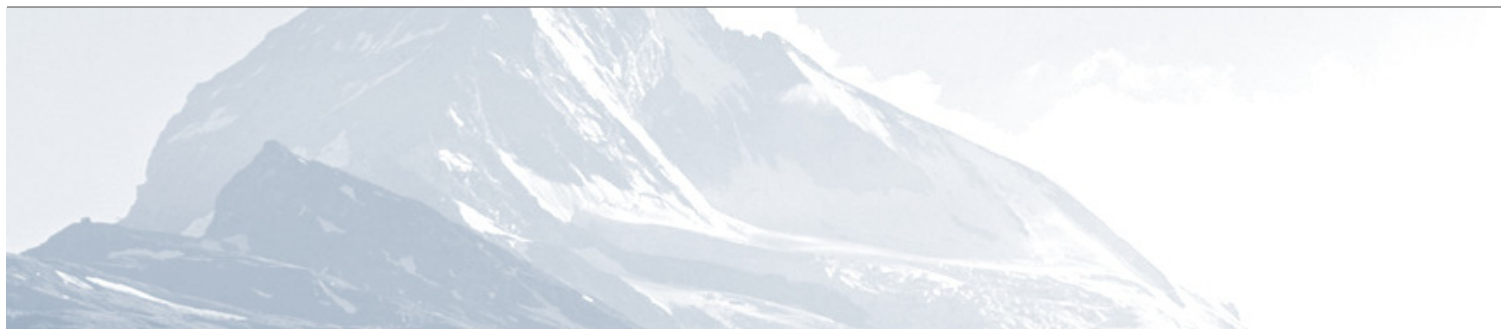


Market Report Structured Products

Quarterly Report

March 2011

Swiss Structured Products Association SSPA



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1. Main points at a glance

1.1 Key figures

- CHF 205.41 bn were invested in structured products in Swiss bank deposits (assets under management) as of the end of January 2011 (most recent data from the Swiss National Bank).
- Compared with other types of securities this represents 4.70% of all Swiss deposits.
- Private investors account for a 36.59% share in deposits, institutional investors for 57.07% and commercial clients for 6.34%.
- The Scoach exchange turnover of structured products in March 2011 was CHF 5.75 bn, which is an increase of 31.47% compared to the previous month.
- The category of leverage products holds a share of 67.54% of the total turnover. The share for investment products decreased to 32.46%.
- 33'340 products were listed at the end of March of which 13'275 (39.82%) were issued in the first quarter.
- In March, the five biggest issuers of stock-exchange-listed structured products are UBS (market share total: 24.78%), ZKB (22.19%), Bank Vontobel (18.58%), Bank Julius Bär (8.83%) and Deutsche Bank (6.36%). The share of all other issuers decreased to 19.26%.

1.2 Information of the SSPA

- A new version of the Swiss Derivative Map is available since October 2010.
- For more information about product types, footnotes and the Swiss Derivative Map, visit the association website: www.sspa-association.ch.
- On this website one can also find 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 categorization

2.1 SSPA product categorization as on 31.03.2011

INVESTMENT PRODUCTS

11 Capital Protection		12 Yield Enhancement		13 Participation	
1100	Uncapped Capital Protection	1200	Discount Certificates	1300	Tracker Certificates
1110	Exchangeable Certificates	1210	Barrier Discount Certificates	1310	Outperformance Certificates
1120	Capped Capital Protection	1220	Reverse Convertibles	1320	Bonus Certificates
1130	Capital Protection with Knock-Out	1230	Barrier Reverse Convertibles	1330	Outperformance Bonus Certificates
1135	Capital Protection with Double Knock-Out	1240	Capped Outperformance Certificates	1340	Twin-Win Certificates
1140	Capital Protection with Coupon	1250	Capped Bonus Certificates	1399	Various Participation
1199	Various Capital Protection	1260	Express Certificates		
		1299	Various Yield Enhancement		

