

Market Report Structured Products

Quarterly Report

March 2009

Swiss Structured Products Association SSPA



Contents

1. Main points at a glance	
1.1 Key figures.....	3
1.2 Categorization model.....	3
2. Product classification	
2.1 SSPA product classification.....	4
3. Securities held in banks' client deposits	
3.1 Structured products since 2005.....	5
3.2 All categories.....	6
3.3 All categories in percent.....	7
3.4 By client (deposit holders).....	8
4. Structured products at the Scoach exchange	
4.1 Turnover 1995 – 2008.....	9
4.2 Turnover in the last 12 months.....	10
4.3 Number of listed products 1995 –2008.....	11
4.4 Number of listed products in the last 12 months.....	12
4.5 New issues 2002 – 2008	13
4.6 New issues in the last 12 months.....	14
4.7 Market shares of the five largest issuers	15
5. Appendix	
5.1 Abbreviations.....	16
5.2 Issued by.....	16
5.3 Data sources.....	16
5.4 Disclaimer.....	16

1. Main points at a glance

1.1 Key figures

- CHF 254 bn were invested in structured products in Swiss bank deposits (assets under management) as of the end of January 2009 (most recent data from the Swiss National Bank). This is an increase of CHF 3 bn compared to the previous month.
- Compared with other types of security (shares, funds, etc.), this represents 6.61% of the Swiss deposits. Since October 2008 this share constantly increases and tops the average of 6.51% of the previous year.
- Private investors account for a 29.52% share, institutional investors for 64.57% and commercial clients for 5.91%.
- The Scoach exchange turnover of structured products in March 2009 was CHF 2.82 bn, or 8.14% less than the in the previous month.
- The category of leverage products holds a share of 57.09% of turnover, while the investment products slightly rose to 42.91%.
- 21,983 products were listed in March 2009, 7.74% less compared than in the previous month (February).
- With 2,486 newly issued products the market is still flowing on a stable level.

1.2 Categorization model

- The categorization model has not been changed this quarter.
- A new version of the Swiss Derivative Map is available since the end of October 2008.
- For more information about product types, footnotes and the Swiss Derivative Map, visit the Association website: www.svsp-verband.ch.

