wealth Management. **UBS Global Research** is produced by UBS Investment Bank. Research methodologies and rating systems of each separate research organization may differ, for example, in terms of investment recommendations, investment horizon, model assumptions, and valuation methods. As a consequence, except for certain economic forecasts (for which UBS CIO and UBS Global Research may collaborate), investment recommendations, ratings, price targets, and valuations provided by each of the separate research organizations may be different, or inconsistent. You should refer to each relevant research product for the details as to their methodologies and rating system. Not all clients may have access to all products from every organization. Each research product is subject to the policies and procedures of the organization that produces it.

This document is provided solely to recipients who are expressly authorized by UBS to receive it. If you are not so authorized you must immediately destroy the document.

UBS Global Research is provided to our clients through UBS Neo, and in certain instances, UBS.com and any other system or distribution method specifically identified in one or more communications distributed through UBS Neo or UBS.com (each a system) as an approved means for distributing UBS Global Research. It may also be made available through third party vendors and distributed by UBS and/or third parties via e-mail or alternative electronic means.

All UBS Global Research is available on UBS Neo. Please contact your UBS sales representative if you wish to discuss your access to UBS Neo. Where UBS Global Research refers to "UBS Evidence Lab Inside" or has made use of data provided by UBS Evidence Lab and you would like to access that data please contact your UBS sales representative. UBS Evidence Lab data is available on UBS Neo. The level and types of services provided by UBS Global Research and UBS Evidence Lab to a client may vary depending upon various factors such as a client's individual preferences as to the frequency and manner of receiving communications, a client's risk profile and investment focus and perspective (e.g., market wide, sector specific, long-term, short-term, etc.), the size and scope of the overall client relationship with UBS Global Research and UBS Evidence Lab and legal and regulatory constraints. UBS HOLT and UBS Pharma Values are offerings of UBS Global Research. HOLT Lens is a corporate performance platform offering that provides an objective accounting-led framework for comparing and valuing companies and is available to clients of UBS Global Research; for further details and pricing please contact your UBS Sales representative. In particular, HOLT has a variety of warranted prices based on the scenario chosen; please mail UBS Securities LLC, 11 Madison Avenue, New York, NY 10010, USA, Attention: Investment Research, if you are interested in the warranted price on a particular company, again subject to commercial considerations. UBS Pharma Values is an analytical tool that involves the creation of a number of individual product net present value calculations, based on published forecasts of sales for pharmaceuticals, and is available to clients of UBS Global Research; for further details and pricing please contact your UBS Sales representative. For all other specific disclaimers, please see <https://www.ubs.com/disclosures>.

When you receive UBS Global Research through a system, your access and/or use of such UBS Global Research is subject to this UBS Global Research Disclaimer and to the UBS Neo Platform Use Agreement (the "Neo Terms") together with any other relevant terms of use governing the applicable System.

When you receive UBS Global Research via a third party vendor, e-mail or other electronic means, you agree that use shall be subject to this UBS Global Research Disclaimer, the Neo Terms and where applicable the UBS Investment Bank terms of business (<https://www.ubs.com/global/en/investment-bank/regulatory.html>) and to UBS's Terms of Use/Disclaimer (<https://www.ubs.com/global/en/legalinfo2/disclaimer.html>). In addition, you consent to UBS processing your personal data and using cookies in accordance with our Privacy Statement (<https://www.ubs.com/global/en/legalinfo2/privacy.html>) and cookie notice (<https://www.ubs.com/global/en/legal/privacy/users.html>).

If you receive UBS Global Research, whether through a System or by any other means, you agree that you shall not copy, revise, amend, create a derivative work, provide to any third party, or in any way commercially exploit any UBS research provided via UBS Global Research or otherwise, and that you shall not extract data from any research or estimates provided to you via UBS Global Research or otherwise, without the prior written consent of UBS. You agree not to use UBS Global Research in any artificial intelligence system, without the prior written consent of UBS.

In certain circumstances (including for example, if you are an academic or a member of the media) you may receive UBS Global Research otherwise than in the capacity of a client of UBS and you understand and agree that under these circumstances (i) the UBS Global Research is provided to you for information purposes only; (ii) for the purposes of receiving it you are not intended to be and will not be treated as a "client" of UBS for any legal or regulatory purpose; (iii) the UBS Global Research must not be relied on or acted upon for any purpose; and (iv) such content is subject to the relevant disclaimers that follow.

This document is for distribution only as may be permitted by law. It is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or would subject UBS to any registration or licensing requirement within such jurisdiction.

This document is a general communication and is educational in nature; it is not an advertisement nor is it a solicitation or an offer to buy or sell any financial instruments or to participate in any particular trading strategy. Nothing in this document constitutes a representation that any investment strategy or recommendation is suitable or appropriate to an investor's individual circumstances or otherwise constitutes a personal recommendation. By providing this document, none of UBS or its representatives has any responsibility or authority to provide or have provided investment advice in a fiduciary capacity or otherwise. Investments involve risks, and investors should exercise prudence and their own judgment in making their investment decisions. None of UBS or its representatives is suggesting that the recipient or any other person take a specific course of action or any action at all. The recipient should carefully read this document in its entirety and not draw inferences or conclusions from the rating alone. By receiving this document, the recipient acknowledges and agrees with the intended purpose described above and further disclaims any expectation or belief that the information constitutes investment advice to the recipient or otherwise purports to meet the investment objectives of the recipient. The financial instruments described in the document may not be eligible for sale in all jurisdictions or to certain categories of investors.

Options, structured derivative products and futures (including OTC derivatives) are not suitable for all investors. Trading in these instruments is considered risky and may be appropriate only for sophisticated investors. Prior to buying or selling an option, and for the complete risks relating to options, you must receive a copy of "The Characteristics and Risks of Standardized Options." You may read the document at <https://www.theocc.com/publications/risks/riskchap1.jsp> or ask your salesperson for a copy. Various theoretical explanations of the risks associated with these instruments have been published. Supporting documentation for any claims, comparisons, recommendations, statistics or other technical data will be supplied upon request. Past performance is not necessarily indicative of future results. Transaction costs may be significant in option strategies calling for multiple purchases and sales of options, such as spreads and straddles. Because of the importance of tax considerations to many options transactions, the investor considering options should consult with his/her tax advisor as to how taxes affect the outcome of contemplated options transactions.

Mortgage and asset-backed securities may involve a high degree of risk and may be highly volatile in response to fluctuations in interest rates or other market conditions. Foreign currency rates of exchange may adversely affect the value, price or income of any security or related instrument referred to in the document. For investment advice, trade execution or other enquiries, clients should contact their local sales representative.

UBS notes that no globally accepted framework or definition (legal, regulatory or otherwise) currently exists, nor is there a market consensus as to what constitutes an "ESG" (Environmental, Social or Governance) or an equivalent-label, or as to what precise attributes are required for the Information (as defined below) to be defined as ESG or equivalently-labelled. Any information, data or other content including from a third party source contained, referred to herein or used for whatsoever purpose by UBS or a third party ("Information"), in relation to any actual or potential ESG objective, issue or consideration is not intended to be relied upon for ESG classification, regulatory regime or industry initiative purposes ("ESG Regimes"). Nothing in these materials is intended to convey, suggest or indicate that UBS considers or represents any product, service, person or body mentioned in these materials as meeting or qualifying for any ESG classification, labelling or similar standards that may exist under the ESG Regimes. UBS has not conducted any assessment of compliance with ESG Regimes. Parties are reminded to make their own assessments for these purposes.

The value of any investment or income may go down as well as up, and investors may not get back the full (or any) amount invested. Past performance is not necessarily a guide to future performance. Neither UBS nor any of its directors, employees or agents accepts any liability for any loss (including investment loss) or damage arising out of the use of all or any of the Information.

Prior to making any investment or financial decisions, any recipient of this document or the information should take steps to understand the risk and return of the investment and seek individualized advice from his or her personal financial, legal, tax and other professional advisors that takes into account all the particular facts and circumstances of his or her investment objectives.

Any prices stated in this document are for information purposes only and do not represent valuations for individual securities or other financial instruments. There is no representation that any transaction can or could have been effected at those prices, and any prices do not necessarily reflect UBS's internal books and records or theoretical model-based valuations and may be based on certain assumptions. Different assumptions by UBS or any other source may yield substantially different results.

