

European structured products market slightly weaker

Exchange turnover down in third quarter.

Slight decline in market volume.

Turnover in investment certificates and leverage products on the European exchanges was down 17.9 percent to EUR 22.2 billion in the third quarter of 2013 in comparison with the previous quarter. Year on year, there was a more moderate decline of 7.3 percent in European exchange turnover. This is one of the findings of an analysis by Derivative Partners Research AG of the latest market data collected by the European Structured Investment Products Association (EUSIPA) from its members.

The members of EUSIPA include: Zertifikate Forum Austria (ZFA), Association Française des Produits Dérivés de Bourse (afpdb), Deutscher Derivate Verband (DDV), Associazione Italiana Certificati e Prodotti di Investimento (ACEPI), the Swedish Exchange Traded Investment Products Association (SETIPA) and the Swiss Structured Products Association (SSPA).

In the period from July to September 2013, turnover in investment products on the exchanges of member countries fell to EUR 10.1 billion, a drop of 14.2 percent in comparison with the same period of 2012. Investment certificates accounted for 45.5 percent of the total volume of the exchanges of member countries at the end of September.

Turnover in leverage products was comparable with 2012, with the trading volume at EUR 12.1 billion. This represented just a marginal decline of 0.6 percent in comparison with the same quarter of 2012. Turnover in leverage products accounted for 54.5 percent of the total turnover.

The range of products offered on the exchanges of EUSIPA member countries at the end of the third quarter comprised 450,559 investment certificates and 639,584 leverage products. This represented an increase of 2.7 percent in comparison with the previous quarter. The number of investment certificates listed was up 3.3 percent in comparison with the same quarter of 2012, and the number of leverage products was up by 9.6 percent.

Between July and September 2013, banks launched 550,042 new investment certificates and leverage products. The number of new issues of structured securities was up 2.0 percent. Leverage products accounted for 424,751, or 77.2 percent, of the new issues. Investment products accounted for 125,291, or 22.8 percent.

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The market volume – or open interest – in Austria, Germany and Switzerland at the end of September was EUR 227.4 billion. This compared with EUR 238.0 billion at the end of the previous quarter. Investment products accounted for EUR 219.3 billion of the market volume at the end of the third quarter of 2013, down 2.4 percent on the previous quarter. Leverage products accounted for EUR 8.1 billion of the total volume, down 39.1 percent on the previous quarter.

About EUSIPA

EUSIPA represents the interests of the European structured investment products business. The focal point of our activities are derivative instruments such as certificates and warrants. EUSIPA makes efforts to create an attractive and fair regulatory framework for these financial products.

The umbrella association acts as a contact for politicians and the European Securities and Markets Authority (ESMA) in all questions concerning certificates. Whenever the need arises, the association is at hand to provide expert advice and opinions, thus playing an active role in the opinion process on the political level.

Greater protection for investors as well as more comprehensible and transparent products are important concerns for the association. Together with its members, it is actively engaged in promoting Europe-wide standards throughout the sector. These include clear product classification, standardised technical terms and a broad commitment among the member associations to abide by a code of practice for the sector.

Members are:



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EUSIPA Market Report on structured investment products

Q3/2013



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1. Highlights

Exchange Turnover: Decreasing Turnover

In the third quarter 2013 the overall exchange turnover decreased to 22.20 bn EUR which is a minus of 17.94% compared to the last quarter (27.06 bn EUR) and a minus of 7.28% on a year-to-year basis. Leverage Products accounted in Q3 2013 for 12.11 bn EUR (only -0.60% on a year-to-year basis) in turnover and investment products for 10.09 bn EUR (-14.21% compared to the equivalent last year quarter).

Outstanding Volume: Decreasing Volume

The Q3 2013 figures for Austrian, German¹ and Swiss² market show a falling volume in investment products with -10.56%, measured on a year-to-year basis, but only -2.41% compared to the preceding quarter Q2 2013. The volume in leverage products, which is rather small to the volume of investment products, is 45.82% lower than the equivalent quarter Q3 2012 and 39.05% smaller when being compared to the preceding quarter Q2 2013.