2. Product classification

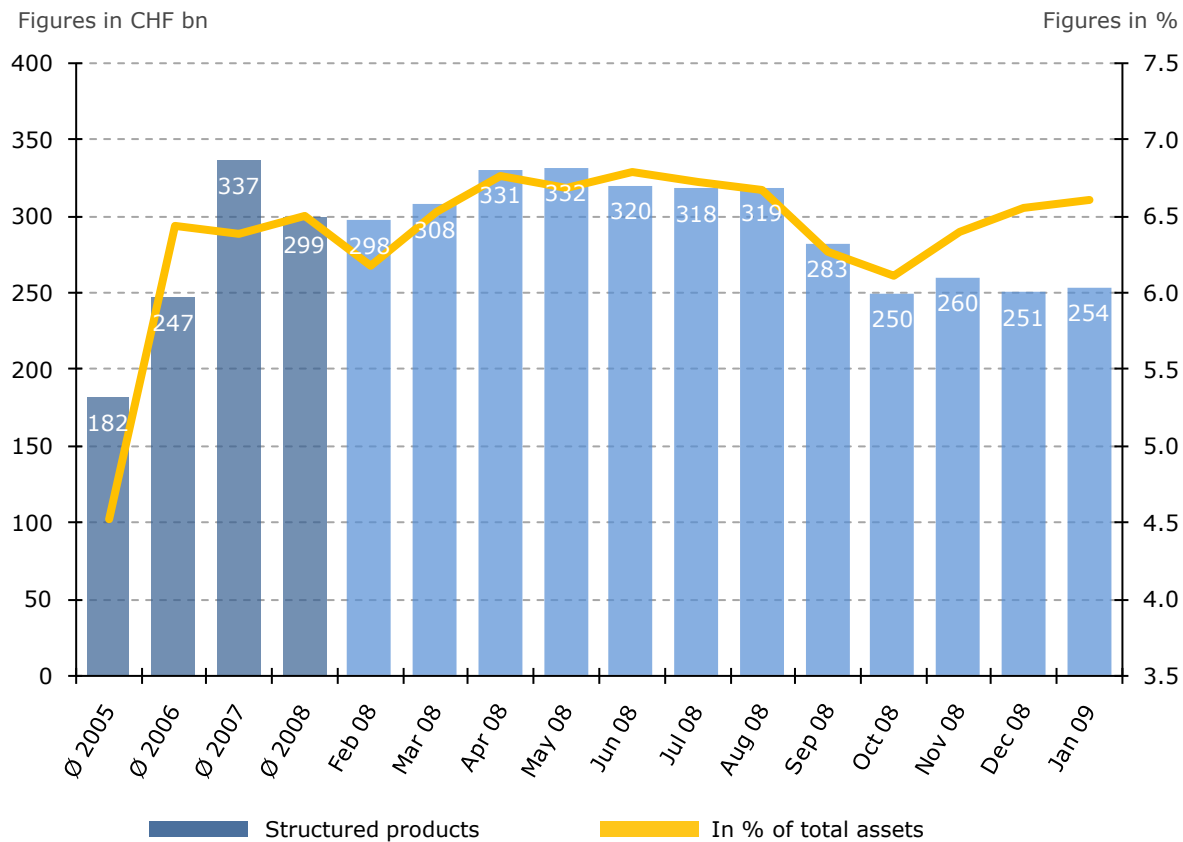
2.1 SSPA product classification

Leverage Products	Participation Products	Yield Enhancement Products	Capital Protection Products
Warrants	Tracker Certificates	Discount Certificates	Uncapped Capital Protection
Spread Warrants	Bonus Certificates	Barrier Discount Certificates	Exchangeable Certificates
Knock-out Warrants	Outperformance Certificates	Reverse Convertibles	Capped Capital Protection
Mini-Futures	Outperformance Bonus Certificates	Barrier Reverse Convertibles	Capital Protection with Coupon
	Airbag Certificates	Barrier Range Reverse Convertibles	Capital Protection with Knock-Out
	Twin-Win Certificates	Capped Outperformance Certificates	
		Express Certificates	
		Capped Bonus Certificates	

- The Association's product classification comprises four main groups and 23 product types.
- Use the interactive product finder on the Association website: www.sspa-association.ch (product finder).
- Classifications are checked monthly and updated as needed.
- We create new product types when no less than three issuers each issue at least three products of a similar type.

3. Securities held in bank's client deposits

3.1 Structured products since 2005



- The structured products market consolidated over the last months and is growing again with its volume of CHF 254 bn in January 2009.
- The share of structured products of securities held in bank deposits is again rising constantly since a low in October 2008.
- Considering the large-scale growth in the last years, the SSPA expects again a significant growth of the structured products market, assumed a recovery of the national economy.

Source: SNB Monthly Statistical Bulletin, most recent figures available

3. Securities held in banks' client deposits

3.2 All categories

Figures in CHF bn

Date	Total	Money Market Papers	Bonds	Shares	Investment Funds	Structured Products	Other Securities
Ø 2005	3'927	58	1'202	1'467	1'012	182	36
Ø 2006	4'598	67	1'203	1'759	1'307	247	15
Ø 2007	5'246	82	1'232	1'990	1'599	337	6
Ø 2008	4'587	115	1'181	1'533	1'458	299	3
Feb 08	4'819	94	1'184	1'674	1'567	298	3
Mar 08	4'721	105	1'162	1'631	1'511	308	3
Apr 08	4'900	109	1'182	1'708	1'566	331	3
May 08	4'963	107	1'180	1'759	1'583	332	3
Jun 08	4'716	102	1'156	1'616	1'520	320	3
Jul 08	4'737	112	1'193	1'605	1'505	318	2
Aug 08	4'788	115	1'213	1'619	1'519	319	2
Sep 08	4'518	129	1'206	1'462	1'435	283	3
Oct 08	4'083	144	1'160	1'263	1'263	250	3
Nov 08	4'069	136	1'215	1'191	1'265	260	2
Dec 08	3'822	130	1'121	1'155	1'163	251	2
Jan 09	3'844	136	1'146	1'112	1'193	254	2

- Since January 2008 total securities held declined from CHF 4911 bn to CHF 3844 bn, a non-price-adjusted drop of 21.7%.
- Since the beginning of 2008 structured products market declined from CHF 312 bn to CHF 254 bn (-18.6%).
- Client deposits were primarily invested in money market papers, which increased their share by 40% since the beginning of the past year. While bonds remained solid, shares (-35%) and investment funds (-25%) experienced a drop in their market share.

