

European certificates market weakens

Stock exchange turnover falls to EUR 22.2 billion in the second quarter

The volume of investment certificates and leverage products traded on European stock exchanges in the second quarter of 2012 was EUR 22.2 billion, 23.7 percent lower than in the first quarter of the year. This is shown by the latest market data collected by the European Structured Investment Products Association (EUSIPA) from its members and analysed by Derivative Partners Research AG.

The stock exchanges recorded turnover of EUR 10.5 billion in investment products, a decline of 23.3 percent compared with the previous quarter. Investment products accounted for 47.3 percent of total turnover.

Trading volumes in leverage products also weakened in the period from April to June. Stock exchange turnover fell by 23.9 percent to EUR 11.7 billion. Leverage products accounted for 52.7 percent of total turnover.

At the end of June, 446,882 investment certificates and 529,647 leverage products were listed on stock exchanges in EUSIPA member countries. In comparison with the previous quarter, the product portfolio grew by 1.4 percent. Banks issued 461,329 new products in the period from April to June. The number of new issues was 15.6 percent lower than in the first quarter of 2012. Leverage products accounted for 72.2 percent of the new issues, while investment products accounted for 27.8 percent.

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About EUSIPA

EUSIPA is the European umbrella organisation for issuers of listed structured financial products for private investors. The organisation's members are national associations from Austria, France, Germany, Italy, Sweden and Switzerland. Together they work to ensure a fair regulatory framework for the certificates and warrants markets, while making an important contribution to investor protection with their many initiatives to promote product transparency and investor education. The Association also sets Europe-wide market standards for the certificates sector. For more information please visit www.eusipa.org

The members are:



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EUSIPA Market Report on structured investment products

Q2/2012



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1. Highlights

Exchange Turnover: Decreasing Turnover

In the second quarter 2012 the overall exchange turnover decreased to 22.17 bn EUR which is a minus of 23.71% compared to the last quarter (29.06 bn EUR) and a minus of 34.60% on a year-to-year basis. The French market however stands out of this trend with investment products showing an 63,71% increase in turnover on a year-to-year basis. Leverage Products accounted in Q2 2012 for 11.68 bn EUR (-23.87%) in turnover and investment products for 10.49 bn EUR (-23.27%).

Number of new listings: Decreasing Numbers

Compared to the previous quarter the number of new listings decreased by 15.55% to 461'329 products. Whereas 72.16% of all issuers are invested in the leveraged segment investment products obtain a share of 27.84%.

Number of products: Increasing Numbers

At the end of June 2012 a total of 976'529 products were listed in EUSIPA member countries. This is a plus of 1.44% compared to the first quarter of 2012 (962'660), accounted for by an increase in the number of listed investment products of 3.57% compared to Q1 2012 and even 28.07%, measured on a year-to-year basis.

2. Quarterly overview (Q2/2012)

	 Austria*	 France	 Germany	 Italy	 Sweden	 Switzerland**	 EUSIPA
Exchange Turnover (Mio. EUR)							
1 Investment Products	30.33	865.03	6'402.93	355.00	396.28	2'442.30	10'491.87
11 Capital Protected	n/a	0	524.67	n/a	n/a	414.26	n/a
12 Yield-Enhancement	n/a	54.41	5'878.26	n/a	n/a	817.85	n/a
13 Participation	n/a	810.62	n/a	n/a	n/a	1'138.04	n/a
199 Various	n/a	n/a	n/a	n/a	n/a	72.15	n/a
2 Leverage Products	3.29	1'213.62	4'805.45	1'122.50	1'362.51	3'168.90	11'676.27
21 Without Knock-Out	0.58	436.55	1'647.21	n/a	102.63	n/a	n/a
22 With Knock-Out	2.71	777.07	3'158.24	n/a	1'259.88	n/a	n/a
299 Various	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total	33.62	2'078.65	11'208.38	1'477.50	1'758.79	5'611.20	22'168.13
Number of new listings on exchange							
1 Investment Products	104	492	125'038	115	306	2'382	128'437
11 Capital Protected	n/a	0	135	n/a	n/a	52	n/a
12 Yield-Enhancement	n/a	469	47'076	n/a	n/a	1'952	n/a
13 Participation	n/a	23	77'827	n/a	n/a	296	n/a
199 Various	n/a	0	n/a	n/a	n/a	82	n/a
2 Leverage Products	180	7'804	309'861	1'632	3'454	9'961	332'892
21 Without Knock-Out	63	2'615	94'859	n/a	2'102	n/a	n/a
22 With Knock-Out	117	5'173	215'002	n/a	1'352	n/a	n/a
299 Various	n/a	16	n/a	n/a	n/a	n/a	n/a
Total	284	8'296	434'899	1'747	3'760	12'343	461'329
Number of exchange listed products							
1 Investment Products	2'116	2'160	426'838	1'180	2'616	11'972	446'882
11 Capital Protected	n/a	9	4'018	n/a	n/a	1'122	n/a
12 Yield-Enhancement	n/a	1'640	236'056	n/a	n/a	7'485	n/a
13 Participation	n/a	511	186'764	n/a	n/a	3'033	n/a
199 Various	n/a	0	n/a	n/a	n/a	332	n/a
2 Leverage Products	3'665	10'602	481'993	3'938	6'267	23'182	529'647
21 Without Knock-Out	2'278	4'847	318'991	n/a	4'213	n/a	n/a
22 With Knock-Out	1'387	5'755	163'002	n/a	1'703	n/a	n/a
299 Various	n/a	0	n/a	n/a	351	n/a	n/a
Total	5'781	12'762	908'831	5'118	8'883	35'154	976'529