No representation or warranty, either expressed or implied, is provided in relation to the accuracy, completeness or reliability of the information contained in any materials to which this document relates (the "Information"), except with respect to Information concerning UBS. The Information is not intended to be a complete statement or summary of the securities, markets or developments referred to in the document. UBS does not undertake to update or keep current the Information. Any statements contained in this report attributed to a third party represent UBS's interpretation of the data, information and/or opinions provided by that third party either publicly or through a subscription service, and such use and interpretation have not been reviewed by the third party. In no circumstances may this document or any of the Information (including any forecast, value, index or other calculated amount ("Values")) be used for any of the following purposes:

(i) valuation or accounting purposes;

(ii) to determine the amounts due or payable, the price or the value of any financial instrument or financial contract; or

(iii) to measure the performance of any financial instrument including, without limitation, for the purpose of tracking the return or performance of any Value or of defining the asset allocation of portfolio or of computing performance fees.

By receiving this document and the Information you will be deemed to represent and warrant to UBS that you will not use this document or any of the Information for any of the above purposes or otherwise rely upon this document or any of the Information.

UBS has policies and procedures, which include, without limitation, independence policies and permanent information barriers, that are intended, and upon which UBS relies, to manage potential conflicts of interest and control the flow of information within divisions of UBS and among its subsidiaries, branches and affiliates. For further information on the ways in which UBS Global Research manages conflicts and maintains independence of its research products, historical performance information and certain additional disclosures concerning UBS Global Research recommendations, please visit <https://www.ubs.com/disclosures>.

UBS Global Research will initiate, update and cease coverage solely at the discretion of UBS Global Research Management, which will also have sole discretion on the timing and frequency of any published research product. The analysis contained in this document is based on numerous assumptions. All material information in relation to published research reports, such as valuation methodology, risk statements, underlying assumptions (including sensitivity analysis of those assumptions), ratings history etc. as required by the Market Abuse Regulation, can be found on UBS Neo. Different assumptions could result in materially different results.

UBS Global Research may utilise artificial intelligence tools ("AI Tools") in the preparation of this document. Notwithstanding any such use of AI Tools, this document has undergone human review.

The analyst(s) responsible for the preparation of this document may interact with trading desk personnel, sales personnel and other parties for the purpose of gathering, applying and interpreting market information. UBS relies on information barriers to control the flow of information contained in one or more areas within UBS into other areas, units, groups or affiliates of UBS. The compensation of the analyst who prepared this document is determined exclusively by UBS Global Research management and senior management (not including investment banking). Analyst compensation is not based on investment banking revenues; however, compensation may relate to the revenues of UBS and/or its divisions as a whole, of which investment banking, sales and trading are a part, and UBS as a whole.

For financial instruments admitted to trading on an EU regulated market: UBS (excluding UBS Securities LLC) acts as a market maker or liquidity provider (in accordance with the interpretation of these terms under English law or, if not carried out by UBS in the UK the law of the relevant jurisdiction in which UBS determines it carries out the activity) in the financial instruments of the issuer save that where the activity of liquidity provider is carried out in accordance with the definition given to it by the laws and regulations of any other EU jurisdictions, such information is separately disclosed in this document. For financial instruments admitted to trading on a non-EU regulated market: UBS may act as a market maker save that where this activity is carried out in the US in accordance with the definition given to it by the relevant laws and regulations, such activity will be specifically disclosed in this document. UBS may have issued a warrant the value of which is based on one or more of the financial instruments referred to in the document. UBS and its affiliates and employees may have long or short positions, trade as principal and buy and sell in instruments or derivatives identified herein; such transactions or positions may be inconsistent with the opinions expressed in this document.

Within the past 12 months UBS may have received or provided investment services and activities or ancillary services as per MiFID II which may have given rise to a payment or promise of a payment in relation to these services from or to this company.

Please note that all transactions conducted by UBS are consistent with sanctions regulations imposed by Switzerland, the European Union, the United Nations, the United Kingdom and the United States, per UBS' global sanctions policy. UBS opinion as to future investment worthiness assumes no new sanctions are imposed.

US persons are prohibited from purchasing or selling securities of certain companies designated as being associated with the Chinese Military in accordance with the amended US Presidential Executive Order 13959.

United Kingdom: This material is distributed by UBS AG, London Branch to persons who are eligible counterparties or professional clients. UBS AG, London Branch is authorised by the Prudential Regulation Authority and subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. **Europe:** Except as otherwise specified herein, these materials are distributed by UBS Europe SE, a subsidiary of UBS AG, to persons who are eligible counterparties or professional clients (as detailed in the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) Rules and according to MiFID) and are only available to such persons. The information does not apply to, and should not be relied upon by, retail clients. UBS Europe SE is authorised by the European Central Bank (ECB) and regulated by the BaFin and the ECB. **Germany, Luxembourg, the Netherlands, Belgium and Ireland:** Where an analyst of UBS Europe SE has contributed to this document, the document is also deemed to have been prepared by UBS Europe SE. In all cases it is distributed by UBS Europe SE and UBS AG, London Branch. **Turkey:** Distributed by UBS AG, London Branch. No information in this document is provided for the purpose of offering, marketing and sale by any means of any capital market instruments and services in the Republic of Turkey. Therefore, this document may not be considered as an offer made or to be made to residents of the Republic of Turkey. UBS AG, London Branch is not licensed by the Turkish Capital Market Board under the provisions of the Capital Market Law (Law No. 6362). Accordingly, neither this document nor any other offering material related to the instruments/services may be utilized in connection with providing any capital market services to persons within the Republic of Turkey without the prior approval of the Capital Market Board. However, according to article 15 (d) (ii) of the Decree No. 32, there is no restriction on the purchase or sale of the securities abroad by residents of the Republic of Turkey. **Poland:** Distributed by UBS Europe SE (spółka z ograniczoną odpowiedzialnością) Oddział w Polsce. Where an analyst of UBS Europe SE (spółka z ograniczoną odpowiedzialnością) Oddział w Polsce has contributed to this document, the document is also deemed to have been prepared by UBS Europe SE (spółka z ograniczoną odpowiedzialnością) Oddział w Polsce. **Russia:** Prepared and distributed by UBS Bank (OOO). Should not be construed as an individual investment Recommendation for the purpose of the Russian Law - Federal Law #39-FZ ON THE SECURITIES MARKET Articles 6.1-6.2. **Switzerland:** Distributed by UBS AG to persons who are institutional investors only. UBS AG is regulated by the Swiss Financial Market Supervisory Authority (FINMA). **Italy:** Prepared by UBS Europe SE and distributed by UBS Europe SE and UBS Europe SE, Italy Branch. Where an analyst of UBS Europe SE, Italy Branch has contributed to this document, the document is also deemed to have been prepared by UBS Europe SE, Italy Branch. **France:** Prepared by UBS Europe SE and distributed by UBS Europe SE and UBS Europe SE, France Branch. Where an analyst of UBS Europe SE, France Branch has contributed to this document, the document is also deemed to have been prepared by UBS Europe SE, France Branch. **Spain:** Prepared by UBS Europe SE and distributed by UBS Europe SE and UBS Europe SE, Spain Branch. Where an analyst of UBS Europe SE, Spain Branch has contributed to this document, the document is also deemed to have been prepared by UBS Europe SE, Spain Branch. **Sweden:** Prepared by UBS Europe SE and distributed by UBS Europe SE and UBS Europe SE, Sweden Branch. Where an analyst of UBS Europe SE, Sweden Branch has contributed to this document, the document is also deemed to have been prepared by UBS Europe SE, Sweden Branch. **South Africa:** Distributed by UBS South Africa (Pty) Limited (Registration No. 1995/011140/07), an authorised user of the JSE and an authorised Financial Services Provider (FSP 7328). **Saudi Arabia:** This document has been issued by UBS AG (and/or any of its subsidiaries, branches or affiliates), a public company limited by shares, incorporated in Switzerland with its registered offices at Aeschenvorstadt 1, CH-4051 Basel and Bahnhofstrasse 45, CH-8001 Zurich. This publication has been approved by UBS Saudi Arabia (a subsidiary of UBS AG), a Saudi closed joint stock company incorporated in the Kingdom of Saudi Arabia under commercial register number 1010257812 having its registered office at Tatweer Towers, P.O. Box 75724, Riyadh 11588, Kingdom of Saudi Arabia. UBS Saudi Arabia is authorized and regulated by the Capital Market Authority to conduct securities business under license number 08113-37. **UAE / Dubai:** The information distributed by UBS AG Dubai Branch is only intended for Professional Clients and/or Market Counterparties, as classified under the DFSA rulebook. No other person should act upon this material/communication. The information is not for further distribution within the United Arab Emirates. UBS AG Dubai Branch is regulated by the DFSA in the DIFC. UBS is not licensed to provide banking services in the UAE by the Central Bank of the UAE, nor is it licensed by the UAE Securities and Commodities Authority. **Israel:** This Material is distributed by UBS AG, London Branch. UBS Securities Israel Ltd is a licensed Investment Marketer that is supervised by the Israel Securities Authority (ISA). UBS AG, London Branch and its affiliates incorporated outside Israel are not licensed under the Israeli Advisory Law. UBS may engage among others in issuance of Financial Assets or in distribution of Financial Assets of other issuers for fees or other benefits. UBS AG, London Branch and its affiliates may prefer various Financial Assets to which they have or may have an Affiliation (as such term is defined under the Israeli Advisory Law). Nothing in this Material should be considered as investment advice under the Israeli Advisory Law. This Material is being issued only to and/or is directed only at persons who are Eligible Clients within the meaning of the Israeli Advisory Law, and this Material must not be furnished to, relied on or acted upon by any other persons. **United States:** Distributed to US persons by either UBS Securities LLC or by UBS Financial Services Inc., subsidiaries of UBS AG; or by a group, subsidiary or affiliate of UBS AG that is not registered as a US broker-dealer (a "non-US affiliate") to major US institutional investors only. UBS Securities LLC or UBS Financial Services Inc. accepts responsibility for the content of a report prepared by another non-US affiliate when distributed to US persons by UBS Securities LLC or UBS Financial Services Inc. All transactions by a US person in the securities mentioned in this report must be effected through UBS Securities LLC or UBS Financial Services Inc., and not through a non-US affiliate. UBS Securities LLC is not acting as a municipal advisor to any municipal entity or obligated person within the meaning of Section 15B of the Securities Exchange Act (the "Municipal Advisor Rule"), and the opinions or views contained herein are not intended to be, and do not constitute, advice within the meaning of the Municipal Advisor Rule. **Canada:** Distributed by UBS Securities Canada Inc., a registered investment dealer in Canada

