

Slightly increasing volume and stable turnover on European structured securities market

Almost EUR 273 billion invested in European structured product exchanges / Positive development in leverage products volume

Exchange turnover remained stable for both investment and leverage products on Europe's financial markets at the end of the second quarter. There were no significant changes on either a quarter-on-quarter or year-on-year basis. Turnover in the second quarter totalled EUR 25.6 billion. The market data was sourced by the European Structured Investment Products Association (EUSIPA) from its members and analysed by Derivative Partners 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).

Second-quarter turnover in investment products recorded on European exchanges amounted to EUR 11.5 billion, 45.0 percent of the total. Although turnover was down 6.0 percent on the previous quarter, it was up 13.0 percent on the same quarter of the previous year. Turnover in leverage products (Warrants, Knock-Out Warrants and Factor Certificates) stood at EUR 14.1 billion in the period from April to June, 55.0 percent of the total. Exchange-based turnover increased 5.0 percent from the first quarter of 2019 but was down 10.0 percent year on year.

At the end of June, trading venues located in EUSIPA member countries were offering 563,545 investment products and 1,363,440 leverage products. The aggregate listed product offering rose 1.0 percent from the previous quarter and 11.0 percent year on year.

Banks issued a total of 1,186,703 new investment and leverage products in the second quarter of 2019, a 4.5 percent decrease from the period of January to March. However, this still represents a year-on-year increase of 5.4 percent. In total, 171,468 new investment products were launched, accounting for 14.0 percent of new issuances, whereas the 1,015,235 new leverage products represented 86.0 percent of the total.

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At the end of the second quarter, in Austria, Belgium, Germany and Switzerland, the **market volume of investment and leverage products** recognised as securities stood at EUR 272.9 billion – a 9.0 percent rise year on year and a 1.0 percent increase from the previous quarter.

At the end of June, the market volume of investment products stood at EUR 263.7 billion – an increase of 1.0 percent quarter on quarter and 8.0 percent year on year.

The outstanding volume of leverage products totalled EUR 9.2 billion at the end of June. This represents a 13.0 percent increase on the previous quarter, and an even larger year-on-year increase of 34.0 percent

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 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 structured products. 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.

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



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EUSIPA Market Report on structured investment products

Q2/2019



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1. Highlights

Turnover: No significant change

In the second quarter of 2019 the turnover in structured investment and leverage products combined accounted for 25.59 bn EUR which is no significant change to the last quarter (25.71 bn EUR in Q1 2019) or the equivalent last year quarter (25.81 bn EUR in Q2 2018). Investment (non-leverage) products accounted in Q2 2019 for a turnover of 11.53 bn EUR (an increase of 13% compared to the equivalent last year quarter Q2 2018). Turnover in leverage products increased by 5% compared to Q1 2019 but decreased by 10% when compared to the last year quarter Q2 2018.

Outstanding Volume: Slightly increasing

The Q2 2019 figures for the Austrian, Belgian, German¹ and Swiss² markets indicate globally a total amount of 272.9 bn EUR, which is an increase of 9% compared to the last year quarter Q2 2018. It also is an increase of 1% compared to the last quarter Q1 2019. The volume in investment (non-leverage) products increased by 8% compared to Q2 2018, thus driving the overall trend.

Number of New Listings: Decreasing issuance activity

Compared to the first quarter of 2019 the number of new listings during Q2 2019 are slightly decreasing (1'186'703 products in Q2 2019 versus 1'242'592 products in Q1 2019). Whereas 86% of all new listed products were issued in the leveraged product segment, investment products obtained a share of 14%. For leverage products, the number of new listings increased by 5% on a year-to-year basis but decreased by 5% quarter-on-quarter. For investment products, the number of new listings decreased by 3% compared to the previous quarter and increased by 7% compared to the equivalent last year quarter.










Number of Products: Slightly increasing number of listed products

1'926'985 products were listed in Q2 2019 in the markets of the reporting EUSIPA member associations, which is a slight increase by 1% compared to the first quarter of 2019 and by 11% seen year-on-year. The number of listed leverage products increased in this timeframe by 12% while the number of listed investment products increased by 8%.

