

Increasing volume on Europe's structured products markets

EUR 314 billion open interest across reporting markets / turnover rising

Turnover in investment and leverage products on reporting European financial markets was up 12 percent both quarter on quarter and year on year in the fourth quarter of 2021, bringing the total to EUR 39 billion. These and other market data were sourced by the European Structured Investment Products Association (EUSIPA) from its members and analysed by Avaloq Evolution AG.

The members of EUSIPA who provide the figures for the market report include Zertifikate Forum Austria (ZFA), the Belgian Structured Investment Products Association (BELSIPA), Association Française des Produits Dérivés de Bourse (AFPDB), Deutscher Derivate Verband (DDV), Associazione Italiana Certificati e Prodotti di Investimento (ACEPI), the Netherlands Structured Investment Products Association (NEDSIPA), the Swedish Exchange Traded Investment Products Association (SETIPA), and the Swiss Structured Products Association (SSPA).

Fourth-quarter turnover in investment products on European trading venues amounted to EUR 14 billion, 36 percent of total traded volume. Investment product turnover increased 11 percent, both quarter on quarter and compared with Q4 2020. Turnover in leverage products (Warrants, Knock-Out Warrants, and Constant Leverage Certificates) reached EUR 25 billion in the period from October to December, representing 64 percent of total turnover. Turnover in leverage products increased by 12 percent year on year and by 13 percent from Q3 2021.

At the end of December, trading venues located in reporting EUSIPA markets were offering 376,649 investment products and 1,427,196 leverage products. As such, the number of listed products was constant on a quarterly basis and up 7 percent on the previous year.

Banks issued 1,363,596 new investment and leverage products in the fourth quarter of 2021, up 8 percent on the previous quarter and up 2 percent annually. In total, 112,697 new investment products were launched, accounting for 8 percent of new issues; the 1,250,899 new leverage products represent 92 percent of the total. There were 24 percent fewer investment products launched than in the same quarter of 2020. On the leverage products side, issuance increased by 10 percent from Q3 2021 and by 6 percent on an annual basis.

For Austria, Belgium, Germany and Switzerland, the **market volume of investment and leverage products** issued as securities increased by 5 percent quarter on quarter to EUR 314 billion, and 12 percent year on year.

At the end of December, the market volume of investment products increased to EUR 299 billion – up 4 percent quarter on quarter and 11 percent year on year.

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The outstanding volume of leverage products totalled EUR 14 billion at the end of December. This represents a 42 percent increase on a year-on-year basis.

About EUSIPA

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

The umbrella association acts as a contact for politicians, the EU Commission and the European Securities and Markets Authority (ESMA) in all questions concerning structured products. Whenever the need arises, the association is at hand to provide expert advice and opinions, thus playing an active role in the policy dialogue.

Greater protection for investors as well as a comprehensible and transparent product landscape 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 conduct for the sector.

The members of EUSIPA that provide the information for the market report are:



EUSIPA Market Report

on Structured Investment and Leverage Products

Q4/2021



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1. Highlights

Turnover: Solid increase

In the fourth quarter of 2021, turnover in structured investment and leverage products in note-based format accounted for 39 bn EUR across reporting markets which is a 12% increase compared to both the previous quarter and the equivalent last year quarter Q4 2020. Leverage products accounted for a turnover of 25 bn EUR in Q4 2021. Their turnover increased by 13% quarterly and by 12% compared to Q4 2020. Turnover in non-leverage investment products increased by 11% on an annual basis, clearly driven by the Swedish market, and at the same level against the preceding quarter.

Outstanding Volume: Growth trend continues

The Q4 2021 figures for the Austrian, Belgian, German¹ and Swiss² markets indicate a total amount of 314 bn EUR held in note-based structured products, which is a 5% increase compared to the last quarter Q3 2021 and a significant growth of 12% on an annual basis.

Number of New Issuances: Overall rising figures within the past six months

The overall number of new issuances increased during Q4 2021 when measured against the preceding quarter Q3 2021 (1,363,596 versus 1,257,268 products in Q3 2021). When singled out, the number of newly issued investment products decreased by 5% on a quarter-by-quarter comparison and by 24% when compared to Q4 2020. For leverage products as an area having traditionally the highest share in new issuances, the number of new listings increased by 10% compared to the preceding quarter Q3 2021, and by 6% on an annual basis.










