

Commerzbank

Triple Index Classic Autocall - August 2015

Factsheet



INVESTMENT DESCRIPTION

A 6-year investment linked to the performance of the UK, European and US markets

If on any observance date (the first being at the end of year 1, then semi-annually), including maturity, all the underlying are at or above their initial levels the investment will mature and the Investment capital plus 5% for each semi-annual period which has elapsed is paid and the investment will end.

Unless matured, if the closing level of the worst performing underlying is at or above 50% of its initial level, 100% of the capital will be paid. Otherwise, capital is reduced on a 1 for 1 basis (e.g. if the worst performer is at 40% of its initial level, 40% of the capital will be repaid).

BENEFITS

- Autocall feature potentially shortens the investment term
- Early maturity provides an opportunity to re-assess client's wealth strategy
- Minimal market growth needed to deliver enhanced returns
- Daily pricing and trading available

RISKS

- The return is limited to the pre-defined investment terms
- There is a risk to capital should one of the underlyings breach the barrier or the issuer default on their obligations

Commerzbank founded in 1870, is a leading German bank with a presence in over 50 countries worldwide. With some 1,200 branches Commerzbank has one of the densest branch networks among German private banks and is on its way to become a modern multichannel bank. In total, Commerzbank boasts nearly 15 million private customers, as well as 1 million business and corporate clients and has approximately 52,000 employees. Additionally Commerzbank benefits from strong backing by the German Federal Government. Credit Ratings ⁽¹⁾: S&P = BBB+; Moody's = Baa1; Fitch = A+ Basel 3 Tier 1 Capital Ratio as at 31.12.14⁽²⁾: 9.5% Capitalisation as at 31.12.14 ⁽³⁾: €13.4 bn

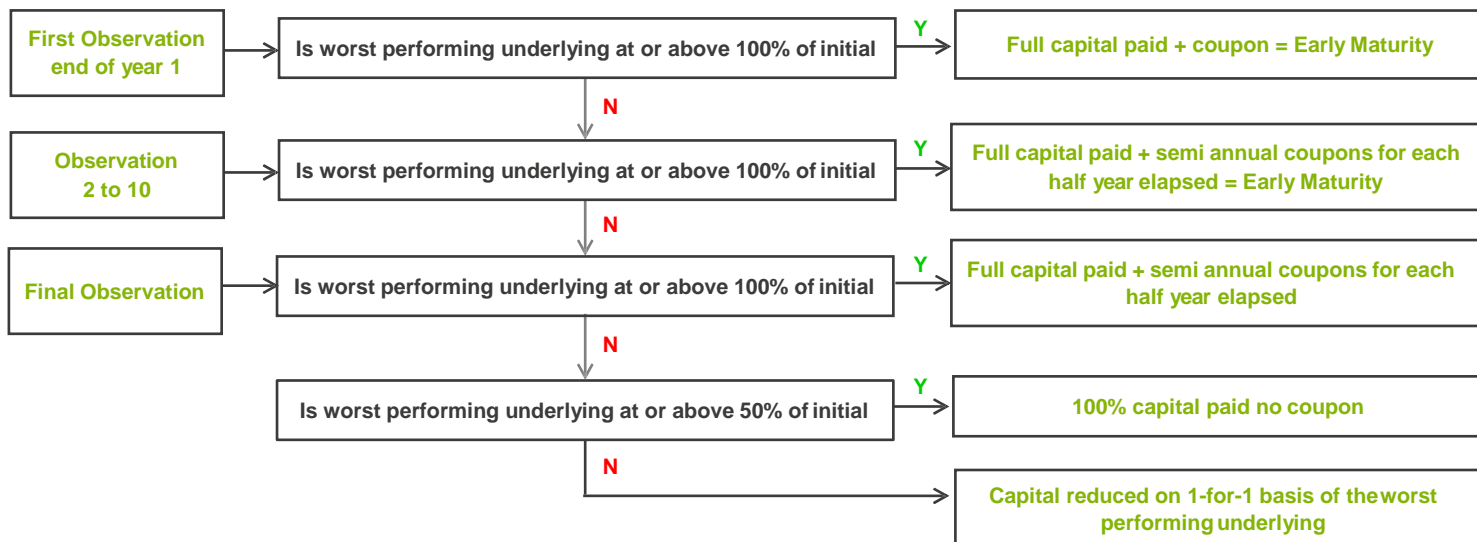
PRODUCT FACTS & FEATURES

Issuer and Counterparty:	Commerzbank (Credit Ratings*: Moody's Baa1, S&P BBB+, Fitch BBB) *as at 25th August 2015
Maximum Term:	6 years
Investment Structure:	Classic semi-annual Autocall
Autocall Opportunities:	Semi-annual (1st end of year 1)
Autocall Trigger:	100% of initial level
Coupon Rate:	5% semi-annual (10% annualised)
Capital Risk:	Not capital protected
Capital Protection Barrier:	50% Final level (European style)
Underlying Basket:	UK: FTSE 100 (UKX) Europe: Eurostoxx 50 (SX5E) US: S&P 500 (SPX)
Subscription Period:	25 Aug 2015(4.30pm BST)

KEY DATES

Strike Date:	25 August 2015
Final Observation:	24 August 2021
Payment Date:	31 August 2021
Currency:	USD
ISIN:	XS1283713540
Strike Levels:	FTSE 100 (UKX): 6081.34 Eurostoxx 50 (SX5E): 3218.01 US: S&P 500 (SPX): 1867.61

HOW THE INVESTMENT WORKS





SUITABILITY

May be suitable for investors who:

- are seeking the opportunity for higher returns than current cash rates
- understand and accept there is a risk to capital
- are looking to invest for the medium or long term, being happy to remain invested until maturity
- are slightly bullish on equity markets
- wish to use this investment as part of a well diversified portfolio
- understand that the returns are pre-defined and that they will forgo growth in the underlyings which exceeds that fixed level
- understand the risk to capital in the event of counterparty default
- should they need to sell their investment accept that the trading price may mean they get back less than they invested

RATIONALE

The classic autocall is one of the most popular structured product pay-offs and one actively sought as evidenced by the volume we trade. Designed to offer the opportunity for early maturities during the term by marginal growth, it can “lock-in” the gains and provide the opportunity to re-assess the wealth plans conditions. The structure seeks to ensure that there is a low risk to capital at the end of the product term if there is no early maturity.

Markets have seen some declines in recent weeks with the impact of the downward trend in the Chinese market and increased expectation of a US interest rate being seen. Caution continues to be the watchword. However the European markets are calmer, despite the recent volatility, with Greece moving out of the limelight, the UK interest rate decision has impacted sterling to a small degree but that, in itself, will assist exports and growth in the US was trending upwards, although the recent volatility has eroded that to some extent. The selection of these three developed markets, and generally robust markets seeks to ease the fears of the cautious investor

THE UNDERLYINGS

The **FTSE100** (UKX) is a capitalisation-weighted index of the 100 most highly capitalized companies traded on the London Stock Exchange. The equities use an investibility weighting in the index calculation. The index was developed with a base level of 1000 as of December 30, 1983.

The **S&P 500** (SPX) is a capitalisation-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

The **Eurostoxx 50** (SX5E) is Europe's leading blue-chip index for the Eurozone, provides a blue-chip representation of supersector leaders in the Eurozone. The index covers 50 stocks from 12 Eurozone countries.

Source: Bloomberg 25 Aug 2015

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