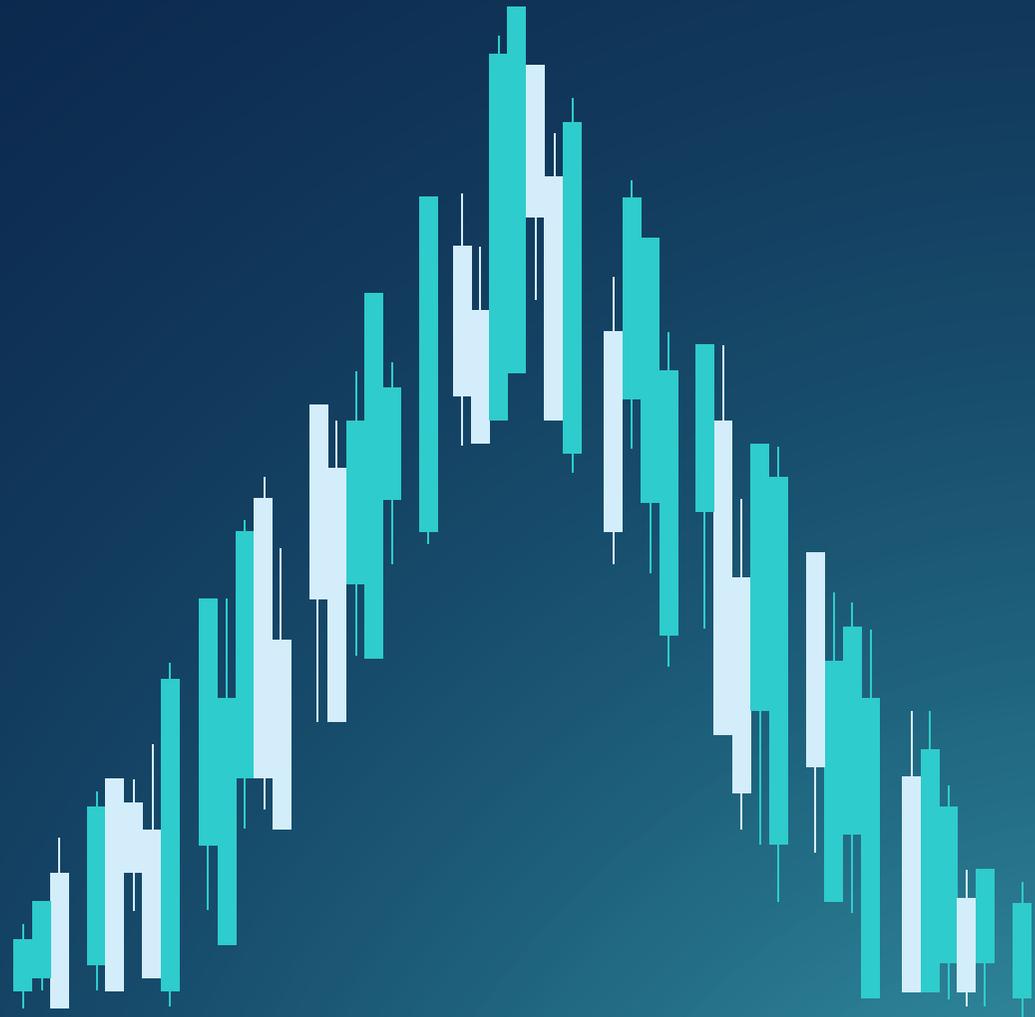


**BBVA**

Corporate &  
Investment Banking

# Quantitative Investment Strategies

**BBVA Global Markets**

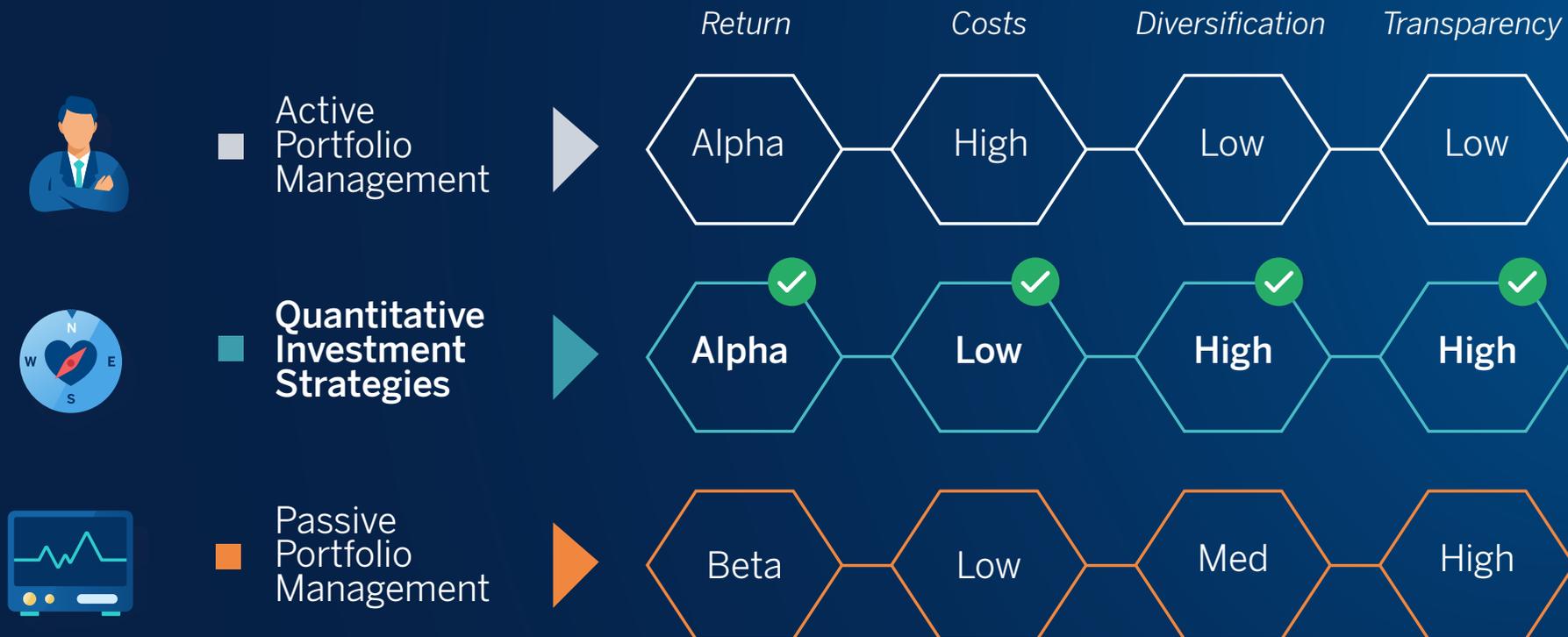


Creating Opportunities

# BBVA's Quantitative Investing Approach

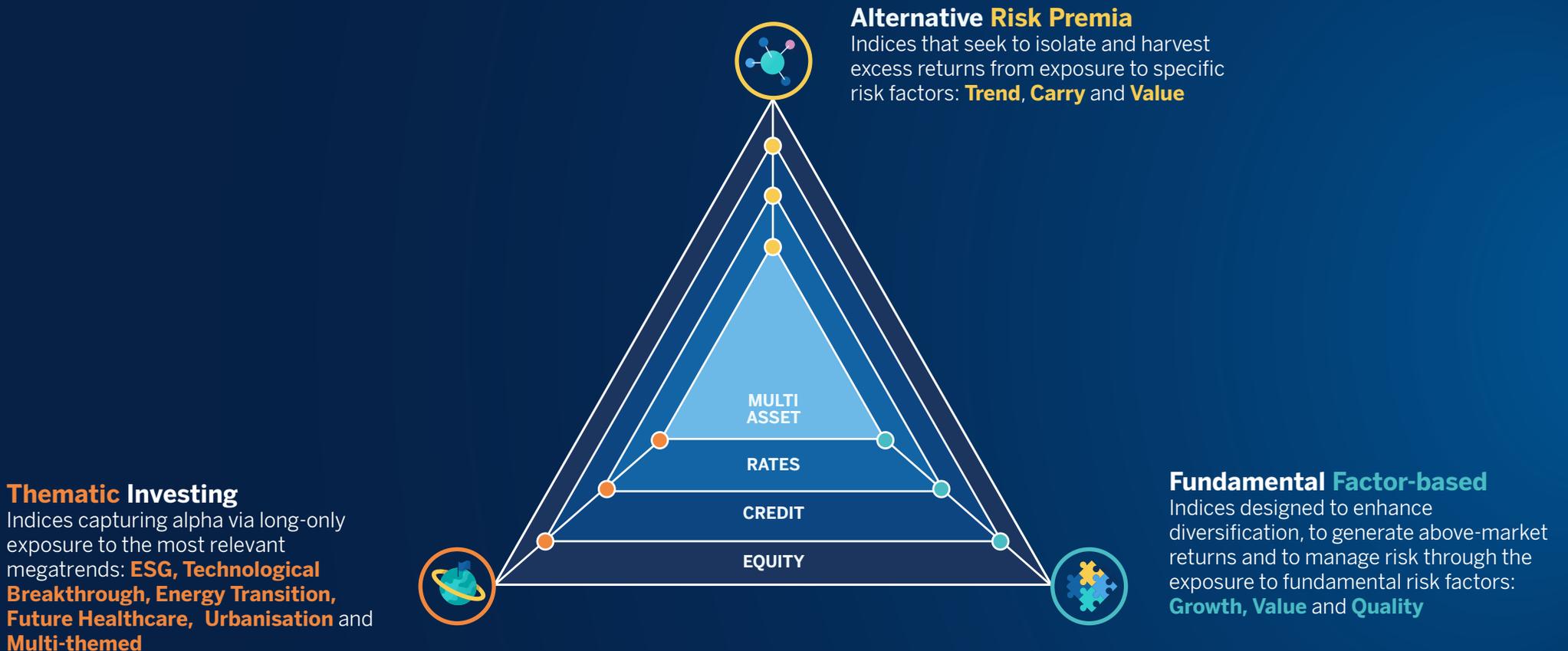
Quantitative Investing is an **alternative way of investing** that **relies on rules-based investment strategies encapsulated in indices** allowing clients to harvest alpha, or get access to non correlated complementary sources of return in a cost-efficient, diversified and transparent manner.