Total Number of Products: Increasing level on an annual basis

Markets of contributing EUSIPA member associations reported 1,803,845 products as open (non-matured) in Q4 2021, which is in line compared to the preceding quarter Q3 2021 and an increase of 7% on an annual basis. In the leverage products segment, the total number of products increased by 1% compared to the previous quarter Q3 2021 and increased by 15% on an annual basis.

¹ For the statistics on the German market, the DDV uses data from 15 major issuers on the sales of listed note-based structured retail products to customers based in Germany. The issuers come from all sectors of the banking industry in Germany: cooperative banks, public banks, and private banks.

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. The Swiss National Bank has extended the circle of the reportable institutions for the statistics of the securities held in bank's client deposits. The survey group consists now also of institutions with a special field of business. In case of such institutions with a special field of business and especially for deposits which are stored centrally there are only securities included that are not already stored at another reportable bank and reported by it.

2. Quarterly overview (Q4/2021)

	 Austria	 Belgium	 France	 Germany	 Italy	 Netherlands	 Sweden	 Switzerland ¹	 EUSIPA
Exchange Turnover (Mio. EUR)									
1 Investment Products	186	498	35	3.792	3.183	5	3.069	3.433	14.201
11 Capital Protected	n/a	n/a	0	27	n/a	0	1	23	51
12 Yield-Enhancement	n/a	n/a	23	2.061	n/a	3	1	551	2.639
13 Participation	n/a	n/a	12	1.694	n/a	2	3.007	2.855	7.570
199 Various	n/a	n/a	0	10	n/a	0	60	4	74
2 Leverage Products	7	n/a ^{3,4}	2.045	11.972	2.291	947	6.174	1.301	24.737
21 Without Knock-Out	n/a	n/a	474	3.944	n/a	13	82	n/a	4.513
22 With Knock-Out	n/a	n/a	1.369	6.930	n/a	904	2.855	n/a	12.058
23 Constant Leverage	n/a	n/a	202	1.098	n/a	30	3.237	n/a	4.567
Various	n/a	n/a	0	n/a	n/a	0	0	n/a	0
Total	193	498⁴	2.080	15.764	5.474	952	9.243	4.734	38.938
Total change - Δ in % to Q4/20 ²	3	-54 ^{3,4}	18	13	-12	-16	53	8	12
Total change - Δ in % to Q3/21 ³	20	-6 ^{3,4}	27	16	-2	-20	15	19	12
Outstanding Volume (Mio. EUR)									
1 Investment Products	14.608	13.648	n/a	59.954	n/a	n/a	n/a	211.271	299.481
11 Capital Protected	n/a	n/a	n/a	21.371	n/a	n/a	n/a	33.131	54.502
12 Yield-Enhancement	n/a	n/a	n/a	29.795	n/a	n/a	n/a	77.149	106.944
13 Participation	n/a	n/a	n/a	4.333	n/a	n/a	n/a	98.024	102.357
199 Various	n/a	n/a	n/a	4.455	n/a	n/a	n/a	2.967	7.422
2 Leverage Products	192	n/a ^{3,4}	n/a	5.147	n/a	n/a	n/a	8.980	14.319
21 Without Knock-Out	n/a	n/a	n/a	2.576	n/a	n/a	n/a	n/a	2.576
22 With Knock-Out	n/a	n/a	n/a	1.980	n/a	n/a	n/a	n/a	1.980
23 Constant Leverage	n/a	n/a	n/a	591	n/a	n/a	n/a	n/a	591
Various	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
Total	14.800	13.648⁴	n/a	65.101	n/a	n/a	n/a	220.251	313.800
Total change - Δ in % to Q4/20 ²	-2	n/a ^{3,4}	n/a	4	n/a	n/a	n/a	17	12
Total change - Δ in % to Q3/21 ³	0	n/a ^{3,4}	n/a	1	n/a	n/a	n/a	9	5

Source: Country Associations, Avaloq Evolution AG










¹ 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'.

