

ZKB Tracker Certificate Dynamic on a US Selection Basket

03.09.2018 - Open End | Swiss Security Code 39 942 103

Summary

This Summary is to be understood as an introduction to the present Final Terms. Any investment decision in relation to the products must be based on the information contained in the Base Prospectus and in these Final Terms in their entirety and not on the Summary. In particular, each investor should consider the risk factors contained in these Final Terms and in the Base Prospectus.

The Issuer can only be held liable for the content of this Summary if the Summary is misleading, incorrect or contradictory when read together with the other parts of the Final Terms and the Base Prospectus.

Information on the securities
Type of product: ZKB Tracker Certificate Dynamic SSPA Category: Tracker Certificate (1300, acc. to the Swiss Derivative Map) ISIN: CH0399421038 Symbol: USSELZ Issuer: Zürcher Kantonalbank Underlying: a US Selection Basket Initial Fixing Date: 27 August 2018 Settlement Date: 3 September 2018 Final Fixing Date: --- (Open End) Redemption Date: --- (Open End) Type of settlement: cash
Information concerning the offer and admission to trading
Place of the offer: Switzerland Notional Amount/Denomination/Trading Units: USD 50'000'000.00/USD 1'000.00/1 Structured Product or multiples thereof Issue price: USD 1'000.00 Selling restrictions: EEA, U.S.A./U.S. persons, United Kingdom, Guernsey Information on listing: Application to list on the SIX Swiss Exchange will be filed, the first provisory trading day will be 3 September 2018

New Issue

1. Product Description

Product Category/Name

Participation Product/Tracker Certificate (1300, according to the "Swiss Derivative Map" provided by the Swiss Structured Products Association)

CISA Notification

This is a Structured Product. It does not constitute a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes (CISA) and it is not subject to authorisation or supervision by FINMA. The issuer risk is borne by investors.

Investment Profile

The composition of the Underlying of this Structured Product is managed **dynamically** and **discretionary** over the course of its term. This ZKB Tracker Certificate Dynamic implements the equity strategy of Survista Financial Advisors AG. It is a diversified portfolio with a focus on the american market. Further information about the investment strategy – if available – can be obtained free of charge from Zürcher Kantonalbank, Bahnhofstrasse 9, 8001 Zürich, department VRIDS or by way of e-Mail address documentation@zkb.ch.

Title Universe

The Title Universe consists of stocks of companies with a focus on the American market. The underlyings are listed at a recognized exchange (World Federation of Exchanges or FESE (Federation of European Securities Exchanges)). The current composition of the Underlying can be found under www.zkb.ch/strukturierteprodukte.

Rebalancing	The Investment Manager rebalances the portfolio composition based on its qualified evaluation of the market sporadic. The Investment Manager considers only stocks which provide sufficient liquidity and tradability. The Rebalancing is based on net prices of the Underlyings (average of the net prices of the underlyings converted into the basket currency by the Issuer). The current basket composition of the Underlying is listed in the Annex to this termsheet.					
Issuer	Zürcher Kantonalbank, Zurich					
Rating of the Issuer	Standard & Poor's AAA, Moody's Aaa, Fitch AAA					
Lead Manager, Paying Agent, Exercise Agent and Calculation Agent	Zürcher Kantonalbank, Zurich					
Investment Manager	Survista Financial Advisors AG, Zurich Survista Financial Advisors AG is not subject to the prudential supervision of the FINMA and is supervised by the Self-regulatory organisation (SRO) Swiss Association of Asset Managers (SAAM).					
Investment Advisor	Survista Financial Advisors AG, Zurich					
Symbol/ Swiss Security Code/ISIN	USSELZ/ 39 942 103/CH0399421038					
Notional Amount/Denomination/ Trading Units	USD 50'000'000.00/USD 1'000.00/1 Structured Product or multiples thereof					
Number of Structured Products	Up to 50'000, with the right to increase					
Issue Price	USD 1'000.00 / 100.00% of Basket Value on the Initial Fixing Date					
Currency	USD					
Underlying per Initial Fixing Date	Component	ISIN / Bloomberg	Related Exchange	*Currency / Initial Fixing Value	Weight in %	No. of Shares/ Amount
	Alphabet Inc	US02079K1079 /GOOG UW	NASDAQ	1241.8200	16.67	0.134212
	Amazon.Com Inc	US0231351067 /AMZN UW	NASDAQ	1927.6800	16.67	0.086460
	Apple Inc	US0378331005 /AAPL UW	NASDAQ	217.9400	16.67	0.764736
	Macy's Inc	US55616P1049 /M UN	New York Stock Exchange	36.2800	16.67	4.593899
	Microsoft Corp	US5949181045 /MSFT UW	NASDAQ	109.6000	16.67	1.520681
	Visa Inc	US92826C8394 /V UN	New York Stock Exchange	145.4000	16.67	1.146263
	* Local taxes, transactions fees and foreign commissions are, if applicable, included in the Initial Fixing Value of each component and are thus borne by the holders of the Structured Product. This applies particularly, though not exclusively, when exercising rights associated with the Structured Product and/or a Rebalancing.					
Basket Value	USD 1'000.00 on Initial Fixing Date					
	The terms and conditions of the present product have been adjusted due to Corporate Actions, refer to table Corporate Actions.					
Ratio	1 ZKB Tracker Certificate Dynamic represents 1 Underlying					
Dividend Payments	No dividends will be paid out. The dividend as a whole will be reinvested into the Structured Product in the form of a net dividend. The effective dividend payment will get wholly (less non-reclaimable taxes) reinvested in the corresponding components of the Underlying.					
Initial Fixing Date	27 August 2018					
Settlement Date	3 September 2018					