and a Member-Canadian Investor Protection Fund, or by another affiliate of UBS AG that is registered to conduct business in Canada or is otherwise exempt from registration. **Brazil:** Except as otherwise specified herein, this Material is prepared by UBS BB Corretora de Câmbio, Títulos e Valores Mobiliários S.A. (UBS BB CCTVM) to persons who are eligible investors residing in Brazil, which are considered to be Professional Investors (Investidores Profissionais), as designated by the applicable regulation, mainly the CVM Resolution No. 30 from the 11th of May 2021 (determines the duty to verify the suitability of products, services and transactions with regards to the client's profile). UBS BB CCTVM is a subsidiary of UBS BB Serviços de Assessoria Financeira e Participações S.A. ("UBS BB"). UBS BB is an association between UBS AG and Banco do Brasil (through its subsidiary BB – Banco de Investimentos S.A.), of which UBS AG is the majority owner and which provides investment banking services and coverage in Brazil, Argentina, Chile, Paraguay, Peru and Uruguay. UBS BB CCTVM is regulated by the Comissão de Valores Mobiliários (CVM) and by the Central Bank of Brazil. Ombudsman: 0800-940-0266/ <https://www.ubs.com/br/pt/ubsbb-investment-bank/ombudsman.html>. UBS may hold relevant financial and commercial interest in relation to the company subject to this Research report. **Hong Kong:** Distributed by UBS Securities Asia Limited. Please contact local licensed persons of UBS Securities Asia Limited in respect of any matters arising from, or in connection with, the analysis or document. **Singapore:** Distributed by UBS Securities Pte. Ltd. [Co. Reg. No.: 198500648C] or UBS AG, Singapore Branch. Please contact UBS Securities Pte. Ltd., an exempt financial adviser under the Singapore Financial Advisers Act (Cap. 110); or UBS AG, Singapore Branch, an exempt financial adviser under the Singapore Financial Advisers Act (Cap. 110) and a wholesale bank licensed under the Singapore Banking Act (Cap. 19) regulated by the Monetary Authority of Singapore, in respect of any matters arising from, or in connection with, the analysis or document. The recipients of this document represent and warrant that they are accredited and institutional investors as defined in the Securities and Futures Act (Cap. 289). **Japan:** Distributed by UBS Securities Japan Co., Ltd. to professional investors (except as otherwise permitted). Where this report has been prepared by UBS Securities Japan Co., Ltd., UBS Securities Japan Co., Ltd. is the author, publisher and distributor of the report. Distributed by UBS AG, Tokyo Branch to Professional Investors (except as otherwise permitted) in relation to foreign exchange and other banking businesses when relevant. **Australia:** Clients of UBS AG: Distributed by UBS AG (ABN 47 088 129 613 and holder of Australian Financial Services License No. 231087). For all other recipients: Distributed by UBS Securities Australia Ltd (ABN 62 008 586 481 and holder of Australian Financial Services License No. 231098). This document contains general information and/or general advice only and does not constitute personal financial product advice. As such, the Information in this document has been prepared without taking into account any investor's objectives, financial situation or needs, and investors should, before acting on the Information, consider the appropriateness of the Information, having regard to their objectives, financial situation and needs. If the Information contained in this document relates to the acquisition, or potential acquisition of a particular financial product by a 'Retail' client as defined by section 761G of the Corporations Act 2001 where a Product Disclosure Statement would be required, the retail client should obtain and consider the Product Disclosure Statement relating to the product before making any decision about whether to acquire the product. **New Zealand:** Distributed by UBS New Zealand Ltd. UBS New Zealand Ltd is not a registered bank in New Zealand. You are being provided with this publication or material because you have indicated to UBS that you are a "wholesale client" within the meaning of clause 4 of schedule 5 of the Financial Markets Conduct Act 2013 of New Zealand (Permitted Client). This publication or material is not intended for clients who are not Permitted Clients (non-permitted Clients). If you are a non-permitted Client you must not rely on this publication or material. If despite this warning you nevertheless rely on this publication or material, you hereby (i) acknowledge that you may not rely on the content of this publication or material and that any recommendations or opinions in such this publication or material are not made or provided to you, and (ii) to the maximum extent permitted by law (a) indemnify UBS and its associates or related entities (and their respective Directors, officers, agents and Advisors) (each a 'Relevant Person') for any loss, damage, liability or claim any of them may incur or suffer as a result of, or in connection with, your unauthorised reliance on this publication or material and (b) waive any rights or remedies you may have against any Relevant Person for (or in respect of) any loss, damage, liability or claim you may incur or suffer as a result of, or in connection with, your unauthorised reliance on this publication or material. **Korea:** Distributed in Korea by UBS Securities Pte. Ltd., Seoul Branch. This report may have been edited or contributed to from time to time by affiliates of UBS Securities Pte. Ltd., Seoul Branch. This material is intended for professional/institutional clients only and not for distribution to any retail clients. **Malaysia:** This material is authorized to be distributed in Malaysia by UBS Securities Malaysia Sdn. Bhd (Capital Markets Services License No.: CMSL/A0063/2007). This material is intended for professional/institutional clients only and not for distribution to any retail clients. **India:** Distributed by UBS Securities India Private Ltd. (Corporate Identity Number U67120MH1996PTC097299) 2/F, 3 North Avenue, Maker Maxity, Bandra Kurla Complex, Bandra (East), Mumbai (India) 400051. Phone: +912261556000. It provides brokerage services bearing SEBI Registration Number: INZ000259830; Merchant Banking services bearing SEBI Registration Number: INM000013101; and Research Analyst services bearing SEBI Registration Number: INH000001204. Name of Compliance Officer Mr. Parameshwaran Shivaramakrishnan, Phone : +912261556151, Email : parameshwaran.s@ubs.com, Name of Grievance Officer Parameshwaran Shivaramakrishnan, Phone : +912261556151, Email: ol-ubs-sec-compliance@ubs.com Registration granted by SEBI, and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. UBS may have debt holdings or positions in the subject Indian company/companies. UBS may have financial interests (e.g. loan/derivative products, rights to or interests in investments, etc.) in the subject Indian company / companies from time to time. Within the past 12 months, UBS may have received compensation for non-investment banking securities-related services and/or non-securities services from the subject Indian company/companies. The subject company/companies may have been a client/clients of UBS during the 12 months preceding the date of distribution of the research report with respect to investment banking and/or non-investment banking securities-related services and/or non-securities services. With regard to information on associates, please refer to the Annual Report at: https://www.ubs.com/global/en/about_ubs/investor_relations/annualreporting.html **Taiwan:** Except as otherwise specified herein, this material may not be distributed in Taiwan. Information and material on securities/instruments that are traded in a Taiwan organized exchange is deemed to be issued and distributed by UBS Securities Pte. LTD., Taipei Branch, which is licensed and regulated by Taiwan Financial Supervisory Commission. Save for securities/instruments that are traded in a Taiwan organized exchange, this material should not constitute "recommendation" to clients or recipients in Taiwan for the covered companies or any companies mentioned in this document. No portion of the document may be reproduced or quoted by the press or any other person without authorisation from UBS. **Indonesia:** This report is being distributed by PT UBS Sekuritas Indonesia and is delivered by its licensed employee(s), including marketing/sales person, to its client. PT UBS Sekuritas Indonesia, having its registered office at Sequis Tower Level 22 unit 22-1, Jl. Jend. Sudirman, kav.71, SCBD lot 11B, Jakarta 12190. Indonesia, is a subsidiary company of UBS AG and licensed under Capital Market Law no. 8 year 1995, a holder of broker-dealer and underwriter licenses issued by the Capital Market and Financial Institution Supervisory Agency (now Otoritas Jasa Keuangan/OJK). PT UBS Sekuritas Indonesia is also a member of Indonesia Stock Exchange and supervised by Otoritas Jasa Keuangan (OJK). Neither this report nor any copy hereof may be distributed in Indonesia or to any Indonesian citizens except in compliance with applicable Indonesian capital market laws and regulations. This report is not an offer of securities in Indonesia and may not be distributed within the territory of the Republic of Indonesia or to Indonesian citizens in circumstance which constitutes an offering within the meaning of Indonesian capital market laws and regulations.