² Field indicates per cent change between Q4/2021 and equivalent last year quarter Q4/2020.

³ Field indicates per cent change between reporting quarter Q4/2021 and previous quarter Q3/2021.

⁴ Reporting disruption due to operational transformation of the relevant trading venue.

2. Quarterly overview (Q4/2021)

	 Austria	 Belgium	 France	 Germany	 Italy	 Netherlands	 Sweden	 Switzerland ¹	 EUSIPA
Number of New Listings on Exchange									
1 Investment Products	511	34	535	107.611	939	42	22	3.003	112.697
11 Capital Protected	n/a	n/a	0	5	n/a	0	0	4	9
12 Yield-Enhancement	n/a	n/a	479	64.572	n/a	27	0	2.898	67.976
13 Participation	n/a	n/a	56	42.984	n/a	15	2	101	43.158
199 Various	n/a	n/a	0	50	n/a	0	20	0	70
2 Leverage Products	621	n/a ^{3,4}	58.452	1.131.923	3.902	28.708	15.295	11.998	1.250.899
21 Without Knock-Out	97	n/a	11.139	301.375	n/a	3.423	1.834	n/a	317.868
22 With Knock-Out	416	n/a	46.631	822.905	n/a	24.788	12.051	n/a	906.791
23 Constant Leverage	0	n/a	682	7.643	n/a	497	1.410	n/a	10.232
Various	0	n/a	0	n/a	n/a	0	0	n/a	0
Total	1.132	34⁴	58.987	1.239.534	4.841	28.750	15.317	15.001	1.363.596
Total change - Δ in % to Q4/20 ²	-57	n/a ^{3,4}	23	2	47	-33	59	21	2
Total change - Δ in % to Q3/21 ³	-18	n/a ^{3,4}	14	9	31	-25	27	4	8
Number of Exchange Listed Products									
1 Investment Products	4.439	1.554	1.482	345.295	6.192	368	430	16.889	376.649
11 Capital Protected	n/a	n/a	0	735	n/a	0	29	402	1.166
12 Yield-Enhancement	n/a	n/a	1.323	202.968	n/a	202	46	14.516	219.055
13 Participation	n/a	n/a	159	139.988	n/a	166	269	1.815	142.397
199 Various	n/a	n/a	0	1.604	n/a	0	86	156	1.846
2 Leverage Products	3.839	n/a ^{3,4}	47.549	1.273.597	4.558	37.910	26.907	32.836	1.427.196
21 Without Knock-Out	1.239	n/a	16.758	580.726	n/a	1.633	4.558	n/a	604.914
22 With Knock-Out	2.600	n/a	28.047	653.496	n/a	34.898	12.950	n/a	731.991
23 Constant Leverage	0	n/a	2.744	39.375	n/a	1.379	9.399	n/a	52.897
Various	0	n/a	0	n/a	n/a	0	0	n/a	0
Total	8.278	1.554⁴	49.031	1.618.892	10.750	38.278	27.337	49.725	1.803.845
Total change - Δ in % to Q4/20 ²	20	n/a ^{3,4}	9	6	-19	73	29	8	7
Total change - Δ in % to Q3/21 ³	-2	n/a ^{3,4}	-5	0	-5	-8	0	6	0

Source: Country Associations, Avaloq Evolution AG

¹ 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'.

² Field indicates per cent change between Q4/2021 and equivalent last year quarter Q4/2020.