Source: SNB Monthly Statistical Bulletin, most recent figures available

3. Securities held in banks' client deposits

3.3 All categories in percent

Figures in %

Date	Money Market Papers	Bonds	Shares	Investment Funds	Structured Products	Other Securities
Ø 2005	1.48	30.61	37.36	25.76	4.63	0.92
Ø 2006	1.46	26.16	38.25	28.42	5.37	0.33
Ø 2007	1.57	23.49	37.93	30.48	6.43	0.11
Ø 2008	2.50	25.74	33.43	31.78	6.51	0.06
Feb 08	1.95	24.56	34.73	32.52	6.18	0.06
Mar 08	2.23	24.62	34.56	32.01	6.53	0.06
Apr 08	2.22	24.13	34.86	31.97	6.76	0.06
May 08	2.15	23.77	35.44	31.89	6.69	0.05
Jun 08	2.15	24.51	34.26	32.23	6.79	0.05
Jul 08	2.37	25.20	33.89	31.77	6.72	0.05
Aug 08	2.40	25.34	33.81	31.73	6.67	0.05
Sep 08	2.86	26.69	32.36	31.76	6.26	0.07
Oct 08	3.54	28.41	30.94	30.92	6.12	0.07
Nov 08	3.34	29.86	29.26	31.09	6.40	0.06
Dec 08	3.39	29.34	30.22	30.44	6.56	0.05
Jan 09	3.54	29.81	28.94	31.04	6.61	0.06

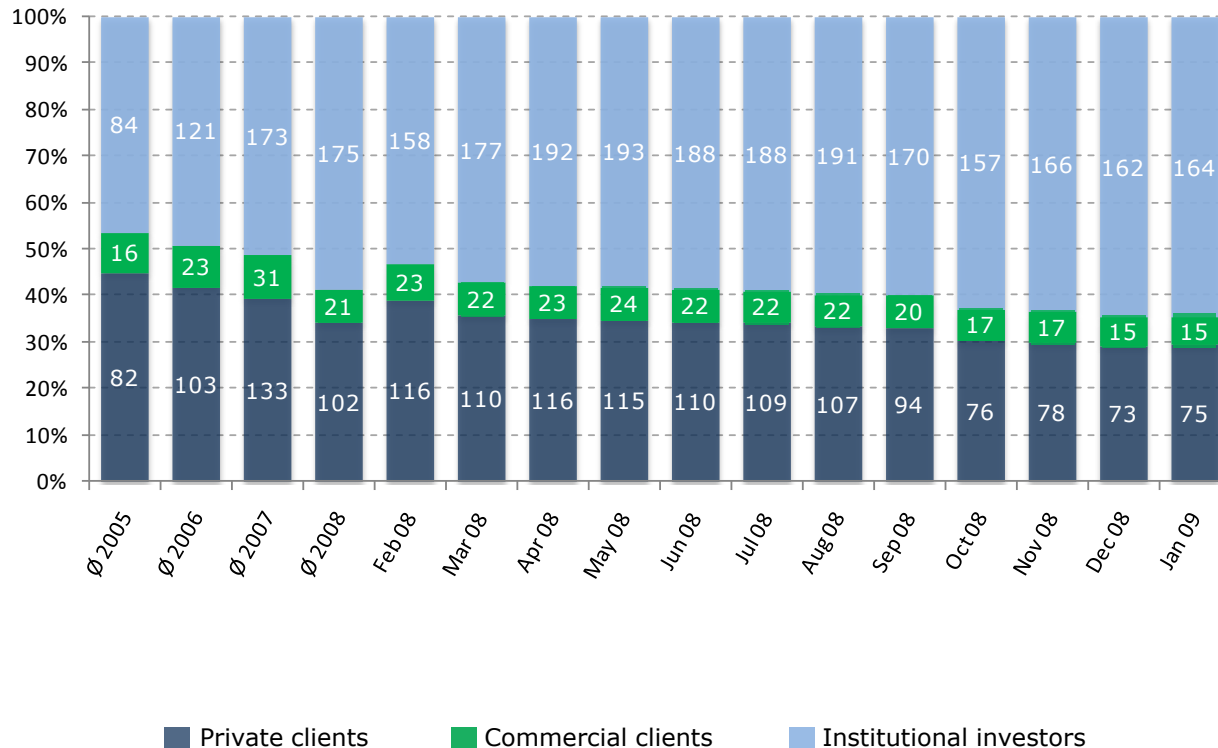
- In January 2009 6.61% of all client deposits were invested in structured products. Compared to the beginning of the year (6.51%) this is a decline of 1.51%.
- There has been a clear shift of percentages in money market papers (+79.7%) and shares (-16.7%) between the beginning of the previous year and January 2009.