Number of New Listings: Increasing Numbers

Compared to the previous quarter the number of new listings increased by 2.04% to 550'042 products. Whereas 77.22% of all new listed products were issued in the leveraged segment, investment products obtain a share of 22.78%. For leverage products the number of new listings decreased by -0.68% on a year-to-year basis and slightly increased by 0.18% compared to the previous quarter whereas for investment products the number of new listings increased by 5.23% on a year-to-year basis and 8.89% compared to the previous quarter.








Number of Products: Increasing Numbers

At the end of September 2013 a total of 1'090'143 products were listed in EUSIPA member countries. This is a plus of 2.71% compared to the second quarter of 2013 (1'061'401). Measured on a year-to-year basis the number of listed investment products accounted for an increase of 3.27%. Leverage products saw an increase of 9.57% in the same time period.

¹ The German figures are sourced in from the 16 issuers assembled under the roof of Deutsche Derivate Verband (DDV) and entail assets from the sales of listed note-based structured retail products to customers based in Germany. The 16 issuers cover about 95% of the German market in these products.

² The Swiss figures are sourced in from the Swiss National Bank and represent all assets in listed note-based structured retail products held in Swiss depots of issuers domiciled in Switzerland. The figures include therefore, to a small extent, also assets from product sales of these issuers outside Switzerland.

2. Quarterly overview (Q3/2013)








	 Austria	 France	 Germany	 Italy	 Sweden	 Switzerland*	 EUSIPA
Exchange Turnover (Mio. EUR)							
1 Investment Products	41	123	6'057	861	394	2'615	10'091
11 Capital Protected	n/a	0	365	n/a	n/a	253	n/a
12 Yield-Enhancement	n/a	35	n/a	n/a	n/a	925	n/a
13 Participation	n/a	89	5'692	n/a	n/a	1'379	n/a
199 Various	n/a	0	n/a	n/a	n/a	58	n/a
2 Leverage Products	3	1'507	3'806	2'934	1'303	2'558	12'111
21 Without Knock-Out	1	430	1'395	n/a	46	n/a	n/a
22 With Knock-Out	3	569	2'411	n/a	405	n/a	n/a
23 Constant Leverage	n/a	509	n/a	n/a	834	n/a	n/a
299 Various	n/a	0	n/a	n/a	18	n/a	n/a
Total	45	1'631	9'863	3'795	1'697	5'172	22'202
Outstanding Volume (Mio. EUR)							
1 Investment Products	12'600	n/a	85'877	n/a	n/a	120'774	219'251
11 Capital Protected	n/a	n/a	57'158	n/a	n/a	42'914	n/a
12 Yield-Enhancement	n/a	n/a	7'499	n/a	n/a	35'861	n/a
13 Participation	n/a	n/a	15'376	n/a	n/a	39'286	n/a
199 Various	n/a	n/a	5'843	n/a	n/a	2'713	n/a
2 Leverage Products	100	n/a	1'287	n/a	n/a	6'754	8'140
21 Without Knock-Out	n/a	n/a	569	n/a	n/a	n/a	n/a
22 With Knock-Out	n/a	n/a	554	n/a	n/a	n/a	n/a
23 Constant Leverage	n/a	n/a	164	n/a	n/a	n/a	n/a
299 Various	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total	12'700	n/a	87'163¹	n/a	n/a	127'528²	227'391

* Please note that the product category 'Investment Products with Reference Entities' exists only in Switzerland. Values for this category are therefore shown as 'Various Investment Products'.

