

150
years

adelante



BBVA making the difference



adelante.

Ricardo Laiseca

BBVA Investor Day: Global Markets Workshop

BBVA making the difference.



- Overview of BBVA Global Markets
- The Strength of BBVA Distribution Networks
- In-House Product Development Expertise
- Conclusions



Our guiding principle: Customer Focus

Global Markets:
Our target is to provide “ Innovative Solutions” to meet our client needs

Leveraging on:

- Distribution potential of BBVA networks worldwide
- Strong in-house product development expertise

We aim to continue to increase our contribution to the Group with recurrent revenues, while maintaining a balanced diversification of clients, products and geographies



Main Figures

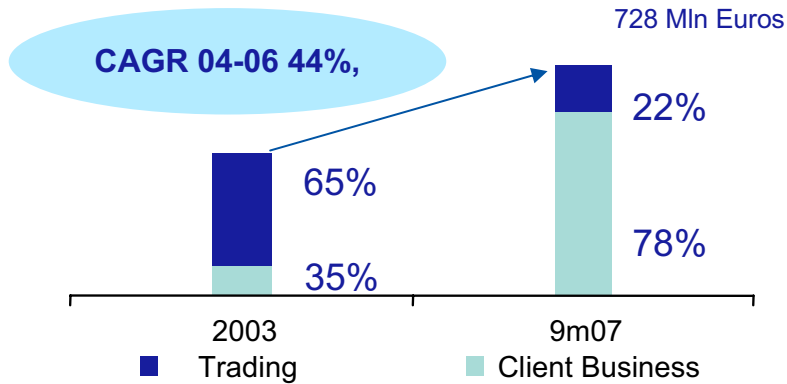
BBVA Global Markets is a major part of Global Businesses Division

