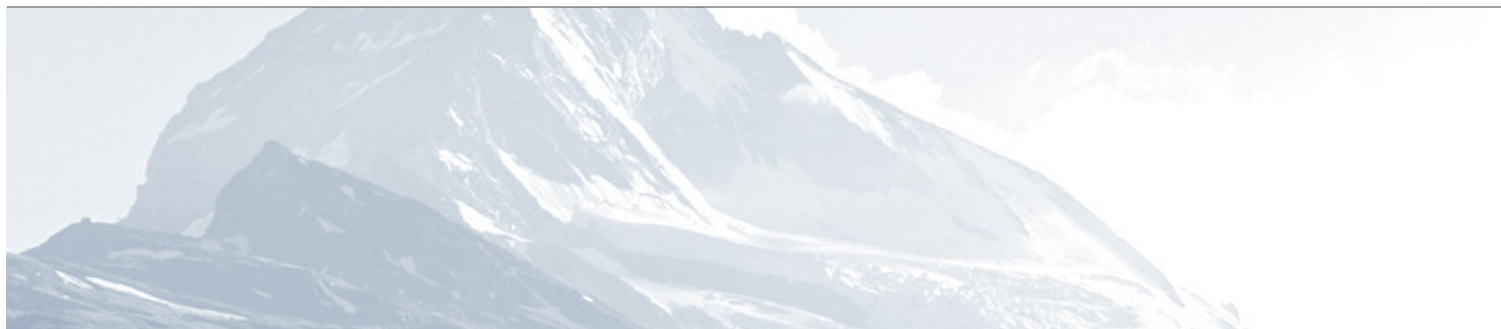


Market Report Structured Products

Quarterly Report

December 2009

Swiss Structured Products Association SSPA



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1. Main points at a glance

1.1 Key figures

- CHF 250 bn were invested in structured products in Swiss bank deposits (assets under management) as of the end of October 2009 (most recent data from the Swiss National Bank).
- Compared with other types of securities (shares, funds, etc.), this represents 5.86% of the Swiss deposits.
- Private investors account for a 32.8% share in deposits, institutional investors for 60.8% and commercial clients for 6.4%.
- The Scoach exchange turnover of structured products in December 2009 was CHF 2.652 bn, which is a decrease of 24.23% compared to the previous month.
- The category of leverage products holds a share of 58.86% of the total turnover in this quarter. The share for investment products declined to 41.14%.
- 23'524 products were listed in December of which 8'366 (35.56%) were issued in this quarter.
- In 2009, the five biggest issuers of stock-exchange-listed structured products are Bank Vontobel (market share total: 29.86%), ZKB (22.51%), Deutsche Bank (12.12%), UBS (9.85%) and Bank Julius Bär (7.61%).

1.2 Informations of the SSPA

- A new version of the Swiss Derivative Map is available since October 2009.
- For more information about product types, footnotes and the Swiss Derivative Map, visit the association website: www.svsp-verband.ch.
- On this website there can also be found information about issuer creditworthiness and the newly launched SVSP Risk Figure (SVSP Risk Rating) which estimates a structured product's market risk on basis of the Value at Risk (VaR) approach.