* Turnover after adjustment of double counts.

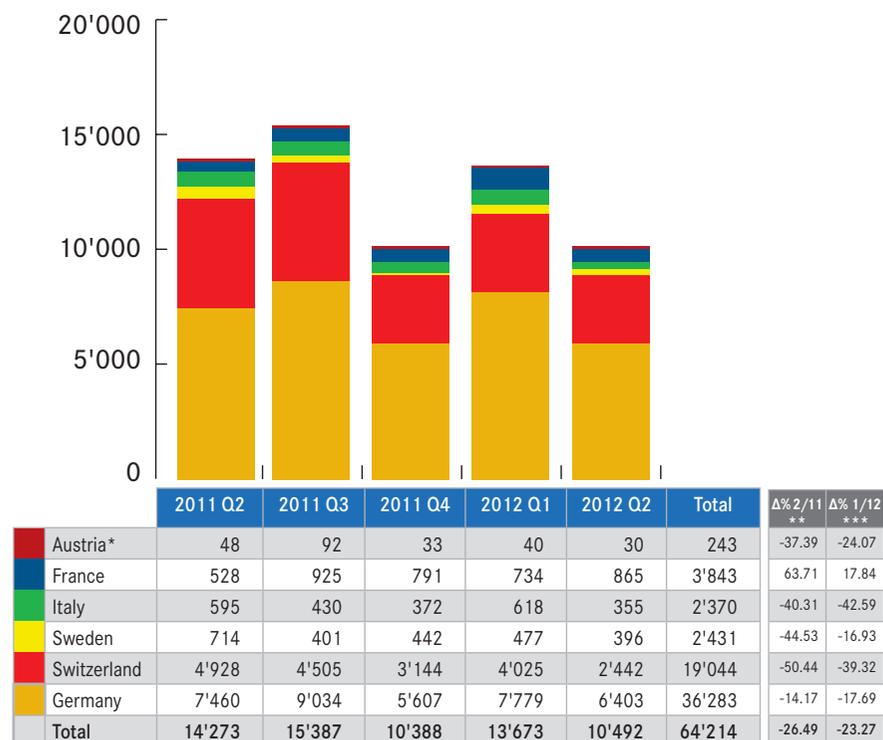
** Please note that the product category 'Investment Products with Reference Entities' exists only in Switzerland. Values for this category are therefore shown as 'Various Investment Products'.

Source: Country Associations, Derivative Partners

3. Exchange Turnover

Investment Products

in Mio. EUR



* Turnover after adjustment of double counts.