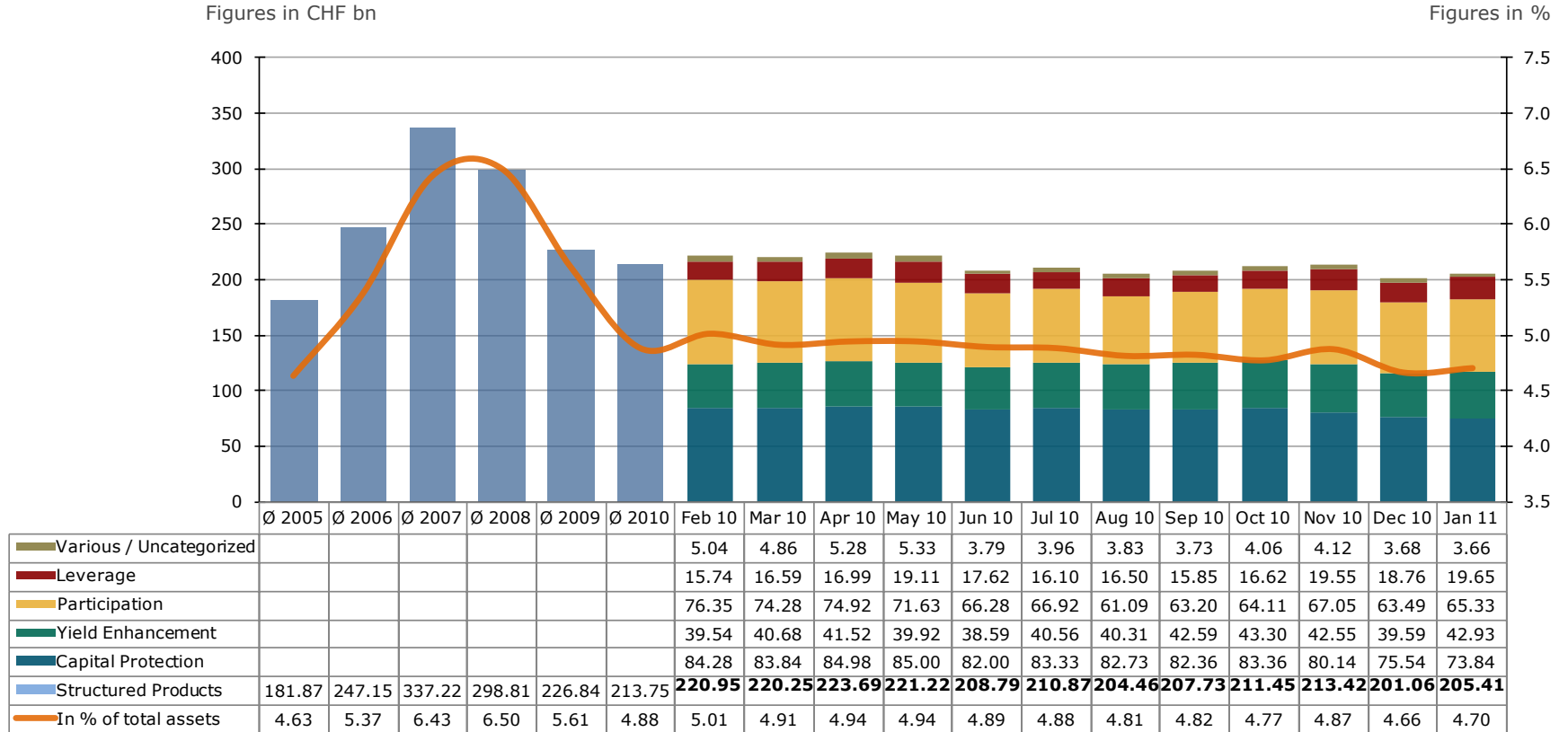
LEVERAGE PRODUCTS

21 Leverage without Knock-Out		22 Leverage with Knock-Out	
2100	Warrants	2200	Knock-Out Warrants
2110	Spread Warrants	2210	Mini-Futures
2199	Various Leverage without Knock-Out	2299	Various Leverage with Knock-Out