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2. Quarterly overview (Q3/2013)

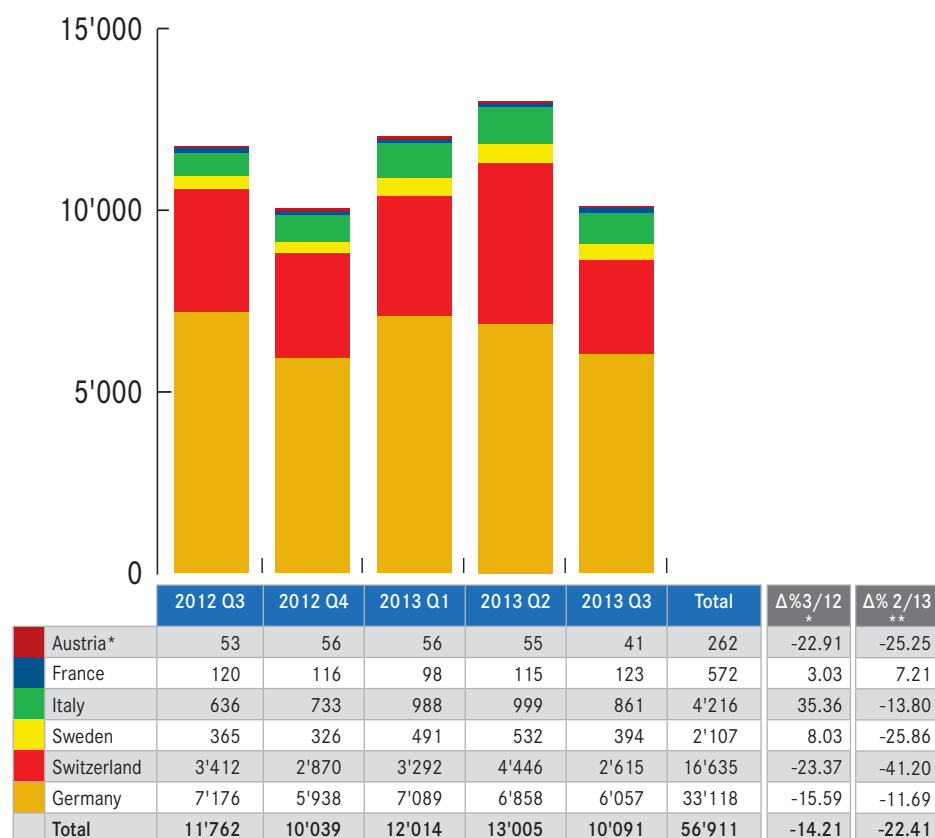
	 Austria	 France	 Germany	 Italy	 Sweden	 Switzerland*	 EUSIPA
Number of new listings on Exchange							
1 Investment Products	460	378	122'159	84	104	2'106	125'291
11 Capital Protected	n/a	0	83	n/a	n/a	37	n/a
12 Yield-Enhancement	n/a	152	53'338	n/a	n/a	1'862	n/a
13 Participation	n/a	226	68'738	n/a	n/a	162	n/a
199 Various	n/a	0	n/a	n/a	n/a	45	n/a
2 Leverage Products	892	11'090	399'858	1'029	3'058	8'824	424'751
21 Without Knock-Out	566	4'382	102'758	n/a	1'666	n/a	n/a
22 With Knock-Out	326	6'708	297'100	n/a	1'346	n/a	n/a
23 Constant Leverage	n/a	0	n/a	n/a	14	n/a	n/a
299 Various	n/a	0	n/a	n/a	32	n/a	n/a
Total	1'352	11'468	522'017	1'113	3'162	10'930	550'042
Number of Exchange Listed Products							
1 Investment Products	1'907	1'837	433'504	1'062	520	11'729	450'559
11 Capital Protected	n/a	0	3'431	n/a	n/a	1'073	n/a
12 Yield-Enhancement	n/a	720	187'677	n/a	n/a	7'748	n/a
13 Participation	n/a	1'117	242'396	n/a	n/a	2'611	n/a
199 Various	n/a	0.00	n/a	n/a	n/a	297	n/a
2 Leverage Products	3'550	16'477	580'282	5'156	10'003	24'116	639'584
21 Without Knock-Out	1'862	7'839	339'226	n/a	5'451	n/a	n/a
22 With Knock-Out	1'688	8'459	241'056	n/a	3'746	n/a	n/a
23 Constant Leverage	n/a	179	n/a	n/a	626	n/a	n/a
299 Various	n/a	0.00	n/a	n/a	180	n/a	n/a
Total	5'457	18'314	1'013'786	6'218	10'523	35'845	1'090'143

* Please note that the product category 'Investment Products with Reference Entities' exists only in Switzerland. Values for this category are therefore shown as 'Various Investment Products'.