Source: SNB Monthly Statistical Bulletin, most recent figures available

3. Securities held in banks' client deposits

3.4 By client (deposit holders)

Figures in CHF bn



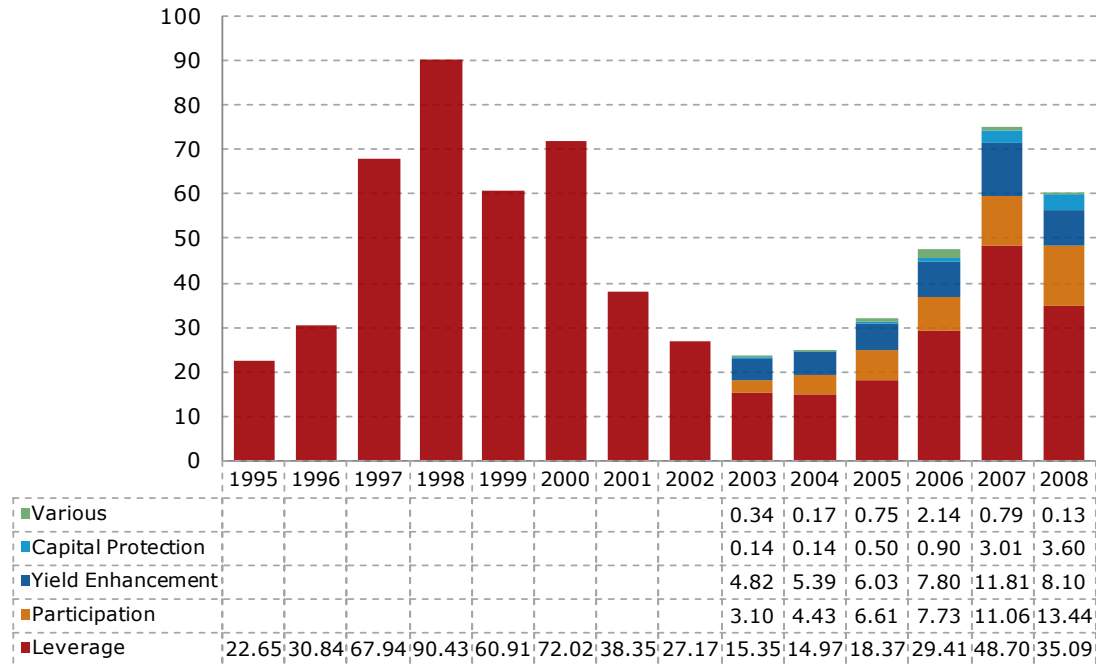
- During 2008 there has been a constant shift in client deposits. Remarkable in particular is the market share of private clients that declined by 37.5% since January 2008 (CHF 120 bn).
- The SSPA estimates that more than half of all structured products are placed by investment managers acting on behalf of private investors.

