

BBVA

Triple Index Classic Autocall February 2018

Factsheet



INVESTMENT DESCRIPTION

A 6 year investment linked to the performance of the UK, US and European indices.

If on any semi-annual early observation date, starting at 12 months, all of the underlyings are at or above their initial levels, the investment will autocall. Initial capital plus the coupon for each semi-annual period which has elapsed is paid and the investment will end.

If the investment does not autocall then at the final observation date, if all underlyings are at or above 60% of their initial levels, full capital is returned.

If any underlying is below 60% of its original level at maturity, capital return will be reduced on a 1-for-1 basis. For example if the worst performing underlying has fallen to 40% of its original level, 40% of the capital will be returned and no coupon is paid.

BENEFITS

- Autocall feature potentially shortens the investment term and is triggered by minimal market growth.
- Snowballing coupon.
- Early maturity provides an opportunity to re-assess client's wealth strategy.
- Minimal market growth needed to deliver enhanced returns.
- Daily pricing.

RISKS

- The return is limited to the pre-defined investment terms.
- The coupon payment is conditional upon the underlying performance.
- There is a risk to capital should one of the underlyings breach the capital protection barrier on its Final Observation Date or in the event of an issuer default.
- Should investors need to sell their investment before maturity, the trading price will likely mean they get back less than they invested.

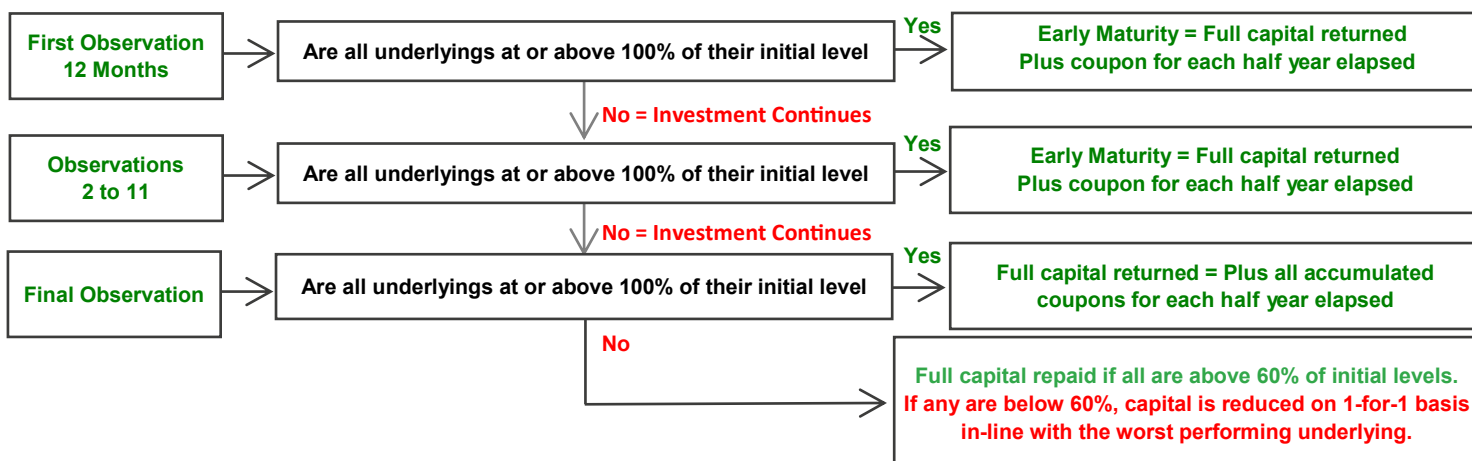
PRODUCT FACTS & FEATURES

Issuer and Counterparty:	BBVA
Credit Ratings:	Fitch A-, Moody's Baa1, S&P BBB+ Source: Bloomberg 12.02.2018
Maximum Term:	6 years
Investment Structure:	Semi-Annual Classic Autocall
Autocall opportunities:	Semi-Annual (First observation at 12 months)
Autocall Trigger:	100% of initial level
Coupon Rate:	EUR = 4.60% Semi-Annual USD = 6.25% Semi-Annual
Capital Risk:	Not capital protected
Capital Protection Barrier:	60% Final level (European style)
Underlying Basket	Bloomberg Code
UK: FTSE 100	UKX Index
US: S&P 500	SPX Index
Europe: Eurostoxx 50	SX5E Index

