

# Goldman Sachs High Yield Classic Autocall August 2021 Factsheet



## INVESTMENT DESCRIPTION

A 6 year investment linked to the performance of Australian, Italian, Spanish and Taiwanese indices.

If on any semi-annual observation date (including the Final Observation date), starting at 12 months, all of the Underlyings are at or above the Autocall Trigger, 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 65% of their initial levels, full capital is returned.

If any Underlying is below 65% of its original level on the Final Observation date, 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.

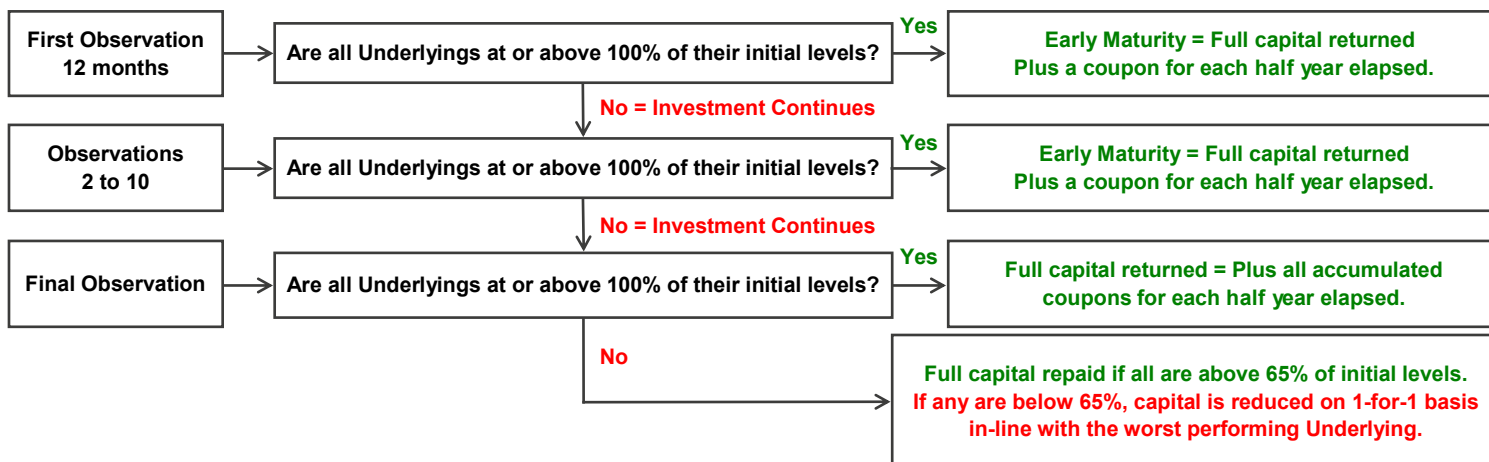
## BENEFITS

- 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.
- Investors will be exposed to the credit risk of the Issuer. If the Issuer becomes insolvent or cannot make the payments on the Product for any other reason, investors could lose some or all of their investment. A decline in the Issuers credit quality is likely to reduce the market value of the Product and therefore the price an investor may receive for the Product if they were to sell them in the market.
- Should investors need to sell their investment before maturity, the trading price will likely mean they get back less than they invested.

## HOW THE INVESTMENT WORKS



## Product Facts & Features

<b>Issuer:</b>	Goldman Sachs International
<b>Credit Ratings:</b>	Fitch A+, Moody's A1, S&P A+ <b>Source:</b> Bloomberg 20.07.2021
<b>Maximum Term:</b>	6 years
<b>Investment Structure:</b>	Classic Autocall
<b>Autocall Opportunities:</b>	Semi-Annual (First Observation at 12 months)
<b>Autocall Trigger:</b>	100% of initial level
<b>Coupon Rate:</b>	USD = 8.00% Semi-Annually (16% p.a.)
<b>Capital Risk:</b>	Not capital protected
<b>Capital Protection Barrier:</b>	65% Final level (European style)
<b>Underlying Basket</b>	<b>Bloomberg Code</b>
Australia: S&P/ASX 200	AS51 Index
Italy: FTSE MIB	FTSEMIB Index
Spain: IBEX 35	IBEX Index
Taiwan: MSCI Taiwan	TAMSCI Index

## Key Information

<b>Subscription Period:</b>	20 Jul 2021 – 16 Aug 2021 (4.30pm UK Time)
<b>Issue Price:</b>	100%
<b>Strike Date:</b>	17 August 2021
<b>Issue Date:</b>	24 August 2021
<b>1st Autocall Observation:</b>	17 August 2022
<b>Final Observation:</b>	17 August 2027
<b>Maturity Date:</b>	24 August 2027
<b>Denominations:</b>	1,000 then lots of 1,000
<b>ISIN:</b>	XS2318400954
<b>Quilter Fee Cap:</b>	Fees for Quilter trades will be capped at 5% and Quilter trades will receive a discounted price and enhanced allocation where applicable.
<b>Quilter Price:</b>	98.50%

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## OBSERVATION DATES (some dates may vary if a bank holiday or non-business day occurs)

	Observation Date	Payment Date	Autocall Trigger
Observation 1	17 August 2022	24 August 2022	100%
Observation 2	17 February 2023	27 February 2023	100%
Observation 3	17 August 2023	24 August 2023	100%
Observation 4	19 February 2024	26 February 2024	100%
Observation 5	19 August 2024	26 August 2024	100%
Observation 6	17 February 2025	24 February 2025	100%
Observation 7	18 August 2025	25 August 2025	100%
Observation 8	23 February 2026	02 March 2026	100%
Observation 9	17 August 2026	24 August 2026	100%
Observation 10	17 February 2027	24 February 2027	100%
Final Observation	17 August 2027	24 August 2027	100%
Final Observation	17 August 2027	24 August 2027	65% European Barrier

IDAD was established in 2002 and our approach from the outset, is what we call the "IDAD Difference". The selection of the investments we offer is not decided in terms of profitability alone and when developing investment products, we favour evidence over dogma. We are happy to work with advisers and product providers alike to deliver a range of investment options to suit differing client wealth strategies. We're proud of our approach to business as well as the investments delivered as a result of the "IDAD Difference". We are committed to building upon our reputation for bringing benefits to all involved in the investment process, but most importantly to the clients.