2. Product classification

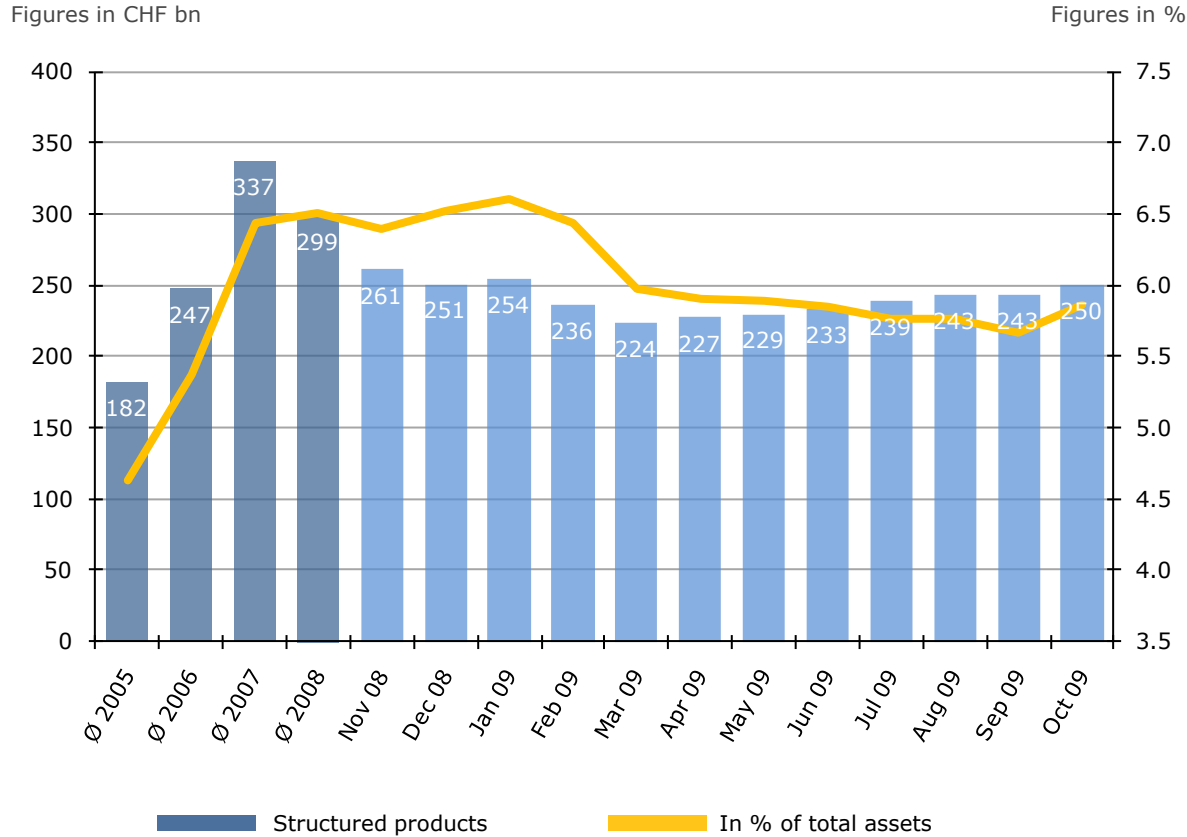
2.1 SSPA product classification as on 31.12.2009

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

- The Association's product classification comprises four main groups and 20 product types.
- Use the interactive product finder on the Association website: www.sspa-association.ch (product finder).
- Classifications are checked monthly and updated if 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 since March 2009. In October the highest level was reached since the beginning of the year.
- The share in total assets held in client deposits also increases since September 2009.
- 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 financial system.

Source: SNB Monthly Statistical Bulletin, latest available figures

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	4'594	115	1'180	1'533	1'465	299	3
Nov 08	4'079	136	1'199	1'191	1'290	261	2
Dec 08	3'847	130	1'123	1'155	1'188	251	2
Jan 09	3'844	136	1'146	1'112	1'193	254	2
Feb 09	3'675	141	1'152	987	1'157	236	2
Mar 09	3'740	134	1'151	1'062	1'168	224	2
Apr 09	3'850	133	1'158	1'146	1'183	227	2
May 09	3'894	130	1'159	1'190	1'183	229	2
Jun 09	3'985	135	1'192	1'206	1'217	233	2
Jul 09	4'140	130	1'221	1'303	1'245	239	2
Aug 09	4'208	125	1'221	1'357	1'261	243	2
Sep 09	4'290	143	1'228	1'397	1'276	243	2
Oct 09	4'264	137	1'226	1'380	1'269	250	2

- Since January 2009 total securities held increased from CHF 3'844 bn to CHF 4'264 bn (+420 bn), which is a non-price-adjusted plus of 10.93%.
- In this period of time the market for structured products declined from CHF 254 bn to CHF 250 bn. This is a decrease of 1.65%.
- Besides the amount held in other Securities (+5.15%) most notably Structured Products profited by the inflow of invested money (+2.78%). Remarkable outflow is noted for Money Market Papers (-4.44%) and Shares (-1.21%) whereas Bonds and Investment Funds remained stable.