3. Exchange turnover

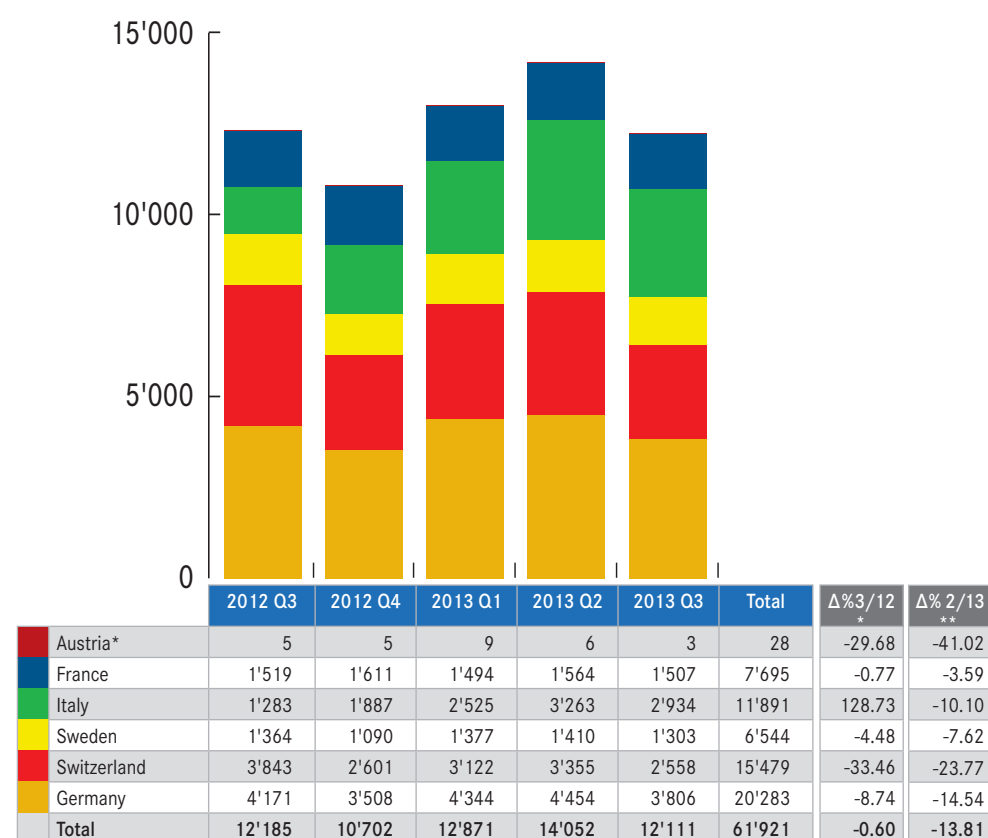
Investment Products

in Mio. EUR



Leverage Products

in Mio. EUR



* Field indicates per cent change between Q3/2013 and equivalent last year quarter Q3/2012.