Goldman Sachs International provides financial services. The Company offers investment banking, securities, and investment management services to corporations, financial institutions, and governments. Goldman Sachs International operates worldwide.

Source: Bloomberg 20.07.2021

## 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.

The four Underlyings detailed overleaf 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 65% means an Underlying must fall by more than 35% 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.

## Placing Trades

Trade orders should be sent to [orders@idad.com](mailto:orders@idad.com)

All trades will be settled direct with IDAD's Euroclear a/c 44382

## 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.

Trading details as above.

# Goldman Sachs

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### Factsheet



#### THE UNDERLYINGS

The **S&P/ASX 200** measures the performance of the 200 largest index-eligible stocks listed on the ASX by float-adjusted market capitalization. Representative liquid and tradable, it is widely considered Australia's preeminent benchmark index. The index is float-adjusted. The index was launched in April 2000.

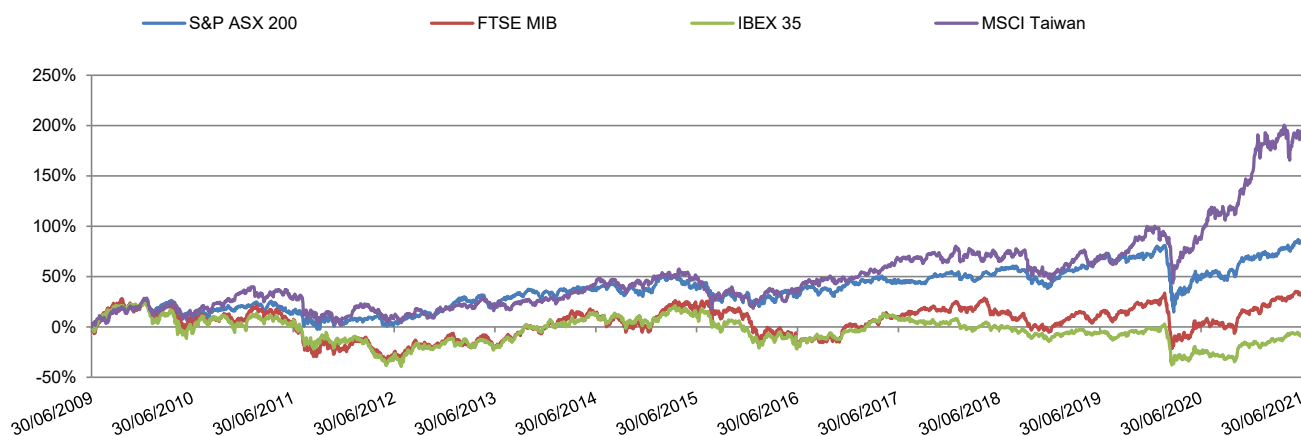
The **FTSE MIB Index** consists of the 40 most liquid and capitalized stocks listed on the Borsa Italiana. In the FTSE MIB Index foreign shares are eligible for inclusion.

The **IBEX 35** is the official index of the Spanish Continuous Exchange. The index is comprised of the 35 most liquid stocks traded on the Continuous market. It is calculated, supervised and published by the Sociedad de Bolsas. The equities use free float shares in the index calculation. The index was created with a base level of 3000 as of December 29, 1989.

The **MSCI Taiwan Index** is a free-float weighted equity index. It was developed with a base value of 100 as of December 31 1987.

Source: Bloomberg 20.07.2021

#### MOVEMENT IN THE UNDERLYINGS OVER A 12 YEAR PERIOD



#### 12 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 12 year back-test shows the historical data for a full 6 years of 6 year products that could reach the full term.

Of the 1,501 scenarios tested, 80.55% would have autocalled paying all coupons. 19.45% would reach the full term without autocalling and 1.53% of these would have breached the 65% final level barrier.

Autocall Test	Autocalled	%	Autocall Test	Autocalled	%
12 Months	616	41.04%	48 Months	103	6.86%
18 Months	85	5.66%	54 Months	46	3.06%
24 Months	91	6.06%	60 Months	47	3.13%
30 Months	87	5.80%	66 Months	20	1.33%
36 Months	60	4.00%	72 Months	6	0.40%
42 Months	48	3.20%	<b>Total</b>	<b>1,209</b>	<b>80.55%</b>

Total Number Tested	% Autocalled	% Not Autocalled	% That Returned Full Capital	% Barrier Breach	Average Historic Return USD
1501	80.55%	19.45%	98.47%	1.53%	12.89% 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 20.07.2021, Data period: 30.06.2009 to 30.06.2021 - Assumptions shown are net of any initial fees or costs and describe the potential historic return that a client would have received based on the terms of this Product.



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Fees of up to 1.0833% p.a. for the maximum term of the investment may be paid by the Issuer to cover marketing, distribution and advice costs. The fees have been fully accounted for in the calculation of the Product's structure. For example, this means that an investment of \$10,000 will have any income growth payments and capital protection based on the full \$10,000.

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