GM track record: High growth of sustainable client driven results

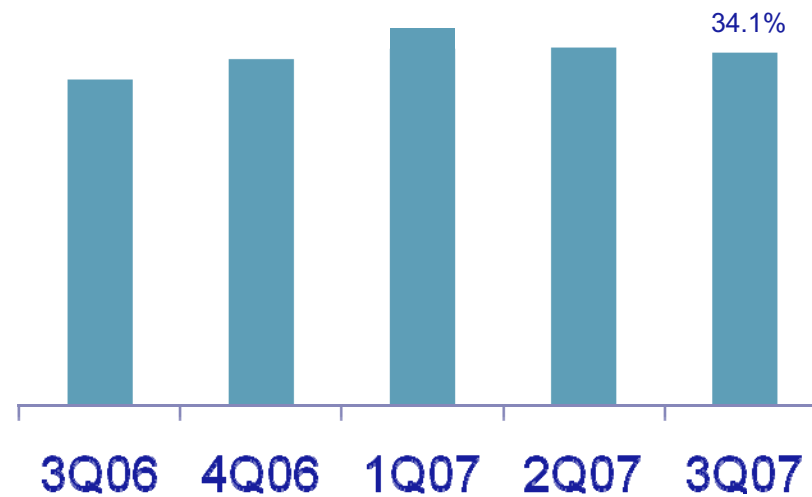
Weight of GM revenues 9M07



Improvement in the Revenue Mix



Low cost to income

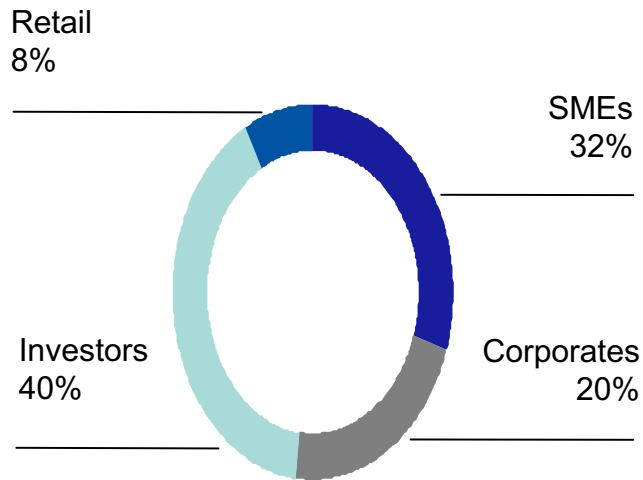




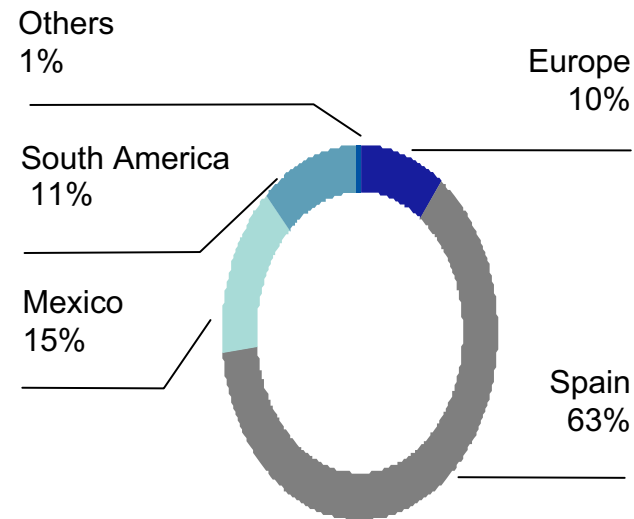
A diversified business with three axes

Breakdown of GM 9M07 Revenues *

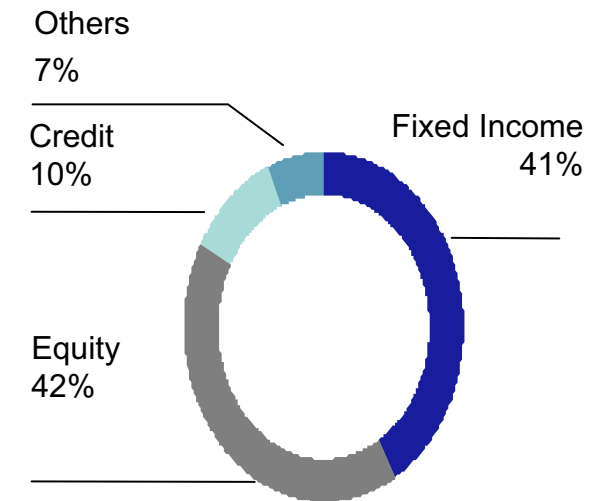
By client



By country



By product



A segmented approach to provide a highly specialized service

* Revenues generated by Global Markets in Mexico and South America reported within these units