Source: SNB Monthly Statistical Bulletin, latest available figures

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	2.51	25.69	33.37	31.88	6.50	0.06
Nov 08	3.34	29.39	29.20	31.62	6.40	0.06
Dez 08	3.37	29.18	30.01	30.87	6.52	0.05
Jan 09	3.54	29.81	28.94	31.04	6.61	0.06
Feb 09	3.84	31.35	26.86	31.47	6.43	0.06
Mrz 09	3.59	30.77	28.39	31.22	5.98	0.05
Apr 09	3.45	30.09	29.77	30.74	5.90	0.05
Mai 09	3.34	29.78	30.55	30.39	5.89	0.05
Jun 09	3.38	29.92	30.27	30.54	5.85	0.05
Jul 09	3.14	29.49	31.48	30.08	5.77	0.05
Aug 09	2.97	29.01	32.24	29.96	5.77	0.04
Sep 09	3.34	28.63	32.56	29.75	5.67	0.04
Oct 09	3.21	28.75	32.36	29.76	5.86	0.05

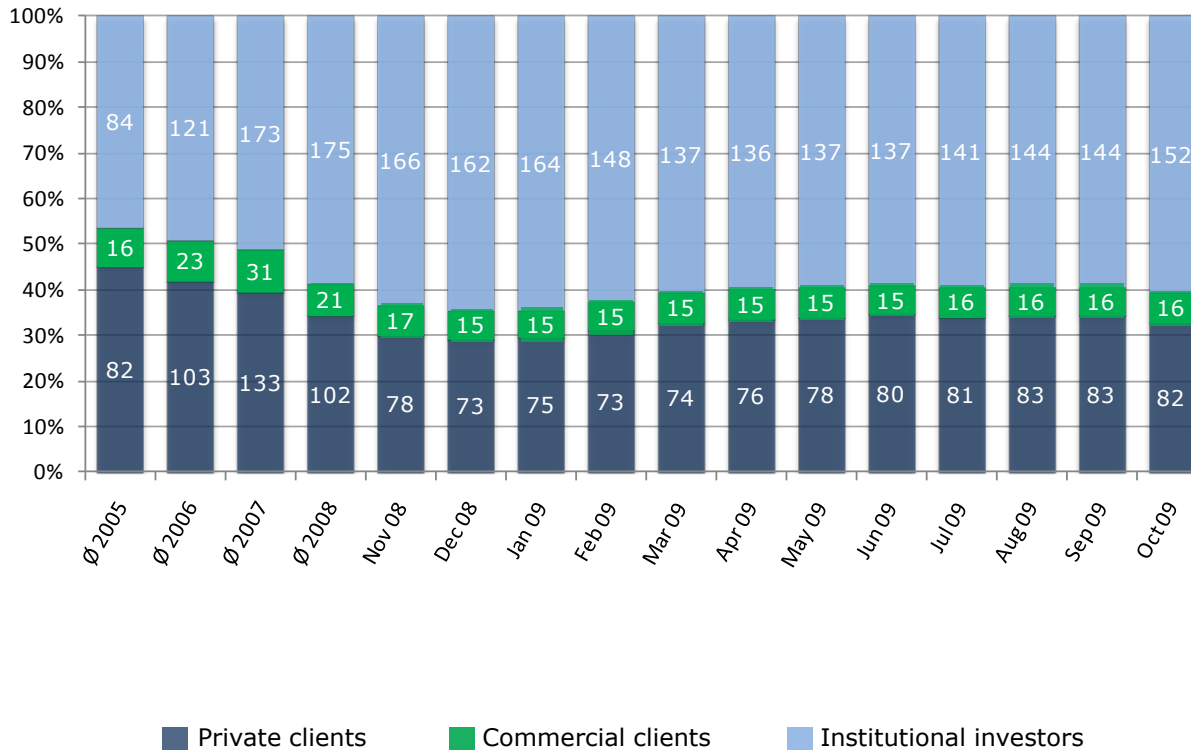
- In October 2009 5.86% of all client deposits were invested in Structured Products.
- Compared to the beginning of the year (6.61%) this is a decline of 11.33%. Since September 2009 however its share increased by 3.4%.
- This quarter there have been shifts between the asset classes away from Money Market Papers (-3.86%) and Shares (-0.61%) to Other Securities (+5.78%) and Structured Products (+3.4%).