## INVESTMENT TECHNIQUES



# BBVA QIS Offering - Our Classification

QIS indices can be **classified** into the following types based on the underlying investment idea and investment purpose:



Additionally, BBVA QIS offers **Tailor-made indices** that are developed jointly with clients to meet their specific investment requirements. These indices could be a combination of the existing product offering or they could be built completely from scratch.

# BBVA QIS Offering - The Investment portfolio

Thematic: ESG	5Y(a)*
▶ Solactive BBVA ixESG Global Leaders	10.1% 
▶ Solactive BBVA Climate Action PAB Europe	2.7%
▶ Solactive BBVA Climate Action CTB Europe	2.4%
▶ Solactive 360 Euro IG Corporate CTB	-2.1%
▶ Solactive BBVA ixS Global Inclusive Growth	6.5%
▶ Solactive BBVA ixG Global Governance and Board Diversity	6.7%

Thematic: Others	5Y(a)*
▶ Solactive BBVA Next Generation Networks	9.8%
▶ Solactive BBVA Cybersecurity	10.7% 
▶ Solactive BBVA Metaverse	12.1%
▶ Solactive BBVA Health & Wellness	11.9%
▶ Solactive BBVA Resource Scarcity	15.1%
▶ Solactive BBVA Top Trends	11.9%
▶ Solactive BBVA US REITs Index	4.4%

Alternative Risk Premia	5Y(a)*
▶ BBVA Credit Trend	-0.2%
▶ BBVA Credit Carry	0.5%

\* 5Y annualized return calculated in EUR. Data from September 30, 2017 to September 30, 2022. Figures may be partly comprised of historical performance based on a backtest.



