

# CANTOR FITZGERALD IRELAND PROTECTED BEST SELECT BOND V

## MARKETING COMMUNICATION



Cantor Fitzgerald Ireland continues to create a range of innovative structured products utilising the expertise contained within our local and global research teams to select underlying assets for the identified target market.

- ▶ Bond returns linked to Best Select Fund EUR Index which is composed of 8 leading investment funds.

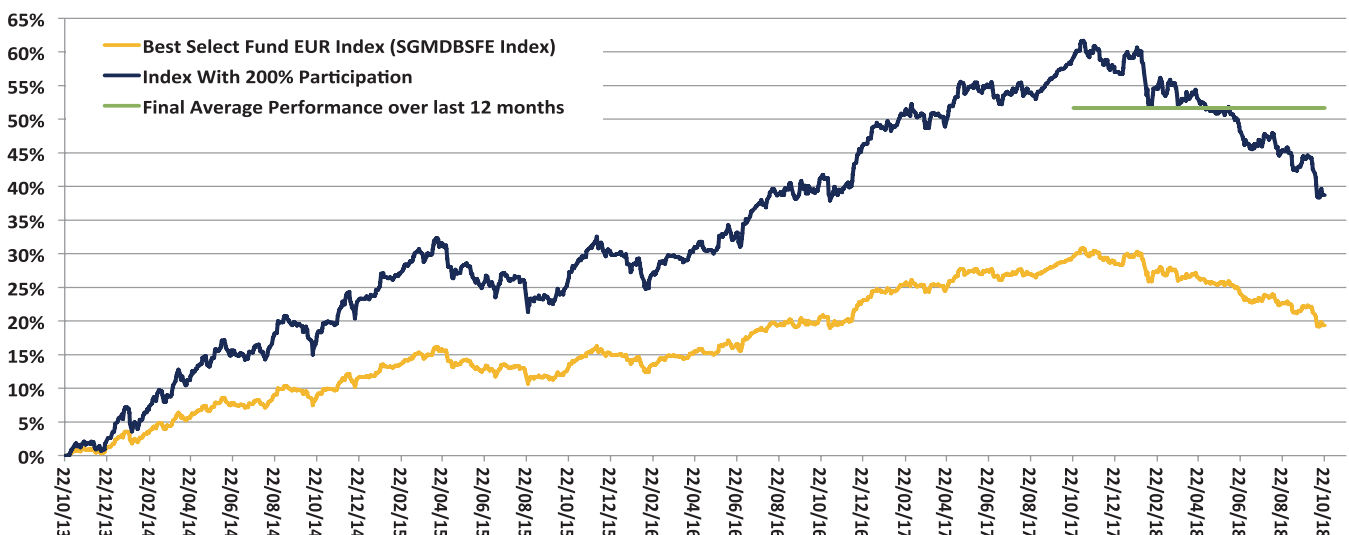
The 8 Investment Funds	Investment Strategy	Bloomberg Ticker
Sextant – Grand Large	International Equities	AMSEGLA FP
CPR – Croissance Reactive	Balanced Global	CPRCROI FP
DWS – Multi Opportunities	Growth - Orientated Fund of Funds	DWSMOII LX
Merian – Global Equity Absolute Return Fund	Market Neutral - Long Short Equity	OMEAEHA ID
DNCA – Eurose	Euro Equities and Bonds	DNCASER FP
Fidelity Funds – European High Yield Fund	High-Yield Euro Bonds	FIDEHYA LX
PIMCO – Global Bond Fund	Global Fixed-Income	PIMGBEH ID
M&G – Optimal Income Fund	Cautiously Managed	MGOIAEA LN

- ▶ Every quarter the Index is rebalanced into the 5 best performing funds, with the highest performing funds given the highest weightings and the 3 worst performers excluded.
- ▶ The Index has a risk control mechanism which provides up to 150% exposure to the basket of funds.
- ▶ Bond provides 200% participation in the Index final averaged returns.
- ▶ 90% Capital protection at Final Maturity Date is provided by Societe Generale (Moody's A1 / S&P's A / Fitch A+).
- ▶ Aims to generate stable returns in a wide range of market conditions.
- ▶ 5 Year investment with daily secondary market liquidity.
- ▶ **Guarantor:** Societe Generale **Issuer:** SG Issuer (the flagship issuer of Societe Generale).
- ▶ **Minimum investment amount:** €10,000 **Closing Date:** 12th December 2018.