** Field indicates per cent change between reporting quarter Q3/2013 and previous quarter Q2/2013.

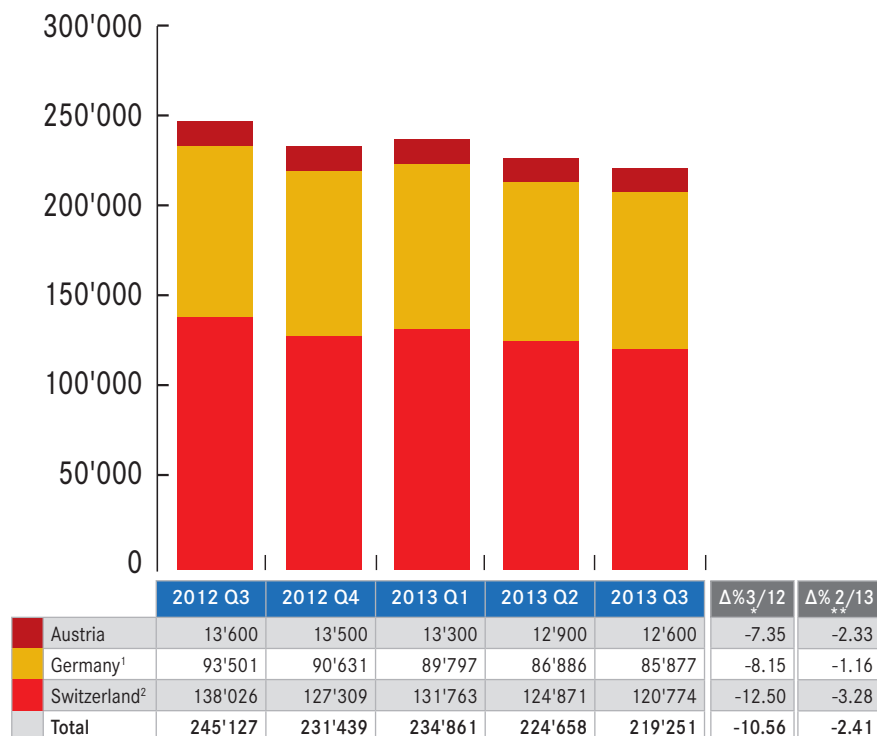
* Field indicates per cent change between Q3/2013 and equivalent last year quarter Q3/2012.