KEY INFORMATION

Subscription Period:	12 Feb 2018 – 14 Feb 2018 (4.30pm UK Time)
Issue Price:	100%
Strike Date:	15 February 2018
Issue Date:	22 February 2018
1st Autocall Observation:	15 February 2019
Final Observation:	15 February 2024
Maturity Date:	23 February 2024
Denominations:	EUR = 1,000 then lots of 1,000 USD = 2,000 then lots of 2,000
ISIN:	EUR = XS1773655136 USD = XS1773654915

HOW THE INVESTMENT WORKS



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Observation Dates (some dates may vary if a bank holiday occurs, EUR dates are used below)

	Observation Date	Payment Date	Autocall Trigger
Observation 1	15 February 2019	22 February 2019	100%
Observation 2	15 August 2019	22 August 2019	100%
Observation 3	17 February 2020	24 February 2020	100%
Observation 4	17 August 2020	24 August 2020	100%
Observation 5	15 February 2021	22 February 2021	100%
Observation 6	16 August 2021	23 August 2021	100%
Observation 7	15 February 2022	22 February 2022	100%
Observation 8	15 August 2022	22 August 2022	100%
Observation 9	15 February 2023	22 February 2023	100%
Observation 10	15 August 2023	22 August 2023	100%
Final Observation	15 February 2024	23 February 2024	100%
Final Observation	15 February 2024	23 February 2024	60% European Barrier

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BBVA: Banco Bilbao Vizcaya Argentaria SA (BBVA) attracts deposits and offers retail, wholesale and investment banking services. The bank offers consumer and mortgage loans, private banking, asset management, insurance, mutual funds and securities brokerage services. It operates in Europe, Latin America, United States, China and Turkey.

Source: Bloomberg 12.02.2018

RATIONALE

Structured products are becoming increasingly popular for investors due to the wide variety of payoffs and levels of protection that can be achieved by the different types of structures that are available.

Autocalls have been one of the most popular structures over the years. With a classic autocall, returns are paid if all underlyings are at or above the autocall trigger on an observation date.

These three underlyings have been selected in order to support the anticipated delivery of the coupons.

The autocall payoff can bring an early return of capital allowing the opportunity for a re-assessment of investment strategy. The value of this feature cannot be underestimated as it brings with it the opportunity to secure capital value, as well as the chance to take advantage of future market trends.

To manage the capital risk, a final level barrier set at 60% means an underlying must fall by more than 40% over 6 years before capital is at risk.

SUITABILITY

This product may be suitable for investors who:

- Are seeking the opportunity for higher returns than current cash rates at the time this product was launched.
- Are seeking growth rather than income
- Understand and accept there is a risk to capital and how the Capital Protection Barrier works.
- Understand the impact of global economic issues and how they will affect the product.
- Understand the criteria which will determine the coupon payments.
- Are looking to invest for the medium to long term, being happy to remain invested until maturity.
- Can afford to have their cash invested for the full term of the Product.
- Wish to use this investment as part of a well-diversified portfolio.
- Understand that the returns are pre-defined and that they will forgo any growth in the underlyings which exceeds the fixed level available with this investment product.
- Understand the risk to capital in the event of a counterparty default.
- Should they need to sell their investment before maturity, accept that the trading price will likely mean they get back less than they invested.

Secondary Market

The Issuing bank will endeavour to provide quotes under normal market conditions for trading purposes upon request, subject to a Bid-Offer spread of 1%. On the secondary market, traded prices will include any accrued interest ("dirty prices").

Sale trades will settle 2 days after the trade date.

