# Natixis
# Global Markets Low Hurdle Autocall - June 2016
# Factsheet



## INVESTMENT DESCRIPTION

A 6 year investment linked to the performance of UK, US, European and Chinese Indices.

If on any quarterly observation date (starting from the end of year 1), including the final observation date, all the underlyings are at or above their initial levels, the investment will mature. Initial capital plus 2% for each quarterly period which has elapsed is paid and the investment will end.

At the final observation date, if any underlying is below its initial level but all underlyings are at or above 75% of their initial levels, then full capital is returned plus 1% for each quarterly period which has elapsed is paid (Low Hurdle).

If any underlying is below 75% of its initial level but all underlyings are at or above 50% of their initial levels, then full capital is returned. If any underlying is below 50% 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

- 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
- Minimal market growth needed to deliver enhanced returns
- Low Hurdle barrier at maturity gives additional chance of coupon payment
- Daily pricing and trading available

## RISKS

- The return is limited to the pre-defined investment terms
- There is a risk to capital should one of the underlyings breach the barrier or the issuer default on their obligations

Natixis: Natixis SA offers corporate, investment and financial services. The Bank services companies, financial institutions and institutional investors. Natixis offers wholesale banking in the form of advising and financing, investment solutions in the form of asset management, insurance, private banking and private equity, as well as other specialized financial services.

Source: Bloomberg 23.05.2016

## PRODUCT FACTS & FEATURES

| | |
|---|---|
| **Issuer and Counterparty:** | Natixis |
| **Credit Ratings:** | Moody's A2; Fitch A; S&P A<br>Source: Bloomberg 23.05.2016 |
| **Maximum Term:** | 6 years |
| **Investment Structure:** | Low Hurdle Autocall |
| **Autocall Opportunities:** | Quarterly<br>(First observation end of yr 1) |
| **Autocall Trigger:** | 100% of initial level |
| **Coupon Rate:** | 2% Quarterly<br>(8% annually) Gross |
| **Low Hurdle Barrier:** | 75% of initial level |
| **Capital Risk:** | Not capital protected |
| **Capital Protection Barrier:** | 50% Final level<br>(European style) |
| **Underlying Basket:** | **Bloomberg Code:** |
| UK: FTSE 100 | UKX Index |
| US: Russell 2000 | RTY Index |
| Europe: Eurostoxx 50 | SX5E Index |
| China: HSCEI | HSCEI Index |
| **Subscription Period:** | 24 May 2016—22 Jun 2016<br>(4.30pm UK time) |
| **Strike Date:** | 24 June 2016 |
| **Final Observation:** | 24 June 2022 |
| **Maturity Date:** | 01 July 2022 |
| **Currency**: | GBP |
| **ISIN:** | XS1295812801 |

## THE UNDERLYINGS

The **FTSE100 Index** (UKX) is a capitalisation-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 **Russell 2000 Index** (RTY) is comprised of the smallest 2000 companies in the Russell 3000 Index, representing approximately 8% of the Russell 3000 total market capitalization. The index was developed with a base value of 135.00 as of December 31, 1986

The **Eurostoxx 50 Index** (SX5E) is Europe's leading blue-chip index for the Eurozone, provides a blue-chip representation of supersector
leaders in the Eurozone. The index covers 50 stocks from 12 Eurozone countries.

The **Hang Seng China Enterprises Index** (HSCEI) is a free-float capitalization-weighted index comprised of H-Shares listed on the Hong Kong Stock Exchange and included in the Hang Seng Mainland Composite Index. The base value of this index is 2000 as of Jan 3, 2000.

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## 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
- are looking to invest for the medium or long term, being happy to remain invested until maturity
- are slightly 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 then they invested

## 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.

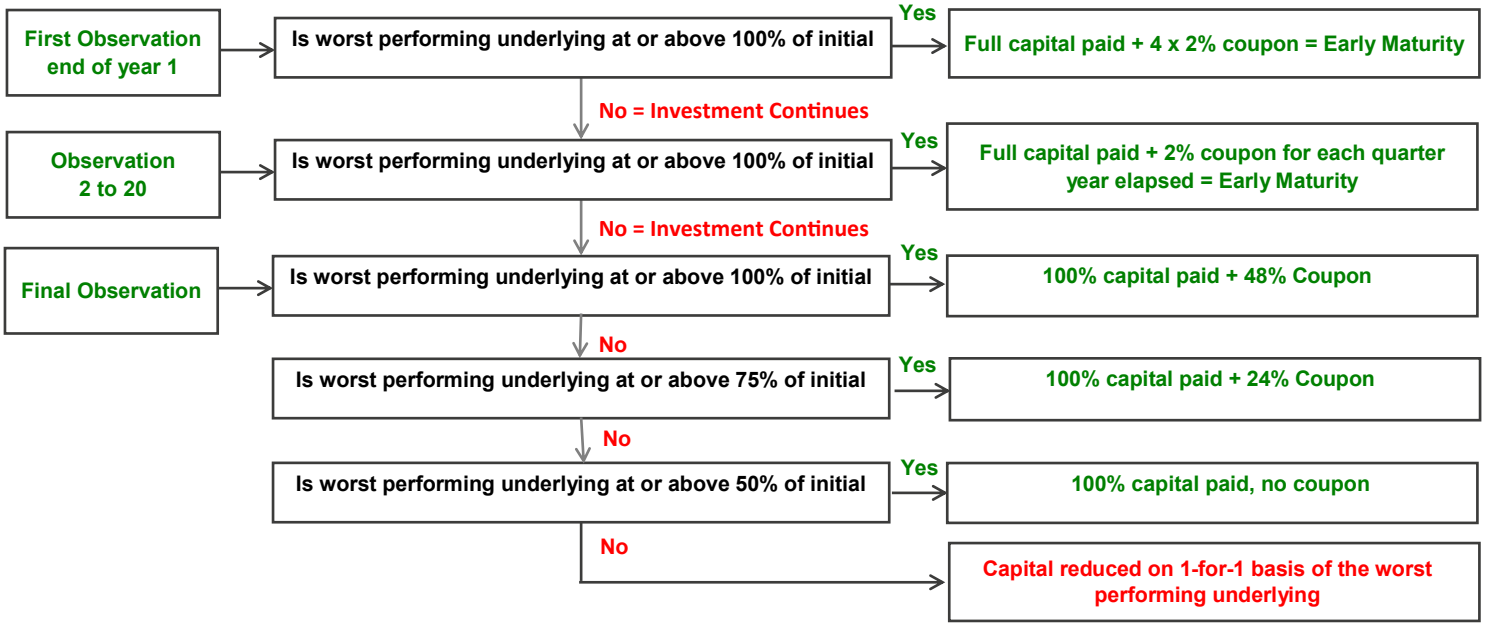
The classic autocall is one of the most popular structured product payoffs and one actively sought as evidenced by the volume that we trade.

The Low Hurdle barrier gives an increased chance of coupon payment if any index is below initial level but all underlyings are still above 75% of their initial levels.

A balance of risk and reward may be achieved by bringing together a basket of global markets. Consequently this product offers exposure to the UK, US, European and Chinese markets where a degree of growth is anticipated in the coming year. Should there be no autocall, a good degree of capital protection is included at maturity.

To manage the capital risk, four global markets have been used with a 50% final level barrier which offers re-assurance to the more cautious investor

## HOW THE INVESTMENT WORKS




**For further information please contact IDAD at:**

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