

Purpose

This document provides you with key information about this investment product. It is not marketing material, investment advice, or an invitation or offering to purchase the product. It is information required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

Product name:	FX Forward short (position of the currency seller)
Product manufacturer:	Bank Julius Baer & Co. Ltd, Switzerland (Julius Baer)
Website:	https://derivatives.juliusbaer.com/en/home
Phone number:	+41 58 888 87 58
Competent authority:	The Manufacturer is regulated by the Swiss Financial Market Supervisory Authority FINMA. FINMA is not the competent authority in the technical sense of the EU regulation 1286/2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs), since Switzerland is not a member of the EU.
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You are about to purchase a product that is not simple and may be difficult to understand.

1. What is this product?

Type
FX Forwards are derivative based contracts. A derivative is a financial contract, which derives its value from the value of another underlying instrument, asset or index, in this case the underlying currency

Objectives
A Forward is an agreement between a buyer (long position) and a seller (short position) to trade a certain underlying asset at a certain time in the future for a certain price. The underlying asset of an FX Forward is a currency. Potential customers of FX Forwards short would have a short position in the respective Forward, i.e. they would act as the seller of the underlying currency.

When entering into a Forward contract, no initial payment is made between the buyer and seller. But you may have to provide collateral in an amount defined as a fraction of the value of the underlying asset to secure future payment at maturity date. The buyer and the seller have opposing expectations of how the value of the Forwards price will develop. Either market participant will experience a profit if their expectations materialise, and a loss if their expectations do not materialise.

A Forward has a pre-defined maturity date. A Forward's short position gross profit or loss is calculated as the underlying's value at the time the forward is entered into, minus the underlying's value at the time of the Forward's expiration or closure.

The seller realises a gross profit if the value of the underlying has decreased at the Forward's closure and a gross loss if it has increased. The buyer realises a gross profit if the value of the underlying has increased at Forward's closure and a gross loss if it has decreased.

The pay-off of a Forward is linear to the market value development of the underlying: A specific difference between the underlying's value at expiry and the underlying's value at entry always result in the same monetary profit respectively loss, independent of the actual value of the underlying.

Intended retail investor
Potential customers of FX Forwards comprise professional clients and retail clients with extensive knowledge and/ or experience in derivative financial products. It can be used for the purpose of procuring liquidity to fund transactions or balances in a foreign currency, for hedging currency developments in existing positions, and for speculative trading, for a short-term, mid-term or long-term investment horizon, depending on the maturity date.

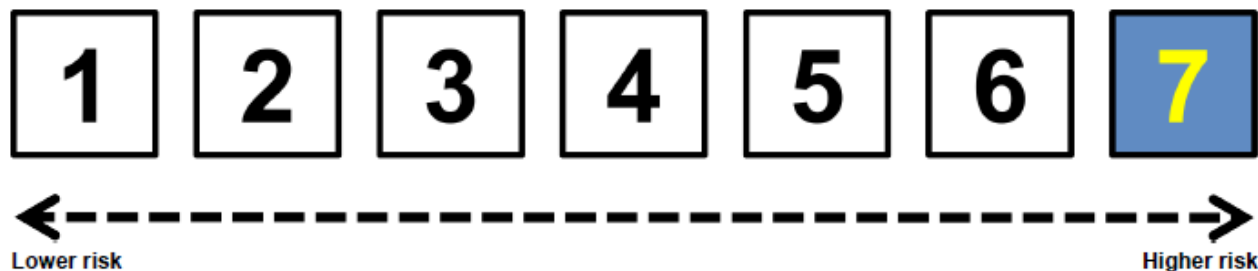
The potential customer must be able to bear financial losses exceeding the initially invested capital, and does not require capital protection (repayment of the invested capital is not guaranteed). Before entering into an FX Forward, you must make your own independent assessment on whether to enter into such a contract and whether it is appropriate for you based on your knowledge and experience, your financial situation, and your investment needs, according to your own judgment and the recommendation from the persons advising this product to you.

2. What are the risks and what could I get in return?

Risk indicator

The summary risk indicator is a guide to the level of risk of these products compared to other products. It shows how likely it is that a product will lose money because of movements in the markets or because of a default risk of the issuer or counterparty.

We have classified these products as 7 out of 7, which is the highest risk class, based on its complex derivative nature, because you may incur potentially unlimited losses that far exceed the initial cost or collateral, and because you may be asked to provide additional collateral during the products lifecycle, depending on the value of the underlying.



In some circumstances, you may be required to provide additional collateral or make payments to secure for losses. **The total loss you may incur may be significant.** These products do not include any protection from future market performance. Be aware of currency risk. You may receive payments in a different currency, so the final return you get will depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

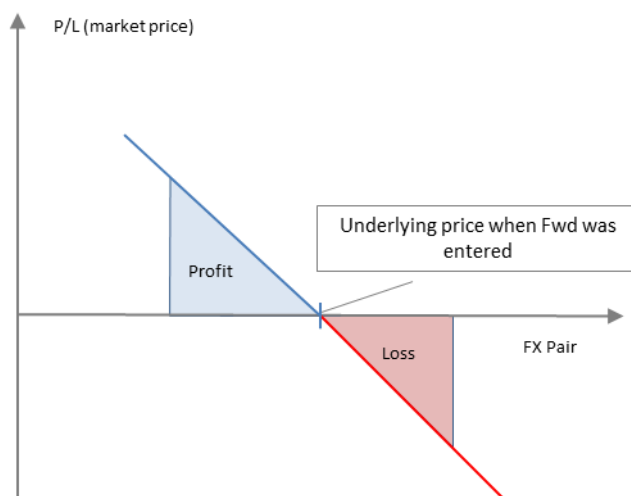
Profit and Loss Prospect

Your maximum gross profit equals the overall delivery price agreed in the Forward, should the value of the underlying you have agreed to sell become zero at maturity date. Your maximum loss is potentially unlimited, depending on how much the value of the underlying at maturity date exceeds the delivery price agreed in the FX Forward.