**Investment Summary:** The Protected Best Select Bond V (the "Bond" or "Investment") is a 5 year term Investment with 90% capital protection at Maturity. This Bond provides 200% of the returns from The Best Select Fund EUR Index (SGMDBSFE Index), which measures the performance of 8 leading investment funds. Each fund uses different strategies and asset allocations, but all have delivered solid investment returns. The highest weightings in the Index are given to the 5 best performing funds and the 3 least performing funds are excluded. On a quarterly basis, the performance of each fund is calculated over the elapsed quarter and weights for the following quarter are assigned to the 5 best performing funds according to the table below:

Performance	1st Place	2nd Place	3rd Place	4th Place	5th Place	6th Place	7th Place	8th Place
Index Weight	30%	25%	20%	15%	10%	0%	0%	0%

**Best Select Fund EUR (SGMDBSFE Index) last 5 years, Index with 200% participation and Final Averaged Performance:**



Data Source: Bloomberg 25th October 2018

## Other Key Features:

**Investment Rationale:** Each of the 8 Funds in the Best Select Fund EUR Index have delivered strong returns, utilising different strategies which have each withstood the test of time and offer significant future upside potential. The Index has an innovative active quarterly rebalancing mechanism which aims to invest in the 5 best performing funds. The Index gives higher weightings to the best performing funds and excludes the 3 worst performing funds. As each fund employs a different strategy, regularly selecting only the best performing funds may protect investors from changing longer term trends across asset classes and exploit the funds with longer term momentum. This “Best Select” mechanism has worked well historically. This excess return Index further manages risk by reducing its exposure to the underlying 5 best performing funds in times of high volatility, and increasing exposure in times of low volatility. This bond provides 200% exposure to the Index and the Index itself can have a maximum exposure to the funds of 150% due to its risk-control mechanism, thus the maximum potential exposure to the basket of funds is 300%. This risk control mechanism can have the effect of protecting investors from volatile downward markets by reducing losses. However, it could also potentially cause some underperformance of the 5 best performing Funds in rapidly rising markets. Please see the product brochure pages 12 & 13 for more details on the risk control.

**Liquidity:** This Bond also offers secondary market liquidity subject to normal market conditions. However, the 90% capital protection applies at 5 year Final Maturity Date only. In extremely volatile market conditions encashments may not be possible.

**Final Maturity:** At the Final Maturity Date after 5 years each investor will be repaid 90% of their initial capital invested plus the investment return, if any, and the product will terminate. There is no cap on the maximum return achievable. In order to further protect returns from volatility, investment returns will be averaged over the final year of the investment term. The minimum maturity value after 5 years at the Final Maturity Date is 90% of investors’ capital. If the Index returns are below 5%, flat or negative investors could lose up to 10% of their capital invested. The 90% capital protection at the Final Maturity Date is provided by Societe Generale.

**Risks:** The Bond is categorised as a low to medium risk investment with a 5 year term. It is categorised as such because if held to maturity, an investor could be repaid 10% less than they invested. Risk factors include the non-performance of the Index or the financial failure of Societe Generale. The product is not suitable for all investors and is only suitable for a certain portion of the investment portfolio of typical investors. We draw your attention to the target market assessment provided on page 19 of the product brochure.

**Advice:** This product is being marketed on an advisory basis only. Prior to investing, it is important that you take advice from your Financial Advisor or from your Cantor Fitzgerald Ireland portfolio manager / broker. We also draw your attention to the target market assessment provided on page 19 of the product brochure.

**WARNING: If on the Final Valuation Date the Final Averaged Price Level of The Index is below its Initial Price Level you will lose 10% of your initial investment.**

**WARNING: The return of your capital protected amount at the Final Maturity Date, as well as the Investment Return, will be dependent on the solvency of SG Issuer as Issuer and Societe Generale as Guarantor, if either were to default you will lose some or all of your investment.**

**WARNING: Past performance is not a reliable guide to future performance. The value of investments may go down as well as up.**

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**DUBLIN:** 75 St. Stephen’s Green, Dublin 2, Ireland. Tel : +353 1 633 3800.

**CORK:** 45 South Mall, Cork. Tel: +353 21 422 2122.

**LIMERICK:** Theatre Court, Lower Mallow Street, Limerick. Tel: +353 61 436 500.

email : [investmentinfo@cantor.com](mailto:investmentinfo@cantor.com) web : [www.cantorfitzgerald.ie](http://www.cantorfitzgerald.ie)  twitter : @CantorIreland  LinkedIn : Cantor Fitzgerald Ireland