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 more than 90% 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. 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 (Q2/2019)

	 Austria	 Belgium	 France	 Germany	 Italy	 Netherlands	 Sweden	 Switzerland ¹	 EUSIPA
Exchange Turnover (Mio. EUR)									
1 Investment Products	168	757	61	3'869	4'147	14	586	1'932	11'534
11 Capital Protected	n/a	n/a	0	59	n/a	0	1	54	114
12 Yield-Enhancement	n/a	n/a	44	2'187	n/a	12	0	714	2'957
13 Participation	n/a	n/a	17	1'586	n/a	2	577	1'148	3'330
199 Various	n/a	n/a	0	37	n/a	0	8	16	61
2 Leverage Products	9	31	974	4'927	2'844	1'065	3'038	1'167	14'055
21 Without Knock-Out	n/a	n/a	320	1'286	n/a	157	19	n/a	1'782
22 With Knock-Out	n/a	n/a	536	3'010	n/a	901	1'250	n/a	5'697
23 Constant Leverage	n/a	n/a	118	631	n/a	7	1'769	n/a	2'525
Various	n/a	n/a	0	n/a	n/a	0	0	n/a	0
Total	177	788	1'035	8'796	6'991	1'079	3'624	3'099	25'590
Total change - Δ in % to Q2/18 ²	9	0	-9	-4	7	-30	5	2	-1
Total change - Δ in % to Q1/19 ³	1	-33	-5	-3	16	-11	40	-29	0
Outstanding Volume (Mio. EUR)									
1 Investment Products	14'312	15'807	n/a	65'595	n/a	n/a	n/a	167'957	263'671
11 Capital Protected	n/a	n/a	n/a	25'731	n/a	n/a	n/a	49'753	75'484
12 Yield-Enhancement	n/a	n/a	n/a	29'846	n/a	n/a	n/a	66'106	95'952
13 Participation	n/a	n/a	n/a	4'823	n/a	n/a	n/a	49'436	54'259
199 Various	n/a	n/a	n/a	5'195	n/a	n/a	n/a	2'662	7'857
2 Leverage Products	188	2	n/a	1'992	n/a	n/a	n/a	7'031	9'213
21 Without Knock-Out	n/a	n/a	n/a	756	n/a	n/a	n/a	n/a	756
22 With Knock-Out	n/a	n/a	n/a	897	n/a	n/a	n/a	n/a	897
23 Constant Leverage	n/a	n/a	n/a	339	n/a	n/a	n/a	n/a	339
Various	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
Total	14'500	15'809	n/a	67'587	n/a	n/a	n/a	174'988	272'884
Total change - Δ in % to Q2/18 ²	10	8	n/a	4	n/a	n/a	n/a	11	9
Total change - Δ in % to Q1/19 ³	1	1	n/a	2	n/a	n/a	n/a	1	1










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 Q2/2019 and equivalent last year quarter Q2/2018.

³ Field indicates per cent change between reporting quarter Q2/2019 and previous quarter Q1/2019.