Redemption right of the Issuer	The Issuer has the right to redeem the outstanding Structured Products quarterly on the 15th day of March, June, September and December (fixing date; modified following), for the first time on 17 December 2018. On the fixing date, the redemption amount is determined, which is governed by the information under the section Redemption Method. The announcement and thus the declaration of intent to exercise the Redemption right is made with a notice period of 20 banking days via the official publication channel of the SIX Swiss Exchange. No statement of reasons is required. The redemption will be executed with a value date of 5 bank working days after the fixing date (redemption date).
Initial Fixing Level	Closing prices of the components of the Underlying on Related Exchanges, on 27 August 2018 Local taxes, transactions fees and foreign commissions are included in the Initial Fixing Value of each component if applicable.
Redemption Method	On Redemption Date, investors receive in cash for every certificate 100% of the Underlying as defined on the Final Fixing Date and according to the following formula: $\sum_{i=1}^N S_{i,T} \times W_{i,T} - \text{Fees}$ where $S_{i,T}$ = Value of the Component i of the Underlying on Final Fixing Date $W_{i,T}$ = Weighting of the Component i of the Underlying (number of Shares) on Final Fixing Date Fees = Annual Fee T = Final Fixing Date If capital events that were unknown at the time of issue take place during the life of the ZKB Tracker Certificate Dynamic, they shall be taken into account by adjusting the weighting of the affected Component of the Underlying accordingly.
Listing	Application to list on the SIX Swiss Exchange will be filed, the first provisory trading day will be 3 September 2018.
Annual Fee	0.20% p.a. The Annual Fee will be charged based on the value of the Structured Product and is pro rata temporis included in the trading price. Of the Annual Fee, the Calculation Agent receives 0.20% p.a. and the Investment Manager receives 0.00% p.a. for their relevant duties.
Clearing House	SIX SIS AG/Euroclear/Clearstream
Distribution fees	No distribution fees in the form of a discount on issue price, reimbursement of a part of the issue price or other one-off and/or periodic charges are paid out to one or several distribution partners of this Structured Product.
Sales: 044 293 66 65	SIX Telekurs: .zkb Internet: www.zkb.ch/strukturierteprodukte Reuters: ZKBSTRUCT Bloomberg: ZKBY <go>
Key Elements of the Product	In terms of value, buying a ZKB Tracker Certificate Dynamic is equivalent to buying the Underlying less any Fees. A single, low-cost transaction gives investors the opportunity to participate fully in the performance of the Underlying. Dividend Payments of underlying components in the basket are paid out to the investor by means of Dividend reinvestment in the Underlying. Redemption is based on the weighted value of Underlying components on the Fixing Date.
Taxes	The Issuer reports the taxable factors (change to previous year's value) divided in the components income and capital gain to the Swiss Federal Tax Administration on 31 October each year. The income part is subject to Swiss income tax for private investors with Swiss tax domicile as per reporting date. The capital gain part is not subject to Swiss income tax. The product is not subject to Swiss withholding tax. The Federal securities transfer stamp tax is not levied on secondary market transactions. This product may be subject to additional withholding taxes or duties, such as related to FATCA, Sect. 871(m) U.S. Tax Code or foreign financial transaction taxes. Any payments due under this product are net of such taxes or duties. The information above is a summary only of the Issuer's understanding of current law and practice in Switzerland relating to the taxation of Structured Products. The relevant tax law and practice may change. The Issuer does not assume any liability in connection with the above information. The tax information only provides a general overview and can not substitute the personal tax advice to the investor.

