



### INVESTMENT DESCRIPTION

A 2 year investment linked to the performance of Italian, UK and Hong Kong 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 their initial levels on any quarterly observation date starting at 12 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 60% of their initial levels, then full capital is returned. If any Underlying is below 60% 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.

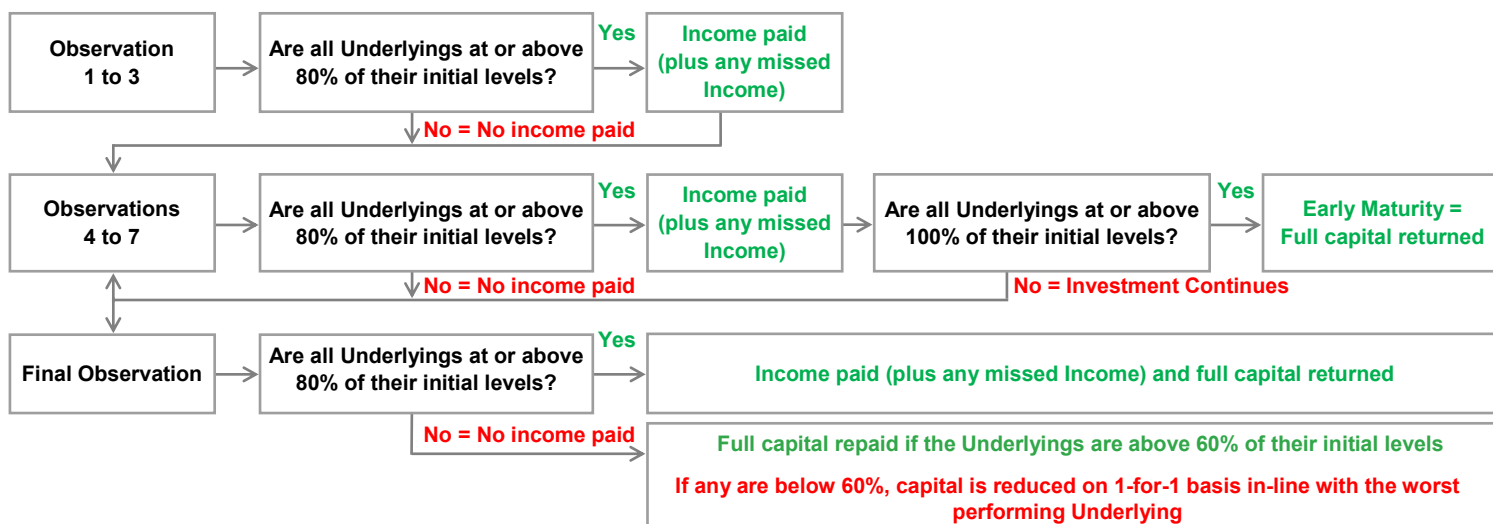
### BENEFITS

- 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.
- 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 Issuer's 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.
- There is a risk to capital should one of the Underlyings breach the capital protection barrier on its Final Observation date.
- 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>	BBVA
<b>Credit Ratings:</b>	Moody's A3, S&P A-, Fitch A-
<b>Source:</b>	Bloomberg 20.12.2021
<b>Maximum Term:</b>	2 years
<b>Investment Structure:</b>	Memory Income Autocall
<b>Autocall Opportunities:</b>	Quarterly (First Observation at 12 months)
<b>Autocall Trigger:</b>	100% of initial level
<b>Memory Income Rate:</b>	GBP = 1.00% Quarterly (4.00% p.a.)
<b>Income Trigger:</b>	80% of initial level
<b>Capital Risk:</b>	Not capital protected
<b>Capital Protection Barrier:</b>	60% Final level (European style)
<b>Underlying Basket</b>	<b>Bloomberg Code</b>
Italy: FTSE MIB	FTSEMIB Index
UK: FTSE 100	UKX Index
Hong Kong: Hang Seng	HSI Index

### Key Information

<b>Subscription Period:</b>	20th Dec 2021 - 22 Dec 2021 (4:30pm UK Time)
<b>Issue Price:</b>	100%
<b>Strike Date:</b>	23 December 2021
<b>Issue Date:</b>	07 January 2022
<b>1st Coupon Observation:</b>	23 March 2022
<b>1st Autocall Observation:</b>	23 December 2022
<b>Final Observation:</b>	27 December 2023
<b>Maturity Date:</b>	04 January 2024
<b>Denominations:</b>	1,000 then lots of 1,000
<b>ISIN:</b>	XS2329323765

# BBVA

## 2 Year Triple Index Memory Income Autocall

### December 2021 Factsheet



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

	Observation Date	Payment Date	Income Trigger	Autocall Trigger
Observation 1	23 March 2022	30 March 2022	80%	n/a
Observation 2	23 June 2022	30 June 2022	80%	n/a
Observation 3	23 September 2022	30 September 2022	80%	n/a
Observation 4	23 December 2022	04 January 2023	80%	100%
Observation 5	23 March 2023	30 March 2023	80%	100%
Observation 6	23 June 2023	30 June 2023	80%	100%
Observation 7	25 September 2023	02 October 2023	80%	100%
Final Observation	27 December 2023	04 January 2024	80%	100%

**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.

**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 20.12.2021

#### THE UNDERLYINGS

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. Secondary lines are not eligible for inclusion. The calculation and methodology is unchanged from S&P MIB Index.

The **FTSE 100 Index** is a capitalization-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 **Hang Seng Index** is a free-float capitalization-weighted index of a selection of companies from the Stock Exchange of Hong Kong. The components of the index are divided into four subindices: Commerce and Industry, Finance, Utilities, and Properties. The index was developed with a base level of 100 as of July 31, 1964.

**Source:** Bloomberg 20.12.2021

#### 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.

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.

The three Underlyings detailed overleaf 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 60% means an Underlying must fall by more than 40% over 2 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.

# BBVA

## 2 Year Triple Index Memory Income Autocall

### December 2021 Factsheet



#### 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.

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