Source: SNB Monthly Statistical Bulletin, latest available figures

3. Securities held in banks' client deposits

3.4 By client (deposits holders)

Figures in CHF bn



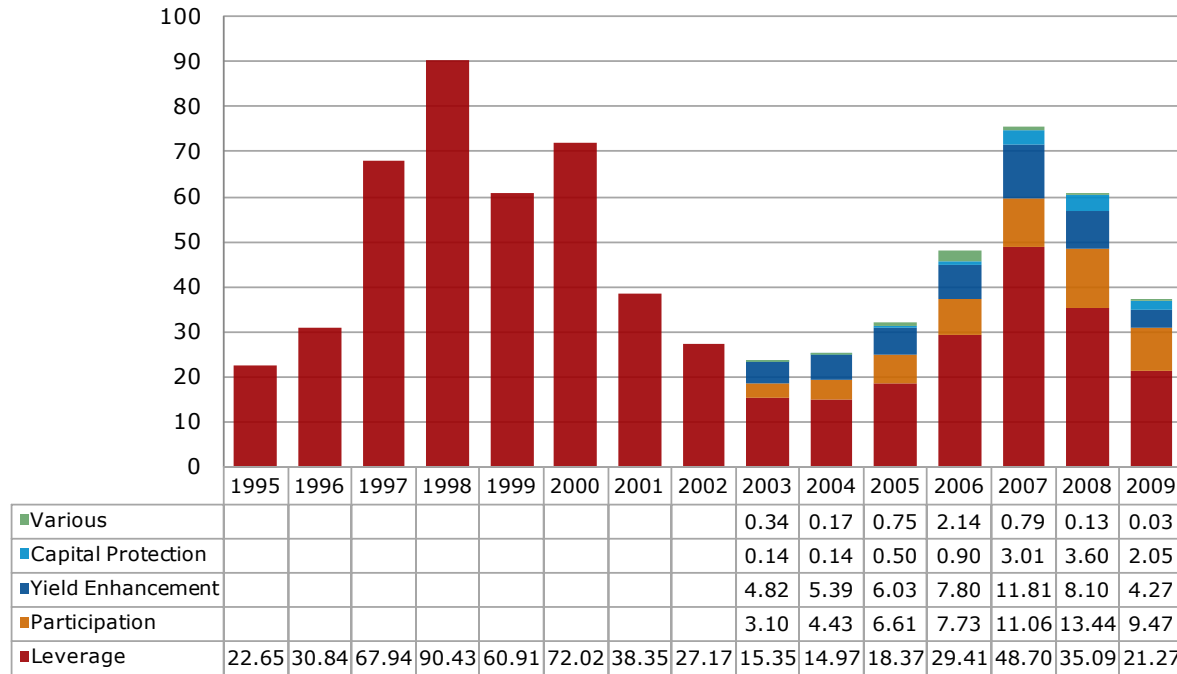
- During 2008 there has been a constant shift in client deposits. Remarkable in particular was the dropping market share of private clients. This value however is rising again continuously since January 2009 and remains stable since last quarter at around 35%. In October 2009 institutional investors reached the share of more than 60% for the first time since March.
- 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, latest available figures

