



Corporate &
Investment Banking

BBVA Quantitative Investment Strategies

Our purpose is to bring responsible and transparent investment opportunities to everyone through investable indices.



BBVA Quantitative Investment Strategies

BBVA Quantitative Investment Strategies (QIS) is a tool to **design, manufacture and distribute investment strategies** that investors can use to create personalized indices.

BBVA QIS offers clients a broad range of investment alternatives, leveraging **BBVA's powerful data-driven capacities**.

Its diversified, rule-based service is transparent to users wishing to take control of their own investment strategy.

Behind BBVA QIS a dedicated team of experts working round the clock to define and identify the best opportunities for our clients to implement.



What is Quantitative Investing?

Quantitative Investing is an **alternative way of investing** that differs from the traditional active and passive portfolio management techniques and **relies on rules-based, multi-asset, long-short investment strategies encapsulated in indices** allowing clients to harvest alpha in a cost-efficient, diversified and transparent manner.

INVESTMENT METHODOLOGIES

Quantitative Investment Strategies:

		Return	Costs	Diversification	Transparency
■ Active portfolio management	▶	Alpha	High	Low	Low
■ Quantitative Investment Strategies	▶	Alpha	Low	High	High
■ Passive portfolio management	▶	Beta	Low	Med	High

How are QIS indices classified?

QIS indices can be **classified** into the following types based on the underlying investment idea and investment purpose: **thematic**, **systematic** or **bespoke**.

INVESTMENT TECHNIQUES

Quantitative Investment Strategies:

- Thematic Indices: Indices aiming to capture alpha from megatrends: "Aging Population", "Robotics", "Blockchain", "ESG", etc.
- Systematic indices: Indices seeking premia through exposure to specific factors in the system (style, momentum, value, carry, curve, volatility, etc.)
- Bespoke Indices: Indices developed jointly with clients to meet their own investment requirements. May recombine existing portfolio products or adopt a completely new focus.



State-of-the-art manufacturing

Our index manufacturing goes beyond the traditional product development process. **Thanks to our best-in-class analysis capabilities, we deep dive into the most relevant market trends, assessing them from both quantitative and fundamental perspectives to identify their value and exposure drivers, and integrating them at the core of the methodology of our indices.**



Market Monitoring

- ▶ Our experienced strategy team **monitors the markets continuously, assess new investment trends and build innovative indicators.**
- ▶ Our proprietary intelligence platform combined with our strong analytical capabilities enable our strategy team to **produce first class content and actionable investment ideas** across all asset classes.



Top-Down Trend Analysis

- ▶ Strategy team performs a **fundamental and quantitative analysis of the trend by deep diving into its roots, assessing the sub-themes that are driving it, and identifying the sub-industries** (Factset Level 6) that will benefit the most from its future evolution.
- ▶ The selected **sub-industries are grouped into buckets** based on each sub-theme.



Index Development




















- ▶ **Trend value drivers are transformed into financial metrics and rules** which are used to define the weights of the buckets and select the final constituents of the index.
- ▶ **Standard liquidity, exposure and diversification rules** are also embedded in the methodology to ensure the index will remain well balanced and investable over time.

Thematic Investment: Megatrends



BBVA QIS Offering *The Investment portfolio*

QUANTITATIVE INVESTMENT STRATEGIES

	Video	5Y(a)*	5Y(a)* vs Peers	Asset Class	Geo	Weight**	# Const	+Info
Thematic - Indices capturing alpha from megatrends: ESG, Tech. Breakthrough, Social Change & Well-being, Shifting Economic Power and Resource Scarcity								
 ▶ Solactive BBVA ixESG Global Leaders		14.7%	+1.2%	EQ	DM	EW	100	Link
 ▶ Solactive BBVA Climate Action PAB Europe		10.8%	+0.8%	EQ	EU	m-EW	125	Link
 ▶ Solactive BBVA Climate Action CTB Europe		10.2%	0%	EQ	EU	m-EW	125	Link
 ▶ Solactive 360 Euro IG Corporate CTB		1.57%	+0.2%	CR	EUR	m-EW	1000	Link
 ▶ Solactive BBVA ixS Global Inclusive Growth		12.6%	+2.3%	EQ	DM	m-EW	150	Link
 ▶ Solactive BBVA ixG Global Governance and Board Diversity		10.1%	-0.2%	EQ	DM	m-EW	100	Link
 ▶ Solactive BBVA Next Generation Networks		18.5%	+7.5%	EQ	DM	m-MC	50	Link
 ▶ Solactive BBVA Cybersecurity		14.9%	+4.0%	EQ	DM	m-MC	50	Link
 ▶ Solactive BBVA Health and Wellness		19.6%	+4.4%	EQ	DM	m-MC	50	Link
 ▶ Solactive BBVA Resource Scarcity		14.0%	+6.7%	EQ	DM	m-MC	50	Link
Tailor Made - Indices developed jointly with clients to meet their specific investment requirements. Ask your sales representative!								