Best Seller Indices



Risk Control,

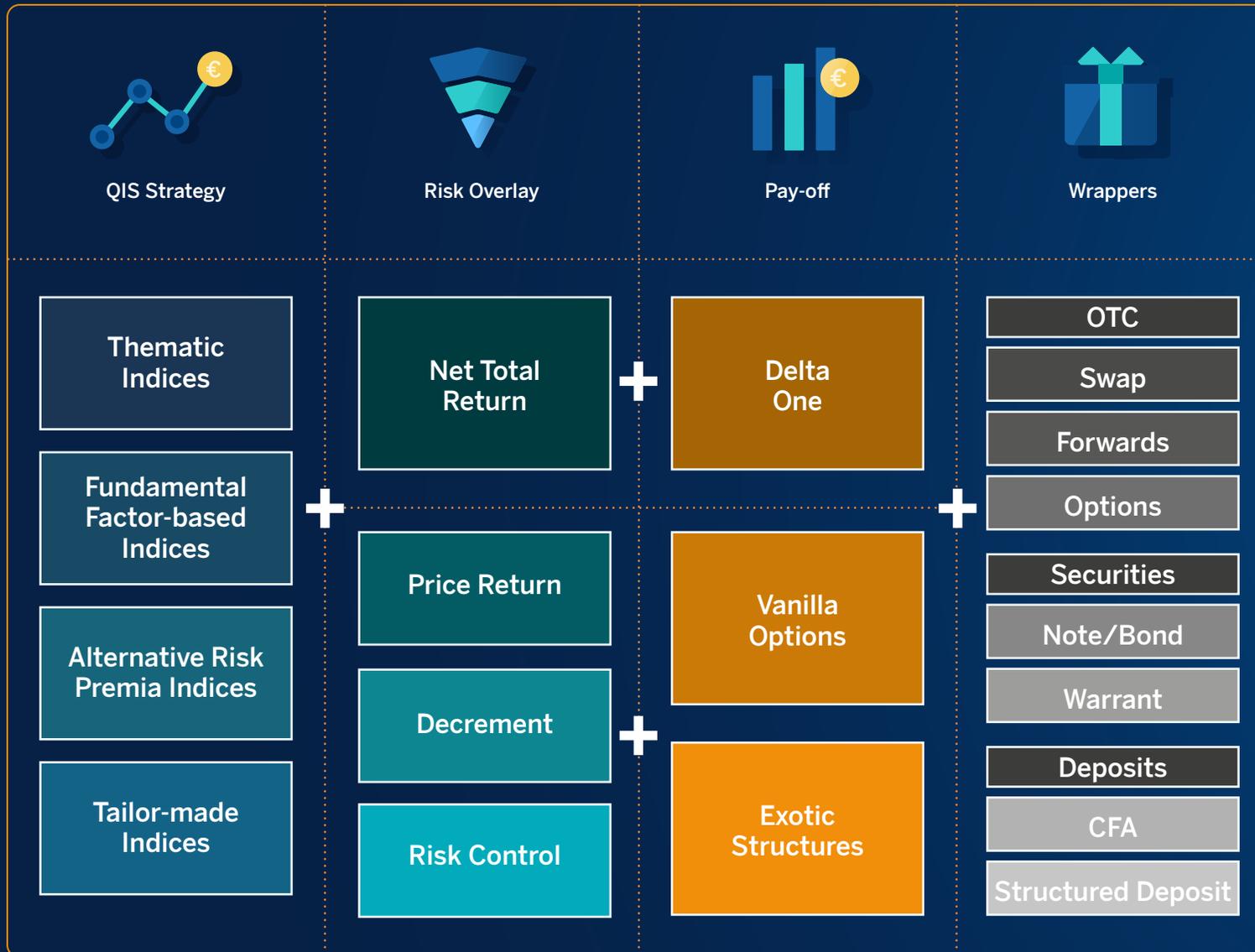


Enhanced Volatility Target and



Different currency versions are available and can be customised upon request.

# A fully customized investment solution at your fingertips



Investors



Distributors

# Risk Control Mechanism

Risk control indices are designed to **keep risk at a predetermined level** for the investment strategy, **dynamically adjusting the exposure to the underlying index** (risky asset) depending on the **market realised volatility level**.

## / How does it work?



## / Main advantages

- + It opens up the opportunity to access a great number of markets and specific strategies via capital guaranteed structures.
- + By fixing at a predetermined level the variable that affects the most the price of the options (volatility), it **reduces significantly the price of the product**.
- + **Dividend expectations do not affect the price** of the products, as a predetermined synthetic dividend yield is subtracted.
- + **Transparent, rules-based and simple** mechanism.



See video for more information about the Risk Control mechanism.