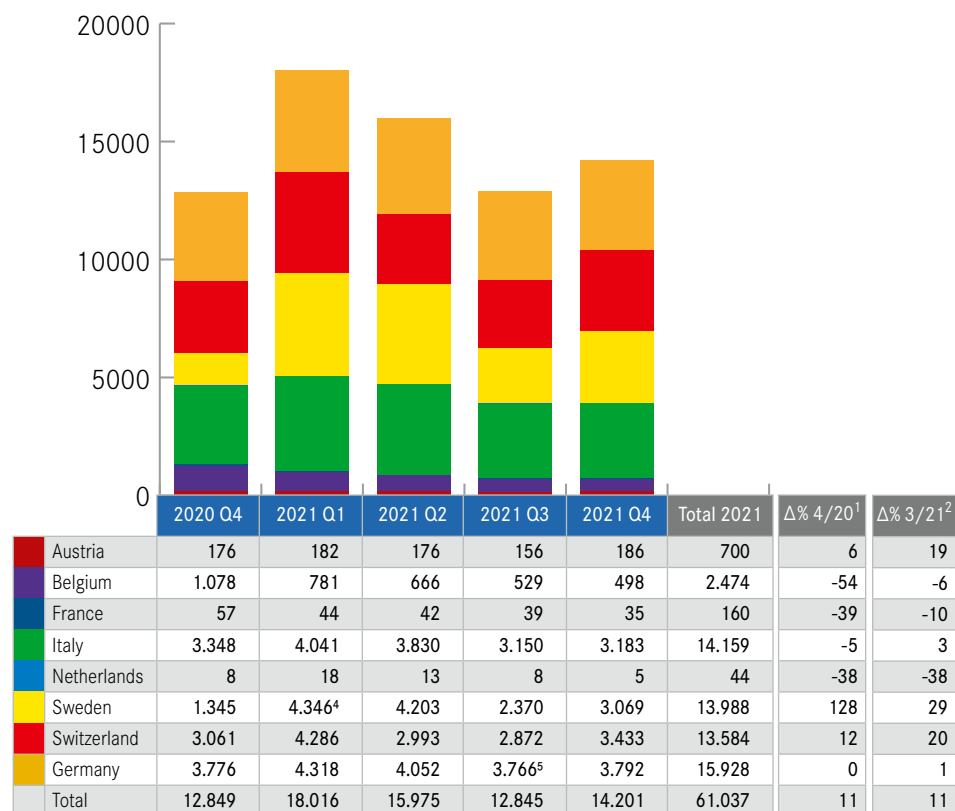
³ Field indicates per cent change between reporting quarter Q4/2021 and previous quarter Q3/2021.

⁴ Reporting disruption due to operational transformation of the relevant trading venue.