The disclosures contained in research documents produced by UBS AG, London Branch or UBS Europe SE shall be governed by and construed in accordance with English law.

UBS specifically prohibits the redistribution of this document in whole or in part without the written permission of UBS and in any event UBS accepts no liability whatsoever for any redistribution of this document or its contents or the actions of third parties in this respect. Images may depict objects or elements that are protected by third party copyright, trademarks and other intellectual property rights. © UBS 2025. The key symbol and UBS are among the registered and unregistered trademarks of UBS. All rights reserved.

Global Wealth Management Disclaimer

You receive this document in your capacity as a client of UBS Global Wealth Management. This publication has been distributed to you by UBS Switzerland AG (regulated by FINMA in Switzerland) or its affiliates ("**UBS**") with whom you have a banking relationship with. The full name of the distributing affiliate and its competent authority can be found in the country-specific disclaimer at the end of this document. UBS may utilise artificial intelligence tools ("AI Tools") in the preparation of this document. Notwithstanding any such use of AI Tools, this document has undergone human review.

The date and time of the first dissemination of this publication is the same as the date and time of its publication.

Risk information:

You agree that you shall not copy, revise, amend, create a derivative work, provide to any third party, or in any way commercially exploit any UBS research, and that you shall not extract data from any research or estimates, without the prior written consent of UBS.

This document is for distribution only as may be permitted by law. It is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or would subject UBS to any registration or licensing requirement within such jurisdiction.

This document is **for your information only**; it is not an advertisement nor is it a solicitation or an offer to buy or sell any financial instruments or to participate in any particular trading strategy. Nothing in this document constitutes a representation that any investment strategy or recommendation is suitable or appropriate to an investor's individual circumstances or otherwise constitutes a personal recommendation. By providing this document, none of UBS or its representatives has any responsibility or authority to provide or have provided investment advice in a fiduciary capacity or otherwise. Investments involve risks, and investors should exercise prudence and their own judgment in making their investment decisions. None of UBS or its representatives is suggesting that the recipient or any other person take a specific course of action or any action at all. By receiving this document, the recipient acknowledges and agrees with the intended purpose described above and further disclaims any expectation or belief that the information constitutes investment advice to the recipient or otherwise purports to meet the investment objectives of the recipient. The financial instruments described in the document may not be eligible for sale in all jurisdictions or to certain categories of investors.

Options, derivative products and futures are not suitable for all investors, and trading in these instruments is considered risky. Mortgage and asset-backed securities may involve a high degree of risk and may be highly volatile in response to fluctuations in interest rates or other market conditions. Foreign currency rates of exchange may adversely affect the value, price or income of any security or related instrument referred to in the document. For investment advice, trade execution or other enquiries, clients

should contact their local sales representative.

The value of any investment or income may go down as well as up, and investors may not get back the full (or any) amount invested. Past performance is not necessarily a guide to future performance. Neither UBS nor any of its directors, employees or agents accepts any liability for any loss (including investment loss) or damage arising out of the use of all or any of the information (as defined below).

Prior to making any investment or financial decisions, any recipient of this document or the information should take steps to understand the risk and return of the investment and seek individualized advice from his or her personal financial, legal, tax and other professional advisors that takes into account all the particular facts and circumstances of his or her investment objectives.

Any prices stated in this document are for information purposes only and do not represent valuations for individual securities or other financial instruments. There is no representation that any transaction can or could have been effected at those prices, and any prices do not necessarily reflect UBS's internal books and records or theoretical model-based valuations and may be based on certain assumptions. Different assumptions by UBS or any other source may yield substantially different results.

No representation or warranty, either expressed or implied, is provided in relation to the accuracy, completeness or reliability of the information contained in any materials to which this document relates (the "Information"), except with respect to Information concerning UBS. The Information is not intended to be a complete statement or summary of the securities, markets or developments referred to in the document. UBS does not undertake to update or keep current the Information. Any opinions expressed in this document may change without notice and may differ or be contrary to opinions expressed by other business areas or groups, personnel or other representative of UBS. Any statements contained in this report attributed to a third party represent UBS's interpretation of the data, information and/or opinions provided by that third party either publicly or through a subscription service, and such use and interpretation have not been reviewed by the third party. In no circumstances may this document or any of the Information (including any forecast, value, index or other calculated amount ("Values")) be used for any of the following purposes: (i) valuation or accounting purposes; (ii) to determine the amounts due or payable, the price or the value of any financial instrument or financial contract; or (iii) to measure the performance of any financial instrument including, without limitation, for the purpose of tracking the return or performance of any Value or of defining the asset allocation of portfolio or of computing performance fees.

By receiving this document and the Information you will be deemed to represent and warrant to UBS that you will not use this document or any of the Information for any of the above purposes or otherwise rely upon this document or any of the Information.

UBS has policies and procedures, which include, without limitation, independence policies and permanent information barriers, that are intended, and upon which UBS relies, to manage potential conflicts of interest and control the flow of information within divisions of UBS (including between Global Wealth Management and UBS Global Research) and among its subsidiaries, branches and affiliates. For further information on the ways in which UBS manages conflicts and maintains independence of its research products, historical performance information and certain additional disclosures concerning UBS research recommendations, please visit <https://www.ubs.com/research-methodology>.

Research will initiate, update and cease coverage solely at the discretion of research management, which will also have sole discretion on the timing and frequency of any published research product. The analysis contained in this document is based on numerous assumptions. Different assumptions could result in materially different results.

The analyst(s) responsible for the preparation of this document may interact with trading desk personnel, sales personnel and other parties for the purpose of gathering, applying and interpreting market information. UBS relies on information barriers to control the flow of information contained in one or more areas within UBS into other areas, units, groups or affiliates of UBS. The compensation of the analyst who prepared this document is determined exclusively by research management and senior management (not including investment banking). Analyst compensation is not based on investment banking revenues; however, compensation may relate to the revenues of UBS and/or its divisions as a whole, of which investment banking, sales and trading are a part, and UBS's subsidiaries, branches and affiliates as a whole.

For financial instruments admitted to trading on an EU regulated market: UBS AG, its affiliates or subsidiaries (excluding UBS Securities LLC) acts as a market maker or liquidity provider (in accordance with the interpretation of these terms in the UK) in the financial instruments of the issuer save that where the activity of liquidity provider is carried out in accordance with the definition given to it by the laws and regulations of any other EU jurisdictions, such information is separately disclosed in this document. For financial instruments admitted to trading on a non-EU regulated market: UBS may act as a market maker save that where this activity is carried out in the US in accordance with the definition given to it by the relevant laws and regulations, such activity will be specifically disclosed in this document. UBS may have issued a warrant the value of which is based on one or more of the financial instruments referred to in the document. UBS and its affiliates and employees may have long or short positions, trade as principal and buy and sell in instruments or derivatives identified herein; such transactions or positions may be inconsistent with the opinions expressed in this document.

Options and futures are not suitable for all investors, and trading in these instruments is considered risky and may be appropriate only for sophisticated investors. Prior to buying or selling an option, and for the complete risks relating to options, you must receive a copy of "Characteristics and Risks of Standardized Options". You may read the document at <https://www.theocc.com/about/publications/character-risks.jsp> or ask your financial advisor for a copy.