Documentation

This document is a non-binding English translation of the Final Terms (Endgültige Bedingungen) published in German and constituting the Final Terms in accordance with article 45 of the Federal Act on Financial Services (FinSA). The English language translation is provided for convenience only.

The binding German version of these Final Terms supplements the Base Prospectus approved by the SIX Swiss Exchange and published in German by the Issuer on 16 November 2020. These Final Terms constitute a Simplified prospectus pursuant to article 5 para. 2 CISA in the version dated 1 March 2013. Together with the Base Prospectus (and together with any supplements) these Final Terms form the product documentation for this issue. If this Product was the first time issued under the Base Prospectus of 16 November 2020, these Final Terms must be read in conjunction with the General Terms of the Securities (Allgemeine Bedingungen der Derivate), the Additional Terms and the Information on the Underlyings in the Base Prospectus of 16 November 2020. If this Product has been issued prior to the date of the Base Prospectus of 16 November 2020, these Final Terms shall be read in conjunction with the Base Prospectus of 16 November 2020 and together with the Existing Terms of the Products from the version of the Issuance Programme or Base Prospectus in force at the time of issuance that has been incorporated by reference in this Base Prospectus. The Base Prospectus of the Issuer dated 16 November 2020 will cease to be valid on 16 November 2021. From and including this date, these Final Terms must be read together with the latest valid version of the Base Prospectus of the Issuer (including the information incorporated by reference into the latest valid version of the Base Prospectus from the Base Prospectus under which the Products the first time were issued), which follows the Base Prospectus of 16 November 2020.

Except as otherwise defined in these Final Terms, the terms used in these Final Terms have the meaning given to them in the Base Prospectus. In case of discrepancies between information or the provisions in these Final Terms and those in the Base Prospectus, the information and provisions in these Final Terms shall prevail. In the event of a listing of the products, the product documentation will be adapted, if and to the extent necessary, in accordance with the requirements of the relevant exchange. The present products will be issued in the form of uncertificated securities (Wertrechte) and registered as book-entry securities (Bucheffekten) with SIX SIS AG. Investors have no right to require the issuance of any certificates or any proof of evidence for the products.

These Final Terms and the Base Prospectus can be ordered free of charge at Zürcher Kantonalbank, Bahnhofstrasse 9, 8001 Zurich, dept. VRIE or by e-mail at documentation@zkb.ch. They are also available on <https://www.zkb.ch/finanzinformationen>.

Information on the Underlying

Information on the performance of the Underlying/a component of the Underlying is publicly available on www.bloomberg.com. Current annual reports are published on the website of the respective business entity. The transfer of the Underlying/a component of the Underlying is conducted in accordance with their respective statutes.

Notices

Any notice by the Issuer in connection with these Structured Products, in particular any notice in connection with modifications of the terms and conditions will be validly published on the website <https://zkb-finance.mdgms.com/products/stp/index.html> under the relevant Structured Product. The Swiss security code search button will lead you directly to the relevant Structured Product. The notices will be published in accordance with the rules issued by SIX Swiss Exchange for IBL (Internet Based Listing) on the website <https://www.six-exchange-regulation.com/en/home/publications/official-notice.html>

Governing Law/Jurisdiction

Swiss Law/Zurich

2. Profit and Loss Expectations after Year 1

Profit and Loss Expectations after Year 1

ZKB Tracker Certificate Dynamic

Basket		Redemption	
Value	Percent	ZKB Tracker Certificate Dynamic	Performance %
USD 400.00	-60.00%	USD 399.20	-60.08%
USD 600.00	-40.00%	USD 598.80	-40.12%
USD 800.00	-20.00%	USD 798.40	-20.16%
USD 1000.00	+0.00%	USD 998.00	-0.20%
USD 1200.00	+20.00%	USD 1197.60	19.76%
USD 1400.00	+40.00%	USD 1397.20	39.72%
USD 1600.00	+60.00%	USD 1596.80	59.68%

Source: Zürcher Kantonalbank

The performance of the ZKB Tracker Certificate Dynamic is analog to the performance of the Underlying less any Fees.

The figures in the table above are valid after Year 1 only and cannot be considered as a price indication for the present Structured Product during its lifetime. The price quoted in the secondary market can differ substantially from the table above.

