



# ANZ RALI

Growth and diversity

ANZ Reference Asset Linked Investment (RALI) is a highly flexible investment product that offers you exposure to a wide range of global financial markets and investment strategies. RALI is offered under the information memorandum dated 1 November 2011 (“Information Memorandum”)<sup>1</sup>.

#### AT A GLANCE...

- > RALI offers simple and efficient access to global financial markets and investment strategies
- > Available over a range of asset classes, such as equities, currencies, commodities and fixed interest, including:

#### EQUITY INDICES

Nikkei 225

Hang Seng Index

Hang Seng China Enterprise Index

Kospi 200 Index

MSCI Singapore Cash Index (SGY)

S&P/ASX 200 Index

DJ Eurostoxx 50 Index

FTSE 100 Index

S&P 500 Index

MSCO TAIWAN

#### COMMODITIES

Metals

Energy

Agriculture

#### OTHER ASSETS

Currencies

- > RALI is available on themes and strategies selected by ANZ and may be tailored to terms that suit you
- > RALI can be designed to deliver:
  - > Income or capital growth (or a combination);
  - > Variable maturities;
  - > Various return profiles; and
  - > Flexible protection levels.
- > Certain RALI Series may offer up to 100% capital protection
- > Maturities available from 1 month to 10 years
- > Available features include:
  - > Profit lock-in;
  - > Enhanced yield;
  - > Volatility smoothing;
  - > Early callability; and
  - > Greater than 100% exposure to the selected underlying reference asset.
- > Any capital gain on maturity of RALI (after the application of capital losses) may qualify for CGT discount
- > No establishment or ongoing management fees<sup>2</sup>
- > Available to Wholesale Clients only (including individuals, companies, trusts and SMSFs).

#### WHAT ARE THE KEY BENEFITS OF RALI?

- > Exposure to the performance of the underlying reference asset during the investment term
- > Potential capital growth
- > Income potential
- > Profit potential from directional views of the market
- > Up to 100% capital protection for certain RALI Series
- > Investors may qualify for CGT discount on any capital gain on maturity of RALI (after the application of capital losses)<sup>3</sup>
- > No establishment fee or ongoing management fees<sup>4</sup>.

1. Any capitalised terms used in this factsheet which are not defined, have the meaning ascribed in the Information Memorandum.

2. However, an application fee, adviser remuneration, a brokerage fee and/or an early maturity fee may apply, as described in section 06 of the Information Memorandum.

3. Assumes investor holds RALI on capital account until the Maturity Date and the term is at least 12 months– refer to independent tax opinion within the RALI Information Memorandum for further details.

4. However, an application fee, adviser remuneration, a brokerage fee and/or an early maturity fee may apply, as described in section 06 of the Information Memorandum.

# ACCESS GLOBAL MARKETS

## ANZ RALI

### WHO DOES RALI SUIT?

Generally, this investment may suit Wholesale Clients (including individuals, companies, trusts and SMSFs) seeking to:

- > Diversify their investment portfolio by gaining exposure to the underlying reference asset
- > Gain exposure without the complexity of direct investments in the various assets or markets by making one investment with ANZ
- > Obtain cash flow advantages from the receipt of coupon payments (if applicable to the Series)
- > Have their capital protected to an agreed level (if applicable to the Series and subject to the conditions set out in the Series term sheet)
- > Engage in a set and hold investment strategy.

### WHAT ARE THE KEY RISKS OF INVESTING?

Risks relating to an investment in RALI are described in section 05 of the Information Memorandum, they include:

- > All of your capital may be at risk depending on whether or not the RALI Series offers capital protection<sup>5</sup>
- > Capital protection is subject to counterparty and credit risk, capital protection risk and, in certain circumstances, early maturity risks
- > Where the protection level is not applicable or is less than 100% investors may receive less than their original investment amount at maturity
- > Specifically, any return on your investment will be adjusted in accordance with the Reference Asset Return formula specified in the Series term sheet
- > Exposure to the risk that ANZ will not meet its obligations under the investment
- > Limited liquidity means that unless you have a call right for a RALI Series, you may not be able to exit your investment before maturity
- > The market or asset(s) in which RALI invests may not perform in a manner which results in your maturity value exceeding your investment amount.