Source: SNB Monthly Statistical Bulletin, most recent figures available

4. Structured products at the Scoach exchange

4.1 Turnover 1995 - 2008

Figures in CHF bn

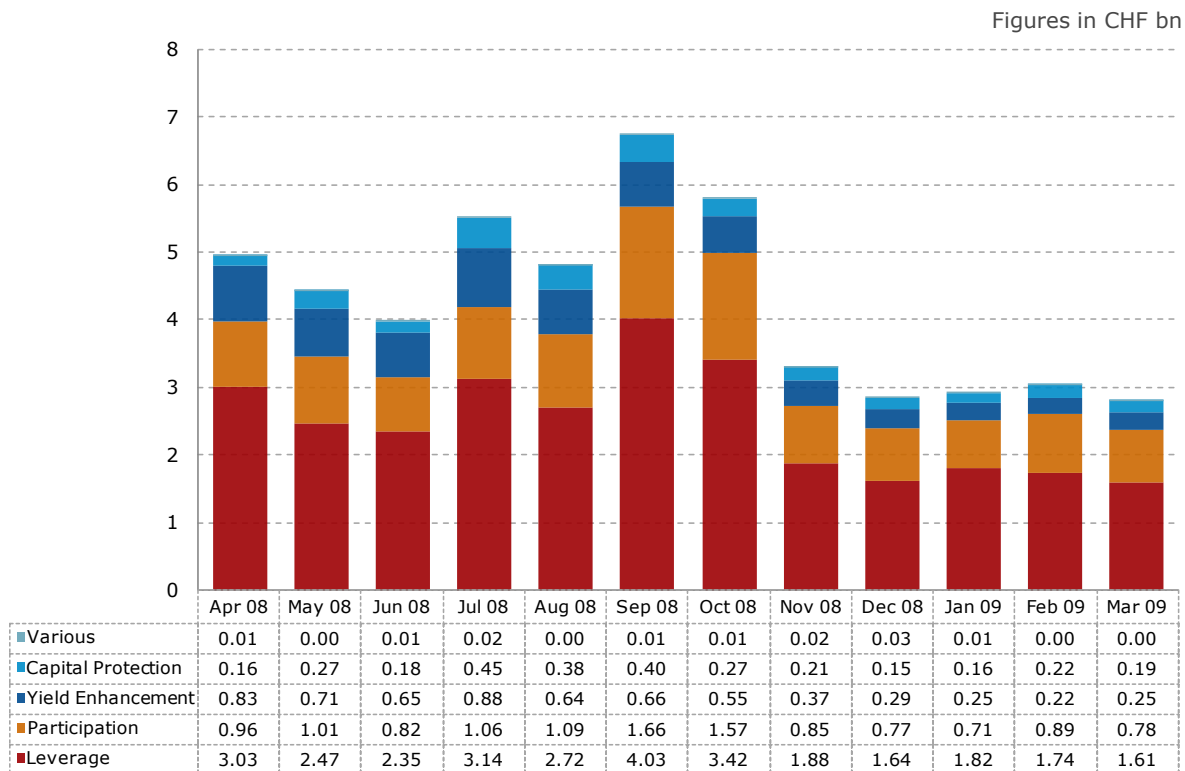


- With a turnover of CHF 60.36 bn in 2008, structured products reached about 80% of the exceptionally successful previous year (CHF 75.37 bn).
- Leverage products which traditionally account for the biggest part of stock exchange turnover, have experienced 2008 a drop (-27.95%), while participation products (+21.52%) and capital protection products (+19.6%) showed a significant growth. This trend will also proceed in 2009.

Source: SIX Swiss Exchange, Derivative Partners Research AG

4. Structured products at the Scoach exchange

4.2 Turnover in the last 12 months

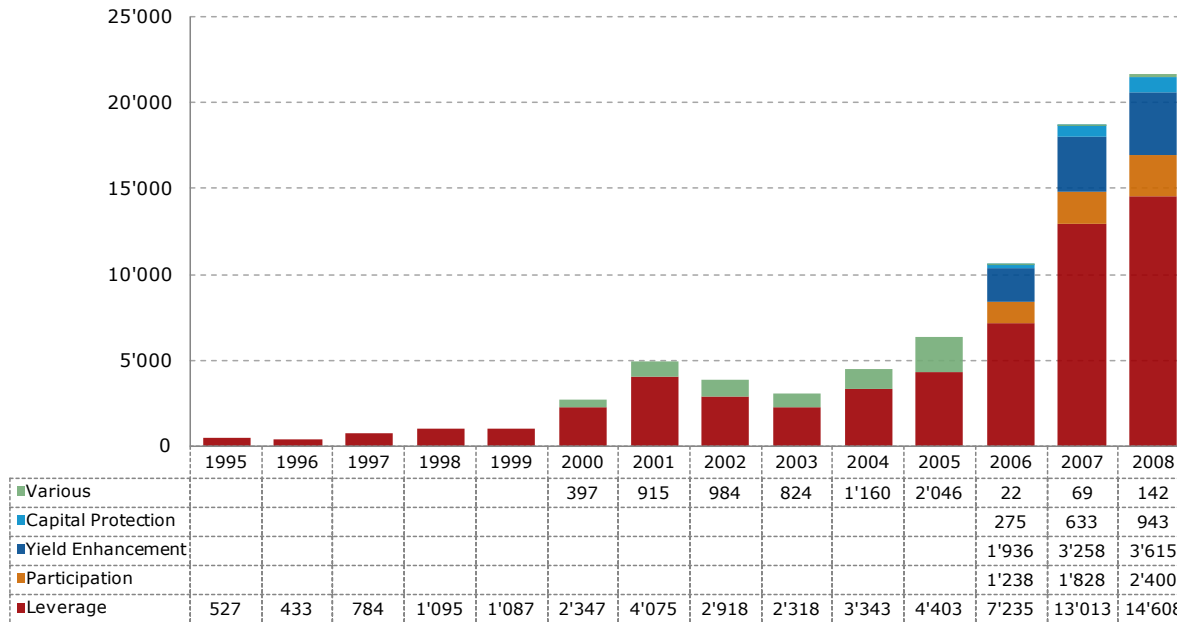


- In March 2009, the turnover (CHF 2.85 bn) reached another low. Compared to the previous month it dropped by 8.14%.
- Leverage products accounted for the largest share (CHF 1.61 bn or 57.09%). Investments funds market share rose slightly to 42.91% by the end of the year.
- In September 2008 the monthly turnover of CHF 6.76 bn was the highest turnover of the last twelve months.

