

Coupon  
**5.40%**  
p.a.

**DROPPBACK NOTE**

**SPX**

INVESTMENT CASE	PRODUCT CASE
Interesting yield for the cash position	Initial Cash Allocation: 60.00%
Average entry points on SPX	Trigger Levels: 90.00% / 85.00% / 80.00%
Optimization of the momentum	Guaranteed Coupon: 5.40% p.a. (USD)

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**BUY THE DIPS!**

Since the beginning of the year, European and American markets have had a significant positive performance, but it is crucial to remain cautious regarding a such performance. The upward trajectory observed on the equity markets throughout the beginning of 2023 was more exceptional than usual.

At this moment there is a concern about inflation and recession; the Equity market could shift following the central bank's decision to beat inflation even if it could impact the economic growth rate.

The resurgence of tensions in the Ukraine war has impacted the financial markets due to geopolitical factors and the visibility for coming month regarding the financial market's is limited, and there are two differing opinions on its potential evolution for this year.

The Dovish consensus suggests that the US Federal Reserve will decrease the interest rate, while the Hawkish consensus predicts that, inflation will persist longer than expected with high interest rate during this period. The momentum for investing can be challenging during this period.

All the investors will face by the question "should we invest or wait" even Warren Buffet thinks about it.

The Dropback Note mix these expectations with a comprehensive investment solution achieving through careful and systematic asset management.

The product offers the possibility to average purchasing

levels on the US Equity index by investing in periods of decline based on the trigger levels as entry point and offering a yield on the cash non invested, with a daily basis observations.

First of all, the product starts with an initial investment of 40% in the S&P index with a remaining cash notional that could be successively invested at each of the three trigger levels as mentioned below if the US Equity index decrease from current levels.

TRIGGER INVESTMENT LEVEL OF THE S&P 500 SINCE INCEPTION	EQUITY ALLOCATION	CASH ALLOCATION
0%	40%	60%
-10%	60%	40%
-15%	80%	20%
-20%	100%	0%

On the other hand, it remunerates the remaining amount 5.40% p.a. USD above the two-year interest rate level (currently at 5.15% p.a.).

If a trigger event occurs, this product provides investors with a lower entry point than the current market levels. As a result, investors could benefit when markets rebound after the trigger levels are reached.

With this product the investor gains by optimizing their positioning strategy and significantly increases his cash return.

## AT LAUNCH

The product invests 40% of the nominal invested in the US equity Index.

## EVERY TRIGGER LEVELS

Then the product will automatically invest in the US Equity Index by 20% successively at each trigger level if the Index falls down from -5%, -10% and -15% of the current valuation.

## AT MATURITY

**Case 1** - If no trigger events occurred: The client gets 100% of the US index performance for 40% of the nominal invested + the coupon based on the 60% in cash.

**Case 2** – Otherwise, the investor will receive the average performance of the US Equity index based on the different trigger level invested plus a daily basis coupon return based on the cash non invested.

## UNDERLYINGS PERFORMANCES



## PRODUCT SNAPSHOT

ISIN	TBD
CURRENCY	USD
ISSUER	TBD
UNDERLYING	SPX Index
INITIAL CASH ALLOCATION	60%
INITIAL EQUITY ALLOCATION	40%
TRIGGER LEVELS	90.00% / 85.00% / 80.00%
TRIGGER LEVEL OBSERVATION	DAILY ON CLOSE
REINVESTED AMOUNT PER TRIGGER	20.00%
GUARANTEED COUPON	5.40% p.a.
MATURITY	24 months

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