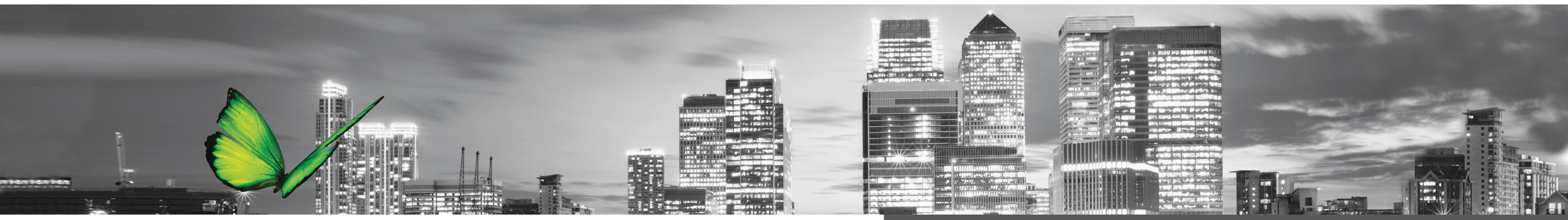
BBVA
Quarterly Memory Income Autocall September 2018 Factsheet



Investment Description

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

If on any of the quarterly observation dates, including the final observation, the closing levels of all the underlyings are at or above 80% of their initial levels, the income will be paid plus any previously missed income payments.

This investment will autocall and mature early if all underlyings are equal to or above 105% of their initial levels on any quarterly observation date starting at 36 months. If early maturity occurs, full capital is returned and the investment will end. If early maturity does not occur the investment will continue to the final observation date.

At the final observation date, if all underlyings are at or above 70% of their initial levels, then full capital is returned. If any underlying is below 70% of its original level, 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.

Benefits

- Opportunity for regular income payments even where the underlyings show significant falls.
- A memory feature, whereby income previously unpaid, will be included when the income trigger is next activated.
- Autocall feature potentially shortens the investment term and is triggered by minimal growth.
- Early maturity provides an opportunity to re-assess client's wealth strategy.
- Daily pricing.

Risks

- The return is limited to the pre-defined investment terms.
- The income 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.