3. Exchange turnover

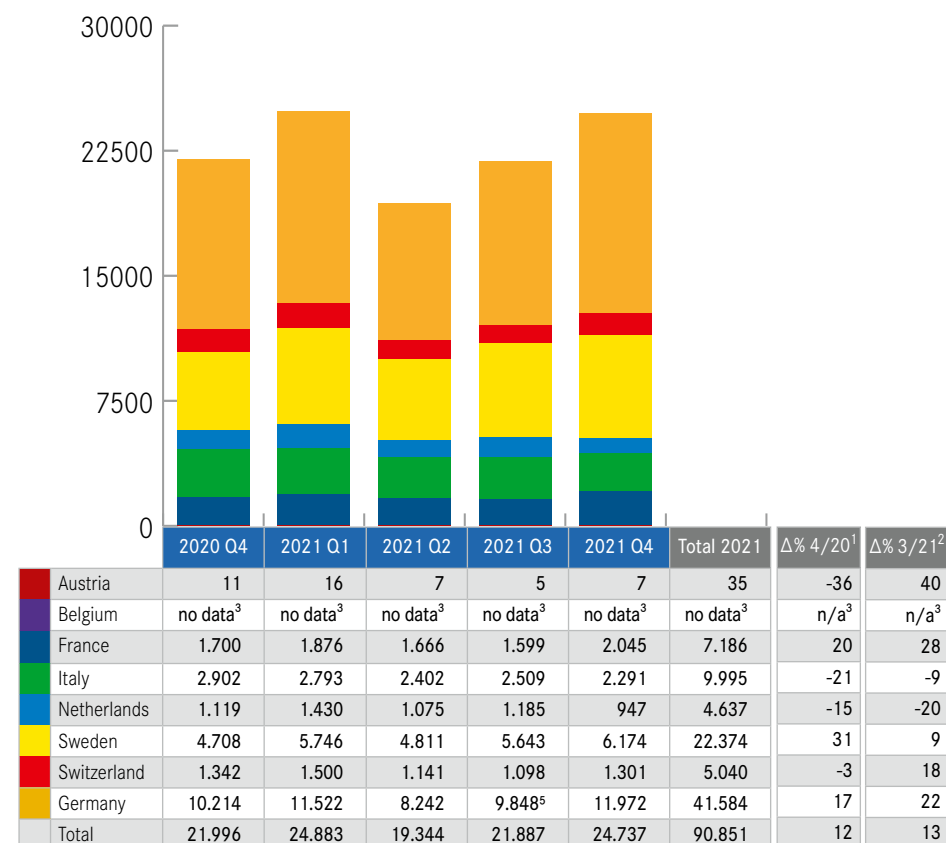
Investment Products

in Mio. EUR



Leverage Products

in Mio. EUR



¹ Field indicates per cent change between Q4/2021 and equivalent last year quarter Q4/2020.

² Field indicates per cent change between reporting quarter Q4/2021 and previous quarter Q3/2021.

³ Reporting disruption due to operational transformation of the relevant trading venue.

⁴ Reflects higher trading in crypto related products during the first quarter.

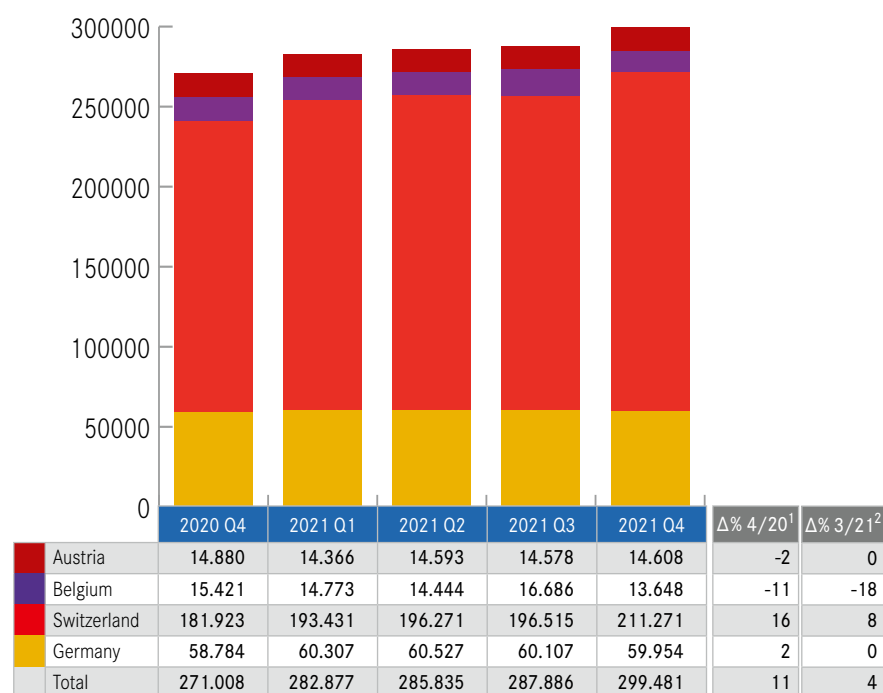
⁵ Turnover correction for the German market.