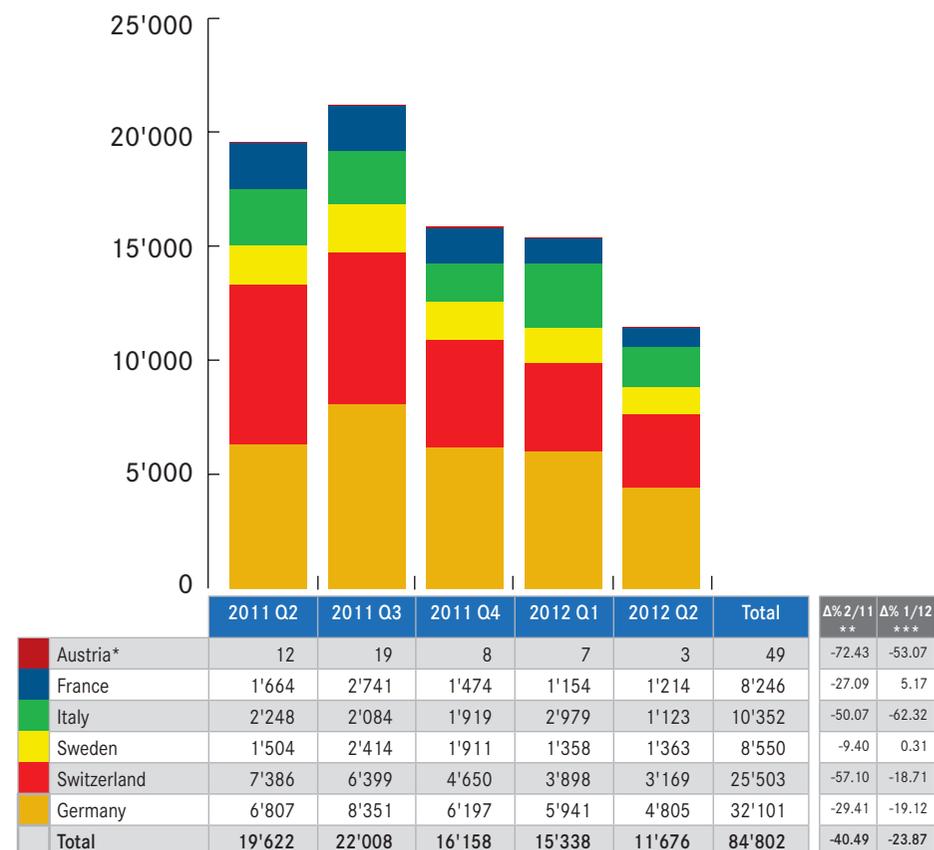
** Field indicates per cent change between Q2/2012 and equivalent last year quarter Q2/2011.

*** Field indicates per cent change between reporting quarter Q2/2012 and previous quarter Q1/2012.

Please note that the vertical axis is fixed above zero and Germany is therefore not in alphabetical order.

Leverage Products

in Mio. EUR



* Turnover after adjustment of double counts.

** Field indicates per cent change between Q2/2012 and equivalent last year quarter Q2/2011.

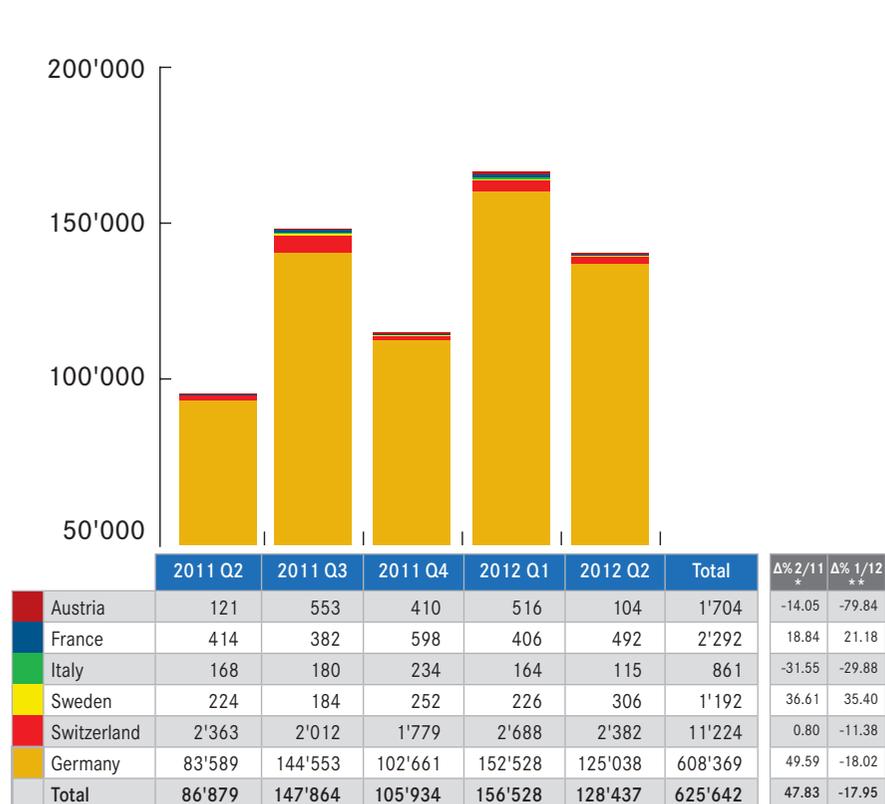
*** Field indicates per cent change between reporting quarter Q2/2012 and previous quarter Q1/2012.

