

Nasdaq-100 Engle  
8% Index



**UBS**

# Innovation meets Nobel Prize winning research

Exposure to the Nasdaq-100  
Total Return™ Index with  
unique intraday mechanism



The Nasdaq-100 Engle 8% Index (the “Index”) uses an innovative forward-looking model developed by UBS in partnership with Dr. Engle to predict volatility and determine allocation to the Nasdaq-100 Total Return™ Index.

The Nasdaq-100 Engle 8% Index has been live since December 2024.

## Key facts

Ticker	UBENGL8
Website	<a href="https://indices.ubs.com/UBENGL8">indices.ubs.com/UBENGL8</a>
Backtest start date	Jan 03, 2000
Live date	Dec 05, 2024
Currency	USD
Asset class	Commodity
Return type	Excess return
Rebalancing	Intraday
Calculation agent	MerQube, Inc
Index sponsor	UBS AG
Index fee	0.50% per year <sup>1</sup>



## Built in risk management

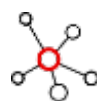
The Index targets a volatility of 8% using a mechanism called **“Volatility control.”**

<sup>1</sup> The UBENGL8 index level is reduced by an index fee of 0.50% per annum.



UBS worked with Dr. Engle to apply his research in volatility modelling to the Nasdaq-100 Total Return Index™, creating the Nasdaq-100 Engle 8% Index (**the “Index”**). The Index is designed to give investors exposure to the Nasdaq-100 Total Return Index™ while applying an innovative forward-looking 8% intraday volatility control, seeking to deliver competitive risk-adjusted return.

- Exposure to the Nasdaq-100 Total Return Index™ with an innovative volatility control mechanism, aiming to provide stable and competitive participation rates.
- Intraday volatility forecast mechanism supported by research, aiming to produce a more reactive intraday allocation mechanism that rapidly adapts to changing market conditions.