Investing in structured investments involves significant risks. For a detailed discussion of the risks involved in investing in any particular structured investment, you must read the relevant offering materials for that investment. Structured investments are unsecured obligations of a particular issuer with returns linked to the performance of an underlying asset. Depending on the terms of the investment, investors could lose all or a substantial portion of their investment based on the performance of the underlying asset. Investors could also lose their entire investment if the issuer becomes insolvent. UBS does not guarantee in any way the obligations or the financial condition of any issuer or the accuracy of any financial information provided by any issuer. Structured investments are not traditional investments and investing in a structured investment is not equivalent to investing directly in the underlying asset. Structured investments may have limited or no liquidity, and investors should be prepared to hold their investment to maturity. The return of structured investments may be limited by a maximum gain, participation rate or other feature. Structured investments may include call features and, if a structured investment is called early, investors would not earn any further return and may not be able to reinvest in similar investments with similar terms. Structured investments include costs and fees which are generally embedded in the price of the investment. The tax treatment of a structured investment may be complex and may differ from a direct investment in the underlying asset. UBS and its employees do not provide tax advice. Investors should consult their own tax advisor about their own tax situation before investing in any securities.

Important Information About Sustainable Investing Strategies: Sustainable investing strategies aim to consider and incorporate environmental, social and governance (ESG) factors into investment process and portfolio construction. Strategies across geographies approach ESG analysis and incorporate the findings in a variety of ways. Incorporating ESG factors or Sustainable Investing considerations may inhibit the portfolio manager's ability to participate in certain investment opportunities that otherwise would be consistent with its investment objective and other principal investment strategies. The returns on a portfolio incorporating ESG factors or Sustainable Investing considerations may be lower or higher than portfolios where ESG factors, exclusions, or other sustainability issues are not considered by the portfolio manager, and the investment opportunities available to such portfolios may differ.

Within the past 12 months UBS Switzerland AG, its affiliates or subsidiaries may have received or provided investment services and activities or ancillary services as per MiFID II which may have given rise to a payment or promise of a payment in relation to these services from or to this company.

Disclosures: If you require detailed information on disclosures of interest or conflict of interest as required by Market Abuse Regulation please contact the mailbox MAR_disclosure_twopager@ubs.com. Please note that e-mail communication is unsecured.

External Asset Managers / External Financial Consultants: In case this research or publication is provided to an External Asset Manager or an External Financial Consultant, UBS expressly prohibits that it is redistributed by the External Asset Manager or the External Financial Consultant and is made available to their clients and/or third parties.

Argentina: All securities that will be offered to you by UBS are not authorized by the Argentine Securities and Exchange Commission (CNV) and are not subject to its reporting, periodic information requirements, or oversight. Furthermore, the CNV has not reviewed or endorsed the information provided in any securities offering document, nor the accuracy of any accounting, financial, economic data, or any other information disclosed therein, which remains the sole responsibility of the respective issuer and the other parties involved. **Australia:** This document is provided by UBS Switzerland AG. UBS Switzerland AG does not hold an Australian Financial Services Licence (AFSL) and relies on an exemption to provide financial services to persons in Australia. This document is intended only for distribution to wholesale clients under the Corporations Act 2001 (Cth). UBS Switzerland AG is a related body corporate of UBS AG, Australia Branch and UBS Securities Australia Limited. This document may be distributed to clients by those entities, but it is provided by UBS Switzerland AG and is not provided under any of the other entities' AFSL. The information in this document is general in nature and is not intended to address the objectives, financial situation or needs of any particular individual or entity. Each recipient should consider their own objectives, financial situation or needs before acting on the advice and obtain the relevant Product Disclosure Statement (if required) before making any decision whether to acquire any product. In Australia, UBS entities, other than UBS AG, Australia Branch, are not authorized deposit-taking institutions for the purposes of the Banking Act 1959 (Cth.) and their obligations do not represent deposits or other liabilities of UBS AG, Australia Branch. UBS AG, Australia Branch does not guarantee or otherwise provide assurance in respect of the obligations of such UBS entities or the funds. An investor is exposed to investment risk including possible delays in repayment and loss of income and principal invested, as relevant. If you do not wish to receive marketing materials from UBS, please contact your UBS representative or the contact details listed in the Australia Privacy Notice: <https://www.ubs.com/global/en/legal/privacy.html>. Your personal data will be processed in accordance with this notice. **Bahrain:** This report is distributed by UBS AG, Bahrain Branch, authorized and regulated by the Central Bank of Bahrain (CBB) as an Investment Firm Category 2. Related financial services or products are only made available to professional clients and Accredited Investors, as defined by the CBB, and are not intended for any other persons. CBB has not reviewed, nor has it approved, this document or the marketing of any investment vehicle referred to herein in the Kingdom of Bahrain and is not responsible for the performance of any

