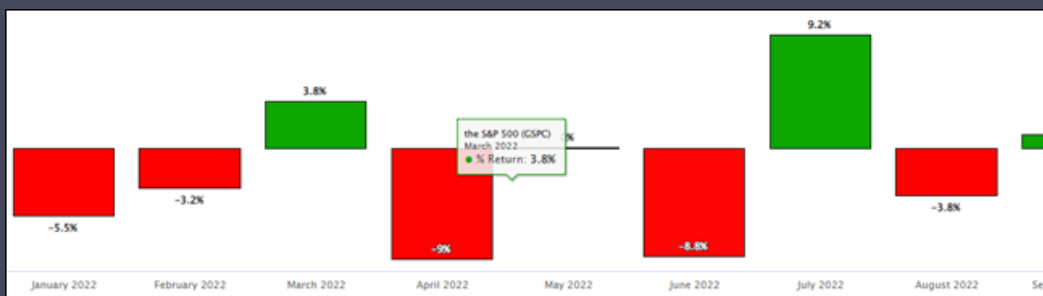


# Structured Note of The Month

## Morgan Stanley Classics Note 22

Structured notes are a good investment in times of market uncertainty, like we are experiencing now.

### S&P 500 Monthly returns YTD



Source: [www.statmuse.com](http://www.statmuse.com)

While interest rates are higher than ever, so is inflation. Even during times like these, investment experts still recommend that you invest a component of your portfolio in stock markets as they are most likely to outperform inflation in the long run, but volatility like we've seen this year is enough to make any investor run for cover!

In a structured note, you forego actual market returns (positive or negative), but you receive a set return that is linked to a specific underlying investment. The underlying assets only need to be flat or slightly up, for the predetermined coupon to vest. There

is also a limited amount of downside protection.

**For September, we would like to highlight the Morgan Stanley Classics Note 22.**

As each note will have its own particular terms & conditions, we recommend that you read the fund fact sheet in conjunction with the information below.

Morgan Stanley Classics Note 22			
<b>Guarantor</b>	Morgan Stanley	<b>Underlyings</b>	FTSE 100 Nikkei 225 EURO STOXX 50
<b>Coupon</b>	11.1% (USD) 10,6% (GBP)		
<b>Autocall Observations*</b>	Semi-Annual from Y1	<b>Autocall Barrier</b>	100%
<b>Maximum Term*</b>	6 Years	<b>Strike Date</b>	14 October 2022
<b>Protection Barrier</b>	65%	<b>Maturity Date*</b>	23 October 2028

*\*The note has a maximum term of 6 years with multiple opportunities to mature early ("autocall"). After year 1, the underlying assets will be monitored on a quarterly basis to determine whether the note can autocall.*

If all the underlyings are at or above the levels they were on, on the strike date - also called the Autocall Barrier - the note will autocall. Investors will receive their coupon for the full period that they have been invested. If the underlying assets are not above the strike level, investors will remain invested. The process will be repeated every quarter until such time as the underlying assets are at or above their strike levels. Coupons from prior periods will accrue to investors until the note autocalls.

Should we reach October 2028 and still be below the strike levels, the note will mature and offer **limited protection of capital**.

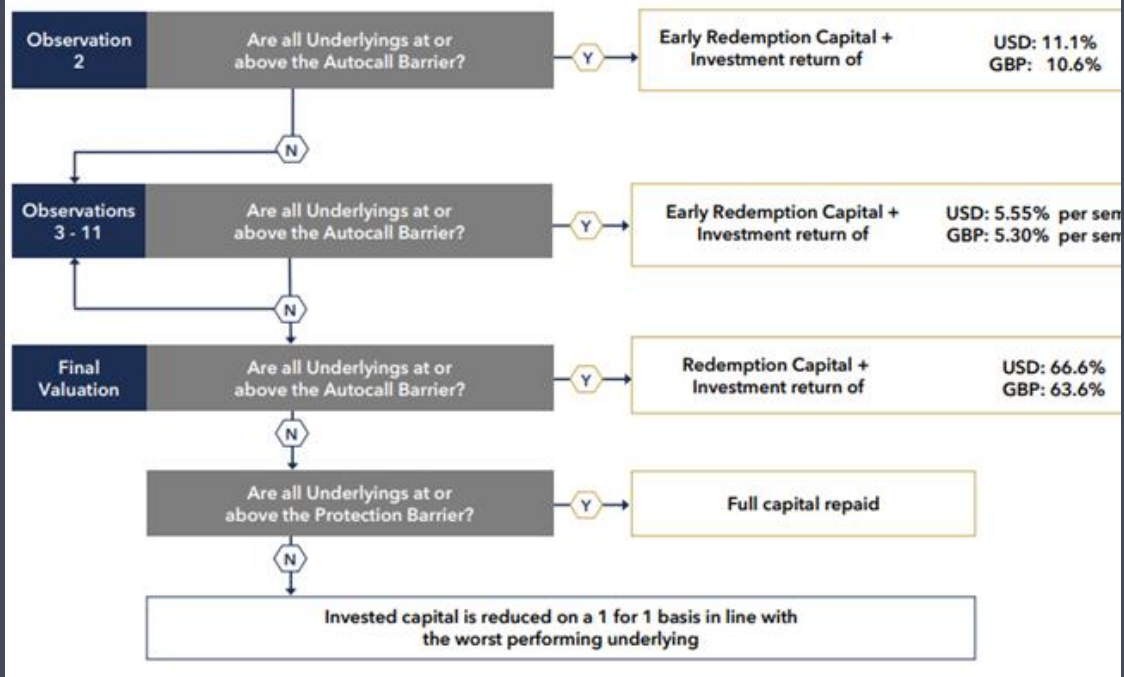
Provided all 3 underlying indices are not down by more than 35%, investors will receive back all capital invested. If any of the underlyings are down by more than 35%, investors will lose capital in line with the worst performing underlying index.

## OBSERVATION DATES

	Observation Date	Payment Date	Autocall Barrier
Observation 1	-	-	-
Observation 2	16 October 2023	23 October 2023	100%
Observation 3	15 April 2024	22 April 2024	100%
Observation 4	15 October 2024	22 October 2024	100%
Observation 5	14 April 2025	USD: 21 April 2025 GBP: 23 April 2025	100%
Observation 6	14 October 2025	21 October 2025	100%
Observation 7	14 April 2026	21 April 2026	100%
Observation 8	14 October 2026	21 October 2026	100%
Observation 9	14 April 2027	21 April 2027	100%
Observation 10	14 October 2027	21 October 2027	100%
Observation 11	18 April 2028	25 April 2028	100%
Final Valuation Date	16 October 2028	23 October 2028	100% (65% Protection Barrier)

\*Some dates may vary slightly depending on bank holidays or days that Underlyings do not trade.

## PAYOFF DIAGRAM



### We like this note for several reasons:

- The three underlying indices are in well-developed markets and represent a great mix of global companies in a wide range of sectors.
- Morgan Stanley is a global financial services firm that, through its subsidiaries and affiliated advisors, manages and distributes capital for governments, institutions and individuals globally.

- Morgan Stanley has A credit ratings from all 3 major ratings agencies - Moody's, Fitch and S&P.
- Markets do not need to shoot the lights out for note holders to enjoy strong performance. Investors will receive their coupon even if the underlying indices are flat.
- The note can be held as a stand lone investment, or incorporated into an offshore endowment policy.

**Curious? Contact us to find out more about the benefits of investing in structured notes.**

**As with any investment, the rewards can be very exciting, but we also need to discuss the risks of the investment with you in more detail.**

**Fact sheet**

## Contact Us

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