Source: Country Associations, Avaloq Evolution AG

4. Outstanding volume

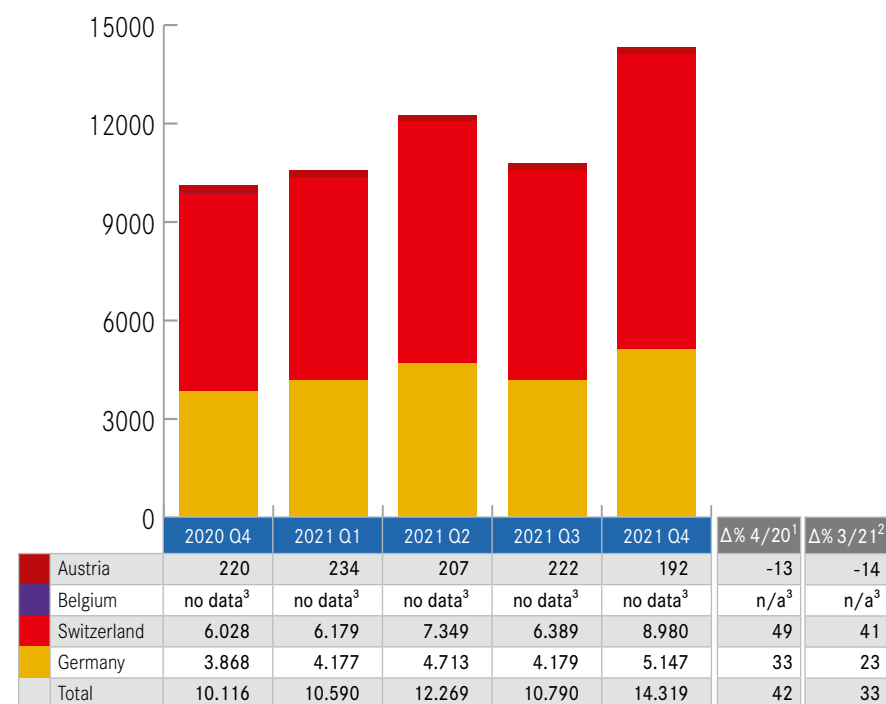
Investment Products

in Mio. EUR



Leverage Products

in Mio. EUR



Source: Country Associations, Avaloq Evolution AG

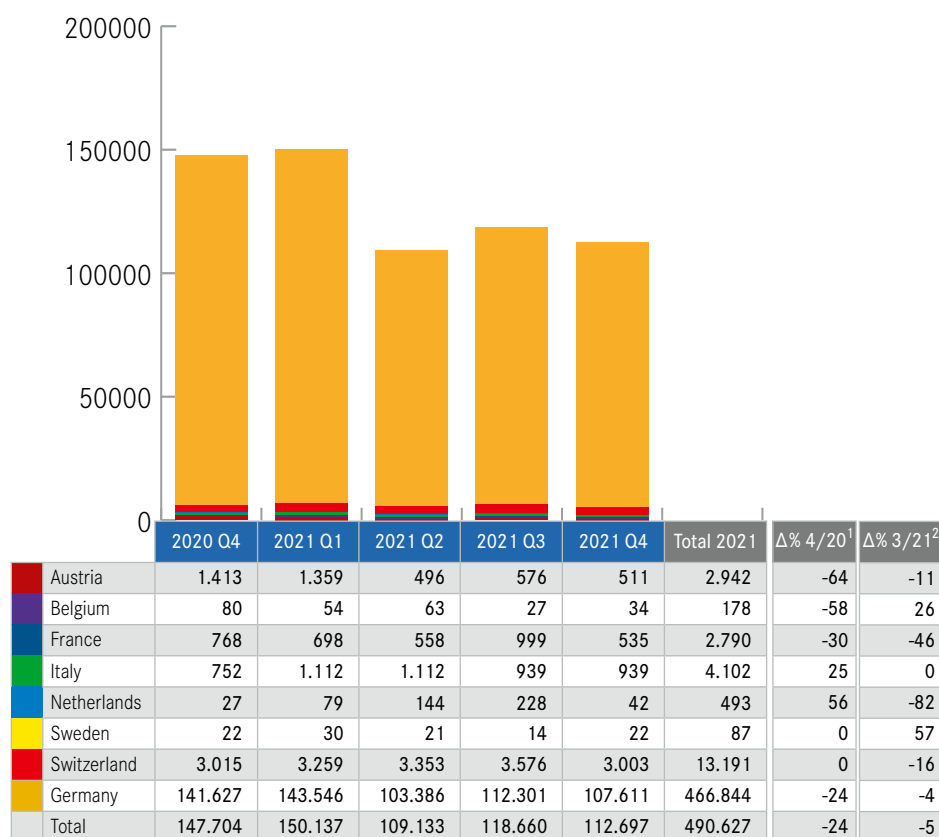
¹ Field indicates per cent change between Q4/2021 and equivalent last year quarter Q4/2020.

² Field indicates per cent change between reporting quarter Q4/2021 and previous quarter Q3/2021.

