



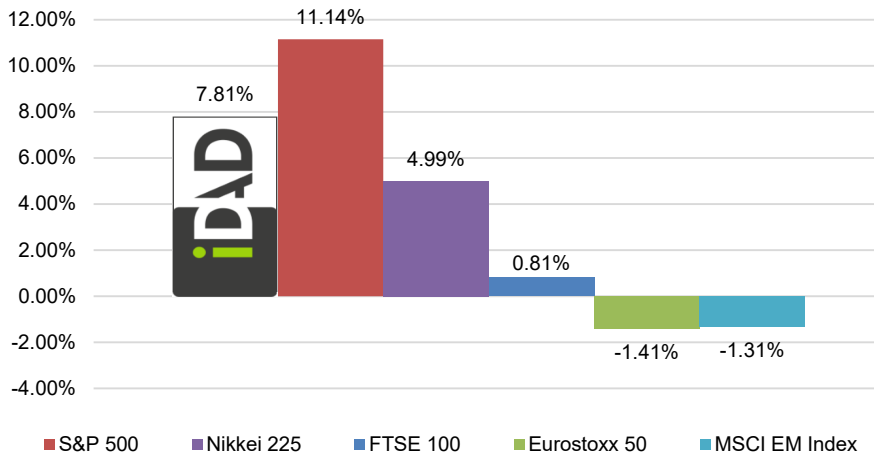
Performance Q2 2022

Managing Director Commentary

It turns out stock market performance in Q2 this year was broadly similar to Q1 – not great, with heavy drawdowns on a lot of growth sectors. The widely predicted rises in interest rates have been arriving in an attempt to dampen inflationary pressures, but economies around the World are still facing tough times. China's Zero-COVID policy clearly isn't working and although the fighting in Ukraine has become more geographically concentrated, the economic ramifications are beginning to be felt – Western Europe could be in for a very tough winter with restrictions likely to reduce energy consumption and manufacturing sectors being the hardest hit by any rationing. It's tough finding workers across most sectors and most geographies – perhaps the support payments which helped drive the consumer economy are back-firing as people realise they don't need all those TV subscriptions and take-away deliveries anymore but can live enjoyable lives on relatively modest budgets. There is, however, one ray of hope on the horizon for investors – equity markets are very good at discounting bad news and the current prices reflect the expectation of lots of bad news being in the pipeline already. Because of this, I think there may not be much more to come in terms of market falls – probably some periods of volatility during the rest of 2022 but then the potential for pretty steady growth from current market levels as the global economy gets back on track. Higher interest rates can actually be a boost to equity markets (more disposable income for many older consumers) but could well hit the residential property sector pretty hard.

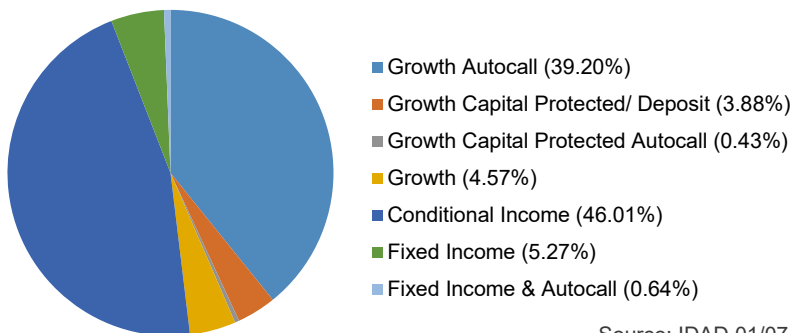
IDAD's structured product investors will have seen considerable volatility in the market values of some of their holdings but, as we reiterate often, one of the joys of decent structured products is that the capital protection features are there to deliver strong capital protection over the life of the product. The 36 maturities over the quarter saw strong returns, with no losses or zero growth and they have taken our average annualised performance closer to 8% p.a. over the last 14 years – pretty decent when you consider this is net of all charges and commissions. Pricing conditions are improving on capital protected products and income-paying products in particular (as a result of rising interest rates) and there is some improvement in capital at risk autocalls for the same reason – we expect this 'good' pricing environment to continue over the next few months.

Annualised Performance since 2008



Source: IDAD 1/07/2022. Bloomberg 02/01/2008 - 30/06/2022

Products Issued by Type since 2008



Source: IDAD 01/07/2022

Facts & Figures (since 2008)

Average Annual Performance on all matured Products:	7.81% p.a.
Total number of Products issued:	1880
Total number of Products matured:	1082
% of Products to make a loss:	3.09%
% of Products to only return 100%:	2.34%
Annualised Performance by Product Type	
Autocall:	9.15%
Conditional Income:	6.88%
Fixed Income:	5.80%
Capital Protected:	2.26%

Clive Moore

Managing Director

Email: clive.moore@idad.com

Tel: +44 (0)1730 233946

Terry Dixon

International Sales Director

Email: terry.dixon@idad.com

Tel: UAE Mobile: +971 (0) 50 949 3381

Tel: UK Mobile: +44 (0)7901 055 405

Miranda Karademir

Latin America Sales Manager

Email: miranda.karademir@idad.com

Tel: +44 (0)1730 267546

Mike Lewis

Far East & Australasia Sales Manager

Email: mike.lewis@idad.com

Tel: +971 (0) 52 877 3944

Graeme McCallion

Africa Sales Manager

E-mail: graeme.mccallion@idad.com

Tel: +44 (0)7624 345318

Vince McEvoy

Channel Islands Sales Manager

Email: vince.mcevoy@idad.com

Tel: +44 (0)7734 973212

Andy McKay

Business Development Director

Email: andy.mckay@idad.com

Tel: +44 (0)7730 820130

Debbie Reynolds

International Account Manager

Email: debbie.reynolds@idad.com

Tel: +44 (0)1730 776756

Tel: +44 (0)1730 263943 General Enquiries Email: enquiries@idad.com www.idad.com