

## Yield enhancement strategy «Energy»

a 18 months opportunity

### Strategy Summary

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<b>Level of risk</b>	<b>Time horizon</b>	<b>Upside Opportunity</b>	<b>Asset Allocation</b>	<b>Investment Focus</b>	<b>Currencies</b>

### Your benefits:

- ▶ Conditional capital guarantee of up to -30 %, type Low Strike
- ▶ Maturity: 18 months
- ▶ Currency: USD
- ▶ Underlying companies: Technip, Total, Petrobras
- ▶ Reimbursement Triggers: Autocall trigger at 95%, starting after 6 months
- ▶ Coupon Barrier: Coupon barrier at 70 %, if each stock is at or above coupon barrier, the product will be redeemed at 100 %, coupon level at 12.00 p.a.
- ▶ Payout at Maturity: Low strike at 70 %, if each equity is at or above Low Strike level, the investor will be redeemed 100 %; else: the payout will be linked to the worst performing equity from 70 %

## Investment Opportunity

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### A focused approach

In the near term, oil prices and energy equities could remain highly volatile given frequent swings in investor sentiment on ongoing concerns regarding the global economy. Oil market traders are concerned about potential oversupply in the global oil market. The sector has underperformed the larger market for the last 18 months, further corrections can occur, yet the specific downside risk for the included stocks should be limited to less than 25- %.

Energy stocks are continuing to grow their profitability and cash flows thanks to good investment discipline and solid oil prices. Share prices are supported by lower capex rates (capital expenditure) as well as share buyback programs. While oil continues to be volatile, free cash flows should exceed capex and dividends as long as Brent stays above USD 50/ bbl. We therefore expect share prices to tend sideways.

Sector news flow:

- ▶ Oil production profitability is still rising even at flat prices.
- ▶ Integrated companies remain better off over the medium term, because of their stable income streams, if oil were to go lower.
- ▶ Energy services should be supported by a moderately increasing willingness to invest.
- ▶ Exploration and production companies offer a compelling risk/return opportunity.
- ▶ The number of rig count is globally declining, which should limit overcapacity.

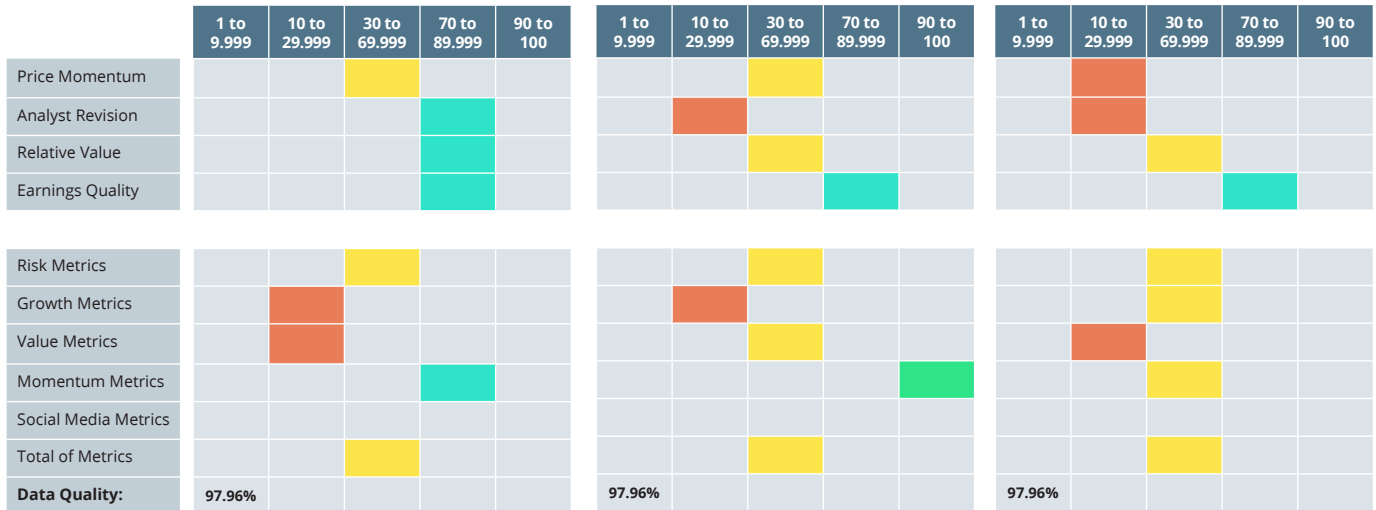
# Heatmaps

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## Technip

## Total

## Petrobras



TechnipFMC plc provides oilfield services. The Company offers subsea, surface, on-shore, and offshore solutions for oil and gas projects. TechnipFMC serves customers worldwide.

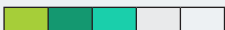
TOTAL S.A. explores for, produces, refines, transports, and markets oil and natural gas. The Company also operates a chemical division which produces polypropylene, polyethylene, polystyrene, rubber, paint, ink, adhesives, and resins. TOTAL operates gasoline filling stations in Europe, the United States, and Africa.

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# Guidance

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## Characteristics

Name	RCB Energy
Issuing Bank	to be announced
ISIN Number	to be announced
Management Fee	1.25 % p.a.
Performance Fee	-
Type of shares	Yield enhancement
Minimum Investment	USD 10'000
Risk scale	

## Risk

- Capital is not protected below barrier or if the issuer or guarantor fails
- Gain is limited to the coupon payment
- The investor will not receive dividend payments from the underlying

## Disclaimer

### Past performance is no guarantee of future returns.

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