Key Strengths

**Capillarity of
BBVA Network**

**Product
Innovation**

Diversification

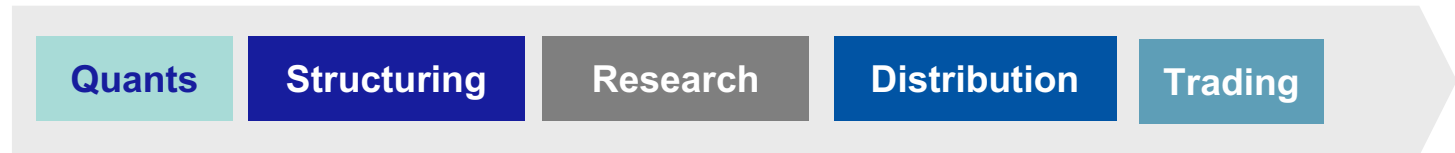
**Growth
Opportunities
LatAm/Asia**

**Risk
Management**



Business Platform

An integrated Business



Three regional Product Centers



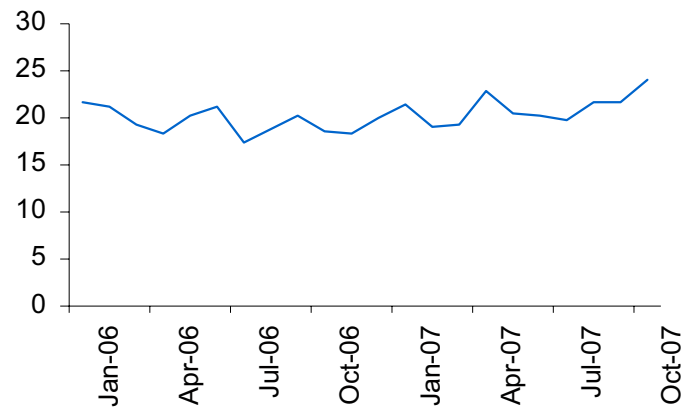


Solid Risk Management

Sound and independent Risk Management

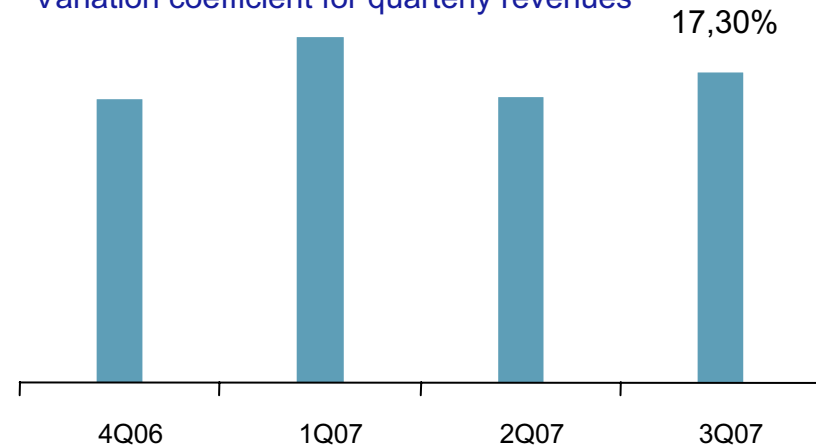
- Diversification of Risk
- An excellent track record
- Independently managed Market Risk department
- Usage of advanced models recognised by Regulators

Daily VaR (monthly average) (Mln Euros)



Low volatility of Revenues

Variation coefficient for quarterly revenues





Our Main growth initiatives

Plans\Focus	Clients	Product	Region	CAGR 06-10
Equity Derivatives	Institutional	New underlyings & products	Europe	+30%
Regional Product Centre	Institutional & Corporates	Structured products	LatAm	New
Riskpyme in Americas	Retail & SMEs	Tailored-made solutions	Americas	+90%
Asia	Institutional & Citic	Flow & Structured Products	Asia	New

Front office staff reinforced by 135 people in 2007 (11% of headcount)

Our target is to double results by 2010

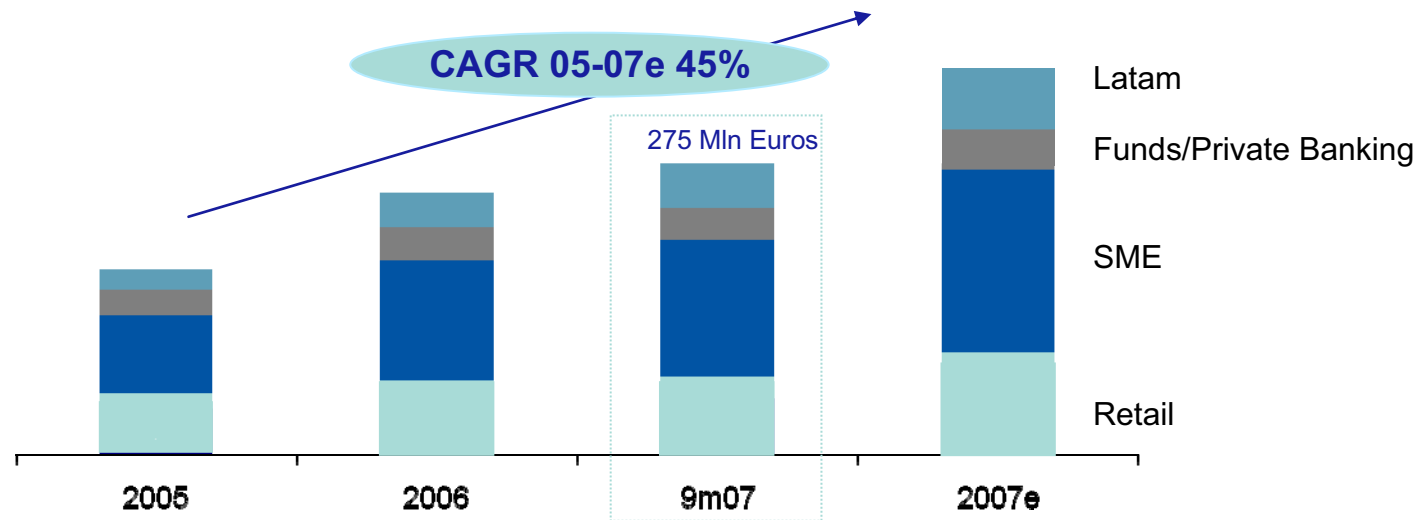


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Leveraging our distribution capacity...