4. Structured products at the Scoach exchange

4.1 Turnover 1995 - 2009

Figures in CHF bn

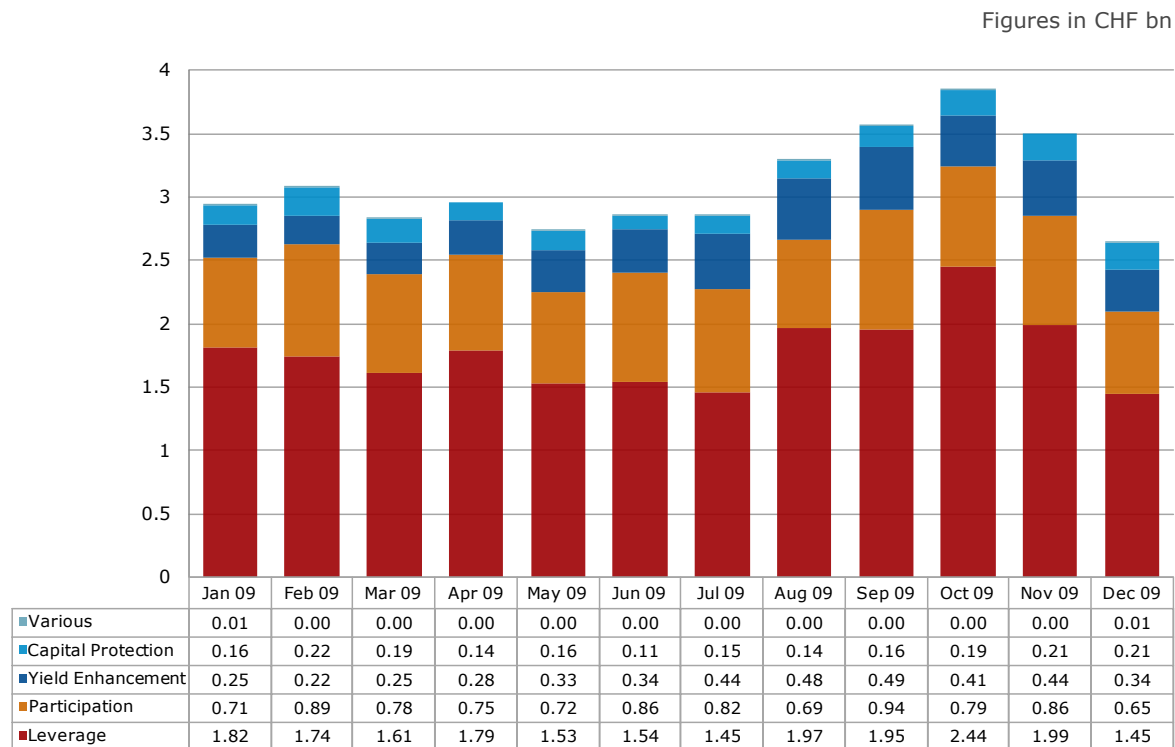


- With a total turnover of CHF 37.09 bn in 2009 on the Scoach exchange it was the weakest-selling year since 2005.
- Compared to the previous year turnover declined by CHF 23.27 bn (-38.55%). Measured against the exceptionally strong year 2007 it equates to half of the turnover.
- Whereas in 2008 first and foremost Leverage products were affected by the decline in turnover (-27.95%) and Participation products (+21.52%) as well as Capital Protection products (+19.6%) gained, in 2009 all categories are declining.

