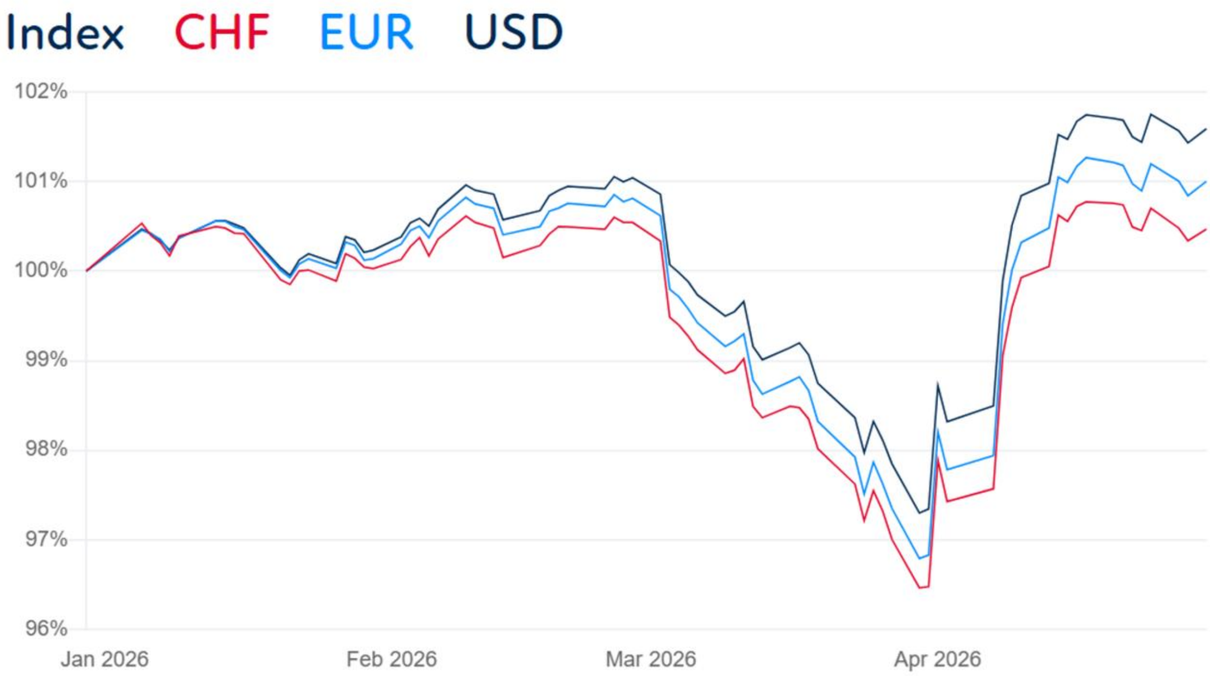
SSPA Benchmark Index - Monthly Update

April Rebound: How Geopolitics and Earnings Fueled Market Recovery



Geopolitics and earnings season lead to market rebound

Capital markets saw a V-shaped recovery during April 2026. On the one hand, a ceasefire in the Middle East and temporarily falling oil prices lifted investor sentiment. Meanwhile, markets saw a strong start to the latest earnings season. In the U.S., prominent companies like Boeing, FedEx or Intel surprised positively. European counterparts did the same. For example, ABB raised its full-year sales and profit outlook. Results of the Swiss engineering company were driven by surging demand from data centres.

Impact on structured products and the SSPA Benchmark Index

Broad-based recovery across underlying equity markets led to a positive performance of the SSPA Benchmark Index in April. With all three underlyings moving higher, the likelihood of barrier events declined significantly, supporting the stability of existing positions. At the same time, the rebound reduced previous drawdowns, contributing to the overall index recovery. In addition, declining volatilities had a twofold impact on the structured products environment: On the one hand, it reduced the risk of barrier breaches for existing positions, thereby providing a stabilizing effect. On the other hand, lower volatility levels resulted in less attractive coupon conditions for new issuances, as volatility is a key driver of return components in Barrier Reverse Convertibles.

As the index reflects a systematic monthly roll into new Barrier Reverse Convertibles, both the improved market levels and the prior volatility environment influenced performance dynamics during the period.

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Looking forward, geopolitics and oil prices will still play a decisive role for capital markets. At the same time, investors might closely watch the ongoing earnings season and incoming economic indicators. As there are still many uncertainties, structured products in general and Barrier Reverse Convertibles in particular can be helpful and attractive portfolio components.