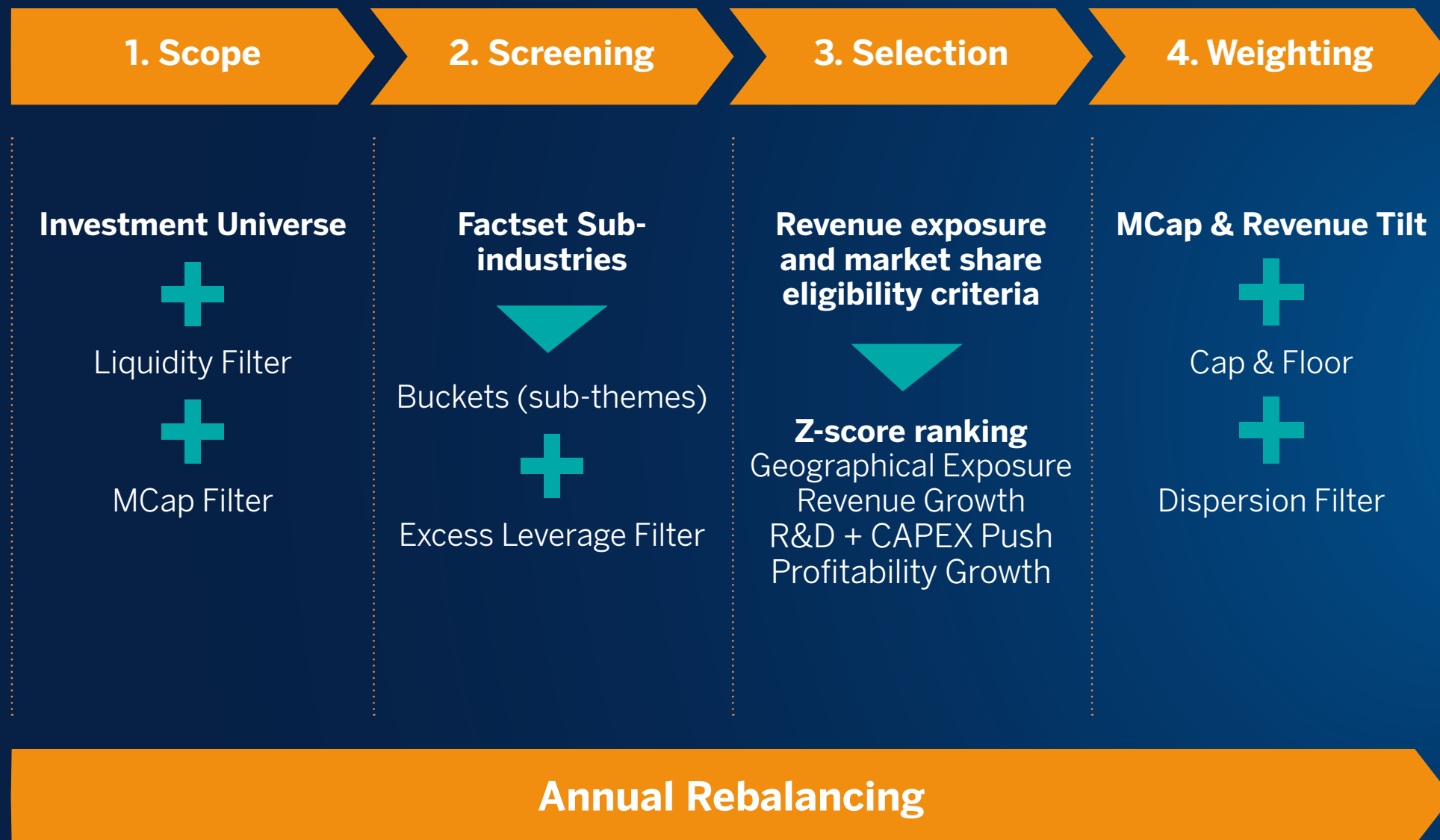
* 5Y annualized return calculated in Euros. Data as of October 20th, 2021. Figures may be partly comprised of historical performance based on a backtest.