Trade orders should be sent to orders@idad.biz

All trades will be settled direct with BBVA's Clearstream a/c 14923

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THE UNDERLYINGS

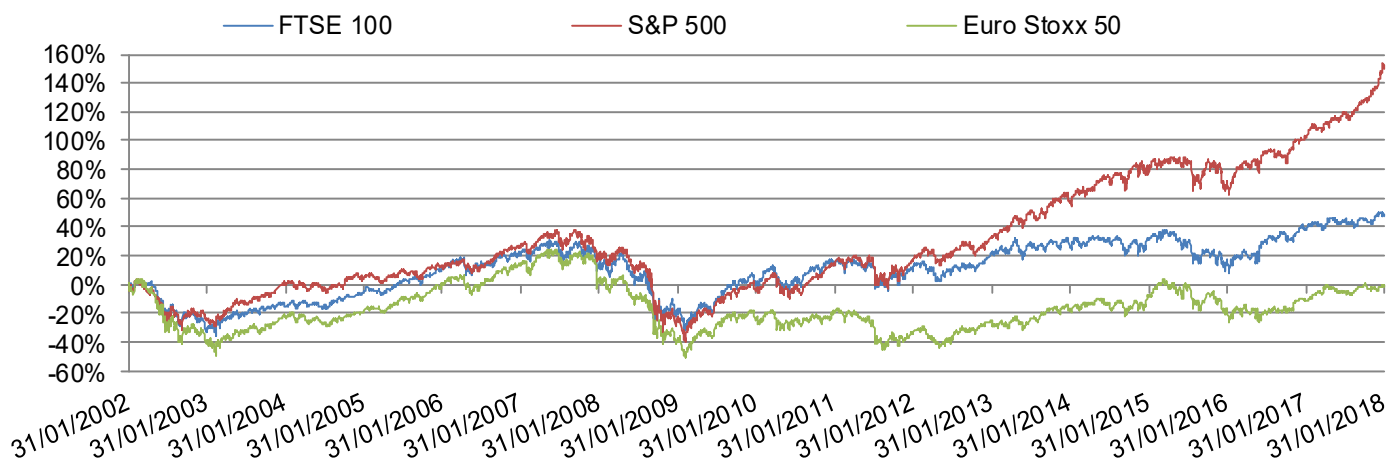
The **FTSE 100 Index** (UKX) is a capitalization-weighted index of the most highly capitalized companies traded on the London Stock Exchange. The equities use an investibility weighting in the index calculation. The index was developed with a base level of 1000 as of December 30, 1983

The **Standard and Poor's 500** (SPX) Index is a capitalization-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) Europe's leading blue-chip index for the Eurozone, provides a blue-chip representation of super sector leaders in the Eurozone. The index covers 50 stocks from 12 Eurozone countries and is licensed to financial institutions to serve as an underlying for a wide range of investment products.

Source: Bloomberg 12.02.2018

MOVEMENT IN THE UNDERLYINGS OVER A 16 YEAR PERIOD



16 Year Back-Testing

Back-testing shows how the investment would have performed historically using data from previous potential strike dates and observations. Although past performance is not an indication of future performance, it can give a factual insight into how the investment would have performed historically.

This 16 year back-test shows the historical data for a full 10 years of 6 year products that could reach the full term.

Of the 2,501 scenarios tested, 83.17% would have autocalled paying all coupons. 16.83% would reach the full term without autocalling only 1.08% would have breached the 60% final level barrier.

Autocall Test	Autocalled	%	Autocall Test	Autocalled	%
12 Months	1,525	60.98%	48 Months	148	5.92%
18 Months	99	3.96%	54 Months	2	0.08%
24 Months	1	0.04%	60 Months	2	0.08%
30 Months	93	3.72%	66 Months	8	0.32%
36 Months	156	6.24%	72 Months	12	0.48%
42 Months	34	1.36%			

Total Number Tested	% Autocalled	% Not Autocalled	% That Returned Full Capital	% Barrier Breach	Average Historic Return EUR	Average Historic Return USD
2501	83.17%	16.83%	98.92%	1.08%	7.65% p.a.	10.40% p.a.

Past performance is not a reliable indicator of future performance and should not be used to assess the future returns or risks

Source: Bloomberg 12.02.2018, Data period: 31.01.2002 to 31.01.2018

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