3. Material Risks for Investors

Credit Risk Relating to Issuer

Obligations under these Structured Products constitute direct, unconditional and unsecured obligations of the Issuer and rank pari passu with other direct, unconditional and unsecured obligations of the Issuer. The value of the Structured Product does not only depend on the performance of the Underlying and other developments in the financial markets, but also on the solvency of the Issuer, which may change during the term of this Structured Product.

Specific Product Risks

Structured Products are complex financial instruments, which entail considerable risks and, accordingly, are only suitable for investors who have the requisite knowledge and experience and understand thoroughly the risks connected with an investment in these structured products and are capable of bearing the economic risks. ZKB Tracker Certificate Dynamic is an investment product whose price fluctuates to the same degree as the Underlying less any Fees. Depending on price trends, the price of a ZKB Tracker Certificate Dynamic could fall below the Issue Price. The risk profile of the ZKB Tracker Certificate Dynamic corresponds to that of the Underlying. The ZKB Tracker Certificate Dynamic is denominated in USD. If the investor's reference currency differs from the USD, the investor bears the risk between the USD and his reference currency.

4. Additional Terms

Modifications

If an extraordinary event as described in Section IV of the Issuance Programme occurs in relation to the Underlying/a component of the Underlying or if any other extraordinary event occurs, which makes it impossible or particularly cumbersome for the Issuer, to fulfill its obligations under the Structured Products or to calculate the value of the Structured Products, the Issuer shall at its own discretion take all the necessary actions and, if necessary may modify the terms and conditions of these Structured Products at its own discretion in such way, that the economic value of the Structured Products after occurrence of the extraordinary event corresponds, to the extent possible, to the economic value of the Structured Products prior to the occurrence of the extraordinary event. Specific modification rules for certain types of Underlyings stated in Section IV of the Issuance Programme shall prevail. If the Issuer determines, for whatever reason, that an adequate modification is not possible, the Issuer has the right to redeem the Structured Products early.

Market Disruptions

Compare specific provisions in the Issuance Programme.

Selling Restrictions

The selling restrictions contained in the Issuance Programme are applicable (EEA, U.S.A./U.S. persons, Guernsey).

In particular must this publication and the information contained within not be distributed and / or redistributed, used or relied upon, by any person (whether individual or entity) who may be a US person under Regulation S under the US Securities Act of 1933. US persons include any US resident; any corporation, company, partnership or other entity organized under any law of the United States; and other categories set out in Regulation S.

The Issuer has not undertaken any actions to permit the public offering of the Structured Products or the possession or the distribution of any document produced in connection with the issuance of the Structured Products in any jurisdiction other than Switzerland. The distribution of these Final Terms or other documents produced in connection with the issuance of the Structured Products and the offering, sale and delivery of the Structured Products in certain jurisdictions may be restricted by law. Persons, which have received these Final Terms or any other documents produced in connection with the issuance of the Structured Products, such as the Issuance Programme, Termsheets, marketing or other selling material, are required by the Issuer to inform themselves about and to observe any such restrictions.

Prudential Supervision

As a bank within the meaning of the Swiss Federal Act on Banks and Savings Banks (BankG; SR 952.0) and a securities dealer within the meaning of the Swiss Federal Act on Securities Exchanges and Securities Trading (BEHG; SR 954.1), Zürcher Kantonalbank is subject to the prudential supervision of FINMA, Laupenstrasse 27, CH-3003 Bern, <http://www.finma.ch>.

Recording of Telephone Conversations

Investors are reminded that telephone conversations with trading or sales units of Zürcher Kantonalbank are recorded. Investors, engaging in telephone conversations with these units provide their tacit consent to the recording of their conversations.

Material Changes

Since the end of the last financial year or the date of the interim financial statements, there have been no material changes in the assets, financial or revenue position of the Issuer.

Responsibility for the Final Terms

Zürcher Kantonalbank, Zurich, assumes responsibility for the content of these Final Terms and hereby declares that, to its knowledge, the information contained in these Final Terms is correct and no material circumstances have been omitted.