** **EW**: Equally Weighted, **m-EW**: Modified Equally Weighted, **m-MC**: Modified Market Cap Weighted.

A fully customized investment solution at your fingertips



Unique thematic methodology

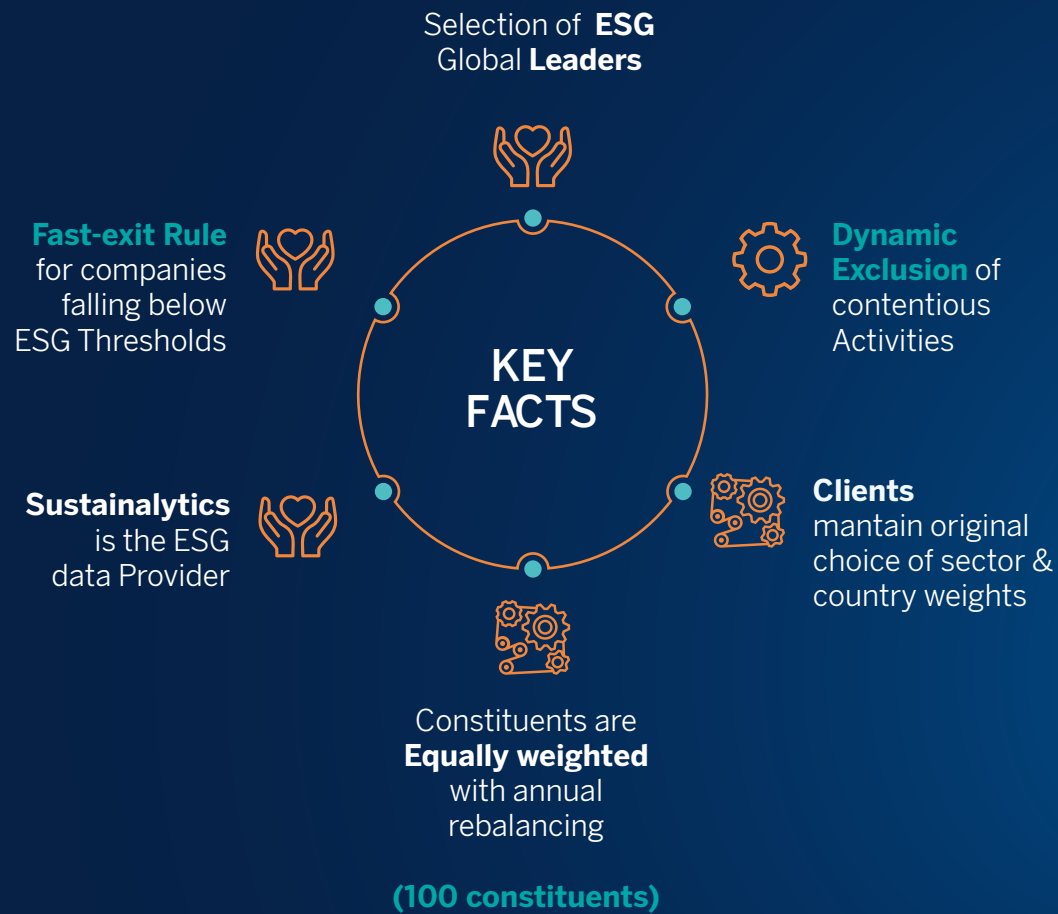