Source: SIX Swiss Exchange, Derivative Partners Research AG

4. Structured products at the Scoach exchange

4.3 Number of listed products 1995 – 2008*



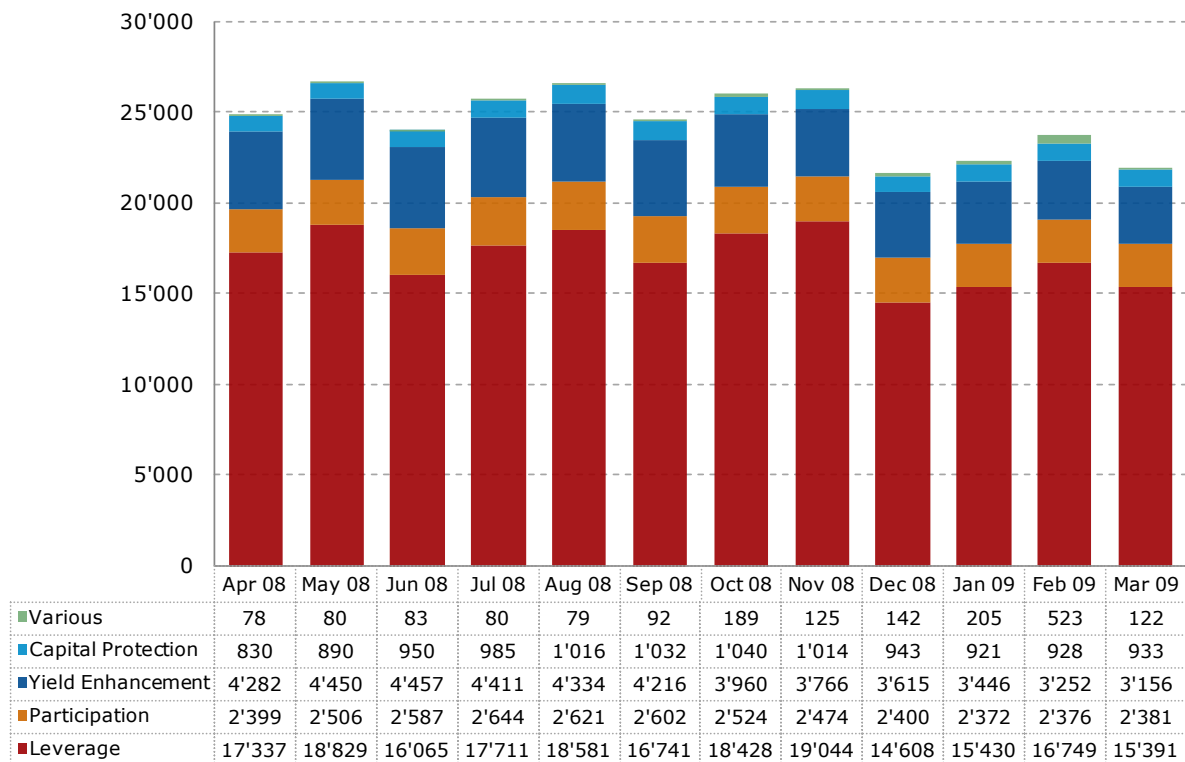
- With a constant growth of listed products (21,708 at the end of 2008), the previous year has again been exceeded. Increases took place in all product categories.