Source: SIX Swiss Exchange, Derivative Partners Research AG

4. Structured products at the Scoach exchange

4.2 Turnover in the last 12 months

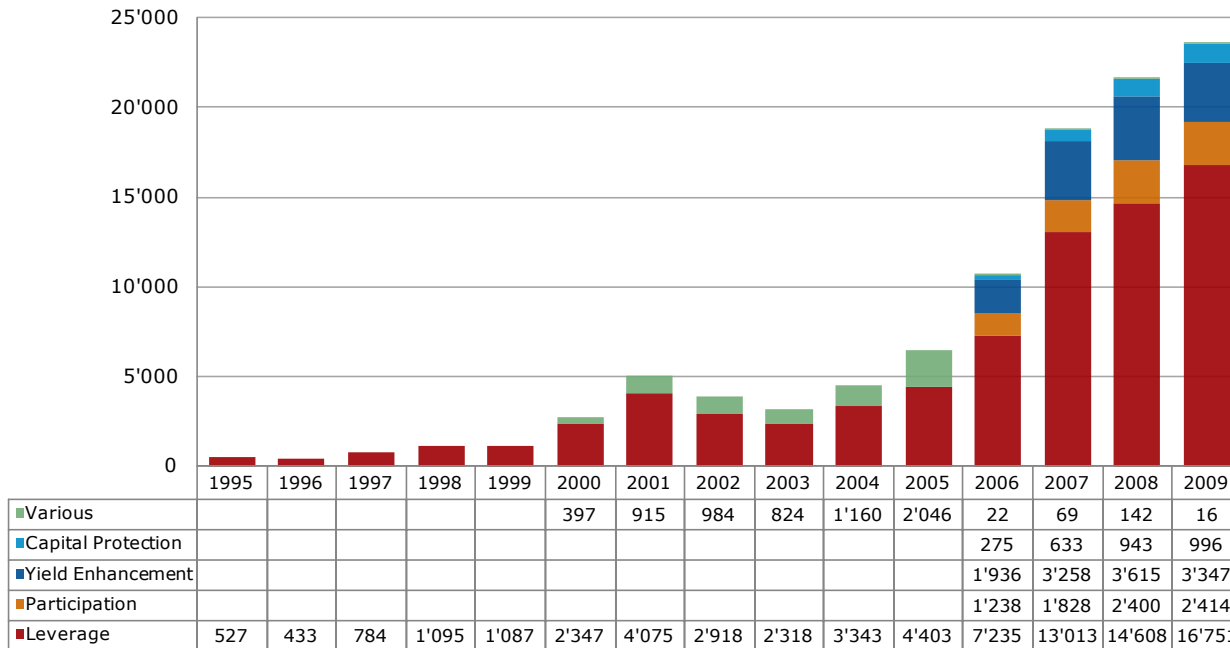


- With a turnover of CHF 10 bn this quarter was the strongest-selling period in 2009. In October the turnover peaked at CHF 3.84 bn.
- The largest share in the total turnover is held by Leverage products with CHF 21.57 bn (57.35%).
- The share of Investment products (41.14%) declined this quarter for the first time (-7.62%) compared to the last quarter (44.57%).

Source: SIX Swiss Exchange, Derivative Partners Research AG

4. Structured products at the Scoach exchange

4.3 Number of listed products 1995 – 2009*



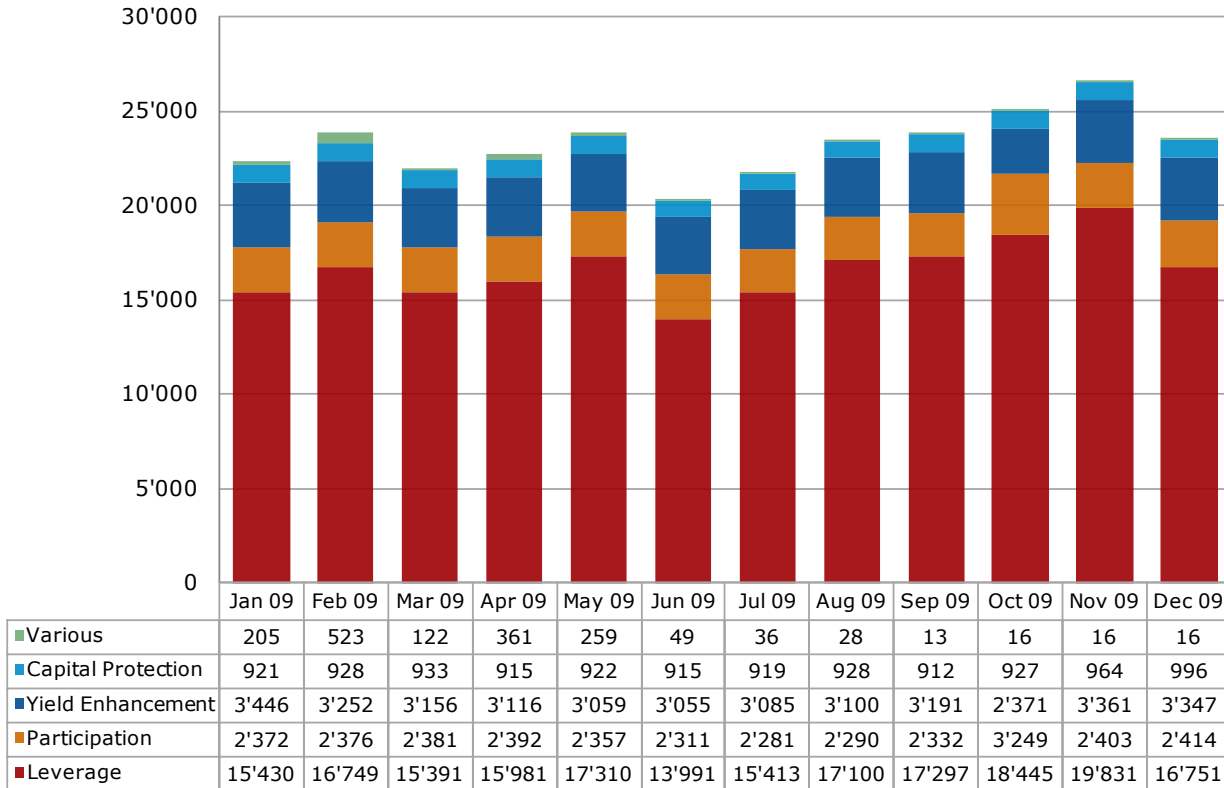
- With a constant growth of listed products (23'524 at the end of 2009), the previous years again have been exceeded. Compared to 2008 the number increased by 1'816 products (+8.36%).
- Whereas in 2008 growth took place in all product categories, last year increasingly Leverage products have been issued.