such investment vehicle. UBS AG, Bahrain Branch is located at Level 21, East Tower, Bahrain World Trade Centre, Manama, Kingdom of Bahrain. **Brazil:** This report is distributed in Brazil by UBS BB Corretora de Câmbio, Títulos e Valores Mobiliários S.A. or its affiliates ("UBS"). Pursuant to CVM Resolution No. 20/2021, of February 25, 2021, the author(s) of the report hereby certify(ies) that the views expressed in this report solely and exclusively reflect their personal opinions and have been prepared independently, including with respect to UBS. Part of the author(s)'s compensation is based on various factors, including the total revenues of the relevant UBS Group entity of which they are in employment of, but no part of the compensation has been, is, or will be related to the specific recommendations or views expressed in this report. In addition, UBS declares that: UBS has provided, and/or may in the future provide investment banking, brokerage, asset management, commercial banking and other financial services to the subject company/companies or its affiliates, for which they have received or may receive customary fees and commissions, and which constituted or may constitute relevant financial or commercial interests in relation to the subject company/companies or the subject securities. **Canada:** The information contained herein is not, and under no circumstances is to be construed as, a prospectus, an advertisement, a public offering, an offer to sell securities described herein, solicitation of an offer to buy securities described herein, in Canada or any province or territory thereof. Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable securities laws or, alternatively, pursuant to an exemption from the dealer registration requirement in the relevant province or territory of Canada in which such offer or sale is made. Under no circumstances is the information contained herein to be construed as investment advice in any province or territory of Canada and is not tailored to the needs of the recipient. To the extent that the information contained herein references securities of an issuer incorporated, formed or created under the laws of Canada or a province or territory of Canada, any trades in such securities must be conducted through a dealer registered in Canada or, alternatively, pursuant to a dealer registration exemption. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon these materials, the information contained herein or the merits of the securities described herein and any representation to the contrary is an offence. In Canada, this publication is distributed by UBS Investment Management Canada Inc. **China:** This report and any offering material such as term sheet, research report, other product or service documentation or any other information (the "Material") sent with this report was done so as a result of a request received by UBS from you and/or persons entitled to make the request on your behalf. Should you have received the material erroneously, UBS asks that you kindly delete it and inform UBS immediately. This report is prepared by UBS Switzerland AG or its offshore subsidiary or affiliate (collectively as "UBS Offshore"). UBS Offshore is an entity incorporated out of China and is not licensed, supervised or regulated in China to carry out banking or securities business. The recipient should not contact the analysts or UBS Offshore which produced this report for advice as they are not licensed to provide securities investment advice in China. UBS Investment Bank (including Research) has its own wholly independent research and views which at times may vary from the views of UBS Global Wealth Management. The recipient should not use this document or otherwise rely on any of the information contained in this report in making investment decisions and UBS takes no responsibility in this regard. **Czech Republic:** UBS is not a licensed bank in the Czech Republic and thus is not allowed to provide regulated banking or investment services in the Czech Republic. This communication and/or material is distributed for marketing purposes and constitutes a "Commercial Message" under the laws of Czech Republic in relation to banking and/or investment services. Please notify UBS if you do not wish to receive any further correspondence. **Denmark:** This publication is not intended to constitute a public offer under Danish law. It is distributed only for information purposes to clients of UBS Europe SE, Denmark Branch, filial af UBS Europe SE, with place of business at Sankt Annae Plads 13, 1250 Copenhagen, Denmark, registered with the Danish Commerce and Companies Agency, under No. 38 17 24 33. UBS Europe SE, Denmark Branch, filial af UBS Europe SE is subject to the joint supervision of the European Central Bank, the German Central Bank (Deutsche Bundesbank), the German Federal Financial Services Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, "BaFin"), as well as of the Danish Financial Supervisory Authority (Finanstilsynet), to which this publication has not been submitted for approval. UBS Europe SE is a credit institution constituted under German law in the form of a Societas Europaea, duly authorized by BaFin. **Egypt:** Securities or other investment products are not being offered or sold by UBS to the public in Egypt and they have not been and will not be registered with the Egyptian Financial Regulatory Authority (FRA). **France:** This publication is not intended to constitute a public offer under French law, it does not constitute a personal recommendation as it is distributed only for information purposes to clients of UBS Europe SE Succursale de France (a branch of UBS Europe SE), having its registered office at 39, rue du Colisée, 75008 Paris, France, registered with the "Registre du Commerce et des Sociétés" of Paris under N°844 425 629. UBS Europe SE Succursale de France is subject to the joint supervision of the European Central Bank, the German Central Bank (Deutsche Bundesbank), the German Federal Financial Services Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, "BaFin"), as well as of the French "Autorité de contrôle prudentiel et de résolution" and "Autorité des marchés financiers", to which this publication has not been submitted for approval. UBS Europe SE is a credit institution constituted under German law in the form of a Societas Europaea, duly authorized by BaFin. **Germany:** This publication is not intended to constitute a public offer under German law. It is distributed only for information purposes to clients of UBS Europe SE, Germany, with place of business at Bockenheimer Landstrasse 2-4, 60306 Frankfurt am Main. UBS Europe SE is a credit institution constituted under German law in the form of a Societas Europaea, duly authorized by the German Federal Financial Services Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, "BaFin") and supervised jointly by the European Central Bank, the German Central Bank (Deutsche Bundesbank) and BaFin, to which this publication has not been submitted for approval. **Hong Kong SAR:** This publication is distributed to clients of UBS AG Hong Kong Branch by UBS AG Hong Kong Branch, a licensed bank under the Hong Kong Banking Ordinance and a registered institution under the Securities and Futures Ordinance. UBS AG Hong Kong Branch is incorporated in Switzerland with limited liability. The contents of this material have not been reviewed by any regulatory authority in Hong Kong. **Indonesia:** This communication and any offering material term sheet, research report, other product or service documentation or any other information (the "Material") sent with this communication was done so as a result of a request received by UBS from you and/or persons entitled to make the request on your behalf. Should you have received the Material erroneously, UBS asks that you kindly delete/destroy the communication and Material and inform UBS immediately. The Material, where provided, was provided for your information only and is not to be further distributed without the consent of UBS. None of the Material has been registered or filed under the prevailing laws and with any financial or regulatory authority in your jurisdiction. The Material may not have been approved, disapproved, endorsed, registered or filed with any financial or regulatory authority in your jurisdiction. UBS has not, by virtue of the Material, made available, issued any invitation to subscribe for or to purchase any investment (including securities or products or futures contracts). The Material is neither an offer nor a solicitation to enter into any transaction or contract (including futures contracts) nor is it an offer to buy or to sell any securities or products. The relevant investments will be subject to restrictions and obligations on transfer as set forth in the Material, and by receiving the Material you undertake to comply fully with such restrictions and obligations. You should carefully study and ensure that you understand and exercise due care and discretion in considering your investment objective, risk appetite and personal circumstances against the risk of the investment. You are advised to seek independent professional advice in case of doubt. Any and all advice provided on and/or trades executed by UBS pursuant to the Material will only have been provided upon your specific request or executed upon your specific instructions, as the case may be, and may be deemed as such by UBS and you. **Israel:** UBS is a premier global financial firm offering wealth management, asset management and investment banking services from its headquarters in Switzerland and its operations in over 50 countries worldwide to individual, corporate and institutional investors. This publication is intended for information only and is not intended as an offer to buy or solicitation of an offer. Furthermore, this publication is not intended as an investment advice. Nothing contrary to the above, no action has been, or will be, taken in Israel that would permit an offering of the product(s) mentioned in this document or a distribution of this document to the public in Israel. In particular, this document has not been reviewed or approved by the Israeli Securities Authority. The product(s) mentioned in this document is/are being offered to a limited number of sophisticated investors who qualify as one of the investors listed in the first supplement to the Israeli Securities Law, 5728-1968. This document may not be reproduced or used for any other purpose, nor be furnished to any other person other than those to whom copies have been sent. Anyone who purchases the product(s) mentioned herein shall do so for their own benefit and for its own account and not with the aim or intention of distributing or offering the product(s) to other parties. Anyone who purchases the product(s) shall do so in accordance with its own understanding and discretion and after it has received any relevant financial, legal, business, tax or other advice or opinion required by it in connection with such purchase(s). The word "advice" and/or any of its equivalent terms shall be read and construed in conjunction with the definition of the term "investment marketing" as defined under the Israeli Regulation of Investment Advice, Investment Marketing and Portfolio Management Law. The Swiss laws and regulations require a number of mandatory disclosures to be made in independent financial research reports or recommendations. Pursuant to the Swiss Financial Market Infrastructure Act and the Financial Market Infrastructure Ordinance-FINMA, banks must disclose the percentage of voting rights they hold in companies being researched, if these holdings are equal to or exceed the statutory thresholds. In addition, the Directives on the Independence of Financial Research, issued by the Swiss Bankers Association, mandate a number of disclosures, including the disclosure of potential conflicts of interest, the participation within previous 12 months in any securities issues on behalf of the company being researched, as well as the fact that remuneration paid to the financial analysts is based generally upon the performance of (i) the new issues department or investment banking; or (ii) securities trading performance (including proprietary trading) or sales. **Italy:** This publication is not intended to constitute a public offer under Italian law. It is distributed only for information purposes to clients of UBS Europe SE, Succursale Italia, with place of business at Via del Vecchio Politecnico, 3-20121 Milano. UBS Europe SE, Succursale Italia is subject to the joint supervision of the European Central Bank, the German Central Bank (Deutsche Bundesbank), the German Federal Financial Services Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, "BaFin"), as well as of the Bank of Italy (Banca d'Italia) and the Italian Financial Markets Supervisory Authority (CONSOB - Commissione Nazionale per le Società e la Borsa), to which this publication has not been submitted for approval. UBS Europe SE is a credit institution constituted under German law in the form of a Societas Europaea, duly authorized by BaFin. **Japan:** This report is solely distributed in Japan by UBS SuMi TRUST Wealth Management Co., Ltd, Financial Instruments Dealer, Director-General of Kanto Local Finance Bureau (Kinsho) No. 3233, a member of the Japan Securities Dealers Association, Financial Futures Association of Japan, Japan Investment Advisers Association. UBS SuMi TRUST Wealth Management Co., Ltd will not distribute or forward this report outside Japan. **Jersey:** UBS AG, Jersey Branch, is regulated and authorized by the Jersey Financial Services Commission for the conduct of banking, funds and investment business. Where services are provided from outside Jersey, they will not be covered by the Jersey regulatory regime. UBS AG, Jersey Branch is a branch of UBS AG a public company limited by shares, incorporated in Switzerland whose registered offices are at Aeschenvorstadt 1, CH-4051 Basel and Bahnhofstrasse 45, CH 8001 Zurich. UBS AG, Jersey Branch's principal place of business is 1, IFC Jersey, St Helier, Jersey, JE2 3BX. **Luxembourg:** This publication is not intended to constitute a public offer under Luxembourg law. It is distributed only for information purposes to clients of UBS Europe SE, Luxembourg Branch ("UBS Luxembourg"), R.C.S. Luxembourg n° B209123, with registered office at 33A, Avenue J. F. Kennedy, L-1855 Luxembourg. UBS Europe SE is a credit institution constituted under German law in the form of a Societas Europaea (HRB n° 107046), with registered office at Bockenheimer Landstrasse 2-4, D-60306 Frankfurt am Main, Germany, duly authorized by the German Federal Financial Services Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, "BaFin") and subject to the joint prudential supervision of BaFin, the European Central Bank and the central bank of Germany (Deutsche Bundesbank). UBS Luxembourg is furthermore supervised by the Luxembourg prudential supervisory authority (Commission de Surveillance du Secteur Financier), in its role