- The Association's product classification comprises five main groups and 22 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



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	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
Ø 2009	4'040	131	1'205	1'249	1'227	227	2
Ø 2010	4'378	111	1'266	1'450	1'336	214	2
Feb 10	4'412	111	1'296	1'458	1'325	221	2
Mar 10	4'487	105	1'282	1'529	1'348	220	2
Apr 10	4'528	106	1'295	1'518	1'384	224	2
May 10	4'474	107	1'308	1'451	1'386	221	2
Jun 10	4'271	104	1'259	1'378	1'319	209	2
Jul 10	4'325	100	1'264	1'425	1'323	211	2
Aug 10	4'248	120	1'243	1'385	1'295	204	2
Sep 10	4'311	109	1'254	1'418	1'320	208	2
Oct 10	4'429	120	1'265	1'474	1'356	211	2
Nov 10	4'382	119	1'245	1'455	1'348	213	2
Dec 10	4'312	120	1'204	1'467	1'319	201	2
Jan 11	4'375	124	1'207	1'492	1'345	205	2

- Since January 2010 total securities held increased from CHF 4'362 bn to CHF 4'375 bn in January 2011 (plus CHF 13 bn), which is a non-price-adjusted plus of 0.30%.
- In this period, the market for structured products decreased from CHF 221.15 bn to CHF 205.41 bn. This is an decrease of 7.12%.
- Compared to the average of 2010 Money market papers (+12.07%), shares (+2.87%) and investment funds (+0.64%) could profit from increase in deposits, whereas bonds (-4.65%) and structured products (-4.02%) declined. Other securities also accounted for major losses (-23.35%).

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	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
Ø 2009	3.23	29.84	30.90	30.37	5.61	0.05
Ø 2010	2.54	28.91	33.11	30.52	4.88	0.04
Feb 10	2.51	29.37	33.04	30.03	5.01	0.04
Mar 10	2.34	28.58	34.09	30.05	4.91	0.04
Apr 10	2.33	28.61	33.51	30.57	4.94	0.04
May 10	2.38	29.23	32.43	30.97	4.94	0.04
Jun 10	2.44	29.47	32.27	30.89	4.89	0.04
Jul 10	2.32	29.24	32.95	30.58	4.88	0.04
Aug 10	2.81	29.25	32.60	30.49	4.81	0.04
Sep 10	2.53	29.10	32.89	30.62	4.82	0.04
Oct 10	2.71	28.57	33.29	30.62	4.77	0.04
Nov 10	2.72	28.41	33.20	30.75	4.87	0.04
Dec 10	2.78	27.92	34.01	30.59	4.66	0.04
Jan 11	2.84	27.59	34.10	30.74	4.70	0.04