Revenues generated by GM through BBVA networks



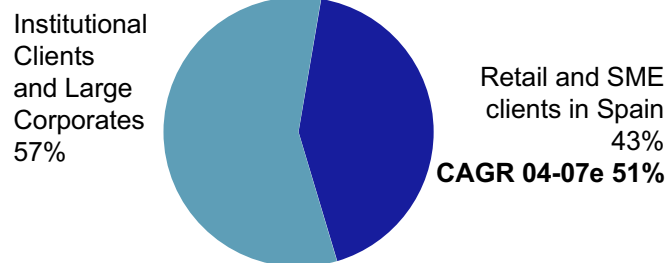
StockPyme and Riskpyme
Distribution of hedging products to BBVA's retail and SME clients
A successful and exportable model



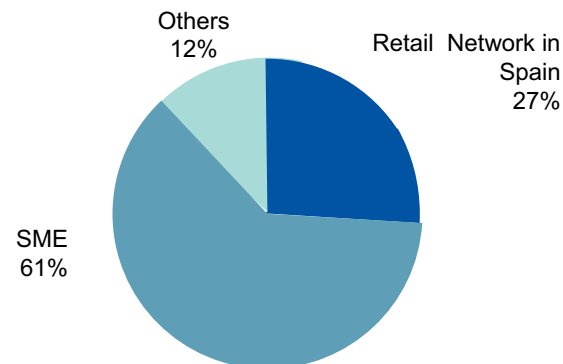
...and advantage and an opportunity

A proven advantage in Europe

9M07 revenues in Europe by client

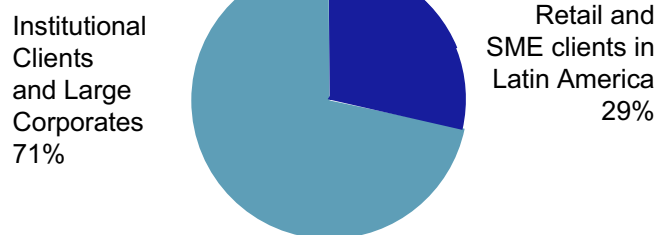


9M07 revenues in Europe
Breakdown of clients revenues from BBVA network

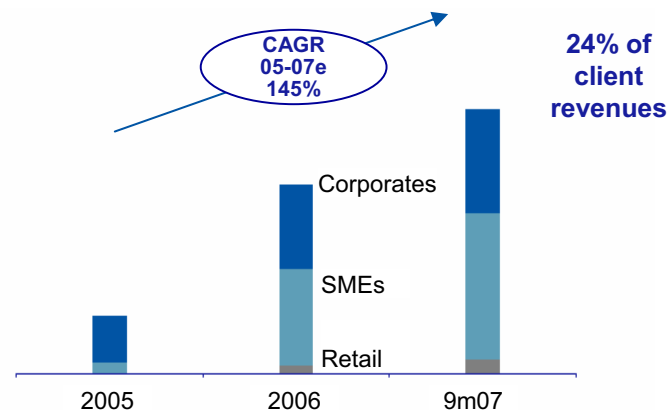


A Great Opportunity in Mexico and South America

9M07 revenues in LatAm by client



Breakdown of clients revenues from BBVA Bancomer Networks





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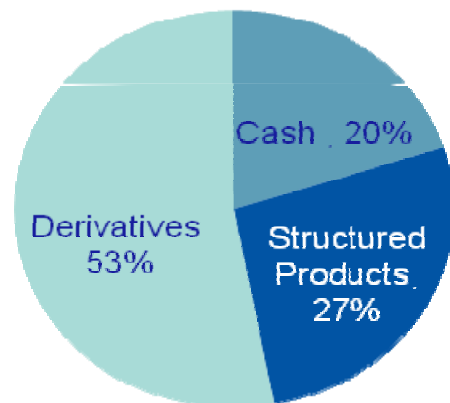
Strong new product development capabilities