Zurich, 27 August 2018, last update on 23 November 2020

Underlying on 31 08 2020

Component	ISIN / Bloomberg	Related Exchange	*Currency / Initial Fixing Value	Weight in %	No. of Shares/ Amount
Activision Blizzard Inc	US00507V1098 /ATVI UW	NASDAQ	81.5878	9.04	1.349080
Alphabet Inc	US02079K1079 /GOOG UW	NASDAQ	1556.6150	9.04	0.070710
Amazon.Com Inc	US0231351067 /AMZN UW	NASDAQ	3250.5723	9.04	0.033861
Apple Inc	US0378331005 /AAPL UW	NASDAQ	97.25	9.04	1.133232
Archer-Daniels-Midland Co	US0394831020 /ADM UN	New York Stock Exchange	39.7540	6.30	1.928907
Bank of America Corp	US0605051046 /BAC UN	New York Stock Exchange	24.3937	9.04	4.512174
Electronic Arts	US2855121099 /EA UW	NASDAQ	140.9888	9.04	0.780689
Estee Lauder Companies Inc	US5184391044 /EL UN	New York Stock Exchange	190.7886	9.04	0.576913
Macy's Inc	US55616P1049 /M UN	New York Stock Exchange	6.7390	3.25	5.877770
Microsoft Corp	US5949181045 /MSFT UW	NASDAQ	214.3978	9.04	0.513384
Nike Inc	US6541061031 /NIKE UN	New York Stock Exchange	98.2647	9.04	1.120146
Visa Inc	US92826C8394 /V UN	New York Stock Exchange	193.6390	9.04	0.568421

* Local taxes, transactions fees and foreign commissions are, if applicable, included in the Initial Fixing Value of each component and are thus borne by the holders of the Structured Product. This applies particularly, though not exclusively, when exercising rights associated with the Structured Product and/or a Rebalancing.

Corporate Actions

Date	Underlying	Action		
			Amount old	Amount new
		Rebalancing on 21.09.2018		
21.09.2018	Alphabet Inc	Rebalancing	0.134212	0.107135
21.09.2018	Amazon.Com Inc	Rebalancing	0.086460	0.065237
21.09.2018	Apple Inc	Rebalancing	0.764736	0.573967
21.09.2018	Archer-Daniels-Midland Co	Buy	-	2.482702
21.09.2018	Bank of America Corp	Buy	-	4.026090
21.09.2018	Macy's Inc	Rebalancing	4.593899	3.500408
21.09.2018	Microsoft Corp	Rebalancing	1.520681	1.093380
21.09.2018	Visa Inc	Rebalancing	1.146263	0.832586
		Rebalancing on 04.12.2019	Amount old	Amount new
04.12.2019	Activision Blizzard Inc	Buy	-	1.717798
04.12.2019	Alphabet Inc	Rebalancing	0.107135	0.070807
04.12.2019	Amazon.Com Inc	Rebalancing	0.065237	0.052486
04.12.2019	Apple Inc	Rebalancing	0.573967	0.357428
04.12.2019	Archer-Daniels-Midland Co	Rebalancing	2.482702	2.169463
04.12.2019	Bank of America Corp	Rebalancing	4.026090	2.821340
04.12.2019	Electronic Arts	Buy	-	0.920499
04.12.2019	Estee Lauder Companies Inc	Buy	-	0.474296
04.12.2019	Macy's Inc	Rebalancing	3.500408	6.232012
04.12.2019	Microsoft Corp	Rebalancing	1.093380	0.624859
04.12.2019	Visa Inc	Rebalancing	0.832586	0.514505
		Rebalancing on 13.07.2020	Amount old	Amount new
13.07.2020	Activision Blizzard Inc	Rebalancing	1.717798	1.349080
13.07.2020	Alphabet Inc	Rebalancing	0.070807	0.070710
13.07.2020	Amazon.Com Inc	Rebalancing	0.052486	0.033861
13.07.2020	Apple Inc	Rebalancing	0.357428	0.282951
13.07.2020	Archer-Daniels-Midland Co	Rebalancing	2.169463	1.928907
13.07.2020	Bank of America Corp	Rebalancing	2.821340	4.512174
13.07.2020	Electronic Arts	Rebalancing	0.920499	0.780689
13.07.2020	Estee Lauder Companies Inc	Rebalancing	0.474296	0.576913
13.07.2020	Macy's Inc	Rebalancing	6.232012	5.877770
13.07.2020	Microsoft Corp	Rebalancing	0.624859	0.513384
13.07.2020	Nike Inc	Buy	-	1.120146
13.07.2020	Visa Inc	Rebalancing	0.514505	0.568421
31.08.2020	Apple Inc	Stock Split on 31.08.2020	No. of Shares old 0.283308	No. of Shares new 1.133232
31.08.2020	Apple Inc	Stock Split on 31.08.2020	Initial Fixing Value old 389.0016	Initial Fixing Value new 97.25