** Field indicates per cent change between reporting quarter Q3/2013 and previous quarter Q2/2013.

4. Outstanding volume

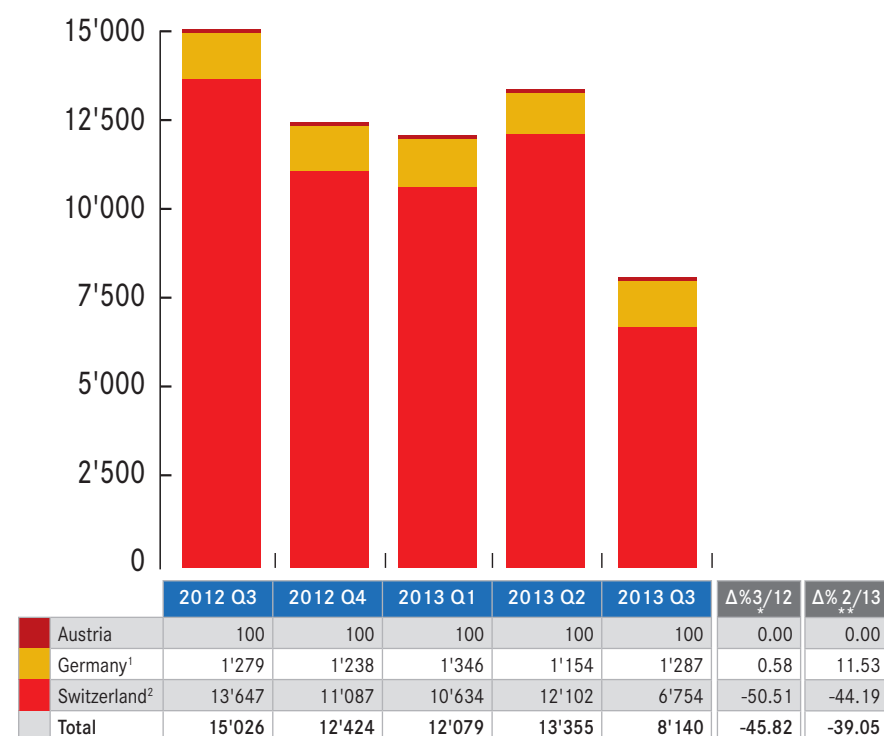
Investment Products

in Mio. EUR



Leverage Products

in Mio. EUR



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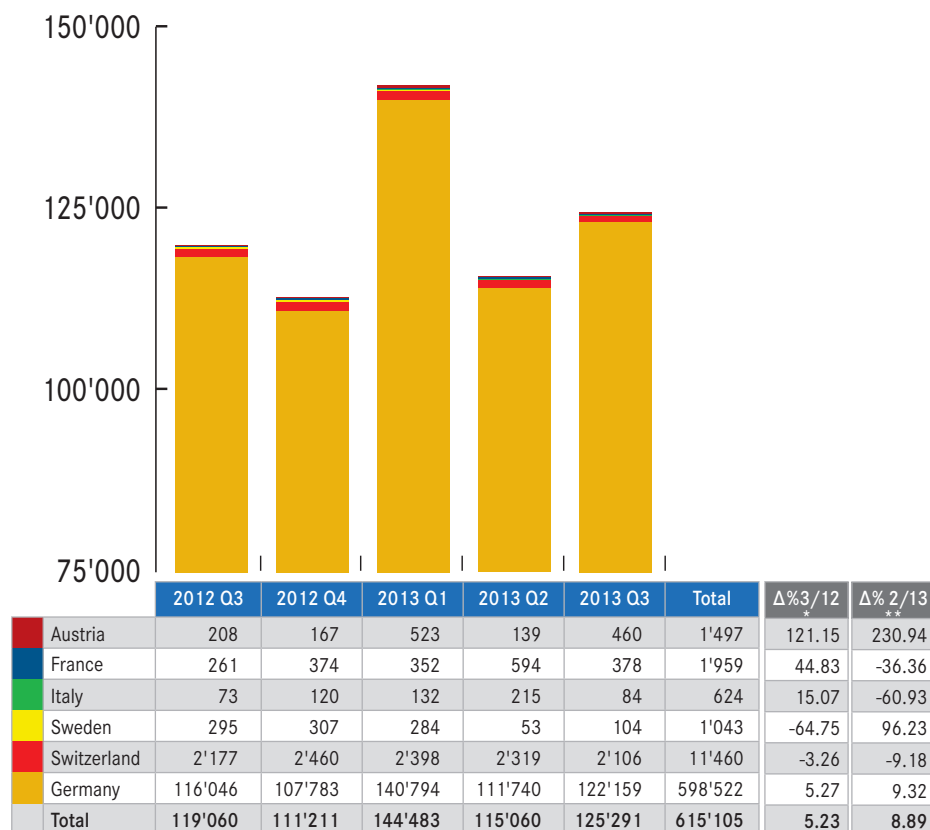
** Field indicates per cent change between reporting quarter Q3/2013 and previous quarter Q2/2013.