 **Telephones:****Madrid**

+ (34) 91 374 51 36

**London**

+ (44) 20 76 487 575

**Lisbon**

+ (351) 21 311 75 06

**Paris**

+ (33) 142 96 81 80

**Mexico**

+ (52) 5621 9165

**Düsseldorf**

+ (49) 211 975 0570

**New York**

+ (01) 212 728 1737

**Colombia**

+ (57) 31 6874 4656

**Peru**

+ (51) 1 209 2340

**Hong Kong**

+ (852) 3558-8340

 **Email:**

[qis@bbva.com](mailto:qis@bbva.com)

 **Website:**

[www.bbvacib.com](http://www.bbvacib.com)



**BBVA**

Corporate &  
Investment Banking

# Quantitative Investment Strategies

**BBVA Global Markets**

“Our purpose is to bring **responsible and transparent investment opportunities** to everyone through **investable indices**”



Creating Opportunities

## DISCLAIMER **BBVA Quantitative Investment Strategies**

The Indexes are not calculated, sponsored, administered or published in any manner by Banco Bilbao Vizcaya Argentaria, S.A. nor any of its affiliates (hereinafter, "BBVA"). BBVA does not act as an administrator or a contributor of the Indexes. BBVA does not offer any express or implicit guarantee or assurance with regard to the calculation, publication or results of using the Indexes and/or Indexes trade mark or the Indexes prices or levels at any time or in any other respect. There is no corporate ownership relationship between Solactive AG and BBVA, being independent companies. BBVA is not responsible for the Indexes in any case. BBVA makes no representations or warranties, either explicit or implied, as to the accuracy, reliability or completeness of the matters stated in this marketing communication (hereinafter, the "Document"). All statements, information and data in this Document are merely indicative and subject to change without notice and shall not in any case be deemed to constitute an offer, invitation, solicitation, investment advice or a recommendation to enter into any transaction or to trade, nor shall they form the basis of any contract, commitment or investment decision of any kind. Historical performance of securities, instruments, products or indexes (including the Indexes) or the historical results of investments do not guarantee future performance. This Document and its content do not constitute, and shall not be deemed to in any way offer, invitation or solicitation to purchase or subscribe any securities or other instruments, or to undertake investments or divestments and they are therefore not intended to form the basis of any contract or commitment. The document does not constitute investment advice, legal advice, tax advice or personal recommendation. You acknowledge that the products described herein may not be appropriate for you due to your specific investment or risk management goals, financial positions or risk profiles. Therefore, before entering into a transaction, you should independently evaluate the financial, market, legal, regulatory, credit, tax and accounting risks and consequences involved and consult your own advisors. BBVA is not providing any such advice. The performance by BBVA of any of the tasks mentioned in this Document is conditional upon all of the definitive legal documentation being entered into between itself and a potential client, and BBVA having access to any of the third party platforms or services mentioned in it. BBVA does not accept any liability for any action taken by you or any third party in reliance on the matters stated in this Document, nor for any direct or indirect damage, cost or loss of any nature whatsoever arising out of any error or inaccuracy in it. If you are a U.S. person (as defined in Regulation S under the Securities Act of 1933), the information presented here is provided to you by BBVA Securities Inc. ("BSI"), the U.S. broker-dealer of the BBVA Group. You should directly contact your representative at BSI for further information should you have any questions. Under Section 871(m) of the IRS, trading on U.S. underlyings could be restricted. This Document is not intended for distribution to, or to be used by, any person or entity in any jurisdiction or country which distribution or use would be contrary to law or regulation.

No part of this Document may be (i) copied, photocopied or duplicated by any other form or means (ii) redistributed or (iii) quoted, without the prior written consent of BBVA. It is understood that you accept all of the warnings and conditions contained herein in its entirety.

## DISCLAIMER **Solactive**

The financial instrument is not sponsored, promoted, sold or supported in any other manner by Solactive AG nor does Solactive AG offer any express or implicit guarantee or assurance either with regard to the results of using the Index and/or Index trade mark or the Index Price at any time or in any other respect. The Index is calculated and published by Solactive AG. Solactive AG uses its best efforts to ensure that the index is calculated correctly. Irrespective of its obligations towards the Issuer, Solactive AG has no obligation to point out errors in the Index to third parties including but not limited to investors and/or financial intermediaries of the financial instrument. Neither publication of the Index by Solactive AG nor the licensing of the Index or Index trade mark for the purpose of use in connection with the financial instrument constitutes a recommendation by Solactive AG to invest capital in said financial instrument nor does it in any way represent an assurance or opinion of Solactive AG with regard to any investment in this financial instrument.