This graph illustrates how your investment could perform. You can compare it with the pay-off graphs of other derivatives. The graph presented gives a range of possible outcomes and is not an exact indication of what you might get back.

What you get will vary depending on how the underlying will develop. For each value of the underlying, the graph shows what the profit or loss of the product would be at maturity. The horizontal axis shows the various possible prices of the underlying value on the expiry date and the vertical axis shows the profit or loss.

The figures do not take into account your personal tax situation, which may also affect how much you get back. Depending on the chosen product, you will receive payments in a currency different from your reference currency. The final return you will get in your reference currency may be different from the illustrations above. The figures shown consider the costs of the product itself, but do not include all the costs that you pay to your advisor, distributor or custodian.



Performance scenarios

(Example: Investment 10'000 EUR in FX Forward Short on EUR/USD tenor 1 year)

Illustrated holding period 1 year

Scenario	What you might get back after costs Average return each year	Value
Stress scenario	EUR -2,841.88 -28.42%	
Unfavourable scenario	EUR -860.80 -8.61%	
Moderate scenario	EUR 15.32 0.15%	
Favourable scenario	EUR 1,682.81 16.83%	

3. What happens if the manufacturer is unable to pay out?

In the case of insolvency or bankruptcy of the manufacturer, the retail investor is exposed to the risk that the manufacturer might be unable to meet its obligations in connection with the product. This product is not subject to any statutory or other deposit guarantee scheme or any other type of warranty. If the manufacturer is no longer able to meet its payment obligations, you may suffer a partial, full or even your investment amount exceeding loss. In the case of bankruptcy, the competent resolution authority may prescribe a premature termination of the derivative instrument. If, as a result of the termination, a payment claim on the end of the retail investor should arise, the competent authority's termination order may result in it being written down in part or in full.

4. What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The figures are estimates and may change in the future.

Cost over time

Total costs (Based on investment of 10'000.-)	Tier 1 CCY (AUD CAD CHF CNH EUR GBP JPY NOK NZD SEK SGD USD)	Tier 2 CCY (AED CNY CZK DKK HKD INR KRW MXN MYR PLN TWD)	Tier 3 CCY (BRL HUF IDR ILS RUB THB TRY XAU ZAR BGN KWD RON XAG XPD XPT ARS PKR)
Impact on Return (RIY)	150.- 2%	170.- 2.30%	220.- to 300.- 3.50%

Composition of costs

One-Off costs	<i>Entry costs</i>	See Total costs	The impact of the costs you pay when entering into your investment. When entering your investment you will be charged a one-off commission in % depending on the trade volume and the currency pair.
	<i>Exit costs</i>	n/a	The impact of the costs of exiting your investment when it matures.
Ongoing costs	<i>Transaction costs</i>	n/a	The impact of the costs of us buying and selling underlying investments for the product.
	<i>Other ongoing costs</i>	n/a	The impact of the costs that we take each year for managing your investments.
Incidental costs	<i>Performance fees</i>	n/a	The impact of the performance fees. We take these from your investment if the product outperforms its benchmark.
	<i>Carried interests</i>	n/a	The impact of carried interest.

5. How long should I hold it and can I take money out early?

The illustrated holding period of an FX Forward is the pre-defined maturity date. As there is no initial payment made to enter the Forward, there is no money to be “taken out”. The customer can exit the exposure to an FX Forward by entering into a reverse FX Forward position with same currency pair, maturity date and investment amount. The reverse Forward will trigger an entry cost, which may be higher than the entry cost of the original Forward.

Exchange Listed	n/a	Price quotation	nominal
Smallest tradable unit	n/a		

6. How can I complain?

Any complaint regarding the conduct of the persons advising on, or selling, the product can be submitted directly to these persons or their supervisors. Any complaint regarding the product or the conduct of the manufacturer of this product can be addressed in writing to the following address: Bank Julius Baer & Co. Ltd., Hohlstrasse 604/606, P.O. Box, 8010 Zurich, Switzerland, or by email to: derivatives@juliusbaer.com or at the following website: <https://derivatives.juliusbaer.com/en/home>.

7. Other relevant information

General information on financial instruments can be requested free of charge at <https://derivatives.juliusbaer.com/en/home>. If the preparation of issuance programme documentation is required for a product, please consult also these documents, such as the Termsheet, Prospectus, etc., and request it from your client advisor or free of charge from <https://derivatives.juliusbaer.com/en/home>.

This product may not be offered or sold, directly or indirectly, in the United States of America or to U.S. persons. The term "U.S. person" is defined in Regulation S under the U.S. Securities Act of 1933, as amended.