A key growth driver: Structured products with high added value

New Product Development: 100%
revenue growth in 2007

- New structures
- New underlyings
- Mix of structures/underlyings

Product Mix in Europe
9m07



Moving
towards
high
margin
products



An example of in-house product development: Equity Derivatives

A high profit business with superior growth potential

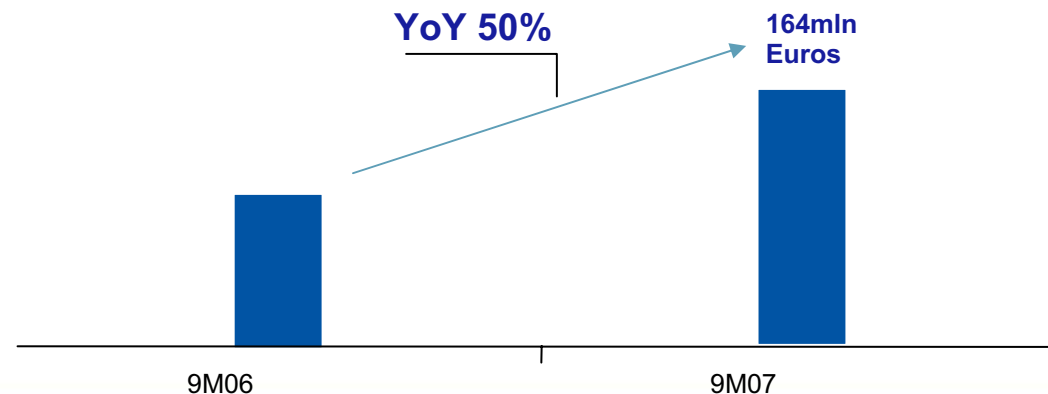
Equity
Derivatives:
Favourable
Market
Trends

Today Equity
Derivatives
represents
60% of the
Equity
business

Global demand for Equity Derivatives, Structured Equity and Flow products will grow annually at 15, 20 and 10% respectively*.

- Increasing personal wealth: higher demand for capital protection and optionality.
- New players with more sophisticated demands.
- Widespread usage of alternative investment products.
- Demand for exposure to new underlyings.

Revenues in our Equity Derivatives Business



* According to JP Morgan estimates



An example of in-house product development: Equity Derivatives

Our Competitive Advantages

High flow of new equity ideas implemented efficiently for customers

Sound and global risk management models

Strong balance sheet

Capillarity of BBVA networks

Targets of 2007-2010 Plan

Global Distribution platform

To enhance our product capabilities:

- Global stocks under coverage
- Strengthen Sale and Structuring teams



**CAGR 06-10e Revenues
+30%**



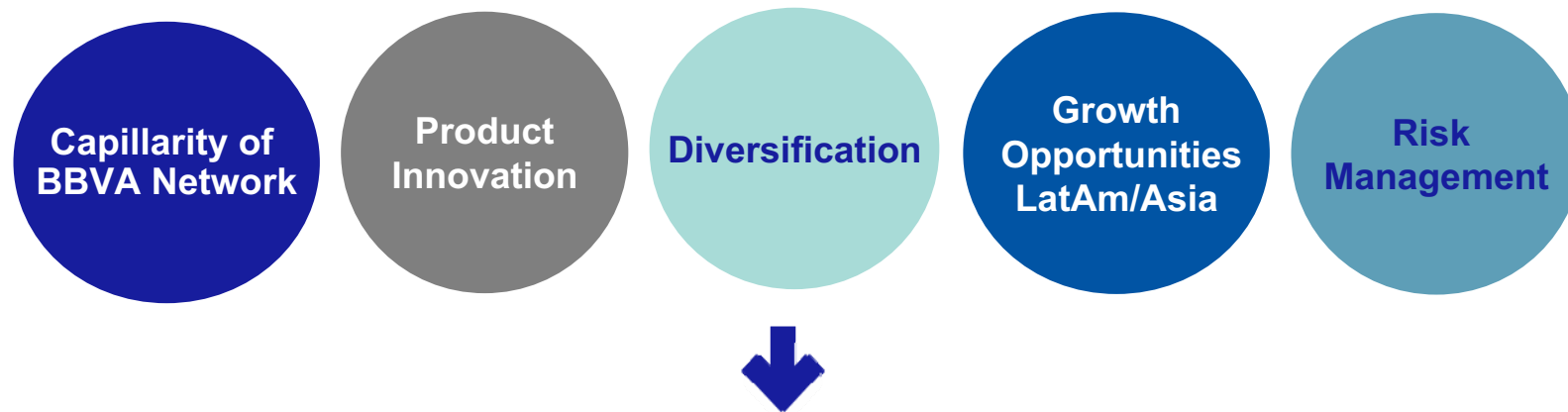
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An opportunity for Growth

- Leveraging the value of BBVA networks
- Focusing on value added products
- Exporting our business model to LatAm and Asia

Our Growth initiatives are making the most of our strengths



Our target is to double results by 2010