Creating Opportunities

## DISCLAIMER **IHS Markit**

Copyright © 2022, IHS Markit Benchmark Administration Limited.

“The BBVA Credit Carry Index (the “Index”) referenced herein is the property of Banco Bilbao Vizcaya Argentaria, S.A. (“BBVA” or “Index Owner”) and the Index is solely calculated, administered and published by IHS Markit Benchmark Administration Limited and/or its affiliates (“Index Administrator”). For the avoidance of doubt, BBVA does not act as an administrator or as a contributor of the Index. Each user and party acknowledges and agrees that the Index is not supported, endorsed or promoted by the Index Administrator or the Index Owner. Neither the Index Administrator nor the Index Owner make any representation whatsoever, whether express or implied, and hereby expressly disclaim all warranties (including, without limitation, those of merchantability or fitness for a particular purpose or use), with respect to the Index or any data included therein or relating thereto, and in particular disclaims any warranty either as to the quality, accuracy and/or completeness of the Index or any data included therein, the results obtained from the use of the Index and/or the composition of the Index at any particular time on any particular date or otherwise and/or the creditworthiness of any entity, or the likelihood of the occurrence of a credit event or similar event (however defined) with respect to an obligation, in the Index at any particular time on any particular date or otherwise. Neither the Index Administrator nor the Index Owner shall be liable (whether in negligence or otherwise) to the parties or any other person for any error in the Index, and they are under no obligation to advise the parties or any person of any error therein.

Neither the Index Administrator nor the Index Owner make any representation whatsoever, whether express or implied, as to the advisability of, the ability of the Index to track relevant markets’ performances, or otherwise relating to the Index or any transaction or product with respect thereto, or of assuming any risks in connection therewith. Neither the Index Administrator nor the Index Owner has no obligation to take the needs of any party into consideration in determining, composing or calculating the Index. Neither the Index Owner, nor the Index Administrator, shall have any liability to any party for any act or failure to act by the Index Administrator in connection with the determination, adjustment, calculation or maintenance of the Index.

For the avoidance of doubt, there is no corporate ownership relationship between the Index Administrator and the Index Owner, which are separate and independent companies.”



Creating Opportunities

## DISCLAIMER **IHS Markit**

Copyright © 2022, IHS Markit Benchmark Administration Limited.

“The BBVA Credit Trend index (the “Index”) referenced herein is the property of Banco Bilbao Vizcaya Argentaria, S.A. (“BBVA” or “Index Owner”) and the Index is solely calculated, administered and published by IHS Markit Benchmark Administration Limited and/or its affiliates (“Index Administrator”). For the avoidance of doubt, BBVA does not act as an administrator or as a contributor of the Index. Each user and party acknowledges and agrees that the Index is not supported, endorsed or promoted by the Index Administrator or the Index Owner. Neither the Index Administrator nor the Index Owner make any representation whatsoever, whether express or implied, and hereby expressly disclaim all warranties (including, without limitation, those of merchantability or fitness for a particular purpose or use), with respect to the Index or any data included therein or relating thereto, and in particular disclaims any warranty either as to the quality, accuracy and/or completeness of the Index or any data included therein, the results obtained from the use of the Index and/or the composition of the Index at any particular time on any particular date or otherwise and/or the creditworthiness of any entity, or the likelihood of the occurrence of a credit event or similar event (however defined) with respect to an obligation, in the Index at any particular time on any particular date or otherwise. Neither the Index Administrator nor the Index Owner shall be liable (whether in negligence or otherwise) to the parties or any other person for any error in the Index, and they are under no obligation to advise the parties or any person of any error therein.

Neither the Index Administrator nor the Index Owner make any representation whatsoever, whether express or implied, as to the advisability of, the ability of the Index to track relevant markets’ performances, or otherwise relating to the Index or any transaction or product with respect thereto, or of assuming any risks in connection therewith. Neither the Index Administrator nor the Index Owner has no obligation to take the needs of any party into consideration in determining, composing or calculating the Index. Neither the Index Owner, nor the Index Administrator, shall have any liability to any party for any act or failure to act by the Index Administrator in connection with the determination, adjustment, calculation or maintenance of the Index.