Nasdaq-100 Total Return™ Exposure



Partnering with Nobel Prize winner



Forward-looking volatility modeling

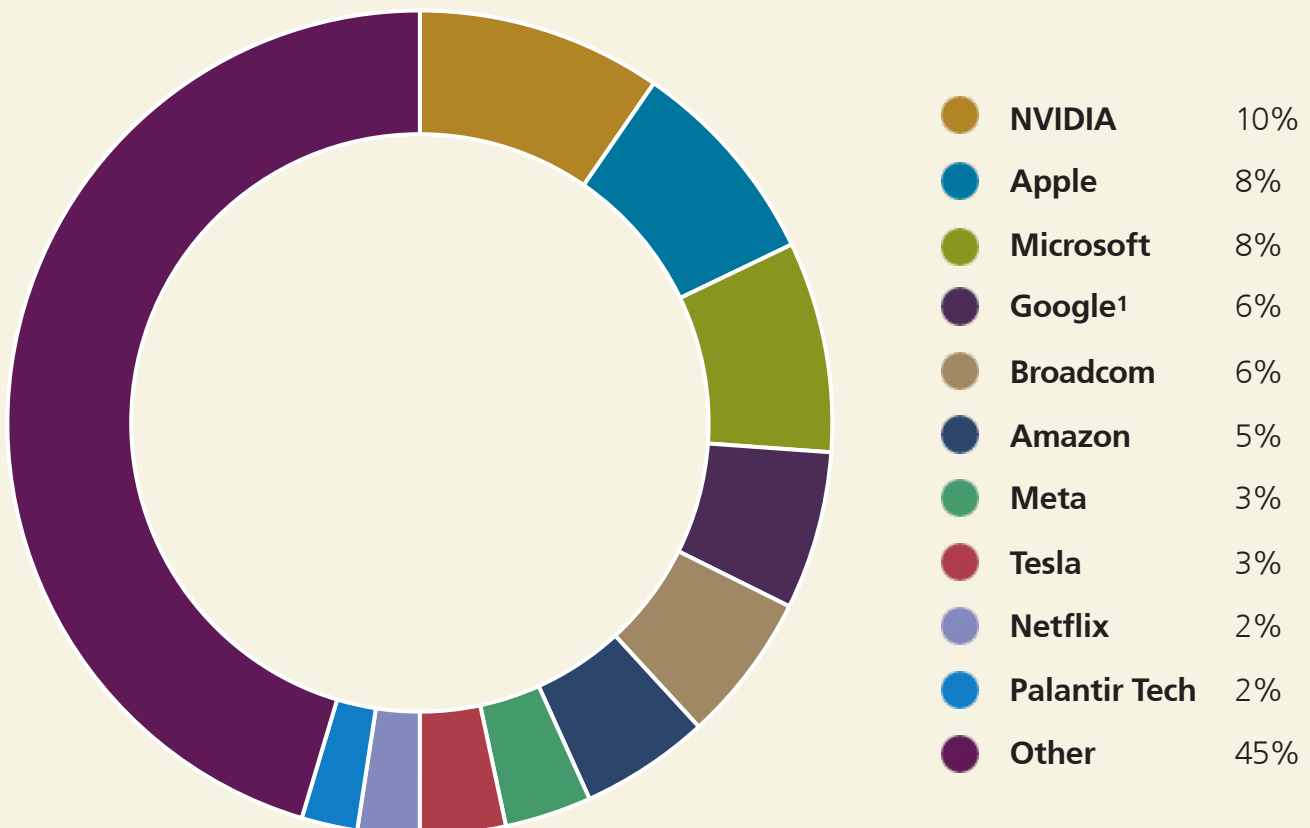


Intraday reactivity

# Nasdaq-100 Total Return™ Exposure

The Nasdaq-100® is one of the world's preeminent large-cap growth indices.

The companies in the Nasdaq-100® includes 100 of the largest domestic and international non-financial companies listed on the Nasdaq Stock Market® based on market capitalization. Nasdaq-100 Total Return Index™ is the total return version of Nasdaq-100 Index®, and it is the underlying asset of the Nasdaq-100 Engle 8% Index.



Source: Bloomberg, as of October 27, 2025

¹Includes both Class A and Class C Common Shares

# Partnering with Nobel Prize winner

In 2003, Professor Robert F. Engle was awarded the Nobel Prize in Economic Sciences for his groundbreaking work in volatility modeling<sup>1</sup>. This work helped establish the foundation for time series analysis and helped systematize the study of volatility in the financial market.

He developed forward-looking statistical models of volatility that capture the tendency of stock prices and other financial variables' movements in various regimes. Strong prediction of these movements can potentially help manage risk more effectively.



“

The heart of a good volatility-control mechanism is a good forecast of volatility.

”

**Robert F. Engle, PhD.** 2003 Nobel Laureate in Economics,  
Professor Emeritus of Finance at NYU Stern Co-Director, The Volatility and Risk Institute

UBS has a long history of partnering with Nobel Award winners through the Nobel Perspectives Initiative.

<sup>1</sup>Robert F. Engle III was awarded the Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel in 2003. His prize motivation is “for methods of analyzing economic time series with time-varying volatility (ARCH)”. Source: <https://www.nobelprize.org/prizes/economic-sciences/2003/engle/facts>

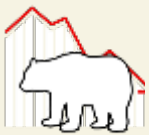


# Built in risk management and low volatility

Unlike many other volatility-controlled indices that rebalance based on backward-looking volatility calculations, the Index uses an innovative **forward-looking model** that predicts volatility and adjusts allocation to the Nasdaq-100 Total Return Index™ (“Nasdaq-100 TR”) reduced by financing cost intraday.



The Index targets a risk level of 8% annualized volatility



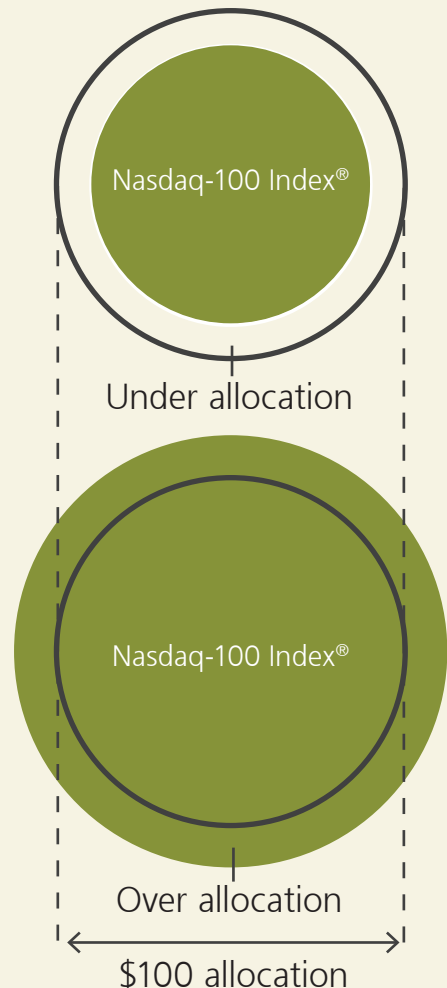
## Bear market High volatility

If forecasted volatility is higher than 8%, the Index will **reduce the final portfolio allocation** to less than \$100 to dampen volatility.