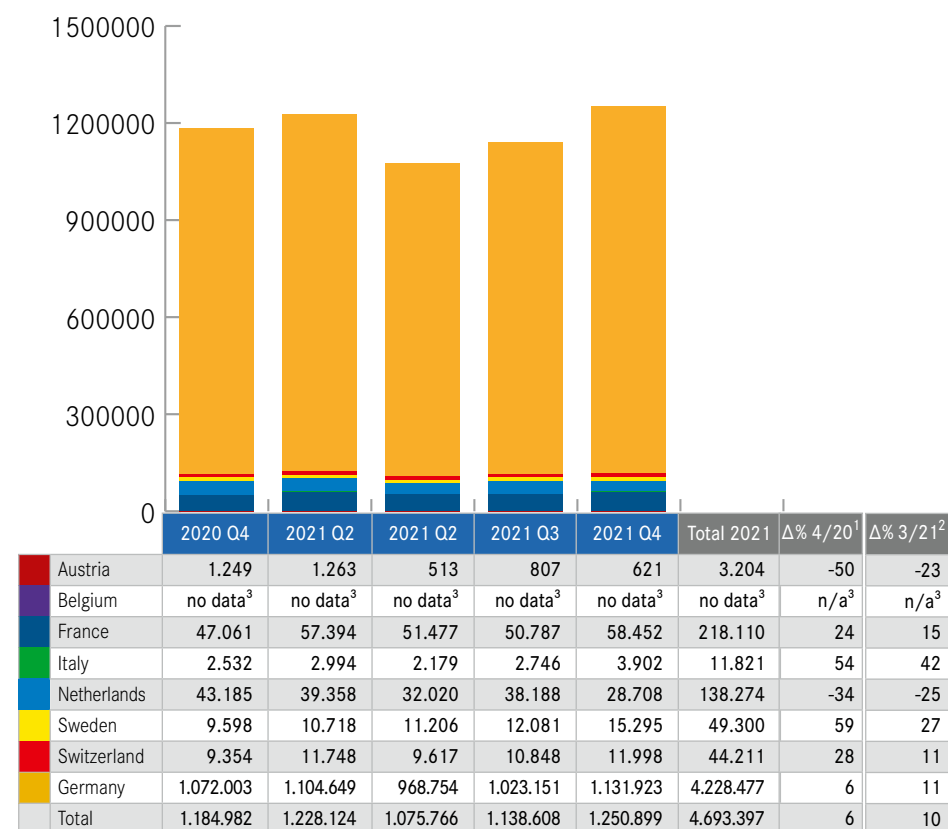
³ Reporting disruption due to operational transformation of the relevant trading venue.

5. Number of new listings on exchange

Investment Products



Leverage Products



Source: Country Associations, Avaloq Evolution AG

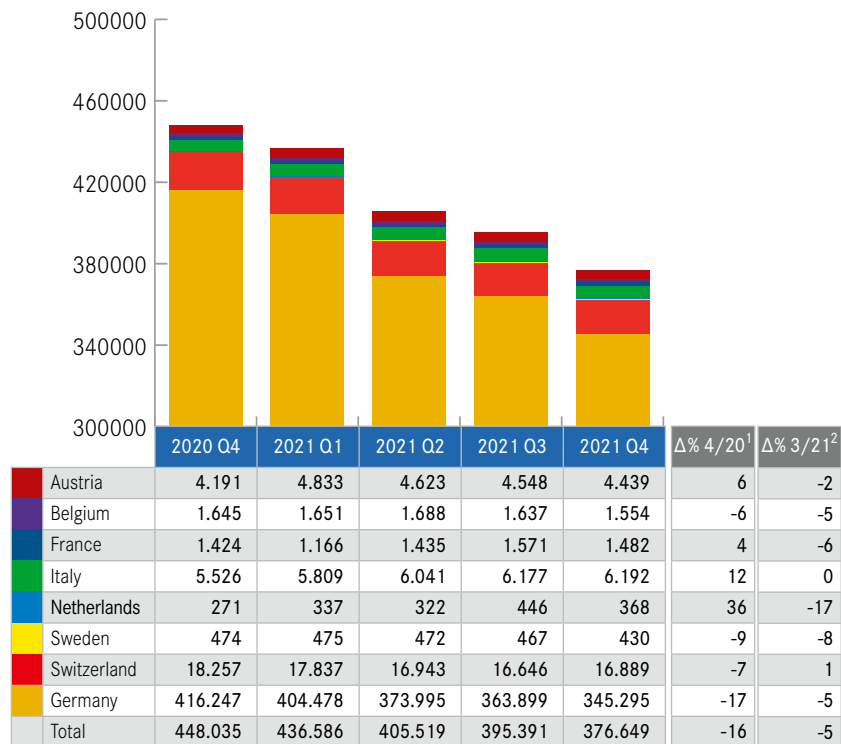
¹ Field indicates per cent change between Q4/2021 and equivalent last year quarter Q4/2020.