Please note that the vertical axis is fixed above zero and Germany is therefore not in alphabetical order.

Source: Country Associations, Derivative Partners

4. Number of new listings on exchange

Investment Products

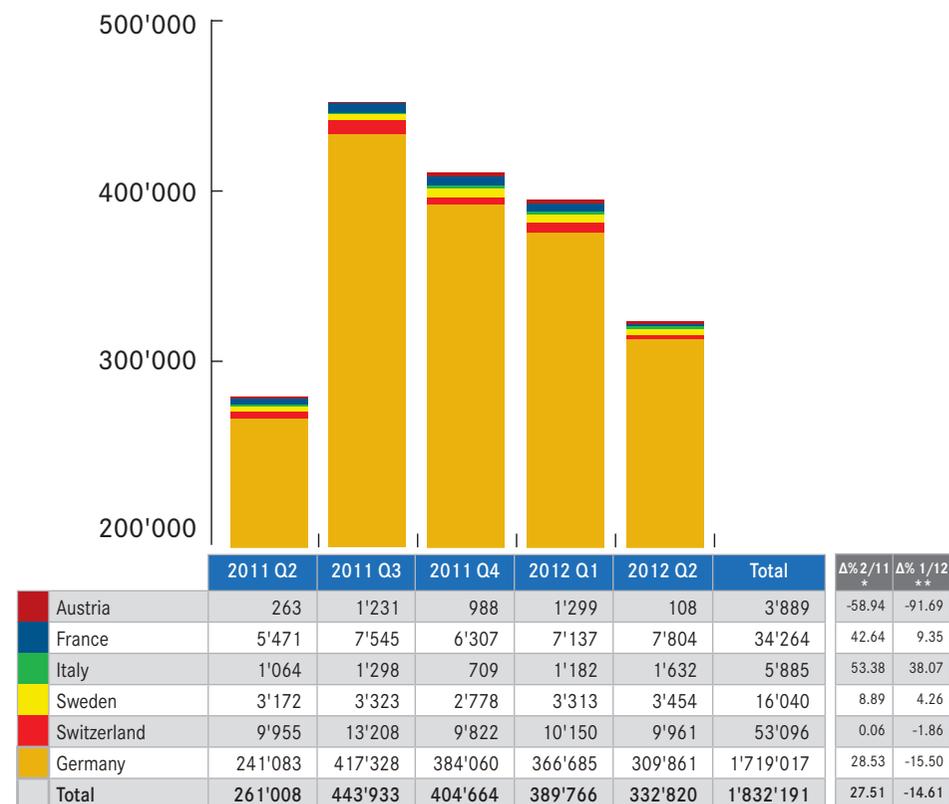


* Field indicates per cent change change between Q2/2012 and equivalent last year quarter Q2/2011.

