

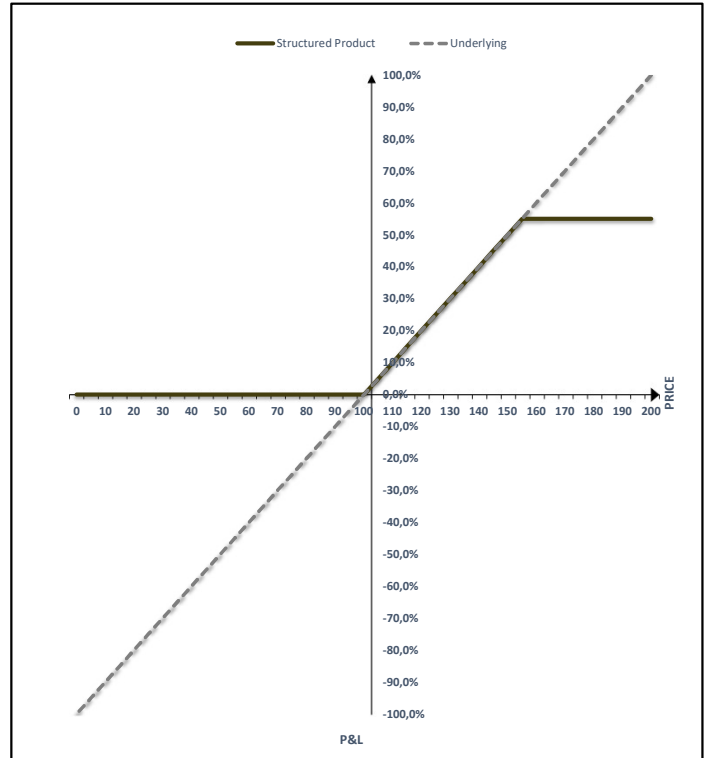
# Semiconductors Modernising Your Portfolio

**3 Years 100% KG Note with 100% Participation and 155% Cap on Semiconductors ETF**

## Product Overview

<b>Issuer</b>	BBB-
<b>Maturity</b>	3 Years
<b>Currency</b>	USD
<b>Underlying</b>	iShares Semiconductor ETF (Soxx US)
<b>Capital Protection</b>	100,00%
<b>Participation</b>	100,00%
<b>Cap</b>	155%
<b>Observation</b>	At Maturity
<b>Format</b>	EMTN (Euro Medium Term Note)

Underlying	Structured Product
100%	55,0%
90%	55,0%
80%	55,0%
70%	55,0%
60%	55,0%
50%	50,0%
40%	40,0%
30%	30,0%
20%	20,0%
10%	10,0%
0%	0,0%
-10%	0,0%
-20%	0,0%
-30%	0,0%
-40%	0,0%
-50%	0,0%
-60%	0,0%
-70%	0,0%
-80%	0,0%
-90%	0,0%
-100%	0,0%



## Product Description

This is a capital protected product with the underlying being iShares Semiconductor ETF (Soxx US)

### 2 Scenarios Possible:

- 1) At maturity the investor will receive: 100% of the initial capital the performance of the underlying on the upside
- 2) At maturity the investor will receive: 100% of the initial capital if the underlying has performed negatively.

## Risk Analysis

### Pros:

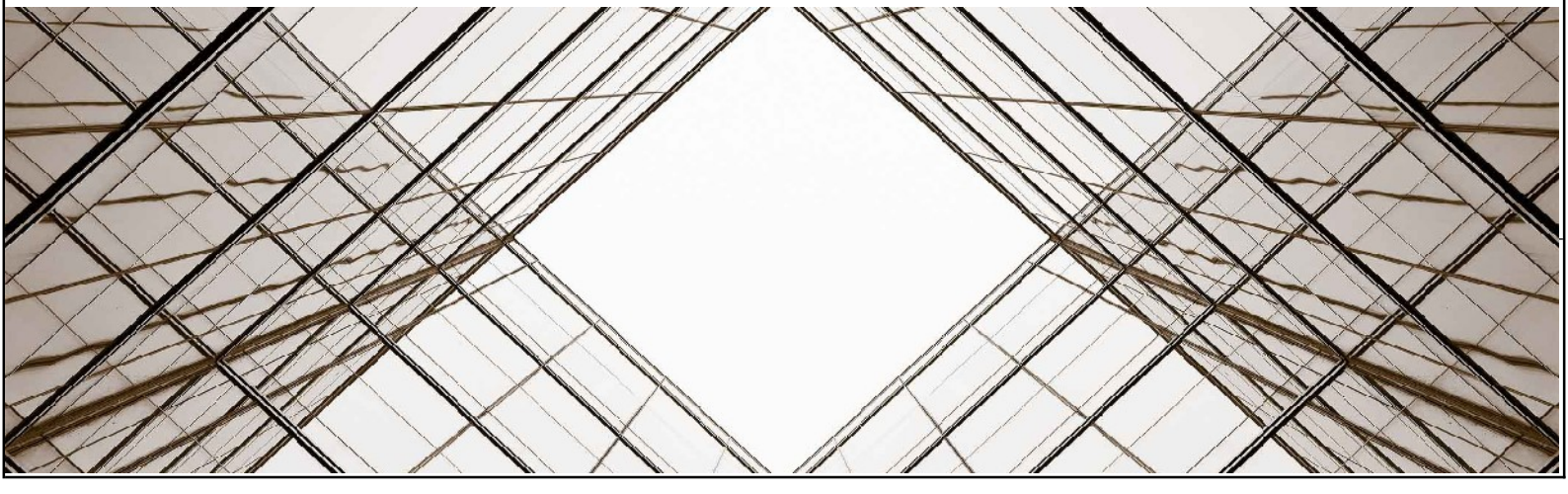
100% capital protection at maturity.

### Cons:

The product only offers capital protection at maturity.

The redemption value of the product may be lower than the amount of the initial investment during the lifetime of the product.

The investor takes a credit risk on the issuer, i.e. the insolvency.



## WHY NOW ?

### **The 3 Main “Demand Boosters”:**

As we have been able to see recently, the demand for semiconductors has been surging, due to its high necessity in producing everyday goods. Our world becoming more and more technological, there are 3 main sectors that are likely to contribute highly to the surge in demand for semiconductors:

- The Automotive industry: Semiconductors have various applications in electric vehicles and due to the high growth in supply of electrical cars forecasted for the generations to come, the automotive industry will be one of the main “Demand Boosters” for semi-conductors.
- AI and data storage: AI is playing a big part in our everyday lives and will most likely continue to grow and have more implications in various sectors. AI machines are backed up by servers of consequential sizes, which all use semiconductors, hence contributing to the rise in demand forecasted in the coming years.
- Wireless Applications: Growth in cell phones and new technologies demand in the whole world will cause further increase in the demand for semiconductors, them being an essential part to the manufacturing of these products.

Furthermore, even though we are anticipating a slight downturn in the Semiconductor market until the end of 2023, the market should readjust and recover in 2024.

- We shall see a rise of around 12% of the global semiconductor market.
- This rise is mainly going to be driven by America as well as the Asia Pacific region, as they are forecasted to provide a robust growth.

### **Underlying: iShares Semiconductor ETF (SOXX US)**

- The iShares Semiconductor ETF seeks to track the investment results of an index composed of U.S.-listed equities in the semiconductor sector.

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