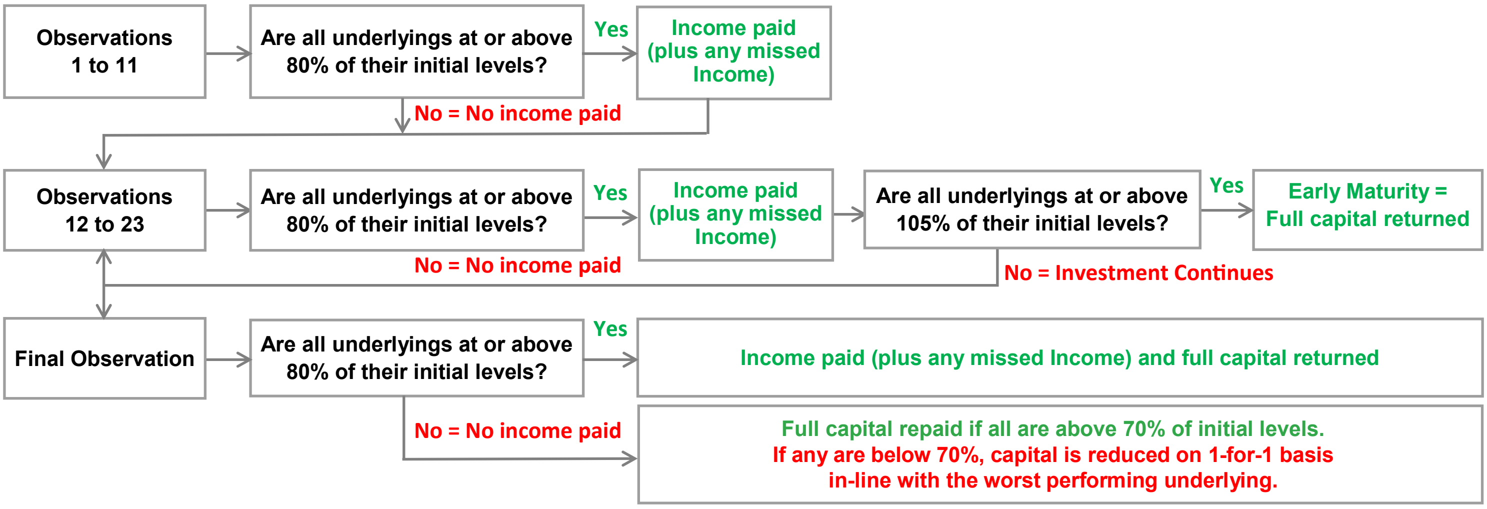
Product Facts & Features

Issuer and Counterparty:	BBVA
Credit Ratings:	Fitch A-, Moody's A3, S&P A- **Source**: Bloomberg 14.08.2018
Maximum Term:	6 years
Investment Structure:	Quarterly Memory Income Autocall
Autocall opportunities:	Quarterly (First observation at 36 months)
Autocall Trigger:	105% of initial level
Memory Income Rate:	GBP = 1.35% Quarterly
	USD = 1.75% Quarterly
Income Trigger:	80% of initial level
Capital Risk:	Not capital protected
Capital Protection Barrier:	70% Final level (European style)
Underlying Basket	**Bloomberg Code**
UK: FTSE 100	UKX Index
US: S&P 500	SPX Index
Europe: Euro Stoxx 50	SX5E Index

Key Information

Subscription Period:	14 Aug 2018 – 18 Sep 2018 (4.30pm UK Time)
Issue Price:	100%
Strike Date:	19 September 2018
Issue Date:	26 September 2018
1st Coupon Observation:	18 December 2018
1st Autocall Observation:	20 September 2021
Final Observation:	19 September 2024
Maturity Date:	26 September 2024
Denominations:	GBP = 1,000 then lots of 1,000
	USD = 2,000 then lots of 2,000
ISIN:	GBP = XS1867120567
	USD = XS1867120724

How The Investment Works



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

	Observation Date	Payment Date	Income Trigger	Autocall Trigger
Observation 1	18 December 2018	27 December 2018	80%	n/a
Observation 2	19 March 2019	26 March 2019	80%	n/a
Observation 3	19 June 2019	26 June 2019	80%	n/a
Observation 4	19 September 2019	26 September 2019	80%	n/a
Observation 5	18 December 2019	27 December 2019	80%	n/a
Observation 6	19 March 2020	26 March 2020	80%	n/a
Observation 7	19 June 2020	26 June 2020	80%	n/a
Observation 8	21 September 2020	28 September 2020	80%	n/a
Observation 9	18 December 2020	29 December 2020	80%	n/a
Observation 10	19 March 2021	26 March 2021	80%	n/a
Observation 11	21 June 2021	28 June 2021	80%	n/a
Observation 12	20 September 2021	27 September 2021	80%	105%
Observation 13	20 December 2021	29 December 2021	80%	105%
Observation 14	21 March 2022	28 March 2022	80%	105%
Observation 15	20 June 2022	27 June 2022	80%	105%
Observation 16	19 September 2022	26 September 2022	80%	105%
Observation 17	19 December 2022	28 December 2022	80%	105%
Observation 18	20 March 2023	27 March 2023	80%	105%
Observation 19	19 June 2023	26 June 2023	80%	105%
Observation 20	19 September 2023	26 September 2023	80%	105%
Observation 21	18 December 2023	27 December 2023	80%	105%
Observation 22	19 March 2024	26 March 2024	80%	105%
Observation 23	19 June 2024	26 June 2024	80%	105%
Final Observation	19 September 2024	26 September 2024	80%	70% 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 14.08.2018

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.

The opportunity for an income stream can be of key importance to investors as part of their wealth planning. The probability of an income payment being triggered is increased with this investment as an underlying needs to show a fall of 20% from its initial level on any observation date before the income stream is disrupted.

The investment also benefits from a memory feature so that if any income payments have missed being paid, they will catch-up the next time all underlyings are above 80% of their initial levels on an observation date.