Source: Country Associations, Derivative Partners

2. Quarterly overview (Q2/2019)

	 Austria	 Belgium	 France	 Germany	 Italy	 Netherlands	 Sweden	 Switzerland ¹	 EUSIPA
Number of New Listings on Exchange									
1 Investment Products	183	94	523	166'781	798	111	57	2'921	171'468
11 Capital Protected	n/a	n/a	0	40	n/a	0	0	42	82
12 Yield-Enhancement	n/a	n/a	523	80'171	n/a	85	11	2'747	83'537
13 Participation	n/a	n/a	0	86'471	n/a	26	41	122	86'660
199 Various	n/a	n/a	0	99	n/a	0	5	10	114
2 Leverage Products	830	364	47'881	934'165	2'161	15'630	6'606	7'598	1'015'235
21 Without Knock-Out	356	n/a	15'071	229'189	n/a	134	1'538	n/a	246'288
22 With Knock-Out	474	n/a	32'589	697'548	n/a	15'459	4'015	n/a	750'085
23 Constant Leverage	0	n/a	221	7'428	n/a	37	1'053	n/a	8'739
Various	0	n/a	0	n/a	n/a	0	0	n/a	0
Total	1'013	458	48'404	1'100'946	2'959	15'741	6'663	10'519	1'186'703
Total change - Δ in % to Q2/18 ²	-34	-47	49	4	27	22	-12	14	5
Total change - Δ in % to Q1/19 ³	-41	-28	7	-5	-23	13	-15	3	-4
Number of Exchange Listed Products									
1 Investment Products	3'513	2'360	2'285	533'743	4'509	383	580	16'172	563'545
11 Capital Protected	n/a	n/a	0	1'044	n/a	0	71	604	1'719
12 Yield-Enhancement	n/a	n/a	2'178	318'044	n/a	253	74	13'580	334'129
13 Participation	n/a	n/a	107	212'944	n/a	130	379	1'665	215'225
199 Various	n/a	n/a	0	1'711	n/a	0	56	323	2'090
2 Leverage Products	4'178	684	50'865	1'236'836	7'519	21'629	16'130	25'599	1'363'440
21 Without Knock-Out	1'867	n/a	24'147	624'048	n/a	220	3'730	n/a	654'012
22 With Knock-Out	2'311	n/a	25'856	576'858	n/a	21'166	7'284	n/a	633'475
23 Constant Leverage	0	n/a	862	35'930	n/a	243	5'107	n/a	42'142
Various	0	n/a	0	n/a	n/a	0	9	n/a	9
Total	7'691	3'044	53'150	1'770'579	12'028	22'012	16'710	41'771	1'926'985
Total change - Δ in % to Q2/18 ²	4	32	31	10	20	9	12	23	11
Total change - Δ in % to Q1/19 ³	-5	33	9	0	-3	6	-3	1	1

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 Q2/2019 and equivalent last year quarter Q2/2018.

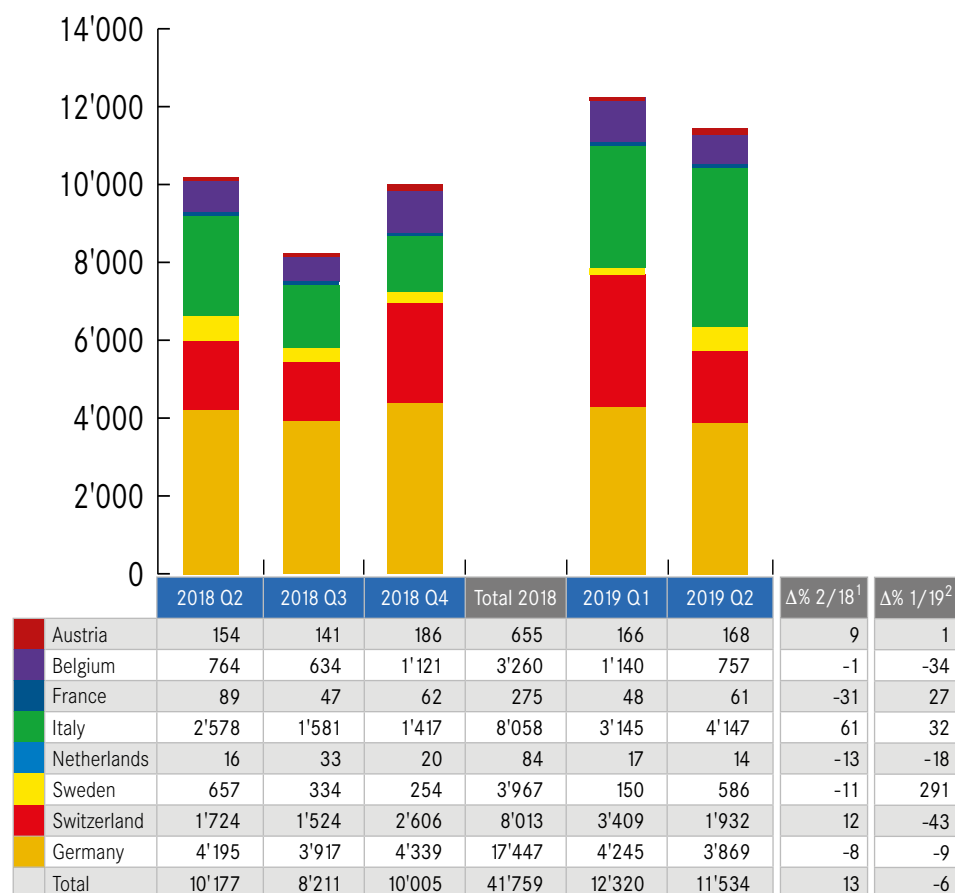
³ Field indicates per cent change between reporting quarter Q2/2019 and previous quarter Q1/2019.

