

## Description

The S&P 500® is widely regarded as the best single gauge of large-cap U.S. equities and serves as the foundation for a wide range of investment products. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

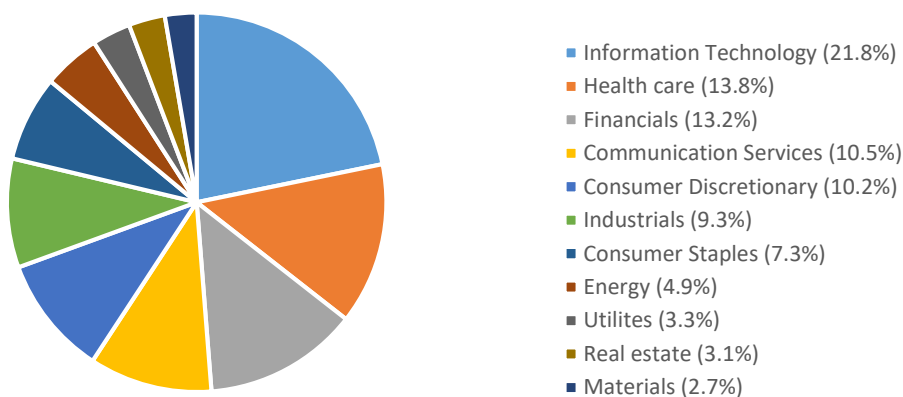
Source: [www.bloomberg.com](http://www.bloomberg.com) – 23.08.2019

## Outlook

- The GDP growth rate is expected to remain between 2% - 3%.
- Strong growth will support higher household incomes and reduce poverty rates further, along with unemployment rates continuing to decrease through 2019 and into 2020.
- The Labour Market remains strong and wages are picking up, which will underpin continued consumption growth.

Source: [www.oecd.org](http://www.oecd.org) – August 2019  
[www.thebalance.com](http://www.thebalance.com) – August 2019

## Sector Breakdown



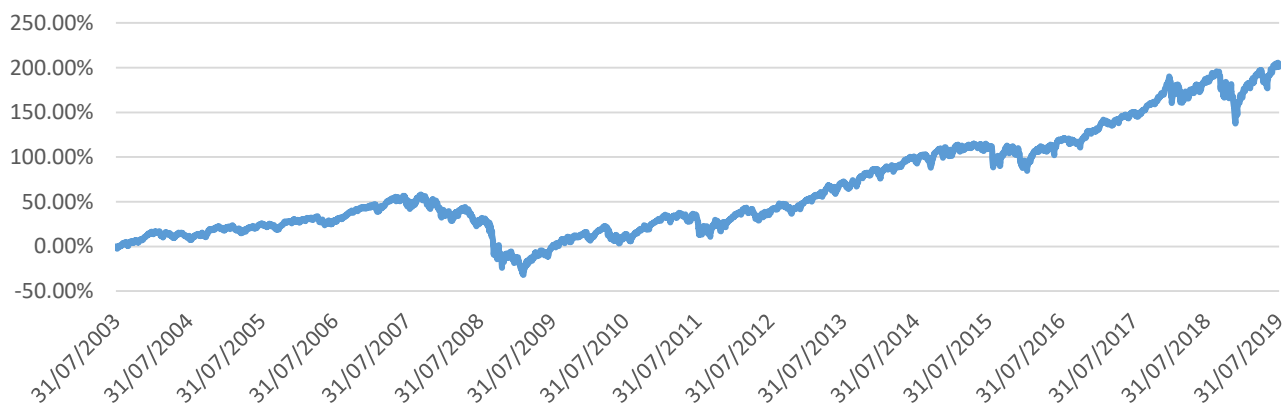
Source: S&P Website – 23.08.2019

## Top 5 Constituents

Company	Sector	Index Weighting
Microsoft	Information Technology	4.16%
Apple	Information Technology	3.7%
Amazon	Consumer Discretionary	3.2%
Facebook	Information Technology	1.9%
Berkshire Hathaway Inc	Insurance	1.7%

Sources: [www.investopedia.com](http://www.investopedia.com) – 23.08.2019

## 16 Years Past Performance



Past performance is not a reliable indicator of future performance and should not be used to assess the future returns or risks.

Data Source: Bloomberg 23.08.2019, Data period: 31.07.2003 to 31.07.2019

## Back-Testing

Back-testing shows how the investment would have performed historically using data from previous potential strike dates. Although past performance is not an indication of future performance, it can give a factual insight into how the investment would have performed historically.

This 16 year back-test uses the historical data for a full 10 years of 6 year products that could reach the full term. The tables below show the results from three popular types of structured product, a Classic Autocall with memory coupon, an 80-60 Income Autocall with memory coupon and a 60-60 Income Autocall with no memory coupon. These results show how each would have performed historically if S&P Dow Jones 500 was the underlying. The back-test gives results from 2,501 scenarios.

## Back-Testing Results

**Classic Autocall (Memory Coupon)** - 100% semi-annual autocall trigger from 12 months, 60% European style final barrier.

This structure will mature early and pay a coupon for each semester elapsed if, on any autocall observation date, including the final observation date, the underlying is at or above 100% of its initial value.

If the product has not autocalled, at the final observation date, if the underlying is below 100% but is at or above 60% of its initial level, full capital is returned. If the underlying is below 60% of its original level, capital return will be reduced on a 1-for-1 basis.

Autocall Test	
Total Tested	2,501
Autocalled	2,501
% Autocalled	100.00%
% Not Autocalled	0.00%
% Breached Final Barrier	0.00%

**80-60 Income Autocall (Memory Coupon)** - 80% semi-annual coupon trigger from 6 months with memory feature, 100% semi-annual autocall trigger from 12 months, 60% European style final barrier.

This structure will pay the coupon plus any previously missed coupons if, on any coupon observation date, the underlying is at or above 60% of its initial value.

This structure will mature early if, on any autocall observation date, the underlying is at or above 100% of its initial value.

If early maturity does not occur, at the final observation date, if the underlying is at or above 60% of its initial level full capital is returned. If any underlying is below 60% of its original level, capital return will be reduced on a 1-for-1 basis.

Memory Coupons	
Total Coupons Tested	8,373
Total Coupons Paid	8,373
Total Coupons Missed	0
% Paid	100.00%
% Missed	0.00%

Autocall Test	
Total Tested	2,501
Matured Early	2,389
% Matured Early	95.52%
% Reached Full Term	4.48%
% Breached Final Barrier	0.00%

**60-60 Income Autocall (Non-Memory Coupon)** - 60% semi-annual coupon trigger from 6 months, 100% semi-annual autocall trigger from 12 months, 60% European style final barrier.

This structure will pay the coupon if, on any coupon observation date, the underlying is at or above 60% of its initial value.

This structure will mature early if, on any autocall observation date, the underlying is at or above 100% of its initial value.

If early maturity does not occur, at the final observation date, if the underlying is at or above 60% of its initial level full capital is returned. If any underlying is below 60% of its original level, capital return will be reduced on a 1-for-1 basis.

Non-Memory Coupons	
Total Coupons Tested	8,373
Total Coupons Paid	8,078
Total Coupons Missed	295
% Paid	96.48%
% Missed	3.52%

Autocall Test	
Total Tested	2,501
Matured Early	2,389
% Matured Early	95.52%
% Reached Full Term	4.48%
% Breached Final Barrier	0.00%

Past performance is not a reliable indicator of future performance and should not be used to assess the future returns or risks. Data Source: Bloomberg 23.08.2019, Data period: 31.07.2003 to 31.07.2019

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