BBVA
Global Markets Catch-Up Income Autocall - January 2016
Factsheet



INVESTMENT DESCRIPTION

An investment with a term of up to 6 years linked to the performance of the Australian, Swedish, Canadian and Swiss stock market indices.

If on any of the semi-annual observation dates including the final observation the closing levels of all the underlyings are at least 80% of their initial levels the income coupon will be paid along with any coupons not paid at previous observations - the Catch-Up Income feature.

This investment will "autocall" triggering an early maturity when all the underlyings exceed their initial level on any semi-annual observation date including the final observation date.

At the final observation date, 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 paid.

BENEFITS

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

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 barrier or the issuer default

BBVA: Banco **B**ilbao **V**izcaya **A**rgentaria SA (BBVA) is a global financial group with a diversified business providing financial services in over 30 countries and to over 50 million customers. BBVA has the advantages of significant size, a strong capital base, a considerable financial structure and appropriate geographic diversification of its business and risks.*

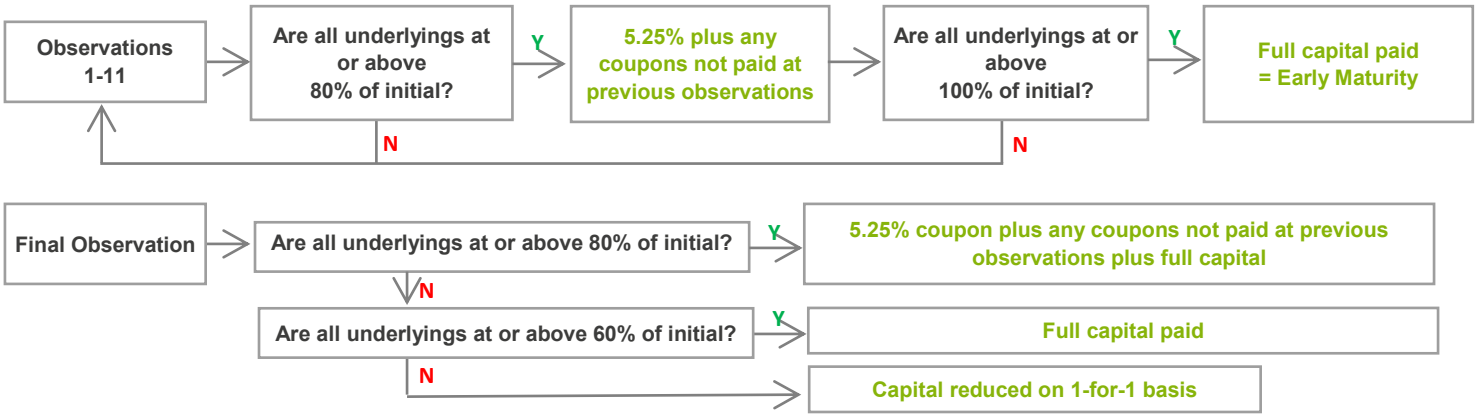
PRODUCT FACTS & FEATURES

Issuer and Counterparty:	BBVA (Credit Ratings: Fitch A-; Moody's Baa1; S&P BBB+)*
Maximum Term:	6 years
Investment Structure:	Classic semi-annual Income Autocall
Autocall opportunities:	Semi-annual
Autocall Trigger:	100% of initial level
Coupon Rate:	5.25% semi-annual snowballing (10.5% annual)
Coupon Trigger:	80% of initial level
Capital Risk:	Not capital protected
Capital Protection Barrier:	60% Final level (European style)
Underlying Basket:	Australia: S&P ASX 200 Index (AS51), Sweden: OMX Index (OMX), Canada: S&P TSX 60 Index (SPTSX60), Switzerland: Swiss Market Index (SMI)
Subscription Period:	10 Dec 2015 – 20 Jan 2016 (4.30pm GMT)

KEY DATES

Strike Date:	22 January 2016
Final Observation:	24 January 2022
Maturity Date:	31 January 2022
Currency:	GBP / USD
ISIN:	GBP: XS1335158447 USD: XS1335155930

HOW THE INVESTMENT WORKS



*Source: BBVA November 2015

IDAD Limited is Authorised and Regulated by the Financial Conduct Authority FCA FRN 740499. For Professional Clients and Eligible Counterparties as defined by the FCA only. This material should be read and understood along with the Issuer's Term Sheet, which is available on request. All rights reserved. No part of this publication may be reproduced, copied or distributed without the prior permission in writing of IDAD. Returns from the structured products are at risk in the event of any of the institutions who provide securities for these products default on their financial obligations.