Source: Country Associations, Derivative Partners

3. Exchange turnover

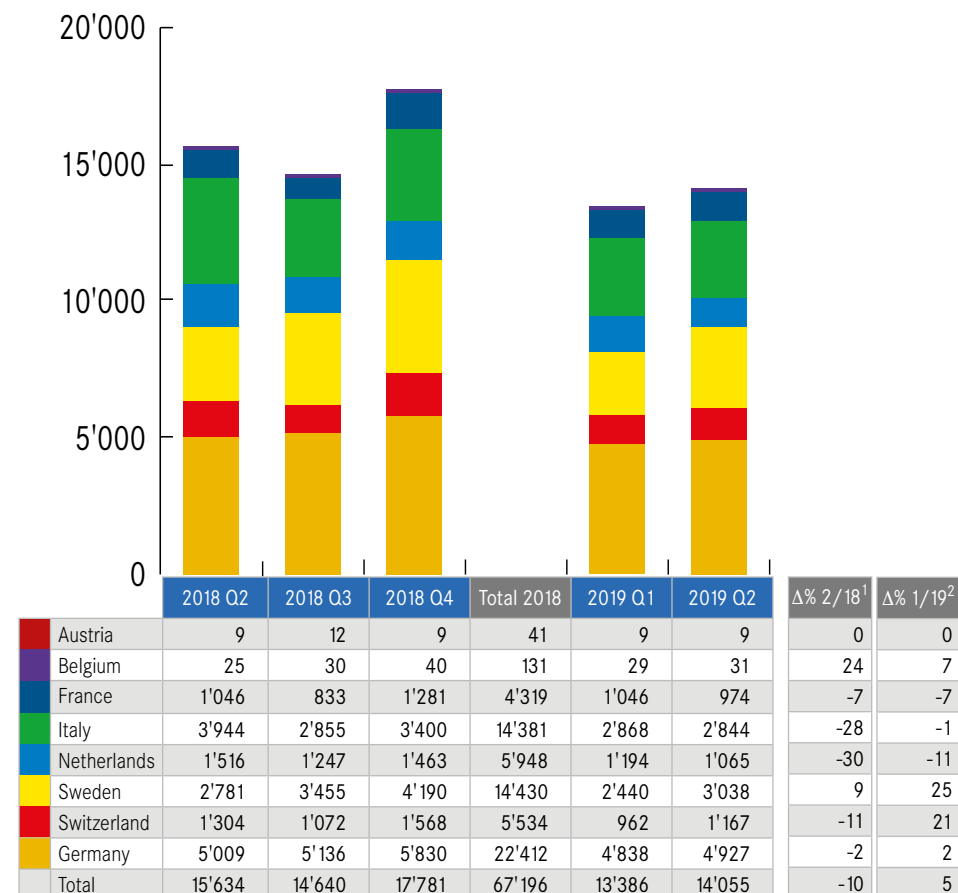
Investment Products

in Mio. EUR



Leverage Products

in Mio. EUR



Source: Country Associations, Derivative Partners

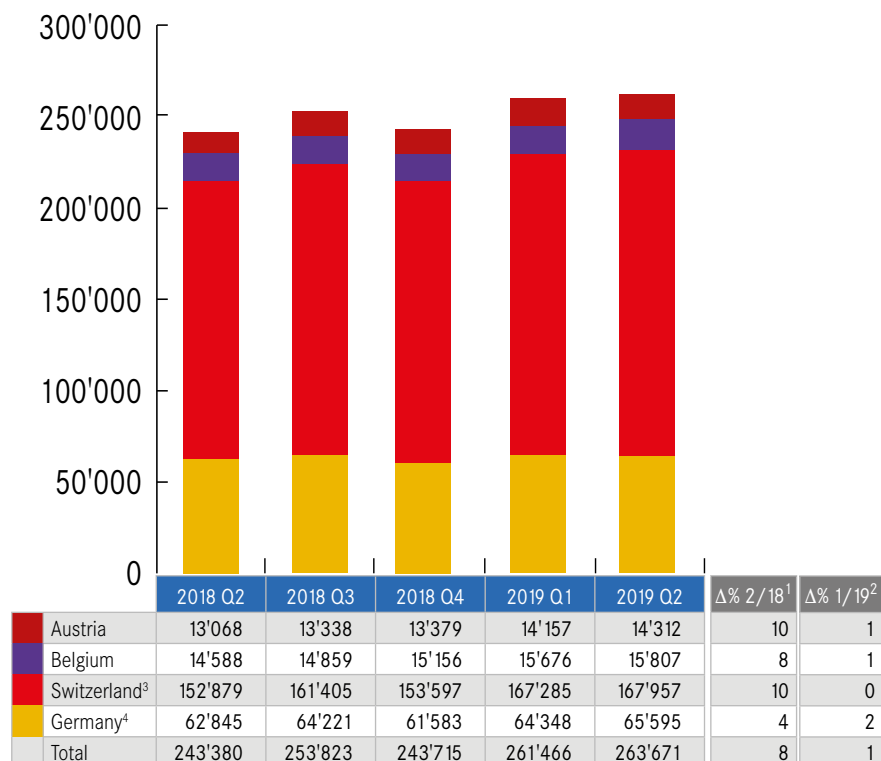
¹ Field indicates per cent change between Q2/2019 and equivalent last year quarter Q2/2018.