* Number of listed products at the end of each year

Source: SIX Swiss Exchange, Derivative Partners Research AG

4. Structured products at the Scoach exchange

4.4 Number of listed products in the last 12 months

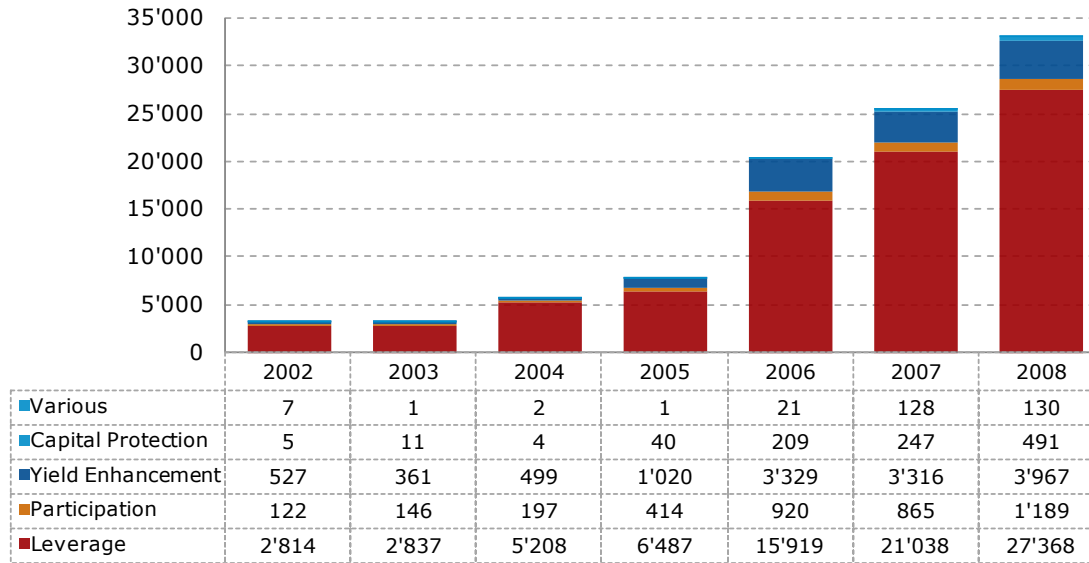


- The number of listed products declined by the end of March 2009 for the first time since December 2008.
- From totally 23,828 products listed at Scoach exchange in February 2009, only 21,983 (-7.74%) were listed at the end of March.
- This decline is mainly due to the expiring of numerous listed products by the end of the year and the continuing reluctance in issuing new products.

Source: SIX Swiss Exchange, Derivative Partners Research AG

4. Structured products at the Scoach exchange

4.5 New issues 2002 – 2008

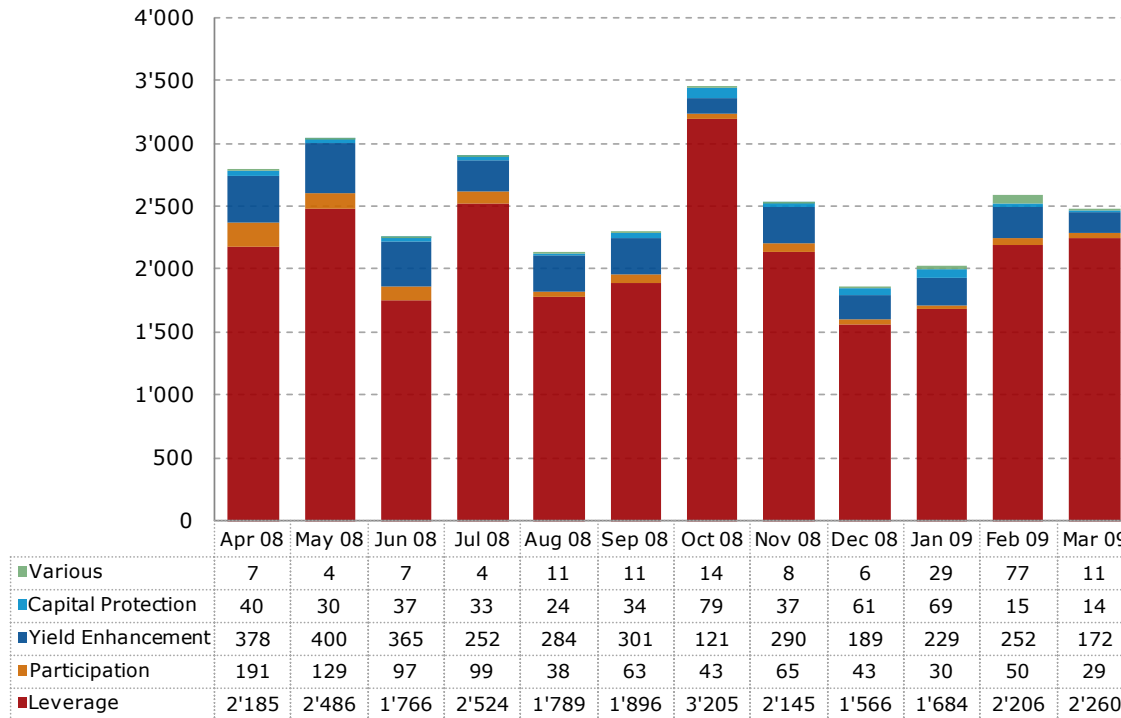


- With 33,145 new issued products in 2008, the previous years have been strongly exceeded again.
- Leverage products accounted for the biggest part with 82%. Primarily yield enhancement products were issued in the category of investment products.