* 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

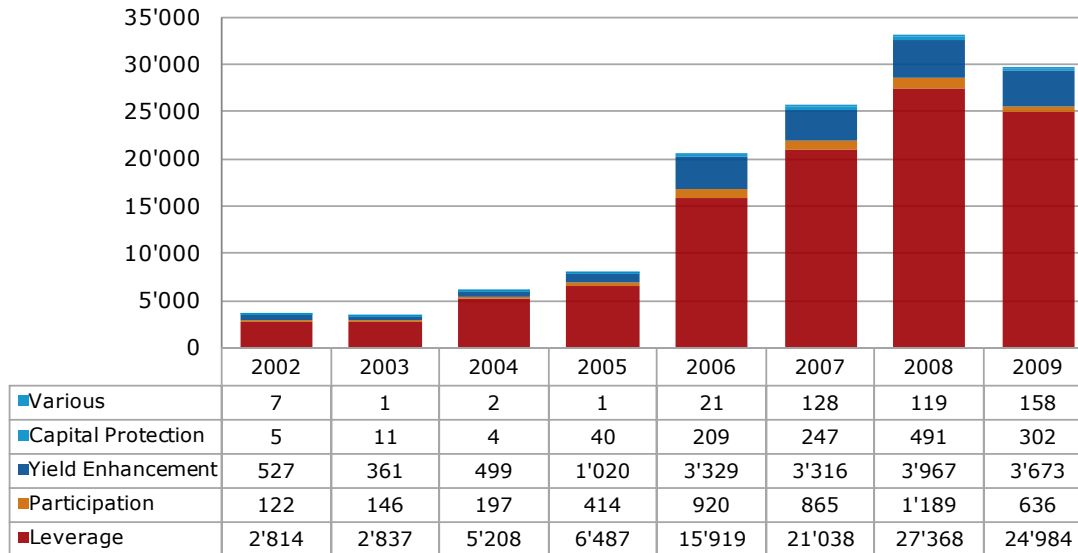


- Since June 2009 the number of listed products continuously rose and peaked in November with 26'575, the highest number since August 2008.
- Starting from 22'374 products listed at Scoach exchange in January 2009, 23'524 (+5.14%) were listed at the end of December.
- In December alone 5'769 products were delisted. A large part of them due to the big expiration day at the exchanges.