² Field indicates per cent change between reporting quarter Q2/2019 and previous quarter Q1/2019.

4. Outstanding volume

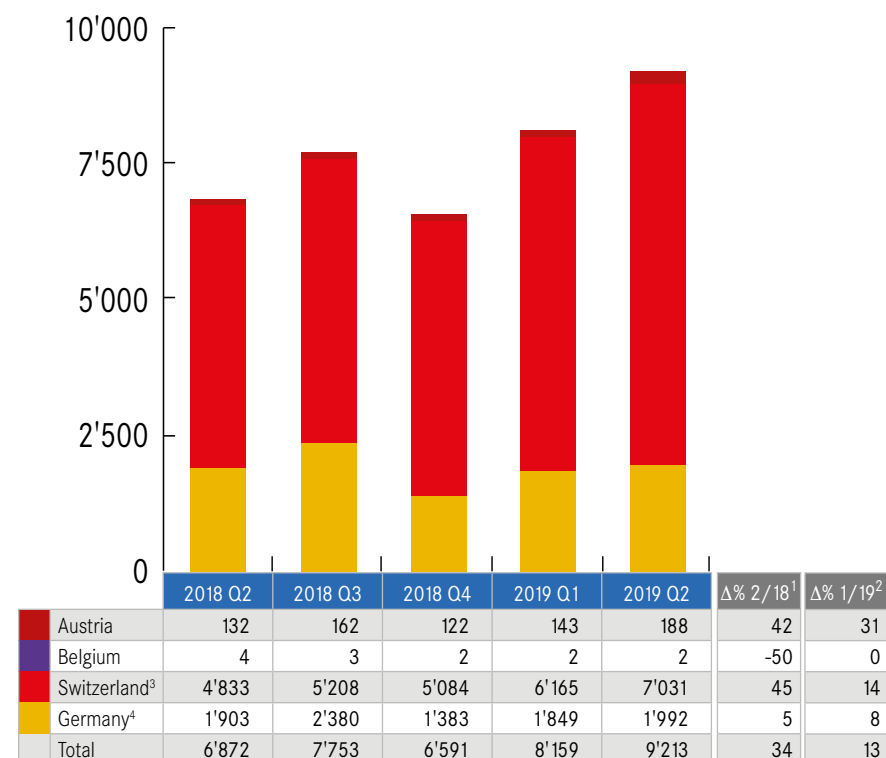
Investment Products

in Mio. EUR



Leverage Products

in Mio. EUR



Source: Country Associations, Derivative Partners

¹ Field indicates per cent change between Q2/2019 and equivalent last year quarter Q2/2018.