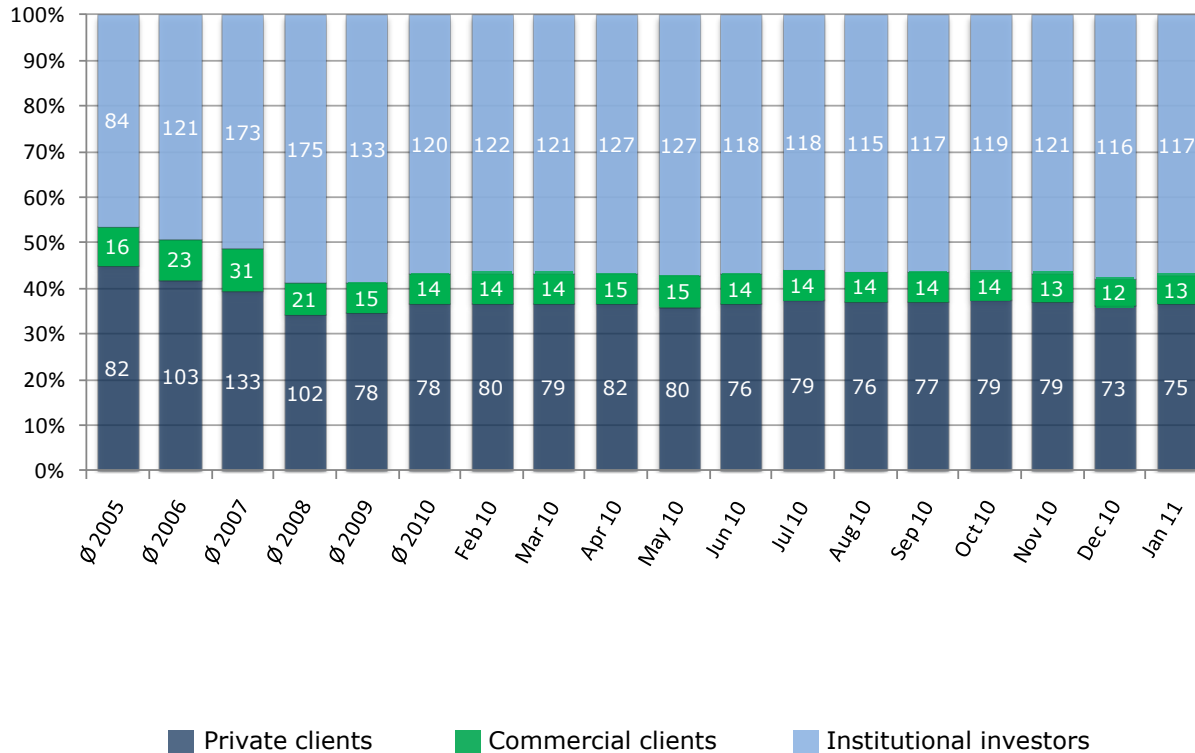
- In January 2011 4.70% of all client deposits were invested in Structured Products.
- Compared to the beginning of the year 2010 (5.07%) this is a decline of 7.30%.
- Compared to the average of 2010 there has been a shift away from structured products (-3.78%) and bonds (-4.55%) whereas shares (+2.98%) and investment funds (+0.71%) remained relatively stable. Increase was first of all noted with money market papers (+11.95%).

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



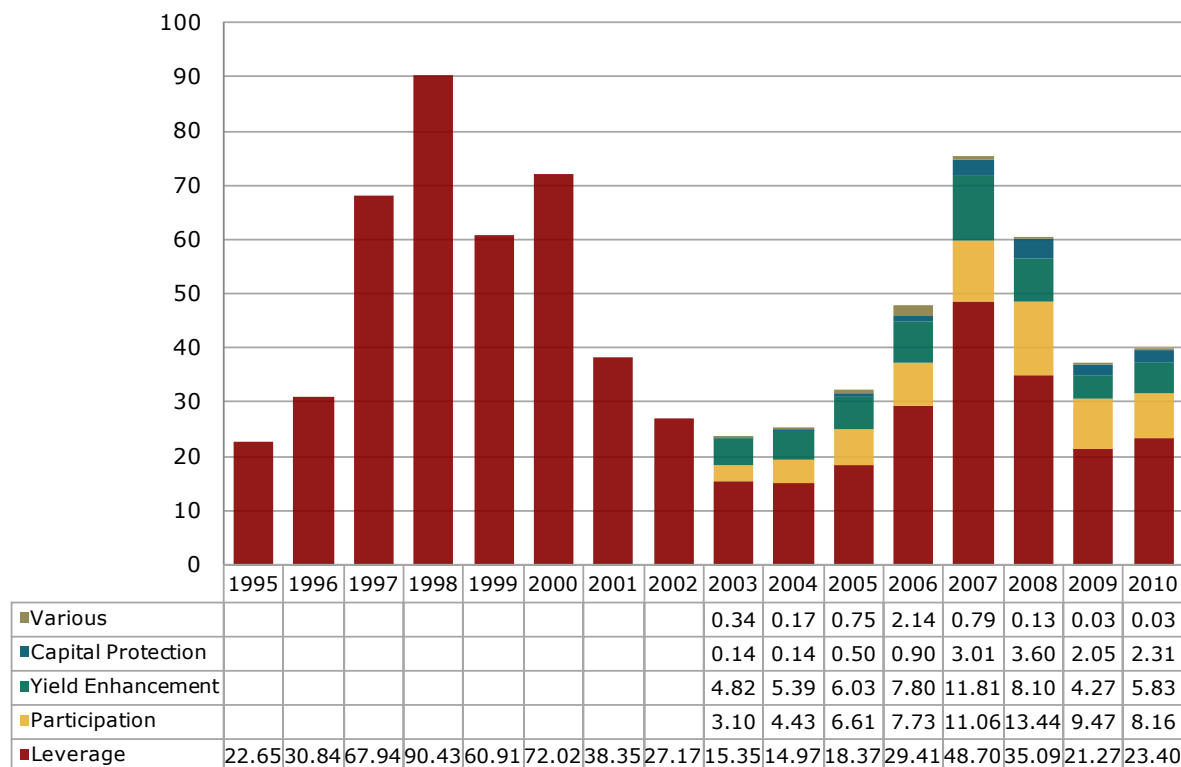
- SSPA estimates that more than half of all Structured Products are placed by investment managers acting on behalf of private investors.