BBVA
Global Markets Catch-Up Income Autocall - January 2016
Factsheet

SUITABILITY

May be suitable for investors who:

- are seeking the opportunity for higher returns than current cash rates
- understand and accept there is a risk to capital
- understand the criteria which will determine the income payment
- are looking to invest for the medium or long term, being happy to remain invested until maturity
- are bullish on equity markets
- wish to use this investment as part of a well-diversified portfolio
- understand that the returns are pre-defined and that they will forgo growth in the underlyings which exceeds that fixed level
- understand the risk to capital in the event of counterparty default
- should they need to sell their investment accept that the trading price may mean they get back less than they invested
- appreciate that income payments are conditional but understand that the snowballing feature can deliver missed income payments

RATIONALE

Markets have seen some declines in recent weeks with the impact of the downward trend in the Chinese market compounded and the impact of the much hyped US rate rise on the global markets is not yet clear. Uncertainty is a thing that the markets do not like and so the investor may well continue to adopt a cautious approach for the time being. Once some of the uncertainty disappears it would be expected that markets will lose some volatility and in such conditions an autocall requiring minimal growth to mature is attractive.

The opportunity for an income stream is 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 the initial level on any observation date before the income stream is disrupted. By including a snowballing feature the investor has the opportunity to benefit from any missed payments when next the coupon trigger is activated. These 4 markets have been selected due to their generally less volatile nature which helps to support the anticipated delivery of that income. Using the classic 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 "lock in" gains, as well as the chance to take advantage of future market trends.

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.

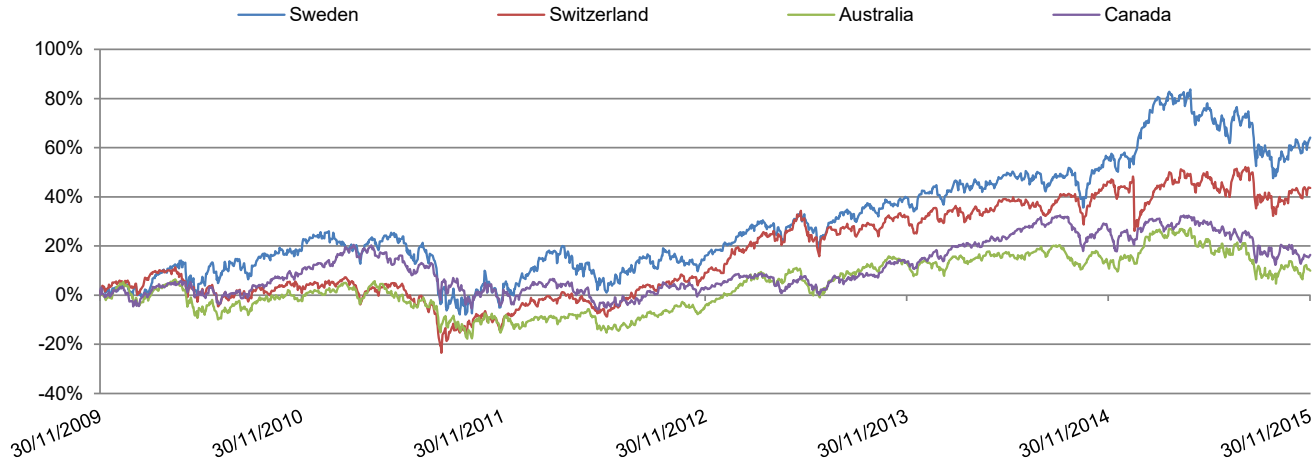
The **Swiss Market Index** is an index of the largest and most liquid stocks traded on the Geneva, Zurich, and Basle Stock Exchanges. The index has a base level of 1500 as of June 1988.

The **OMX Stockholm 30 Index** consists of the 30 most actively traded stocks on the Stockholm Stock Exchange and is a market weighted price index. The composition of the OMXS30 index is revised twice a year. The index was developed with a base level of 125 as of September 30, 1986. Effective on April 27, 1998 there was a 4-1 split of the index value.

The **S&P/Toronto Stock Exchange 60** is a capitalization-weighted index. It consists of 60 of the largest and most liquid (heavily traded) stocks listed on the Toronto Stock Exchange (TSX). They are usually domestic or multinational industry leaders.

*Source: Bloomberg 31.10.15

The Underlyings - Relative 6 year Performance *



*Past performance is no indication of future performance

Source: Bloomberg 10.12.2015, Data period: 30.11.2009 to 30.11.2015

For further information please contact IDAD at:

email: enquiries@idad.biz **telephone:** +44(0)1730 263943 **or visit our website** www.idad.biz

IDAD Limited is Authorised and Regulated by the Financial Conduct Authority FCA FRN 740499. For Professional Clients and Eligible Counterparties as defined by the FCA only. This material should be read and understood along with the Issuer's Term Sheet, which is available on request. All rights reserved. No part of this publication may be reproduced, copied or distributed without the prior permission in writing of IDAD. Returns from the structured products are at risk in the event of any of the institutions who provide securities for these products default on their financial obligations.