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

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 70% means an underlying must fall by more than 30% 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 income rather than growth.
- 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 income 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, accept that the trading price will likely mean they get back less than they invested.
- Appreciate that income payments are conditional but understand that the memory feature can deliver previously missed income payments.

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

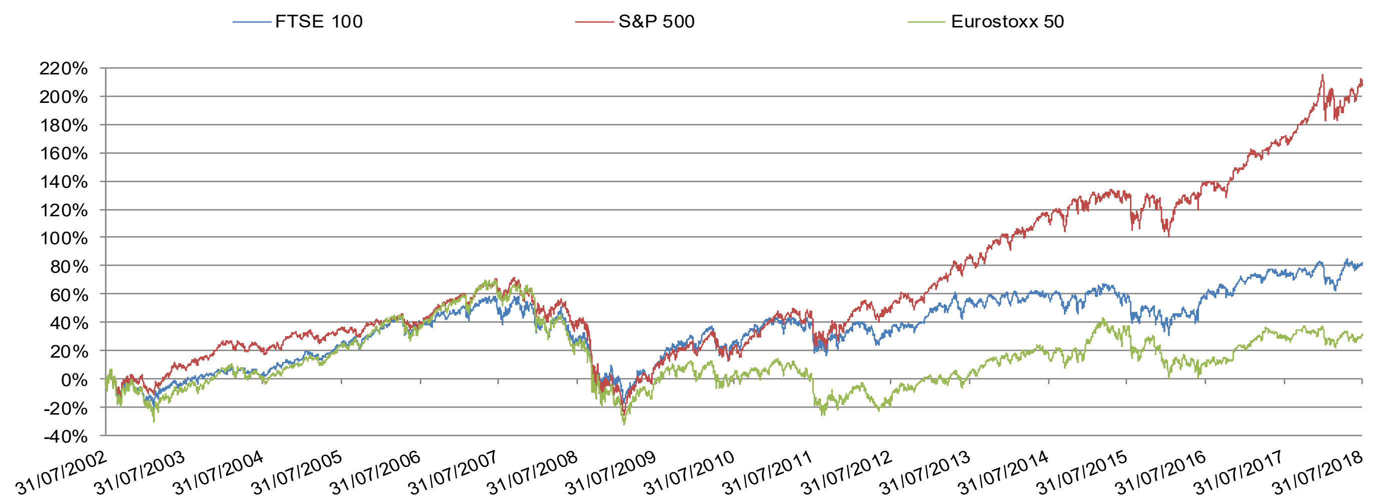
The **FTSE 100 Index** (UKX) is a capitalization-weighted index of the most highly capitalized companies traded on the London Stock Exchange. The equities use an investibility weighting in the index calculation. The index was developed with a base level of 1000 as of December 30, 1983

The **Standard and Poor's 500 Index** (SPX) 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 14.08.2018

Movement in the Underlyings over the last 16 years



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, 27.67% would reach the full term without autocalling and 19.43% would have breached the 70% final level barrier.

Every coupon observation has also been tested, and out of all 2,501 scenarios tested, 78.83% of all coupons would have been paid thanks to the Memory Income feature.

Autocall Test	Autocalled	%	Autocall Test	Autocalled	%	Autocall Test	Autocalled	%
36 Months	1,247	49.86%	**48 Months**	60	2.40%	**60 Months**	1	0.04%
39 Months	285	11.40%	**51 Months**	69	2.76%	**63 Months**	3	0.12%
42 Months	54	2.16%	**54 Months**	13	0.52%	**66 Months**	2	0.08%
45 Months	67	2.68%	**57 Months**	1	0.04%	**69 Months**	7	0.28%

Total Number Tested	% Matured Early	% To Reach Final Date	% That Returned Full Capital	% Barrier Breach	% Of Coupons Paid	Average Historic Return GBP	Average Historic Return USD
2501	72.33%	27.67%	80.57%	19.43%	78.83%	3.47% p.a.	4.84% 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 14.08.2018, Data period: 31.07.2002 to 31.07.2018

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Bellamy House, Winton Road, Petersfield, Hampshire. GU32 3HA
email: enquiries@idad.biz **telephone:** +44(0)1730 263943 **or visit our website** www.idad.biz