Source: SIX Swiss Exchange, Derivative Partners Research AG

4. Structured products at the Scoach exchange

4.5 New issues 2002 – 2009

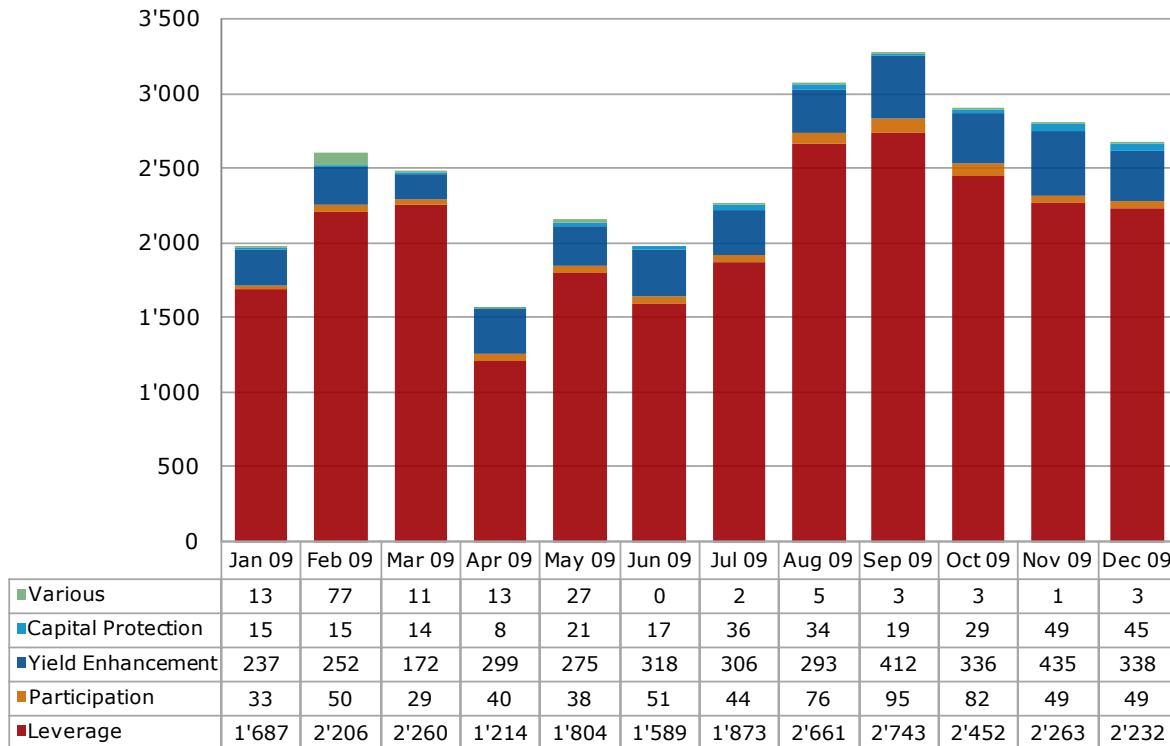


- Whereas in 2008 all previous years were topped with a number of 33'134 new issues, the amount of newly listed products declined in 2009 for the first time since six years. Compared to 2008 it is a decline of 10.23%.
- Leverage products accounted for the biggest part of the 29'753 products with roughly 84%. 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



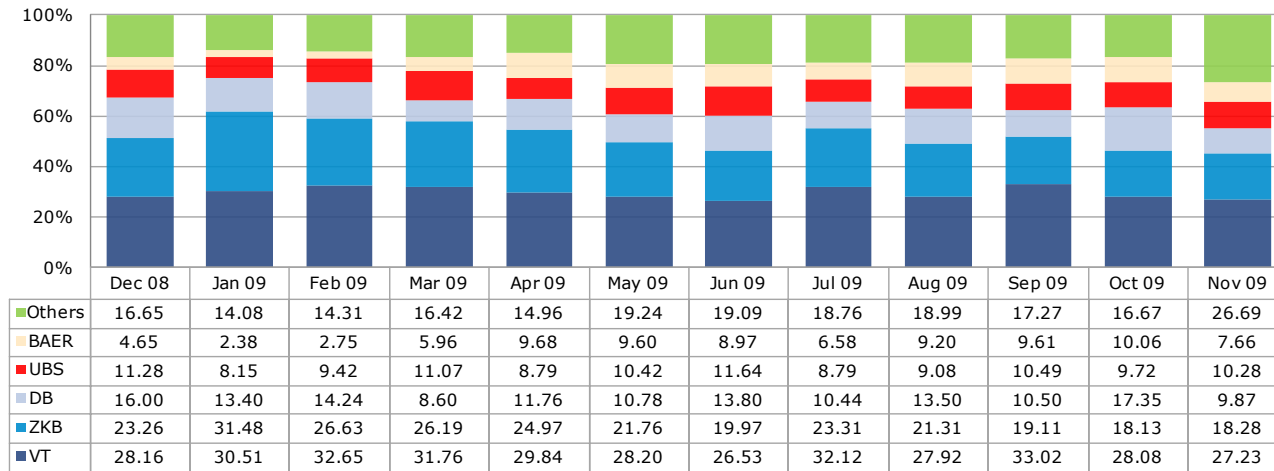
- After the top month September the amount of new issues decreased in the last quarter. However a decline at the end of the year is very common.

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

Figures in %



- In 2009, the five biggest issuers of stock-exchange-listed structured products are Bank Vontobel (market share total: 29.86%), ZKB (22.51%), Deutsche Bank (12.12%), UBS (9.85%) and Bank Julius Bär (7.61%).
- Winners of the year 2009 are Bank Julius Bär (+226.47%), UBS (+28.84%) and Bank Vontobel (+1.74%). Market share since January has been lost by ZKB (-30.90%) and Deutsche Bank (-28.06%). All other issuers added up were also gaining (+37%).

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 December 2009

5.4 Disclaimer

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

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