Source: SIX Swiss Exchange, Derivative Partners Research AG

4. Structured products at the Scoach exchange

4.6 New issues in the last 12 months

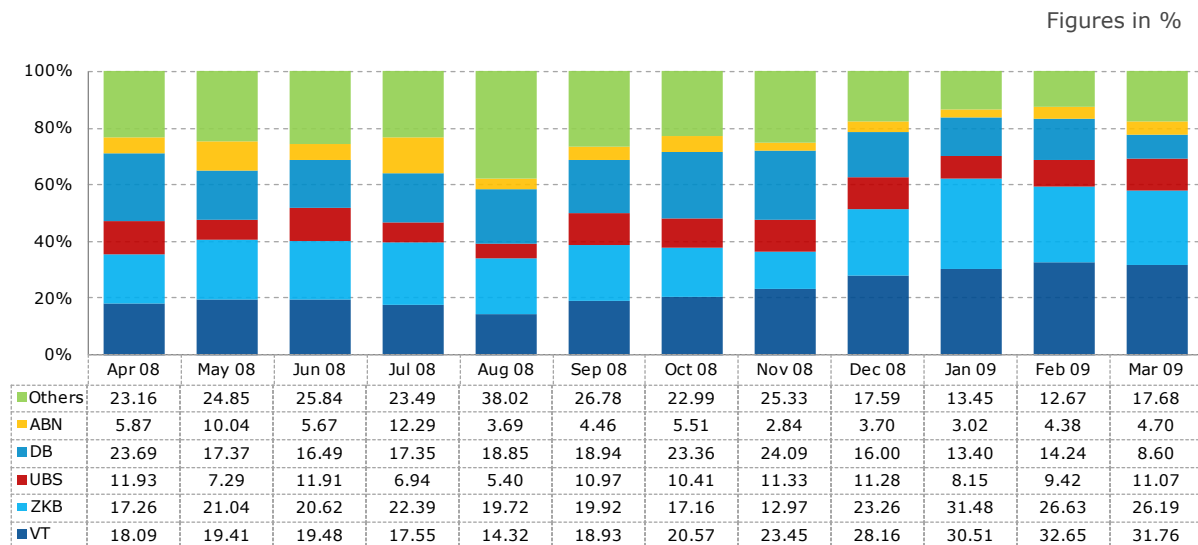


- A recovery is noticed in issuing new products in the last two months for the first time since October 2008 (month with high number of issued products).
- Leverage products account with 90% for the biggest part of the new issued products in March 2009.

Source: SIX Swiss Exchange, Derivative Partners Research AG

4. Structured products at the Scoach exchange

4.7 Market shares (turnover) of the five largest issuers



- In 2009, the five biggest issuers of stock-exchange-listed structured products were Bank Vontobel (market share March: 31.76%), Zürcher Kantonalbank (26.19%), UBS (11.07%), Deutsche Bank (8.6%) and ABN Amro (4.7%).
- Winners of the year 2008 are ZKB (+92.39%); Vontobel (+59.37%); UBS (+17.87%) and Deutsche Bank (+12.44%).
- Since January 2009 ABN Amro belongs to the five biggest issuers and thereof displaces Goldman Sachs.

Source: SIX Swiss Exchange, Derivative Partners Research AG

5. Appendix

5.1 Abbreviations

Leverage Products.....	Leverage
Capital ProtectionProducts.....	Capital Protection
Participation Products.....	Participation
Yield Enhancement Products.....	Yield Enhancement
Other Products.....	Various
Billion.....	bn

5.2 Issued by

Swiss Structured Products Association SSPA

Splügenstrasse 10, CH-8002 Zurich, Switzerland

www.sspa-association.ch

Contact: peter.keller@svsp-verband.ch

Published monthly / quarterly in more detail

5.3 Data sources

Swiss National Bank: Monthly Statistical Bulletin

SIX Swiss Exchange

Derivative Partners Research AG

In-house surveys

Key date is 31st March 2009.

5.4 Disclaimer

We cannot guarantee the accuracy of this document, see <http://www.svsp-verband.ch/home/disclaimer.aspx?lang=en>.

We hereby authorize reprints of and quotes with attributions from this document.