For the avoidance of doubt, there is no corporate ownership relationship between the Index Administrator and the Index Owner, which are separate and independent companies.



Creating Opportunities

## DISCLAIMER **S&P Dow Jones**

The Derived Index is a product of BBVA and use as a component thereof the Index, which is a product of S&P Dow Jones Indices LLC, its affiliates (“S&P DJI”) and Cboe Exchange, Inc. (“CBOE”) under license. Standard & Poor’s® and S&P® are registered trademarks of Standard & Poor’s Financial Services LLC (“SPFS”), Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC (“Dow Jones”), and VIX® and CBOE® are registered trademarks of CBOE. The trademarks have been licensed to S&P DJI and have been sublicensed for use for certain purposes by BBVA. The Index is not owned, endorsed, or approved by or associated with BBVA. The Derived Index is not owned, endorsed, or approved by or associated with S&P DJI or CBOE. It is not possible to invest directly in an index. Derived Index Product are not sponsored, endorsed, sold or promoted by S&P DJI, Dow Jones, SPFS, any of their respective affiliates (collectively, S&P Dow Jones Indices”) or CBOE. S&P Dow Jones Indices and CBOE makes no representation or warranty, express or implied, to the owners of the Derived Index Product or any member of the public regarding the advisability of investing in securities generally or in Derived Index Product particularly or the ability of the Index and/or Derived Index or the Derived Index Product to track general market performance. Past performance of an index is not an indication or guarantee of future results. S&P Dow Jones Indices’ only relationship to BBVA with respect to the Index and/or Derived Index is the licensing of the Index and certain trademarks, service marks and/or trade names of S&P Dow Jones Indices and CBOE. The Index is determined, composed and calculated by S&P Dow Jones Indices or CBOE without regard to BBVA or the Derived Index Product. S&P Dow Jones Indices and CBOE have no obligation to take the needs of BBVA or the owners of the Derived Index Product into consideration in determining, composing or calculating the Index. Neither S&P Dow Jones Indices nor CBOE are responsible for and have not participated in the determination of the prices, and amount of the Derived Index Product or the timing of the issuance or sale of the Derived Index Product or in the determination or calculation of the equation by which the Derived Index Product is to be converted into cash, surrendered or redeemed, as the case may be. Neither S&P Dow Jones Indices nor CBOE has any obligation or liability in connection with the administration, marketing or trading of the Derived Index Product. There is no assurance that investment products based on, either directly or indirectly, the Index will accurately track index performance or provide positive investment returns. Neither S&P Dow Jones Indices nor CBOE is an investment or tax advisor. A tax advisor should be consulted to evaluate the impact of any tax-exempt securities on portfolios and the tax consequences of making any particular investment decision. Inclusion of a security within an index is not a recommendation by S&P Dow Jones Indices or CBOE to buy, sell, or hold such security, nor is it considered to be investment advice.

S&P DOW JONES INDICES AND ITS THIRD PARTY LICENSORS DO NOT GUARANTEE THE ADEQUACY, ACCURACY, TIMELINESS AND/OR THE COMPLETENESS OF THE INDEX OR ANY DATA RELATED THERETO OR ANY COMMUNICATION, INCLUDING BUT NOT LIMITED TO, ORAL OR WRITTEN COMMUNICATION (INCLUDING ELECTRONIC COMMUNICATIONS) WITH RESPECT THERETO. S&P DOW JONES INDICES AND ITS THIRD PARTY LICENSORS SHALL NOT BE SUBJECT TO ANY DAMAGES OR LIABILITY FOR ANY ERRORS, OMISSIONS, OR DELAYS THEREIN. S&P DOW JONES INDICES MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE OR AS TO RESULTS TO BE OBTAINED BY BBVA, OWNERS OF THE DERIVED INDEX PRODUCT, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF, EITHER DIRECTLY OR INDIRECTLY, THE INDEX AND/OR THE DERIVED INDEX OR WITH RESPECT TO ANY DATA RELATED THERETO. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT WHATSOEVER SHALL S&P DOW JONES INDICES BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS, TRADING LOSSES, LOST TIME OR GOODWILL, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE. THERE ARE NO THIRD PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN S&P DOW JONES INDICES AND BBVA, OTHER THAN THE LICENSORS OF S&P DOW JONES INDICES.