Source: SNB Monthly Statistical Bulletin, latest available figures

4. Structured products at the Scoach exchange

4.1 Turnover 1995 - 2010

Figures in CHF bn



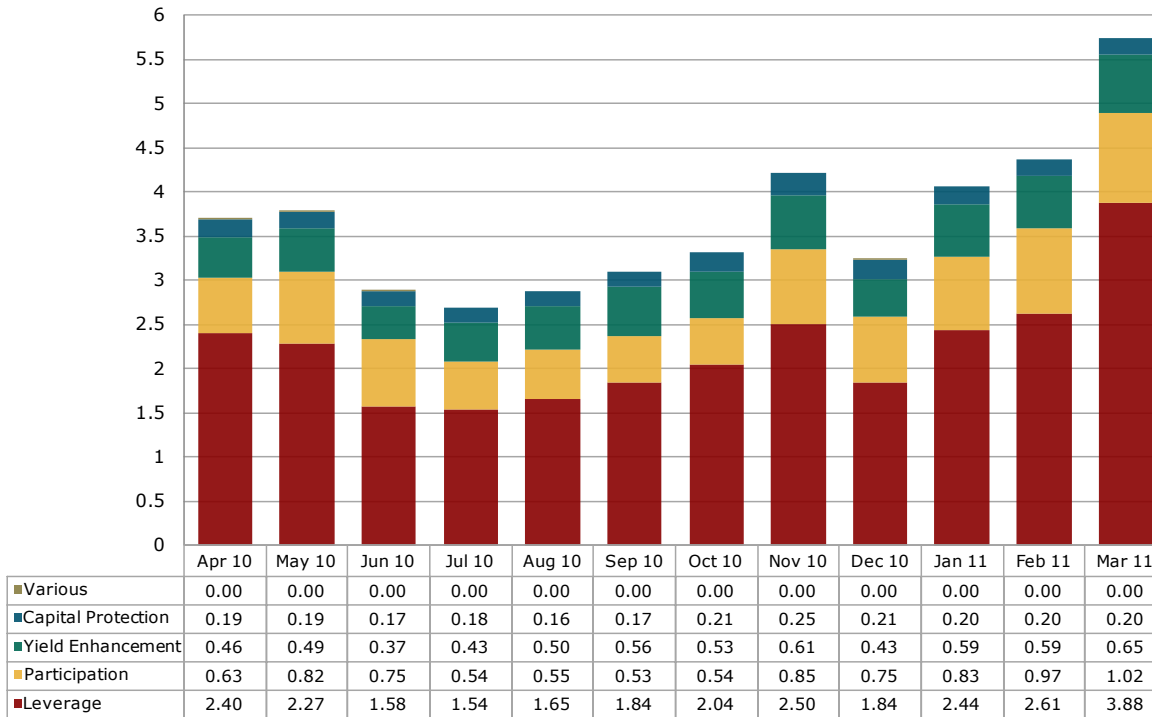
- With a total turnover of CHF 39.73 bn in 2010 on the Scoach exchange there has been a turnaround. The yearly turnover increased for the first time since 2007.
- Compared to the previous year 2009 turnover increased by CHF 2.64 bn (+7.12%). Measured against the exceptionally strong year 2007 it equates to about half of the turnover (52.72%).
- Whereas in 2009 all product categories were affected by the decline in turnover there has been increase in the share of yield enhancement products (+36.48%) and capital protection products (+12.99%) this year. Leverage products also rose by 10.01% whereas participation products (-13.85%) were less in demand.