Solactive BBVA ixESG Global Leaders Index

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Key Facts



QUANTITATIVE INVESTMENT STRATEGIES



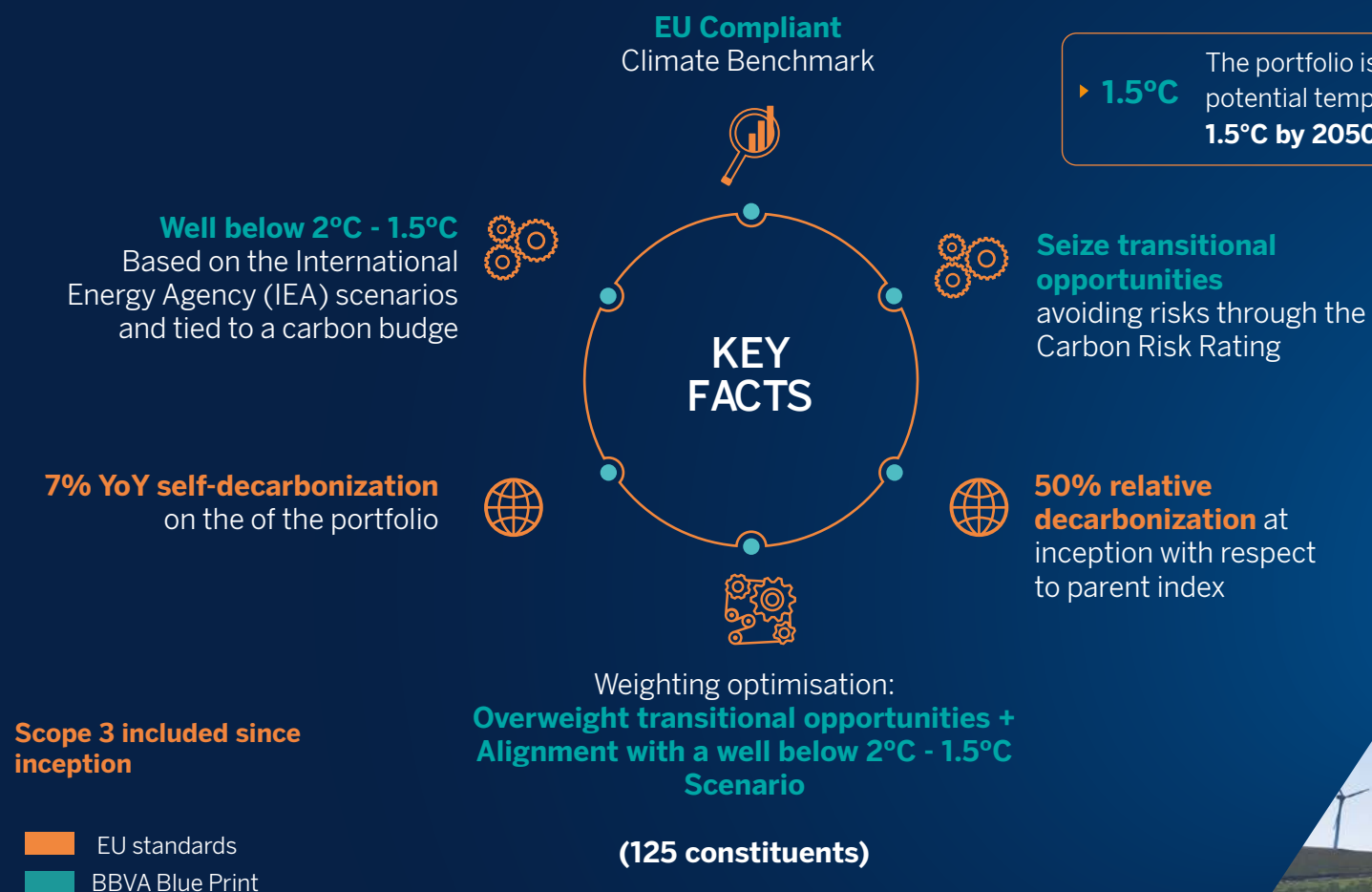
Solactive BBVA Climate Action PAB Europe Index

