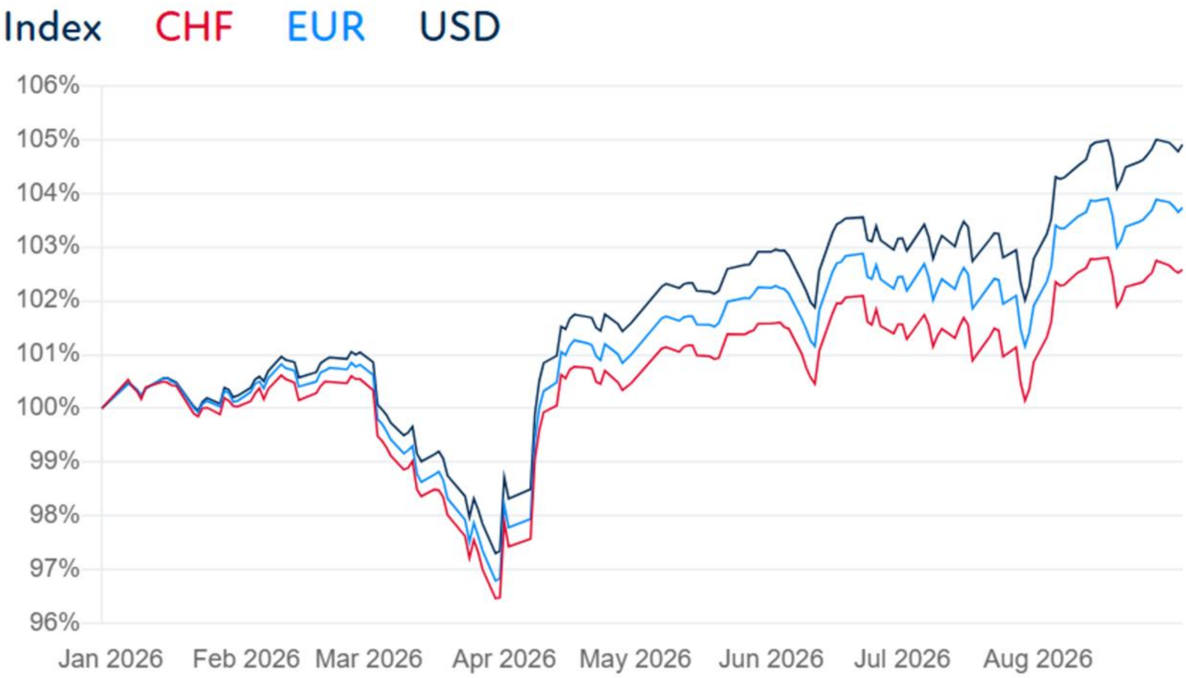
SSPA Benchmark Index – Monthly Update

First anniversary, new all-time highs



Investor sentiment improved during August 2026. After having seen some correction, equity markets were up once again. Robust corporate earnings, particularly in the technology sector, supported investor sentiment and reinforced confidence in continued AI-related investment. At the same time, economic indicators pointed to continued resilience in Europe. The final S&P Global Eurozone Composite PMI stood at 52.0 in August, remaining in expansionary territory, while manufacturing activity strengthened further.

Equity markets still face headwinds. During August 2026, yields were strongly up. In the U.S., government bond yields rose during August, reflecting persistent inflation concerns, fiscal pressures and shifting expectations regarding the monetary policy outlook. By the end of August, markets were pricing in an increased probability of a Federal Reserve rate hike at its September meeting. Expectations of further monetary tightening also increased in the euro area and Japan. Nevertheless, Nikkei 225, EURO STOXX 50 and S&P 500 ended August 2026 with gains. The latter two even booked new record highs during the reporting month.

Impact on Structured Products and the SSPA Benchmark Index

As the SSPA Benchmark Index is based on standardized Worst-of Barrier Reverse Convertibles linked to S&P 500, EURO STOXX 50 and Nikkei 225, it also saw a strong month. Every single one of the three tranches reached a new all-time-high. The USD tranche did the best, as it was up 2.1% during the reporting month. Over a 12-month period, the USD Index has gained 7.9%. During the same time, the EUR tranche was up 5.9%, whereas the CHF tranche gained 4.1%. The performance differences between the three currency tranches reflect, among other factors, the different coupon levels generated in the respective currencies, which are influenced by prevailing interest-rate conditions and option pricing. Historically, the USD tranche has offered the highest coupon levels, followed by EUR and CHF.

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Volatility generally declined during August. Together with higher underlying equity markets, this reduced the probability of barrier events and supported the valuation of existing positions. At the same time, lower volatility typically results in less favourable coupon terms for newly issued Barrier Reverse Convertibles.

This was also reflected in the latest monthly rollover. At the end of August, newly issued Barrier Reverse Convertibles entered the index with coupon levels of 9.93 percent in USD, 8.27 percent in EUR and 5.47 percent in CHF, compared with 12.16 percent, 10.46 percent and 7.91 percent respectively at the end of July. Coupon levels therefore decreased across all three currency tranches.

Looking ahead to September, monetary policy takes the center stage, with the Federal Reserve, ECB, BoJ and SNB all scheduled to meet during the month. Geopolitical developments and energy prices will also remain important sources of market risk, while investors continue to assess the sustainability of corporate earnings growth.

September also marks the first anniversary of the SSPA Benchmark Index. Since its launch on 2 September 2025, the index has provided a transparent, independent and rules-based reference point for tracking the performance of standardized Barrier Reverse Convertibles across CHF, EUR and USD.

Ref. No.	Index	ISIN	Reuters Instrument Code (RIC)	Bloomberg Ticker	Year-to-Date Performance as of 31.08.26	Year-on-Year Performance as of 31.08.26	Absolute Index levels since inception (31.07.24) as of 31.08.26
1	SSPA MBRC CHF – Global Indices	DE000SL0RJT9	.SPBRCCHF	SPBRCCHF Index	**2.7%**	**4.1%**	**109.3**
2	SSPA MBRC EUR – Global Indices	DE000SL0RE17	.SPBRCEUR	SPBRCEUR Index	**3.8%**	**6.0%**	**113.7**
3	SSPA MBRC USD – Global Indices	DE000SL0RE09	.SPBRCUSD	SPBRCUSD Index	**4.9%**	**7.9%**	**118.0**

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