COMMERZBANK

5 Year Coupon Counter Autocallable on Brent, Silver, Copper in GBP



Key Facts:

- Maturity : Up to 5 years (if not previously autocalled)
- Currency: GBP
- Underlyings:
  - ICE-ICE Brent
  - London Silver Fix
  - LME Copper
- Up to 8.4% annual coupon
- Invested capital at risk at maturity if any Index is below 50% of its Strike Level
- ISIN: XS0905628862

Investment rationale:

You invest in some of the best performing commodities at the moment.

- Brent is one of the most traded commodities worlwide. With the growth of emerging countries such as Brazil, China and India, the tendency is a further increase in its consumption.
- In the manner of Gold, investors trust in Silver and invested massively in this commodity since the beginning of the year.
- Though not as eye-catching as Silver, Copper ranks up high on the commodity list, its price is a very reliable indication of the health of the global economy considering how much of world's infrastructure rely on copper.

How this product works:

This investment product is linked to the performance of three major commodities, Brent, Silver and Copper. At the start of the product, on the trade date, the Investor purchases Denominations of the Note. On the Strike date, the closing levels of each underlying are recorded and these levels are taken as the Strike Levels. On each Early Observation Date, the closing levels of each underlying is observed, if all commodities close at or above 100% of their Strike Levels, the product is autocalled, and the Investor receives 100% of their investment plus a 2.8% coupon per underlying (8.4%). If only one or two underlyings close at or above 100% of their Strike Levels, the investor will receive a coupon equal to 2.8% times the number of underlyings at or above this threshold and the product continues.
Example:

- If on the first Observation date, 2 commodities out of 3 are above 100% of their Strikes, then the Investor will receive a coupon of 5.6%, i.e. 2.8% times two.
- If on the fourth Observation date, all underlyings are above 100% of their Strikes, then the Note autocalls and the Investor will receive 100% of investment amount back plus a coupon of 8.4%, i.e. 2.8% times three.
- On the final Observation Date, if the Note has not previously called, and, all 3 commodities are above 50% of their Strike Levels, the Investor will receive 100% of their Investment amount returned plus a coupon equal to 2.8% multiplied by the number of underlyings that have closed above Strike.
- If on the Final Observation date, the least performing commodity closes at 45% of its Strike Level, then the Investor will receive 45% of their initial investment amount.

Underlyings:

- ICE-ICE Brent: The Brent Spot Price is priced in US Dollars per barrel
- London Silver Fix: The Silver Spot Price is priced in US Dollars per Troy Ounce
- LME Copper: tracks the performance of copper prices. Copper is one of the most important industrial metals, it is used for its electrical conductivity and heat-transfer abilities for use in the building construction and electrical industries

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Indicative terms and conditions		
Issuer:	Commerzbank AG	
Ratings:	A3 (Moody's) / A (S&P)	
Lead manager:	Commerzbank AG	
Type of security:	Note issued under the Structured Notes programme of the issuer	
Underlyings:	Underlying	Ticker (Bloomberg)
	1 ICE-ICE Brent	CO1 Comdty
	2 LBMA Silver Fixing	SLVRLND Index
	3 LME Copper Official Cash Settlement	LOCADY Index
Trade Date:	08-03-2013	
Strike Date:	05-04-2013	
Payment Date:	12-04-2013	
Early observation Dates:	07-04-2014, 02-04-2015, 05-04-2016, 05-04-2017, 05-04-2018	
Early Redemption Dates:	14-04-2014, 13-04-2015, 12-04-2016, 12-04-2017, 12-04-2018	
Final Valuation Date:	05-04-2018	
Final Redemption Dates:	12-04-2018	
Issue Price:	100%	
Currency:	GBP	
Minimum Investment:	GBP 1,000	
Denomination:	GBP 1,000	
Strike Level:	Determined on 05-04-2013	
European Barrier:	50%	
Coupon:	0% if no underlying above initial level; 2.8% if 1 underlying above initial level; 5.6% if 2 underlyings above initial levels; 8.4% if all underlyings above initial levels	
Autocall Trigger:	If, on an Early Observation Date, all 3 Underlyings close above 100% of their Strike Levels, the product is Autocalled and subject to Early Redemption.	
Early Redemption:	If on any Early Observation Dates n (n=1,2…5) the Autocall is Triggered, Note holders will receive an amount per Denomination in accordance with the following formula on the immediately following Early Redemption Date: Denomination * 100%	
Redemption at Maturity	Unless Early Redeemed, on the Final Valuation Date, If all 3 Underlyings close above 50% of their respective strike values, the Noteholder will receive: Denomination * 100% Else, if the least performing Underlying closes below 50% of its respective strike level, the Noteholder receives an amount per Denomination in accordance with the following formula: Denomination* Where: $\left(\frac{Worst_{Final}}{Worst_{Initial}}\right)$	
	$Worst_{Final}$	Equals the Official Closing Level of the Worst Performing Underlying
	$Worst_{Initial}$	Equals the Strike Price of the Worst Performing Underlying
	Worst Performing	With respect to the relevant observation date, the Underlying whose price has fallen the most among all Underlyings.

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