as host member state authority. This publication has not been submitted for approval to any public supervisory authority. **Malaysia:** This communication and any offering material term sheet, research report, other product or service documentation or any other information (the "Material") sent with this communication was done so as a result of a request received by UBS from you and/or persons entitled to make the request on your behalf. Should you have received the Material erroneously, UBS asks that you kindly delete/destroy the communication and Material and inform UBS immediately. The Material, where provided, was provided for your information only and is not to be further distributed in whole or in part in or into your jurisdiction without the consent of UBS. The Material may not have been reviewed, approved, disapproved, endorsed, registered or filed with any financial or regulatory authority in your jurisdiction. UBS has not, by virtue of the Material, made available, issued any invitation to subscribe for or to purchase any investment (including securities or derivatives products). The Material is neither an offer nor a solicitation to enter into any transaction or contract (including future contracts) nor is it an offer to buy or to sell any securities or derivatives products. The relevant investments will be subject to restrictions and obligations on transfer as set forth in the Material, and by receiving the Material you undertake to comply fully with such restrictions and obligations. You should carefully study and ensure that you understand and exercise due care and discretion in considering your investment objective, risk appetite and personal circumstances against the risk of the investment. You are advised to seek independent professional advice in case of doubt. Any and all advice provided on and/or trades executed by UBS pursuant to the Material will only have been provided upon your specific request or executed upon your specific instructions, as the case may be, and may be deemed as such by UBS and you. **Mexico:** This information is distributed by UBS Asesores México, S.A. de C.V. ("UBS Asesores"), an affiliate of UBS Switzerland AG, incorporated as a non-independent investment advisor under the Mexican regulation due to the relation with a Foreign Bank. UBS Asesores is registered under number 30060-001-(14115)-21/06/2016 and subject to the supervision of the Mexican Banking and Securities Commission ("CNBV") exclusively regarding the rendering of (i) portfolio management services, (ii) securities investment advisory services, analysis and issuance of individual investment recommendations, and (iii) anti-money laundering and terrorism financing matters. This UBS publication or any material related thereto is addressed only to Sophisticated or Institutional Investors located in Mexico. Research reports only reflect the views of the analysts responsible for the report. The compensation of the analyst(s) who prepared this report is determined exclusively by research management and senior management of any entity of UBS Group to which such analyst(s) render(s) services. **Monaco:** This document is not intended to constitute a public offering or a comparable solicitation under the Principality of Monaco laws, but might be made available for information purposes to clients of UBS (Monaco) S.A., a regulated bank having its registered office at 2 avenue de Grande Bretagne 98000 Monaco operating under a banking license granted by the "Autorité de Contrôle Prudentiel et de Résolution" (ACPR) and the Monegasque government which authorizes the provision of banking services in Monaco. UBS (Monaco) S.A. is also licensed by the "Commission de Contrôle des Activités Financières" (CCAF) to provide investment services in Monaco. The latter has not approved this publication. **Philippines:** This communication was done so as a result of a request received by UBS from you and/or persons entitled to make the request on your behalf. Should you have received the Material erroneously, UBS asks that you kindly delete/destroy the communication and Material and inform UBS immediately. The Material, where provided, was provided for your information only and is not to be further distributed in whole or in part in or into your jurisdiction without the consent of UBS. The Material may not have been reviewed, approved, disapproved, endorsed, registered or filed with any financial or regulatory authority in your jurisdiction. UBS has not, by virtue of the Material, made available, issued any invitation to subscribe for or to purchase any investment (including securities or derivatives products). The Material is neither an offer nor a solicitation to enter into any transaction or contract (including future contracts) nor is it an offer to buy or to sell any securities or derivatives products. The relevant investments will be subject to restrictions and obligations on transfer as set forth in the Material, and by receiving the Material you undertake to comply fully with such restrictions and obligations. You should carefully study and ensure that you understand and exercise due care and discretion in considering your investment objective, risk appetite and personal circumstances against the risk of the investment. You are advised to seek independent professional advice in case of doubt. Any and all advice provided on and/or trades executed by UBS pursuant to the Material will only have been provided upon your specific request or executed upon your specific instructions, as the case may be, and may be deemed as such by UBS and you. **Portugal:** UBS Switzerland AG is not licensed to conduct banking and financial activities in Portugal nor is UBS Switzerland AG supervised by the portuguese regulators (Bank of Portugal "Banco de Portugal" and Portuguese Securities Exchange Commission "Comissão do Mercado de Valores Mobiliários"). **Qatar:** UBS Qatar LLC is authorized by the Qatar Financial Centre Regulatory Authority, with QFC no. 01169, and has its registered office at 14th Floor, Burj Alfardan Tower, Building 157, Street No. 301, Area No. 69, Al Majdumi, Lusail, Qatar. UBS Qatar LLC neither offers any brokerage services nor executes any order with, for or on behalf of its clients. A client order will have to be placed with, and executed by, UBS Switzerland AG in Switzerland or an affiliate of UBS Switzerland AG, that is domiciled outside Qatar. It is in the sole discretion of UBS Switzerland AG in Switzerland or its affiliate to accept or reject an order and UBS Qatar LLC does not have authority to provide a confirmation in this respect. UBS Qatar LLC may however communicate payment orders and investment instructions to UBS Switzerland AG in Switzerland for receipt, acceptance and execution. UBS Qatar LLC is not authorized to act for and on behalf of UBS Switzerland AG or an affiliate of UBS Switzerland AG. This document and any attachments hereto are intended for eligible counterparties and business customers only. **Russia:** This document or information contained therein is for information purposes only and constitutes neither a public nor a private offering, is not an invitation to make offers, to sell, exchange or otherwise transfer any financial instruments in the Russian Federation to or for the benefit of any Russian person or entity and does not constitute an advertisement or offering of securities in the Russian Federation within the meaning of Russian securities laws. The information contained herein is not an "individual investment recommendation" as defined in Federal Law of 22 April 1996 No 39-FZ "On Securities Market" (as amended) and the financial instruments and operations specified herein may not be suitable for your investment profile or your investment goals or expectations. The determination of whether or not such financial instruments and operations are in your interests or are suitable for your investment goals, investment horizon or the acceptable risk level is your responsibility. We assume no liability for any losses connected with making any such operations or investing into any such financial instruments and we do not recommend to use such information as the only source of information for making an investment decision. **Saudi Arabia:** UBS Saudi Arabia is authorised and regulated by the Capital Market Authority to conduct securities business under licence number 08113-37. **Singapore:** Where applicable, this material is distributed in Singapore by UBS AG, Singapore Branch, which is licensed by the Monetary Authority of Singapore under the Banking Act 1970 to carry on banking business. UBS AG is incorporated in Switzerland with limited liability. UBS AG has a branch registered in Singapore (UEN S98FC5560C). This material has been prepared and issued for distribution in Singapore to institutional investors, accredited investors and expert investors (each as defined under the Financial Advisers Regulations (the "FAR")) only. By virtue of your status as an institutional investor, accredited investor, or expert investor, UBS AG is exempted from complying with certain requirements under the Financial Advisers Act 2001 (the "FAA"), the FAR and the relevant Notices and Guidelines issued thereunder, in respect of any financial advisory service which UBS AG may provide to you. These include exemptions from complying with: Section 34 of the FAA (pursuant to Regulation 33(1) of the FAR); Section 36 of the FAA (pursuant to Regulation 34(1) of the FAR); and Section 45 of the FAA (pursuant to Regulation 35(1) of the FAR). Singapore recipients and clients of UBS AG, Singapore Branch should contact UBS AG, Singapore Branch for any matters arising from, or in connection with, this material. Where applicable, this communication and any offering material term sheet, research report, other product or service documentation or any other information (the "Material") sent with this communication was done so as a result of a request received by UBS from you and/or persons entitled to make the request on your behalf. Should you have received the Material erroneously, UBS asks that you kindly delete/destroy the communication and Material and inform UBS immediately. The Material, where provided, was provided for your information only and is not to be further distributed in whole or in part in or into your jurisdiction without the consent of UBS. The Material may not have been reviewed, approved, disapproved or endorsed by any financial or regulatory authority in your jurisdiction. UBS has not, by virtue of the Material, made available, issued any invitation to subscribe for or to purchase any investment (including securities or products or futures contracts). The Material is neither an offer nor a solicitation to enter into any transaction or contract (including future contracts) nor is it an offer to buy or to sell any securities or products. The relevant investments will be subject to restrictions and obligations on transfer as set forth in the Material, and by receiving the Material you undertake to comply fully with such restrictions and obligations. You should carefully study and ensure that you understand and exercise due care and discretion in considering your investment objective, risk appetite and personal circumstances against the risk of the investment. You are advised to seek independent professional advice in case of doubt. Any and all advice provided on and/or trades executed by UBS pursuant to the Material will only have been provided upon your specific request or executed upon your specific instructions, as the case may be, and may be deemed as such by UBS and you. **Spain:** This report is distributed in Spain by UBS AG, Sucursal en España, authorized under number 1460 in the Register by the Banco de España. **Sweden:** This publication is not intended to constitute a public offer under Swedish law. It is distributed only for information purposes to clients of UBS Europe SE, Sweden Bankfilial, with place of business at Regeringsgatan 38, 11153 Stockholm, Sweden, registered with the Swedish Companies Registration Office under Reg. No 516406-1011. UBS Europe SE, Sweden Bankfilial is subject to the joint supervision of the European Central Bank, the German Central Bank (Deutsche Bundesbank), the German Federal Financial Services Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, "BaFin"), as well as of the Swedish supervisory authority (Finansinspektionen), to which this publication has not been submitted for approval. UBS Europe SE is a credit institution constituted under German law in the form of a Societas Europaea, duly authorized by BaFin. **Taiwan:** This material is provided by UBS AG, Taipei Branch in accordance with laws of Taiwan, in agreement with or at the request of clients/prospects. **Thailand:** This communication and any offering material, term sheet, research report, other product or service documentation or any other information (the "Material") sent with this communication were done so as a result of a request received by UBS from you and/or persons entitled to make the request on your behalf. Should you have received the Material erroneously, UBS asks that you kindly delete/destroy the communication and Material and inform UBS immediately. The Material, where provided, was provided for your information only and is not to be further distributed in whole or in part in or into your jurisdiction without the consent of UBS. The Material may not have been reviewed, approved, disapproved, endorsed, registered or filed with any financial or regulatory authority in your jurisdiction. UBS has not, by virtue of the Material, made available, issued any invitation to subscribe for or to purchase any investment (including securities or derivatives products). The Material is neither an offer nor a solicitation to enter into any transaction or contract (including future contracts) nor is it an offer to buy or to sell any securities or derivatives products. The relevant investments will be subject to restrictions and obligations on transfer as set forth in the Material, and by receiving the Material you undertake to comply fully with such restrictions and obligations. You should carefully study and ensure that you understand and exercise due care and discretion in considering your investment objective, risk appetite and personal circumstances against the risk of the investment. You are advised to seek independent professional advice in case of doubt. Any and all advice provided and/or trades executed by UBS pursuant to the Material will only have been provided upon your specific request or executed upon your specific instructions, as the case may be, and may be deemed as such by UBS and you. **Türkiye:** The information in this document is not provided for the purpose of offering, marketing or sale of any capital market instrument or service in the Republic of Türkiye. Therefore, this document may not be considered as an offer made, or to be made, to residents of the Republic of Türkiye in the Republic of Türkiye. UBS Switzerland AG is not licensed by the Capital Markets Board of Türkiye (the CMB) under the provisions of the Capital Market Law (Law No. 6362). Accordingly, neither this document nor any other offering material related to the instrument/service may be utilized in connection with providing any capital market services to persons within the Republic of Türkiye without the prior approval of the CMB. However, according to article 15 (d) (ii) of the Decree No. 32 residents of the Republic of Türkiye are