² Field indicates per cent change between reporting quarter Q2/2019 and previous quarter Q1/2019.

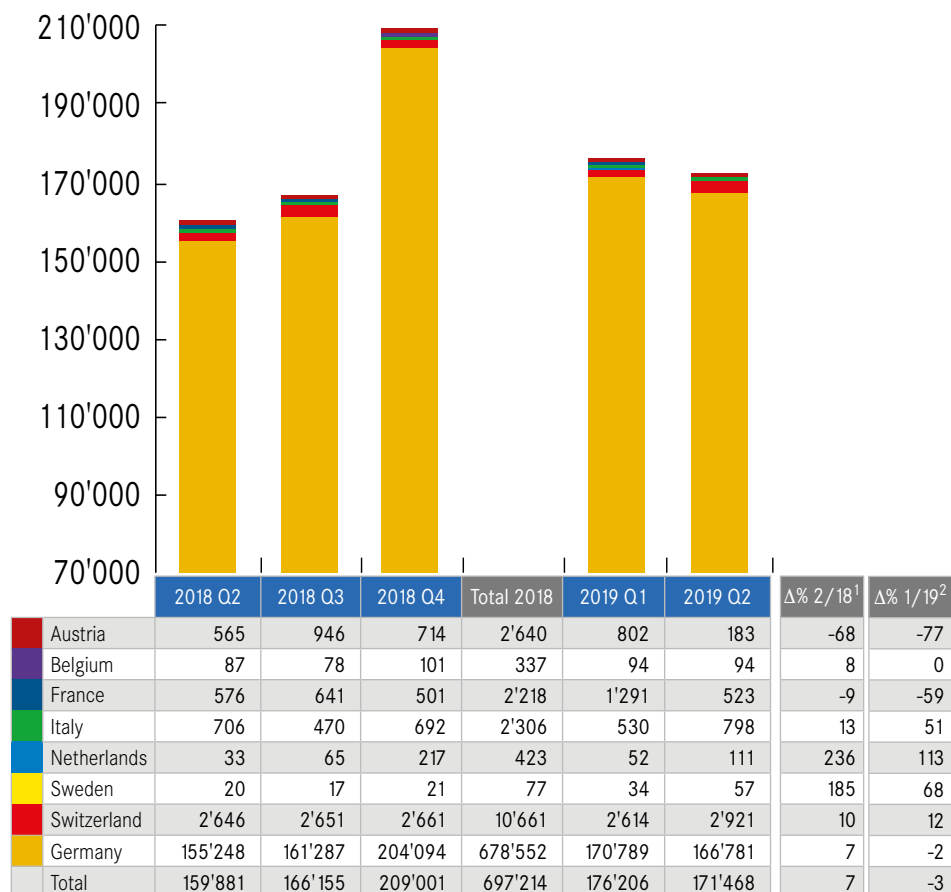
³ The Swiss figures are sourced in from the Swiss National Bank and represent all assets in listed note-based structured retail products held in Swiss depots of issuers domiciled in Switzerland.

The figures include therefore, to a small extent, also assets from product sales of these issuers outside Switzerland.