** Field indicates per cent change between reporting quarter Q2/2012 and previous quarter Q1/2012.

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Leverage Products



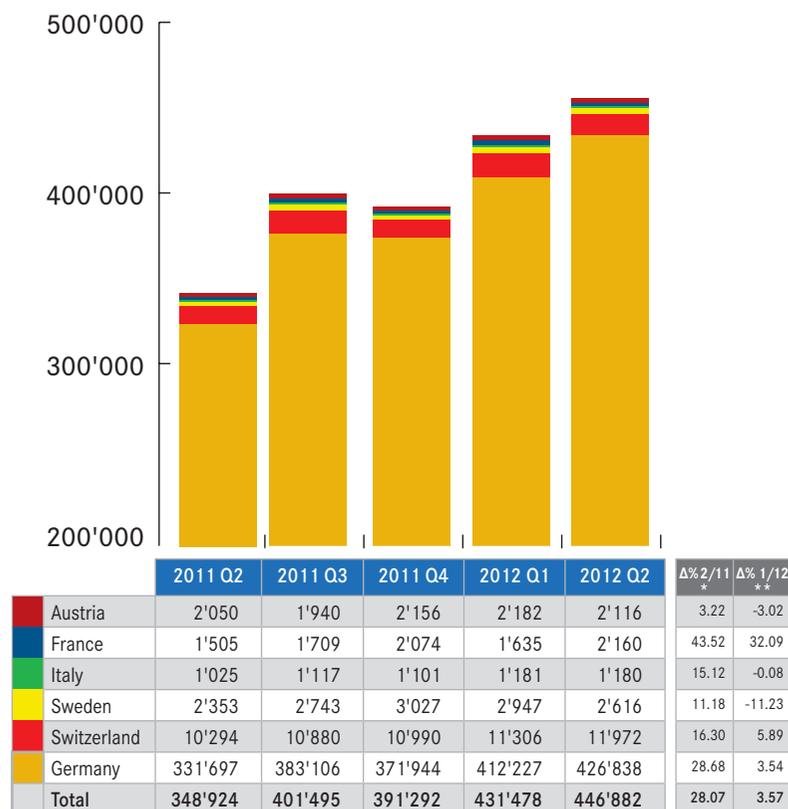
* Field indicates per cent change change between Q2/2012 and equivalent last year quarter Q2/2011.

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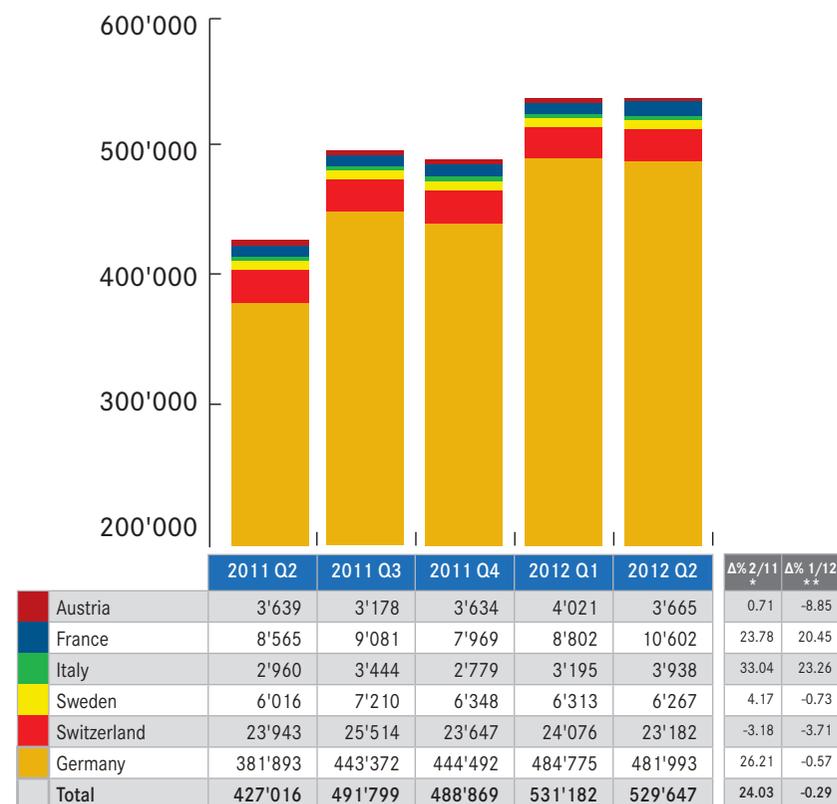
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5. Number of exchange listed products

Investment Products



Leverage Products



* Field indicates per cent change change between Q2/2012 and equivalent last year quarter Q2/2011.

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6. Appendix

Data sources

EUSIPA Members

Derivative Partners Research AG

Key date is 30th June 2012. 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