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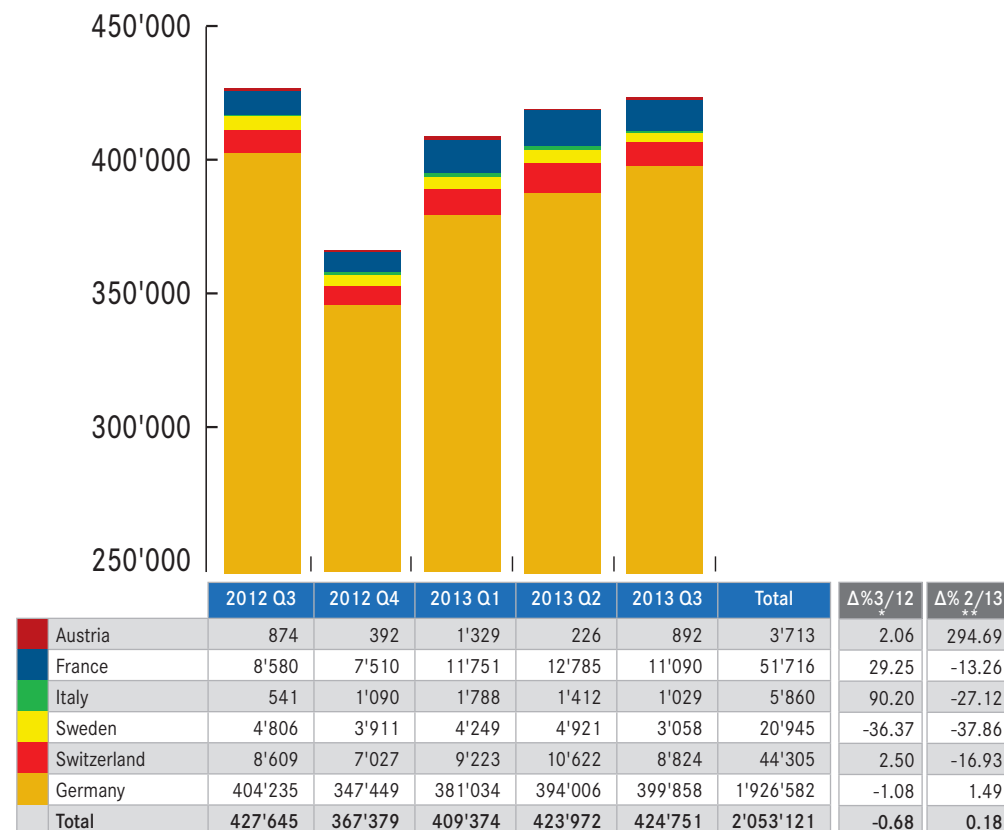
** Field indicates per cent change between reporting quarter Q3/2013 and previous quarter Q2/2013.