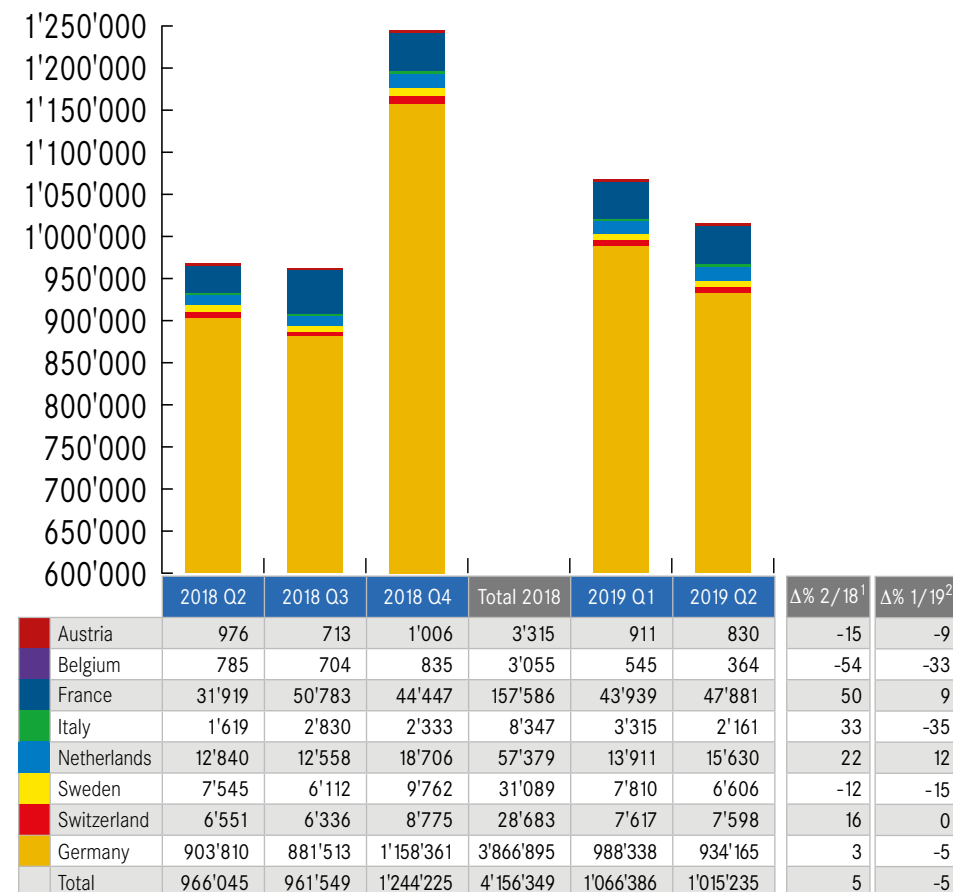
⁴ The German figures are sourced in from the 16 issuers assembled under the roof of Deutsche Derivate Verband (DDV) and entail assets from the sales of listed note-based structured retail products to customers based in Germany.

5. Number of new listings on exchange

Investment Products



Leverage Products



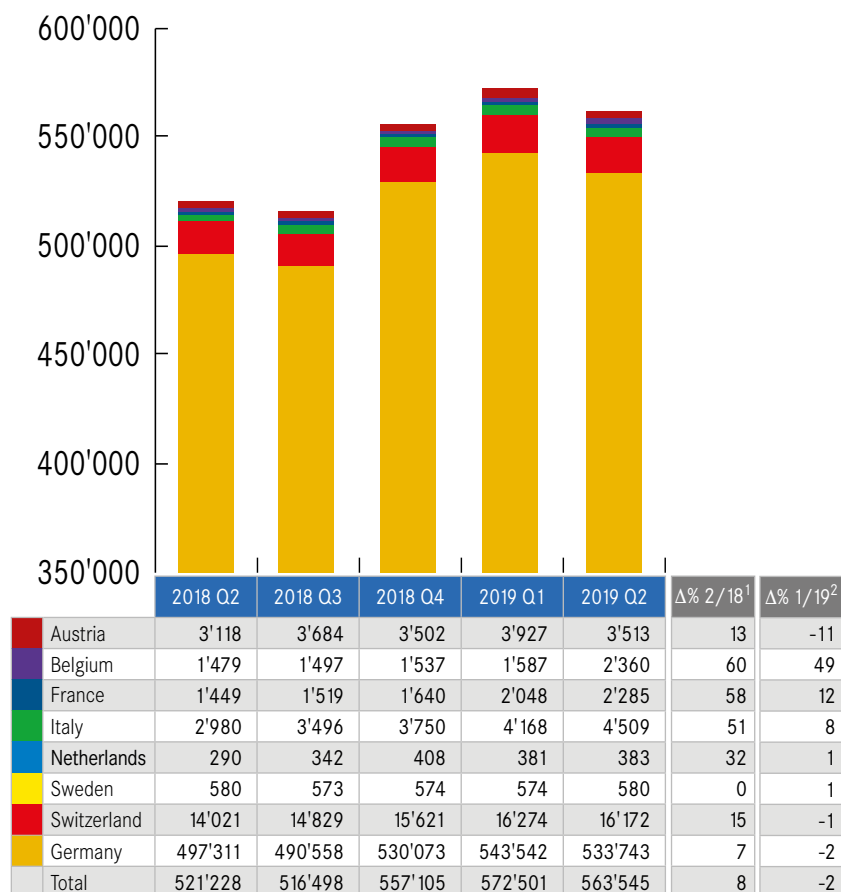
Source: Country Associations, Derivative Partners