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VIEW VIDEO

Key Facts



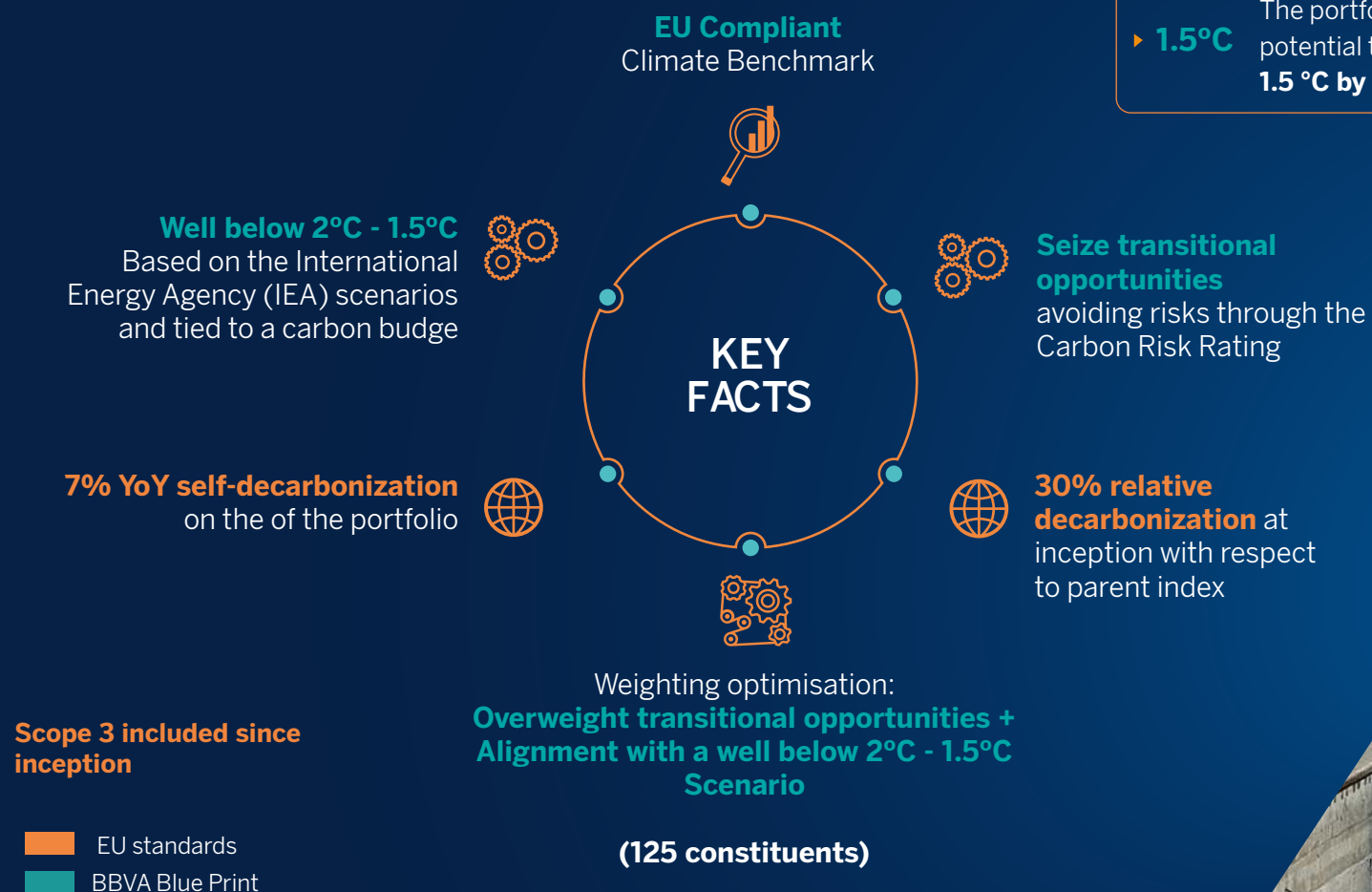
▶ **2050** The strategy in its current state is aligned with a Sustainable Development Scenario for the full analyzed period **(until 2050)**.

▶ **1.5°C** The portfolio is associated with a potential temperature increase of **1.5°C by 2050**.