### HOW DOES RALI WORK?

- > RALI is a deferred purchase agreement entered into between the investor and ANZ
- > Offered under the Information Memorandum, the specific features of each RALI Series are set out in a term sheet issued in relation to that Series
- > In return for the investment amount, RALI delivers exposure to the selected underlying reference asset, with (depending on the Series) the added safety of an agreed level of capital protection
- > At maturity, the value of RALI is calculated and the investor can receive that value in the form of ASX listed securities or, can elect to sell those securities, using ANZ's Sale Facility, and receive cash proceeds.

### AN EXAMPLE OF HOW TO CALCULATE RETURNS

Terms specific to the Series in which you invest, including the method of calculating returns, will be contained in the term sheet provided to you for that Series.

A simplified illustration of calculating returns is shown below using the S&P/ASX 200 Index as an example reference asset.

This Series, for example, offers a high fixed annual coupon in exchange for taking an element of principal risk. Investors who use this strategy believe the underlying reference asset is going to trade in a tight range and so are comfortable with a level at which they do not believe the market will fall below, whilst generating income over the term. In this example, an investor's return at maturity depends on whether the S&P/ASX 200 Index is at or below 95% of the initial level on the maturity date.

5. Whether or not capital protection is applicable and the level of protection and any conditions, will be specified in the RALI Series term sheet.

ASSUMPTIONS	SCENARIO 1 (INDEX RISES)	SCENARIO 2 (INDEX FALLS)
INVESTMENT AMOUNT	AUD \$100,000	AUD \$100,000
REFERENCE ASSET	S&P/ASX 200	S&P/ASX 200
MATURITY	90 days	90 days
COUPON	3.61%	3.61%
ANNUALISED YIELD	14.4%	14.4%
CAPITAL AT RISK BELOW (% OF INITIAL LEVEL)	95%	95%
INITIAL LEVEL	4172	4172
FINAL LEVEL	4250	3900
<b>MATURITY VALUE CALCULATION</b>		
If Final Level at maturity is:		
(i) above 95% of the Initial Level, the Maturity Value is equal to the Coupon plus the Investment Amount; or		
(ii) at or below 95% of the Initial Level, the Maturity Value is equal to the Coupon, plus, the Investment Amount adjusted by the Reference Asset Return		
<b>MATURITY VALUE</b>	AUD \$103,610.00	AUD \$97,090.00

## FURTHER INFORMATION

For more information regarding RALI, please contact ANZ Equities on 1800 204 693

The information in this document is a summary of the product(s) referred to only and has been prepared without taking into account the objectives, financial situation or needs of any person. The information does not constitute a solicitation or an offer or recommendation to buy or sell any financial product, to effect any transaction, or to conclude any legal act of any kind. The product(s) described may not be available for all investors and/or for residents in certain jurisdictions.

Full details of the product(s) described (including, but not limited to, specific product details, investor/selling restrictions, details of remuneration and other fee disclosures, investment risks, possible conflicts of interest and taxation information) are set out in the relevant disclosure document ("Information Memorandum") which is available via the link above, or by contacting your ANZ sales representative.

Before making any investment decision, please carefully consider the Information Memorandum and seek independent tax, legal, financial and/or other relevant advice from qualified experts, having regard to your objectives, financial situation and needs.

Neither Australia and New Zealand Banking Group Limited (ABN 11 005 357 522) ("ANZ") nor its related bodies corporate nor its or their, officers, employees or agents ("Affiliates") make any representations that the information and opinions expressed in this document are accurate, complete or current. Except where contrary to legislation, neither ANZ nor its Affiliates accept any liability (including for negligence) for loss or damage incurred, directly or indirectly, by you or any other person in connection with the provision, or use, of the information published in this document.

Any pricing information contained in this document is indicative only. Any valuations, projections and forecasts contained in this document are based on a number of assumptions and estimates and are subject to contingencies and uncertainties. Different assumptions and estimates could result in materially different results. Neither ANZ nor its Affiliates represent or warrant that any of these valuations, projections or forecasts, or any of the underlying assumptions or estimates, will be met. Past performance is not a reliable indicator of future performance.

Australia and New Zealand Banking Group Limited (ANZ) ABN 11 005 357 522. ANZ's colour blue is a trade mark of ANZ. Item No. 84194 11.2011 W254250