² Field indicates per cent change between reporting quarter Q4/2021 and previous quarter Q3/2021.

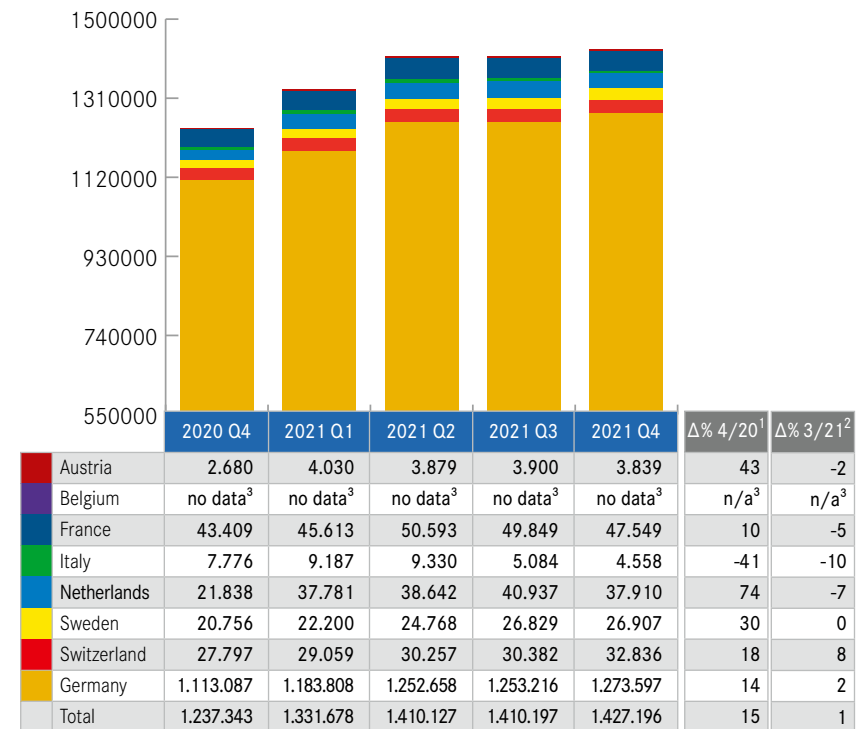
³ Reporting disruption due to operational transformation of the relevant trading venue.

6. Number of exchange listed products

Investment Products



Leverage Products



Source: Country Associations, Avaloq Evolution AG

¹ Field indicates per cent change between Q4/2021 and equivalent last year quarter Q4/2020.

² Field indicates per cent change between reporting quarter Q4/2021 and previous quarter Q3/2021.

³ Reporting disruption due to operational transformation of the relevant trading venue.

7. Appendix

Data sources

EUSIPA Members

Avaloq Evolution AG

Key date is 31 December 2021. 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 d'investissement de détail et de bourse (AFPDB)

www.afpdb.org



Germany

Deutscher Derivate Verband (DDV)

www.derivateverband.de



Italy

Associazione Italiana Certificati e prodotti di Investimento (ACEPI)

www.acepi.it



Netherlands

Netherlands Structured Investment Products Association (NEDSIPA)

www.nedsipa.nl



Sweden

Swedish exchange-traded investment products association (SETIPA)

www.setipa.se



Switzerland

Swiss Structured Products Association (SSPA)

www.sspa.ch



Belgium

Belgian Structured Investment Products Association (BELSIPA)

www.belsipa.be

