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DECODING THE DNA OF FINANCIAL MARKETS

OPEN END TRACKER CERTIFICATE

New | Analytics technology developed by OpenMetrics Solutions LLC – an ETH Zurich university spin-off
Open End Tracker Certificate on OpenMetrics-JIMAG Global Equity Regions Stability Index

The financial instruments mentioned in this document are derivative instruments. They do not qualify as units of a collective investment scheme pursuant to art. 7 et seqq. of the Swiss Federal Act on Collective Investment Schemes (CISA) and are therefore neither registered nor supervised by the Swiss Financial Market Supervisory Authority FINMA. Investors do not benefit from the specific investor protection provided under the CISA.



OPENMETRICS-JIMAG GLOBAL EQUITY REGIONS STABILITY INDEX

The OpenMetrics-JIMAG Global Equity Regions Stability Index (Index) is a quantitative strategy developed by OpenMetrics Solutions LLC. It dynamically allocates between six equity-focused exchange-traded funds (ETFs) and a cash ETF for downside protection. The Index aims to provide an improved risk/return profile compared to a passive investment in the six equity ETFs and to protect against major drawdowns during severe market crises.

INVESTMENT UNIVERSE

REGION	NAME	ISIN	CURRENCY
North America	iShares MSCI North America UCITS ETF	IE00B14X4M10	USD
Europe	Invesco MSCI Europe UCITS ETF	IE00B60SWY32	USD
Pacific	ComStage ETF MSCI Pacific TRN UCITS ETF	LU0392495023	USD
EM Latin America	iShares MSCI EM Latin America UCITS ETF	IE00B27YCK28	USD
EM Asia	iShares MSCI Emerging Markets Asia ETF	US4642864262	USD
EM EMEA	Xtrackers MSCI EM Europe, Middle East & Africa Swap UCITS ETF	LU0292109005	USD
Not applicable	Lyxor Smart Cash	LU1248511575	USD

CONCEPT

Equity markets undergo sudden changes in their dynamic. Changes occur if new price information cannot be explained with the dynamics of older price information (i.e. a change in the trend and/or a change in risk). Dr Tobias Setz (CTO - OpenMetrics Solutions LLC) in his doctoral thesis titled "Stable Portfolio Design Using Bayesian Change Point Models and Geometric Shape Factors" developed an innovative approach to extract trend, risk information and regime change probabilities from historical price data.

The OpenMetrics-JIMAG Global Equity Regions Stability Index combines all three factors (trend, risk and regime change probabilities) into a stability indicator per equity ETF. In addition, all six equity indicators are adjusted by their regional factor (North America: 52%, Europe: 20%, Pacific: 8%, Asia: 14%, EMEA: 3.2% and Latin America: 2.8%). Regional factors are stable and approximated based on market capitalisation data from global indices. Any remainder not allocated into the six equity ETFs is allocated to the cash ETF. The Index is rebalanced once a month based on the then prevailing indicators.

Source: Jacot Investment Management AG

RISKS

- The product is not capital protected
- Investors may lose part or all of the invested capital
- Investors bear the credit risk of the issuer
- This product is referenced in USD. Investors whose usual currency is not the currency in which the product is redeemed, should be aware of their possible currency risk.

FACTS & FIGURES

Issuer	Leonteq Securities AG Guernsey Branch St Peter Port, Guernsey	
SVSP Category	Tracker Certificate (1300)	
Underlying	OpenMetrics-JIMAG Global Equity Regions Stability Index	
Index Sponsor	Jacot Investment Management AG	
Index Allocator	OpenMetrics Solutions LLC	
Index Calculation Agent	Leonteq Securities AG, Zurich, Switzerland	
Index Administrator	LIXX GmbH	
Currency	USD	
Maturity	Open End	
Initial Load	Up to USD 10, will be added to the Issue Price	
Management Fee	1.50% p.a.	
Issue Price	USD 1,000.00	
Listing	SIX Swiss Exchange AG	Börse Frankfurt Zertifikate AG (Open Market)
ISIN	CH0499660303 (LJKLTO)	CH0511106350 (A2UULF)
Initial Fixing Date	8 Nov 2019	3 Dec 2019

ABOUT OPENMETRICS SOLUTIONS LLC

OpenMetrics Solutions LLC is an ETH Zurich university spin-off founded in 2016. OpenMetrics Solutions LLC focuses on advanced statistical methods and financial engineering based on the latest academic research developed at ETH Zurich university and affiliated universities. It maintains a large set of leading-edge open source packages for finance in the popular mathematical/statistical language R.

Source: Jacot Investment Management AG

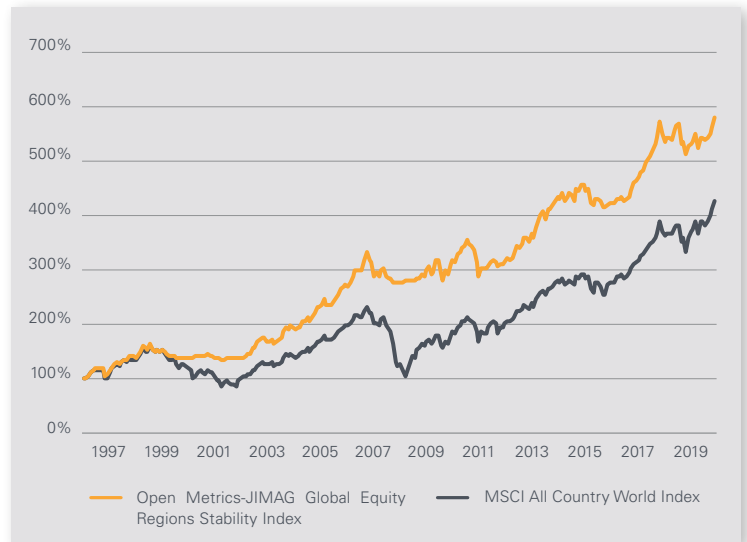
INDEX DESCRIPTION

The Underlying is a dynamic, actively managed index which is discretionarily managed by the Index Sponsor and calculated by the Index Calculation Agent. The Index Sponsor determines and is responsible for the composition of the Index and may add, replace or remove Components in accordance with a set of predefined rules set out in the Underlying rule book.