allowed to purchase or sell the financial instruments traded in financial markets outside of the Republic of Türkiye. Further to this, pursuant to article 9 of the Communiqué on Principles Regarding Investment Services, Activities and Ancillary Services No. III-37.1, investment services provided abroad to residents of the Republic of Türkiye based on their own initiative are not restricted. **United Arab Emirates (UAE) / DIFC / Abu Dhabi:** UBS is not a financial institution licensed in the UAE by the Central Bank of the UAE nor by the Emirates' Securities and Commodities Authority and does not undertake banking activities in the UAE. This document is provided for your information only and does not constitute financial advice. **DIFC:** UBS AG Dubai Branch is licensed by the DFSA in the DIFC. This material is strictly intended for Professional Clients and/or Market Counterparties only as classified under the DFSA rulebook. No other person should act upon this material. The Investment Research is provided for information purposes only and is not a recommendation or offer to buy/sell/hold a particular investment. The investment research may be out of date. You should seek investment advice before acting on the basis of the investment research. **Abu Dhabi:** UBS AG Abu Dhabi Branch is licensed and regulated by the Financial Services Regulatory Authority ("FSRA") of the Abu Dhabi Global Market. This document and any accompanying materials are intended solely for professional clients or market counterparties, as defined in the rules of the FSRA. They are not directed at, nor intended for, retail clients or any persons who do not meet the criteria of a professional client or market counterparty. **United Kingdom:** This document is issued by UBS Wealth Management, a division of UBS AG which is authorised and regulated by the Financial Market Supervisory Authority in Switzerland. In the United Kingdom, UBS AG is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of regulation by the Prudential Regulation Authority are available from us on request. A member of the London Stock Exchange. This publication is distributed to retail clients of UBS Wealth Management. **Ukraine:** UBS is not registered and licensed as a bank/financial institution under Ukrainian legislation and does not provide banking and other financial services in Ukraine. UBS has not made, and will not make, any offer of the mentioned products to the public in Ukraine. No action has been taken to authorize an offer of the mentioned products to the public in Ukraine and the distribution of this document shall not constitute financial services for the purposes of the Law of Ukraine "On Financial Services and Financial Companies" dated 14 December 2021. Any offer of the mentioned products shall not constitute an investment advice, public offer, circulation, transfer, safekeeping, holding or custody of securities in the territory of Ukraine. Accordingly, nothing in this document or any other document, information or communication related to the mentioned products shall be interpreted as containing an offer, a public offer or invitation to offer or to a public offer, or solicitation of securities in the territory of Ukraine or investment advice under Ukrainian law. Electronic communication must not be considered as an offer to enter into an electronic agreement or other electronic instrument within the meaning of the Law of Ukraine "On Electronic Commerce" dated 3 September 2015. This document is strictly for private use by its holder and may not be passed on to third parties or otherwise publicly distributed. **USA:** Distributed to US persons only by UBS Financial Services Inc. or UBS Securities LLC, subsidiaries of UBS AG. UBS Switzerland AG, UBS Europe SE, UBS Bank, S.A., UBS Brasil Administradora de Valores Mobiliários Ltda., UBS Asesores México, S.A. de C.V., UBS SuMi TRUST Wealth Management Co., Ltd., UBS Wealth Management Israel Ltd. and UBS Menkul Degerler AS are affiliates of UBS AG. **UBS Financial Services Inc. accepts responsibility for the content of a report prepared by a non-US affiliate when it distributes reports to US persons. All transactions by a US person in the securities mentioned in this report should be effected through a US-registered broker dealer affiliated with UBS, and not through a non-US affiliate. The contents of this report have not been and will not be approved by any securities or investment authority in the United States or elsewhere. UBS Financial Services Inc. is not acting as a municipal advisor to any municipal entity or obligated person within the meaning of Section 15B of the Securities Exchange Act (the "Municipal Advisor Rule") and the opinions or views contained herein are not intended to be, and do not constitute, advice within the meaning of the Municipal Advisor Rule.** For information on the ways in which UBS Securities LLC manages conflicts and maintains independence of its UBS Global Research product; historical performance information; certain additional disclosures concerning UBS Global Research recommendations; and terms and conditions for certain third party data used in research report, please visit <https://www.ubs.com/disclosures>.

© UBS 2025. The key symbol and UBS are among the registered and unregistered trademarks of UBS. All rights reserved.

Credit Suisse Wealth Management Disclaimer

This disclaimer must be read in conjunction with "Risk information" and "Important Information About Sustainable Investing Strategies" sections of the Global Wealth Management Disclaimer above. You receive this document in your capacity as a client of Credit Suisse Wealth Management. Your personal data will be processed in accordance with the Credit Suisse privacy statement accessible at your domicile through the official Credit Suisse website <https://www.credit-suisse.com>. In order to provide you with marketing materials concerning our products and services, UBS Group AG and its subsidiaries may process your basic personal data (i.e. contact details such as name, e-mail address) until you notify us that you no longer wish to receive them. You can optout from receiving these materials at any time by informing your Relationship Manager.

Except as otherwise specified herein and/or depending on the local Credit Suisse entity from which you are receiving this report, this report is distributed by UBS Switzerland AG, authorised and regulated by the Swiss Financial Market Supervisory Authority (FINMA). **Saudi Arabia:** This document is being distributed by Credit Suisse Saudi Arabia I Part of UBS Group (CR Number 1010228645, NUN Number 7001515373), duly licensed and regulated by the Saudi Arabian Capital Market Authority pursuant to License Number 08104-37 dated 23/03/1429H corresponding to 21/03/2008AD. Credit Suisse Saudi Arabia's principal place of business is at King Khaled Road, Laysen Valley, Building number 6, 12329-2376, Riyadh, Saudi Arabia. Website: <https://www.credit-suisse.com/sa/en/cssa.html>.

© UBS 2025. The key symbol and UBS are among the registered and unregistered trademarks of UBS. All rights reserved.