QUANTITATIVE INVESTMENT STRATEGIES



Key Facts



▶ **2036** The portfolio exceeds its SDS budget **in 2036.**

▶ **1.5°C** The portfolio is associated with a potential temperature increase of **1.5 °C by 2050.**

Solactive BBVA 360 Euro IG Corporate CTB Index

[▶ Back to Indices Summary](#)



VIEW VIDEO

Key Facts

Type	●	Thematic
Theme	●	ESG
Focus	●	Climate- Transition Benchmark
Asset Class	●	Fixed Income
Region	●	Europe
Currency	●	EUR
Version	●	TR
# Constituents	●	1000 references
Data Provider	●	ISS ESG
Administrator	●	Solactive
Benchmark	●	Solactive EUR IG Corporate Index
Rebalancing Frequency	●	Annually



Solactive BBVA ixS Global Inclusive Growth Index

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Key Facts



QUANTITATIVE INVESTMENT STRATEGIES



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ixS Global Governance & Board Diversity Index

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Key Facts



QUANTITATIVE INVESTMENT STRATEGIES



Key Facts





Solactive BBVA Cybersecurity Index

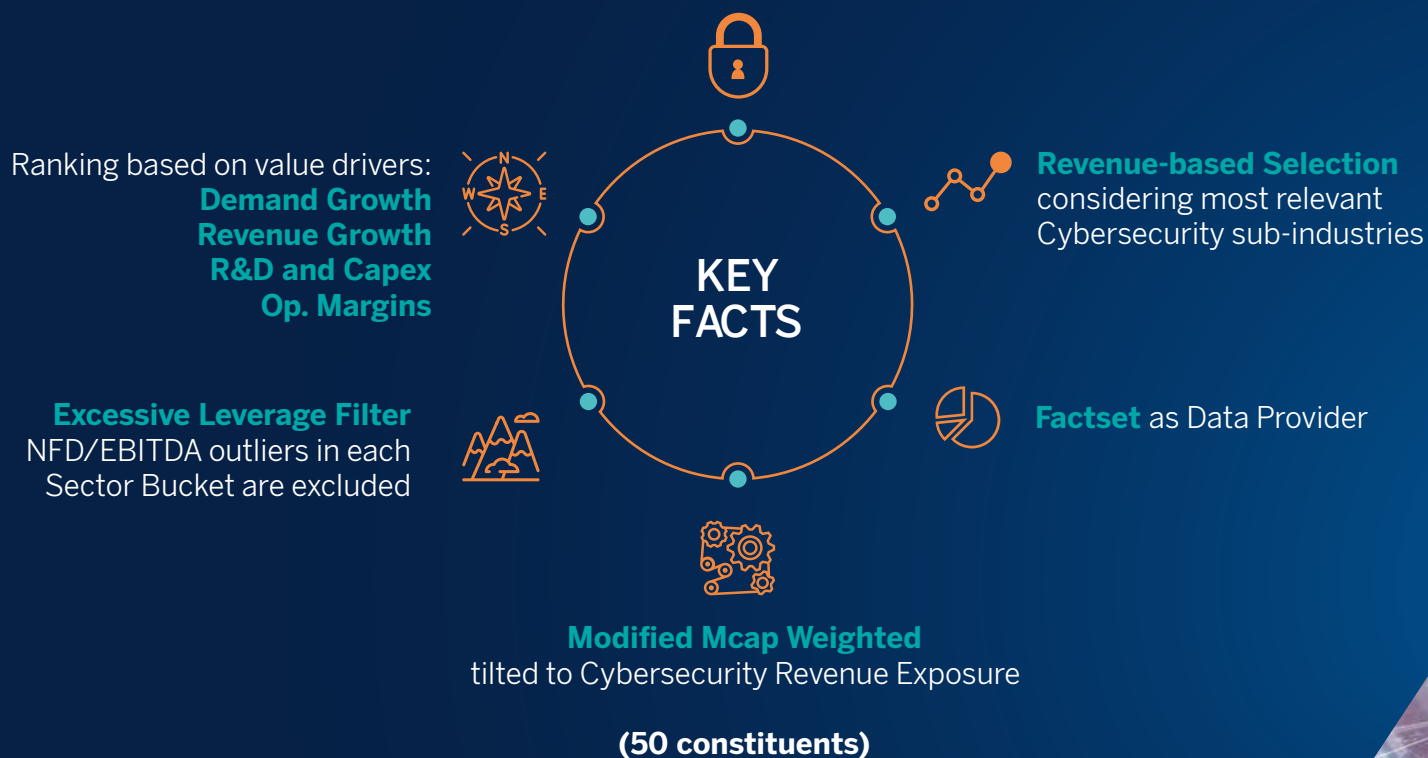
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Key Facts