HIGHLIGHTS

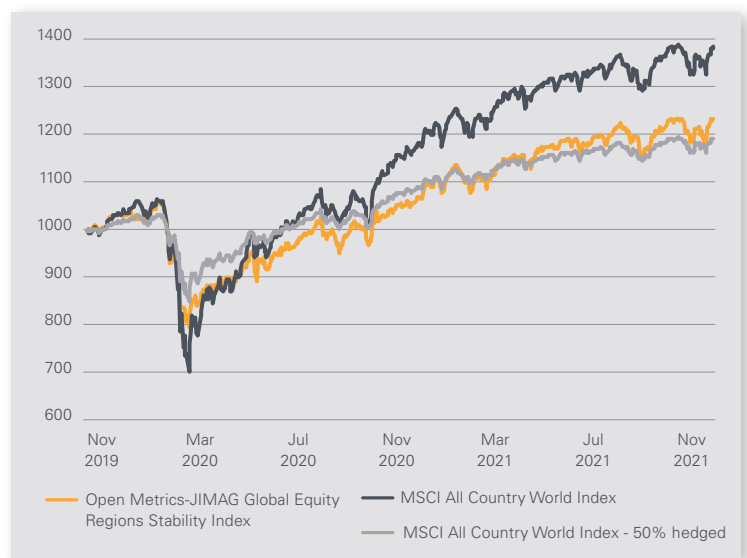
- Novel quantitative strategy developed by OpenMetrics Solutions LLC – an ETH Zurich university spin-off
- Replicates an investment in a diversified and liquid equity & cash ETF portfolio
- Aims to protect against major drawdowns during severe market crises
- Can be traded on SIX Swiss Exchange AG and Börse Frankfurt Zertifikate AG (Open Market)

HYPOTHETICAL INDEX PERFORMANCE



Source: OpenMetrics Solutions LLC, as of 1. November 2020. Back tested performance is purely hypothetical and is provided for information purposes only. Back tested data does not represent the actual performance and it is not an indicator of the actual or future performance of the OpenMetrics-JIMAG EUR Bonds & Precious Metals Optimized Index. Backtested performance was generated by OpenMetrics Solutions LLC for illustrative purposes only and the methodology used may differentiate from the methodology employed by index administrator LIXX GmbH when calculating the OpenMetrics-JIMAG Global Equity Regions Stability Index.

REAL INDEX PERFORMANCE



Source: Leonteq Securities AG 2022, Bloomberg

MONTH-ON-MONTH PERFORMANCE (%)

	2021	2020	2019	2018	2017	2016	2015	2014	2013
JAN	1.08	-1.02	2.4	5.9	2.4	-2.6	-2.3	-3.5	4.5
FEB	1.57	-9.25	1	-4.3	3.1	-0.1	4.9	4.7	0
MAR	1.35	-5.69	0.8	-2.1	1.1	0.9	-1.1	0.4	2.1
APR	3.56	2.73	3	0.8	1.4	0.6	2.4	1.1	2.7
MAY	1.40	1.69	-4.9	0.4	2.1	0.3	0	2	0.3
JUN	1.18	0.61	3.2	-0.5	0.6	0	-2.1	1.9	-2.7
JUL	-0.74	4.32	0.5	2.9	3	1.8	0.4	-1.1	5.1
AUG	2.95	5.36	-1.3	1.7	0.5	0.3	-5.1	2.5	-2.1
SEP	-2.9	-3.16	1.1	0.5	1.8	0.4	-1.1	-3.1	4.6
OCT	3.13	-1.07		-6.7	2.3	-1.2	2.7	1.4	4
NOV	-1	7.01		1.1	2	0.4	-0.2	2	1.9
DEC	2.63	3.40	3.12	-4.2	1.7	1.2	-0.7	-0.7	2.1
YTD	14.88	3.74		-5	24.3	1.8	-2.5	7.5	24.3

Source: OpenMetrics Solutions LLC, as of 31 December 2019. Back tested performance is purely hypothetical and is provided for information purposes only. Back tested data does not represent the actual performance and it is not an indicator of the actual or future performance of OpenMetrics-JIMAG Global Equity Regions Stability Index. No dividend withholding was considered in the back tested performance (i.e. gross total return performance) whereas dividend withholding will be considered in Open- Metrics-JIMAG Global Equity Regions Stability Index (i.e. net total return performance) calculated by index administrator LIXX GmbH. Back tested performance was generated by Open- Metrics Solutions LLC for illustrative purposes only and the methodology used may differentiate from the methodology employed by index administrator LIXX GmbH when calculating the OpenMetrics-JIMAG Global Equity Regions Stability Index.

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Index description

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