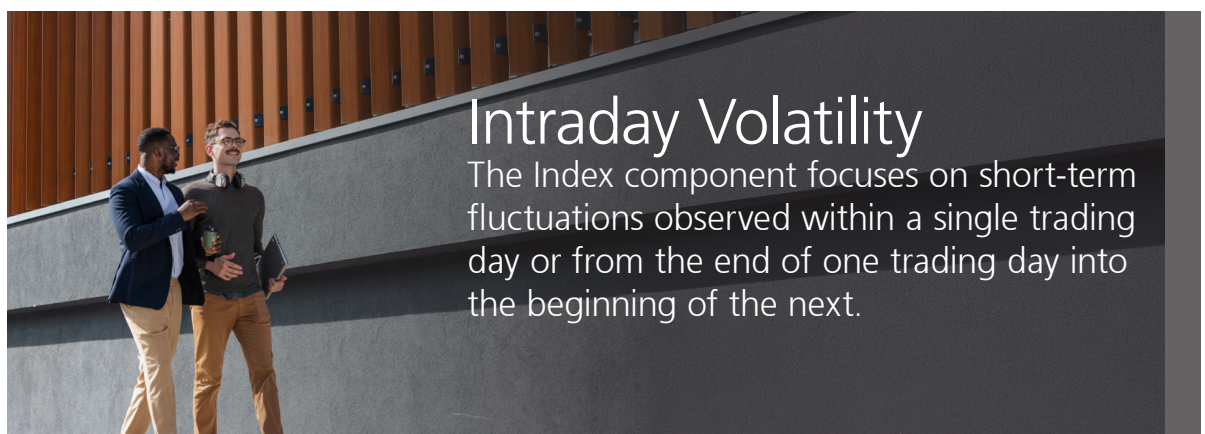
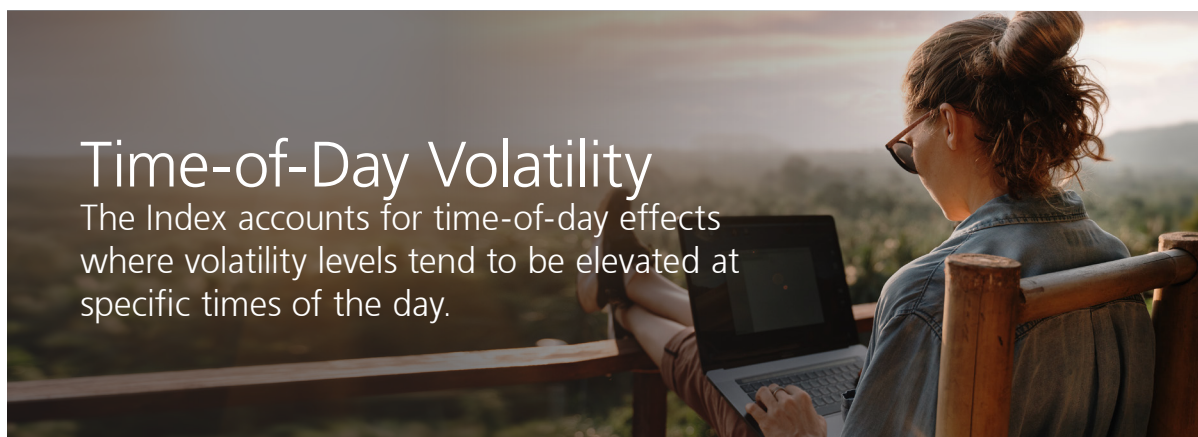
## Bull market Low volatility

If forecasted volatility is lower than 8%, the Index will **increase the final portfolio allocation** to more than \$100, up to \$120.



# How does the Index measure volatility?

The Index's predictive volatility mechanism, based on Nobel Prize-winning research from Robert F. Engle, analyzes volatility shocks in financial market prices to potentially help manage risk more effectively. It can reduce its exposure to the gold futures in stressed market conditions by measuring three types of volatility:



# Key index highlights



## Dynamic exposure to the Nasdaq-100 Index<sup>®</sup>

A collaboration between UBS, Nasdaq Indices and Nobel Laureate Robert Engle.



## Built in risk management and low volatility

Intraday observation and rebalancing enable the Index to react quickly to changing market conditions.



## Innovative research in index construction

The Index utilizes innovative volatility forecasting models, powered by Dr. Engle's Nobel Prize winning research.



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