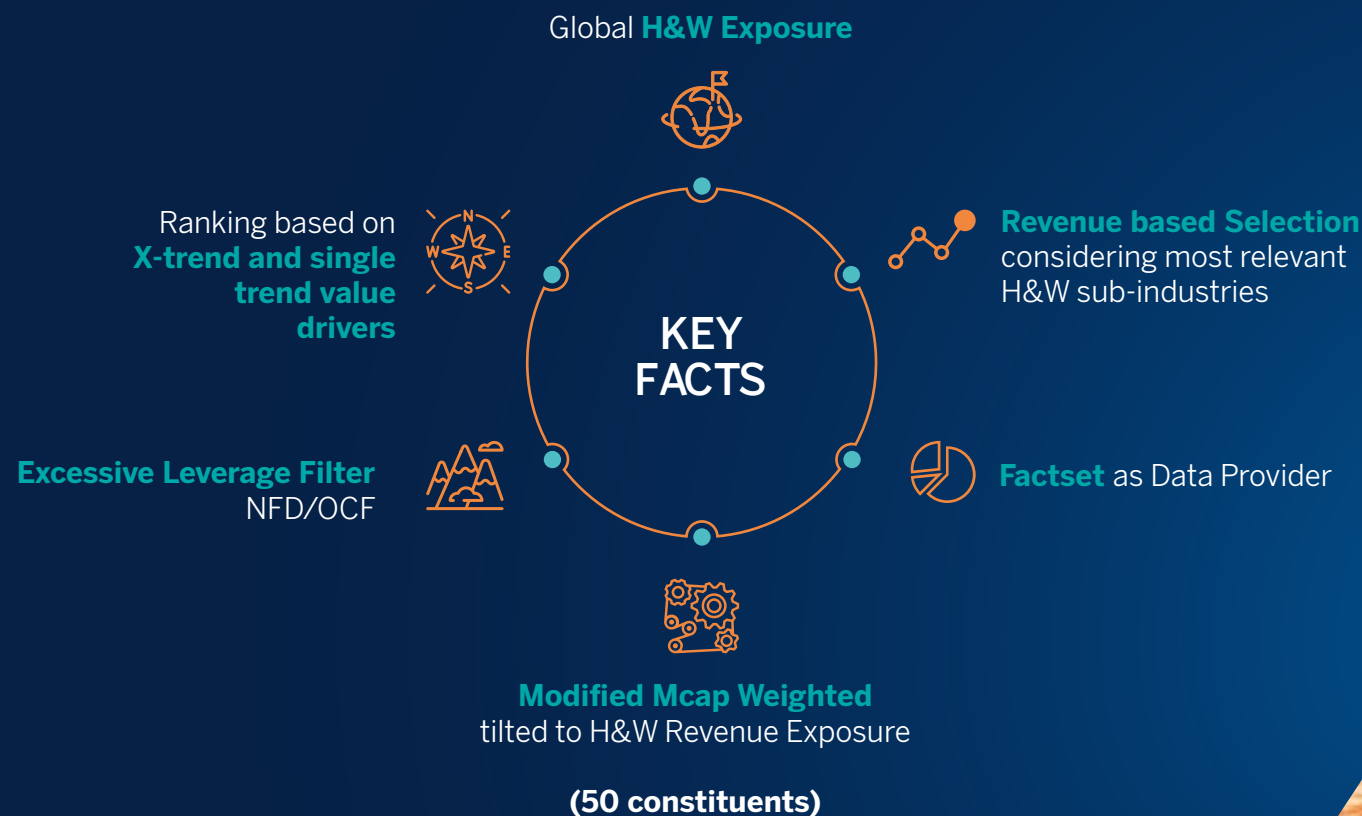
Global **Cybersecurity Exposure**



QUANTITATIVE INVESTMENT STRATEGIES



Key Facts





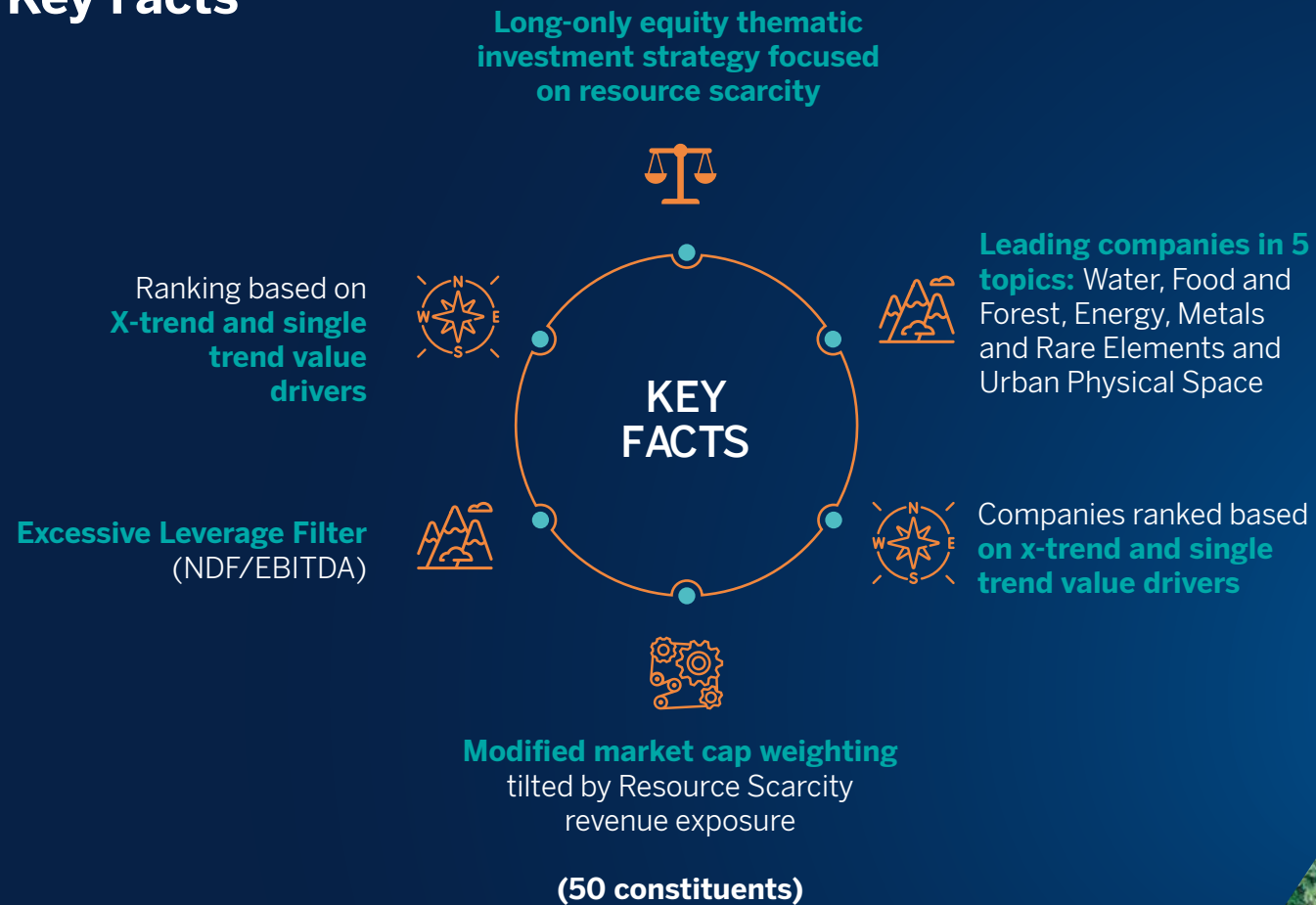
Solactive BBVA Resource Scarcity Index

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Key Facts



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Creating Opportunities

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