5. Number of new listings on exchange

Investment Products



Leverage Products



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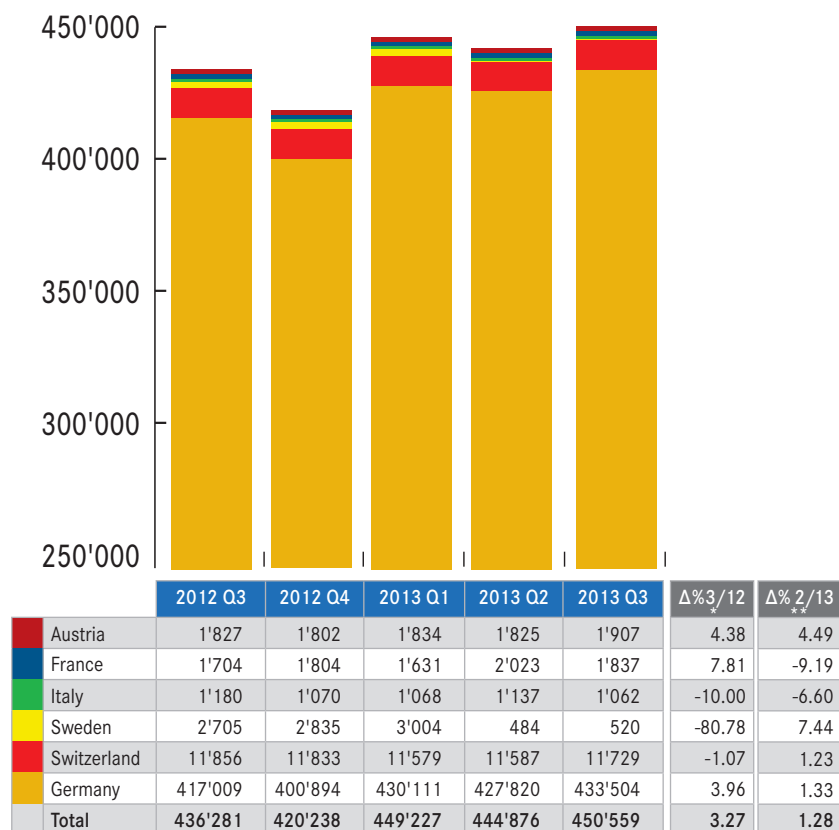
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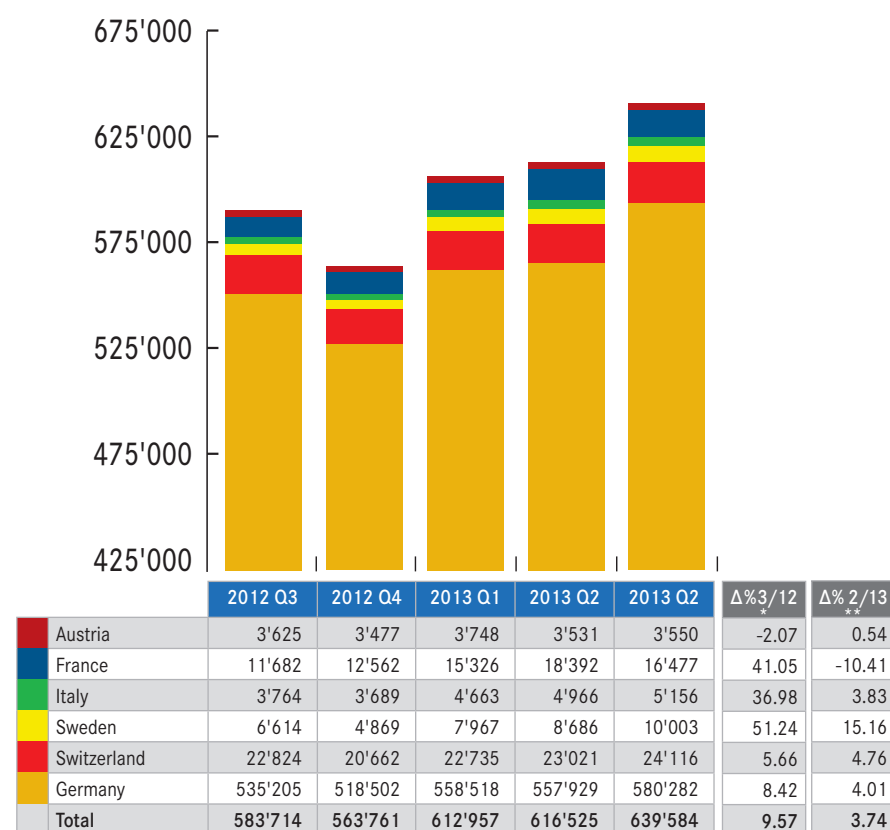
** Field indicates per cent change between reporting quarter Q3/2013 and previous quarter Q2/2013.

6. Number of exchange listed products

Investment Products



Leverage Products



* Field indicates per cent change between Q3/2013 and equivalent last year quarter Q3/2012.

** Field indicates per cent change between reporting quarter Q3/2013 and previous quarter Q2/2013.

* Field indicates per cent change between Q3/2013 and equivalent last year quarter Q3/2012.

** Field indicates per cent change between reporting quarter Q3/2013 and previous quarter Q2/2013.

Source: Country Associations, Derivative Partners

7. Appendix

Data sources

EUSIPA Members

Derivative Partners Research AG

Key date is 30th September 2013. The exchange rates for CHF/EUR and SEK/EUR are defined at the last trading day of each quarter.

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Further information about Structured Investment Products is provided by the country associations on their websites:

Austria

Zertifikate Forum Austria (ZFA)

www.zertifikateforum.at



France

Association Française des Produits Dérivés de Bourse (AFPDB)

www.afpdb.fr



Germany

Deutscher Derivate Verband (DDV)

www.derivateverband.de



Italy

Associazione Italiana Certificati e prodotti di Investimento (ACEPI)

www.acepi.it



Sweden

Swedish exchange-traded investment products association (SETIPA)

www.setipa.se



Switzerland

Swiss Structured Products Association (SSPA)

www.svsp-verband.ch

