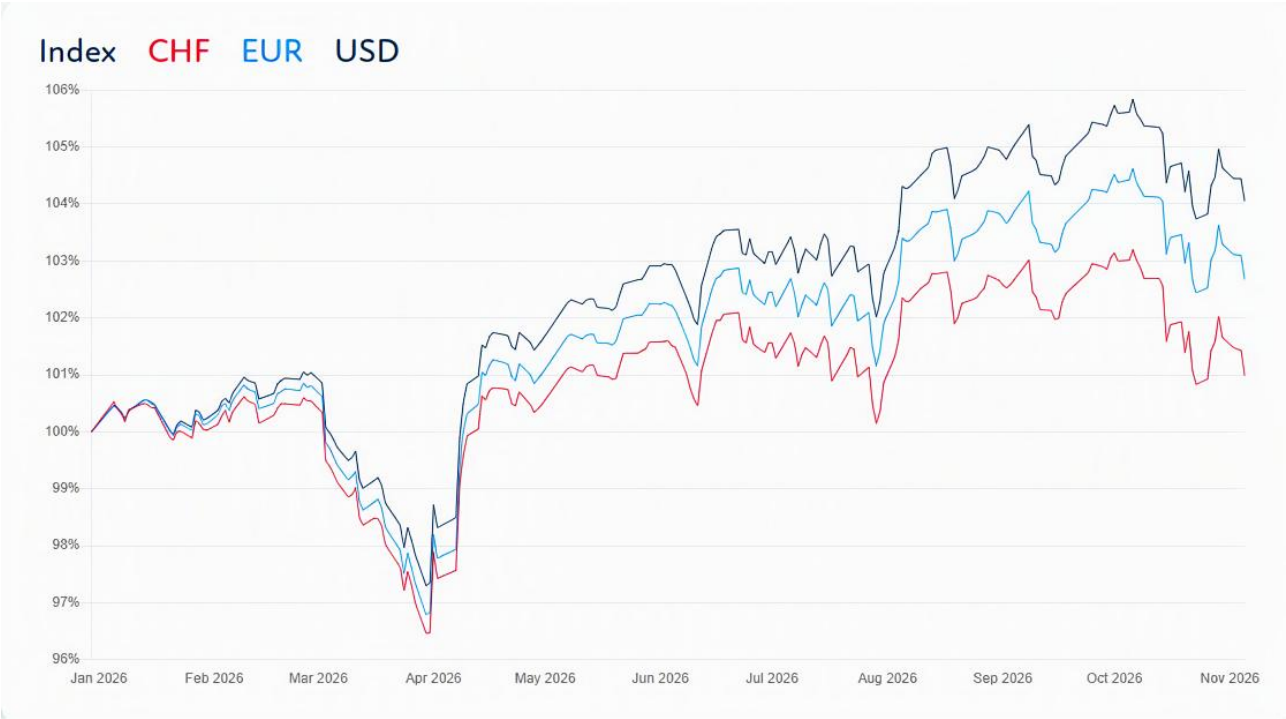
SSPA Benchmark Index – Monthly Update

Tensions are rising



All three equity markets underlying the SSPA Benchmark Index ended October lower, with the sharpest decline recorded in Japan. The Nikkei 225 ended the month down 5.2%. The EURO STOXX 50 Index, which comprises the largest blue-chip companies in the eurozone, posted a decline of 2.2%. Meanwhile, the US benchmark index S&P 500 fell by 0.9%. Technology stocks were once again at the center of attention. Against the backdrop of elevated financing costs, investors increasingly questioned whether the substantial investments in AI infrastructure will generate adequate returns.

Investor uncertainty was also evident in volatility levels. As equity markets came under mounting pressure, price fluctuations increased significantly. The VIX ended in October at 19.42, around 19% above its end-September level, while the VSTOXX increased by approximately 22% over the same period, closing the current month at 22.09.

Impact on structured products and the SSPA Benchmark Index

Falling underlying markets reduce the distance to the 70% barrier and increase downside risk, while higher implied volatility generally weighs on the valuation of outstanding Barrier Reverse Convertibles. Against this backdrop, all three currency tranches of the SSPA Benchmark Index recorded losses in October. The CHF, EUR and USD tranches declined by -1.44%, -1.03% and -1.04% respectively during October. This benchmark is based on standardized worst-of Barrier Reverse Convertibles linked to the S&P 500, EURO STOXX 50, and Nikkei 225 indices.

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Higher volatility also supports higher coupon levels for newly issued products. This was reflected in the latest monthly rollover: the BRCs entering the index at the end of October offered coupons of 10.99% in USD, 9.28% in EUR, and 6.39% in CHF, compared with 9.92%, 8.33% and 5.27% respectively at the end of September. The October rollover therefore resulted in an increase of approximately 100 basis points across all three currency tranches. Alongside volatility, prevailing interest rate conditions also remain an important determinant of coupon levels.

Following the U.S. midterm elections, attention is now shifting to the policy implications of the new congressional balance, inflation and monetary-policy expectations, and the ongoing debate around the funding and monetization of AI-related investments.

Ref. No.	Index	ISIN	Reuters Instrument Code (RIC)	Bloomberg Ticker	Year-to-Date Performance as of 31.10.2026	Year-on-Year Performance as of 31.10.2026	Absolute Index levels since inception (31.07.24) as of 31.10.2026
1	SSPA MBRC CHF – Global Indices	DE000SL0RJT9	.SPBRCCHF	SPBRCCHF Index	**1.7%**	**1.8%**	**108.2**
2	SSPA MBRC EUR – Global Indices	DE000SL0RE17	.SPBRCEUR	SPBRCEUR Index	**3.3%**	**3.9%**	**113.1**
3	SSPA MBRC USD – Global Indices	DE000SL0RE09	.SPBRCUSD	SPBRCUSD Index	**4.6%**	**5.6%**	**117.7**

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