¹ Field indicates per cent change between Q2/2019 and equivalent last year quarter Q2/2018.

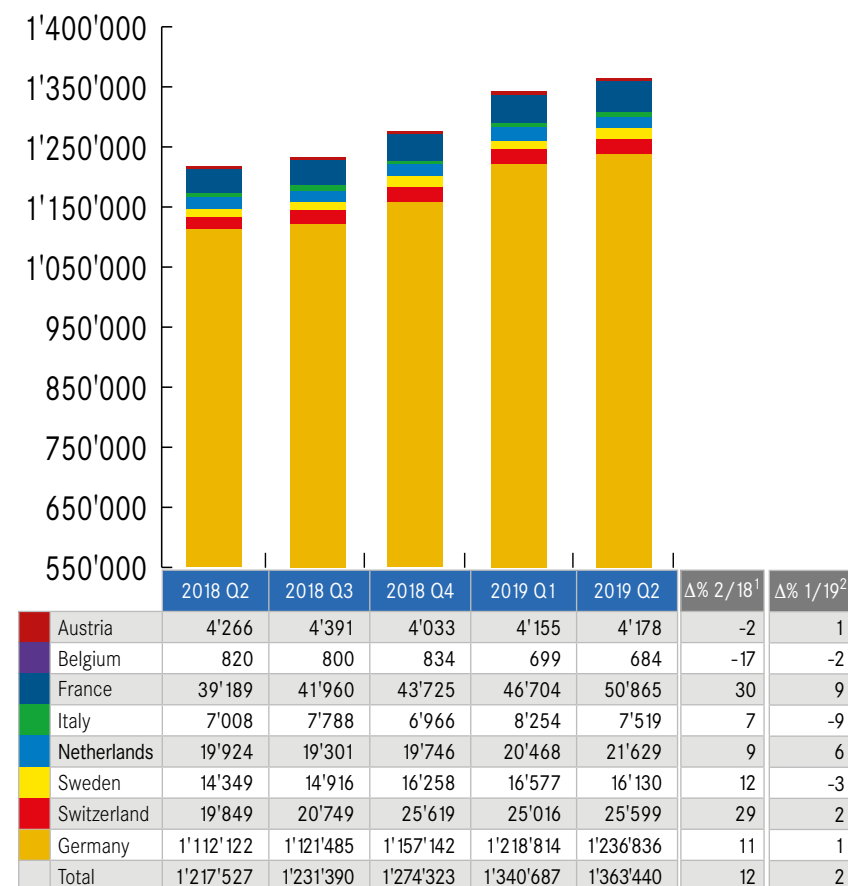
² Field indicates per cent change between reporting quarter Q2/2019 and previous quarter Q1/2019.

6. Number of exchange listed products

Investment Products



Leverage Products



Source: Country Associations, Derivative Partners

¹ Field indicates per cent change between Q2/2019 and equivalent last year quarter Q2/2018.

² Field indicates per cent change between reporting quarter Q2/2019 and previous quarter Q1/2019.

7. Appendix

Data sources

EUSIPA Members

Derivative Partners AG

Key date is 28th of June 2019. 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.svsp-verband.ch



Belgium

Belgian Structured Investment Products Association (BELSIPA)

www.belsipa.be