Source: SIX Swiss Exchange, Derivative Partners Research AG

4. Structured products at the Scoach exchange

4.2 Turnover in the last 12 months

Figures in CHF bn

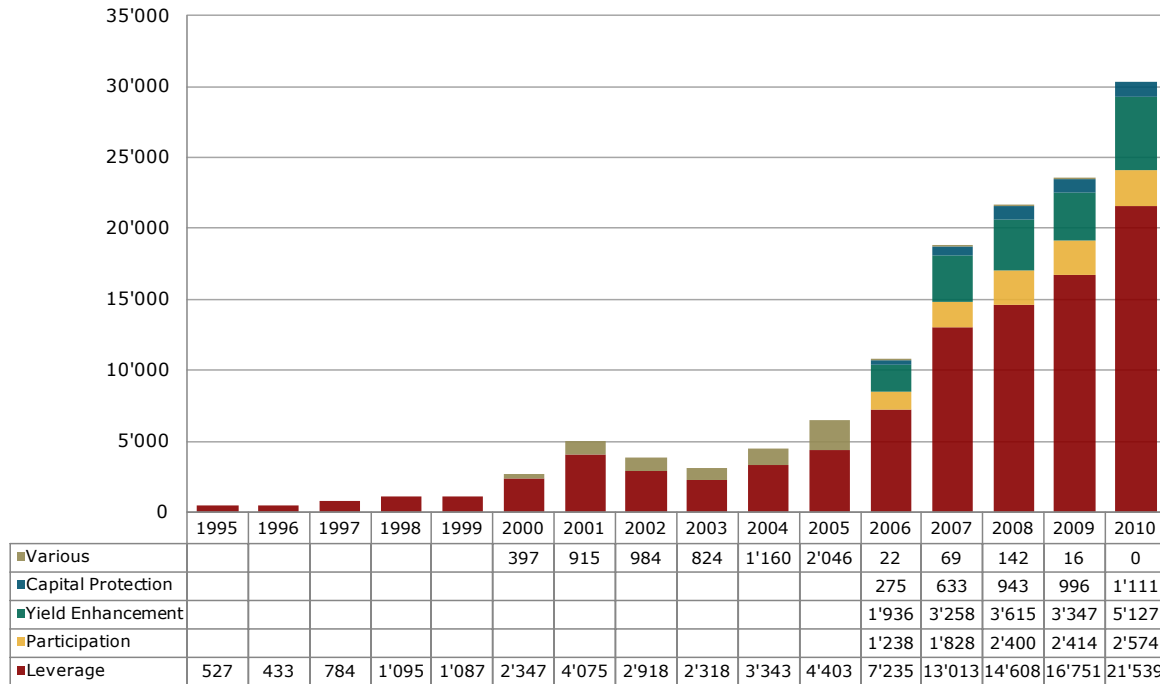


- Since the beginning of the year the turnover rose constantly and reached a new high with CHF 5.75 bn in March.
- Increase in turnover is seen in every category compared to the beginning of the year. Especially high since January 2011 was the increase in leverage products (+59.06%) and participation products (+22.58%). But also yield enhancement products (+8.83%) and capital protection products (+0.54%) gained.

Source: SIX Swiss Exchange, Derivative Partners Research AG

4. Structured products at the Scoach exchange

4.3 Number of listed products 1995 – 2010*



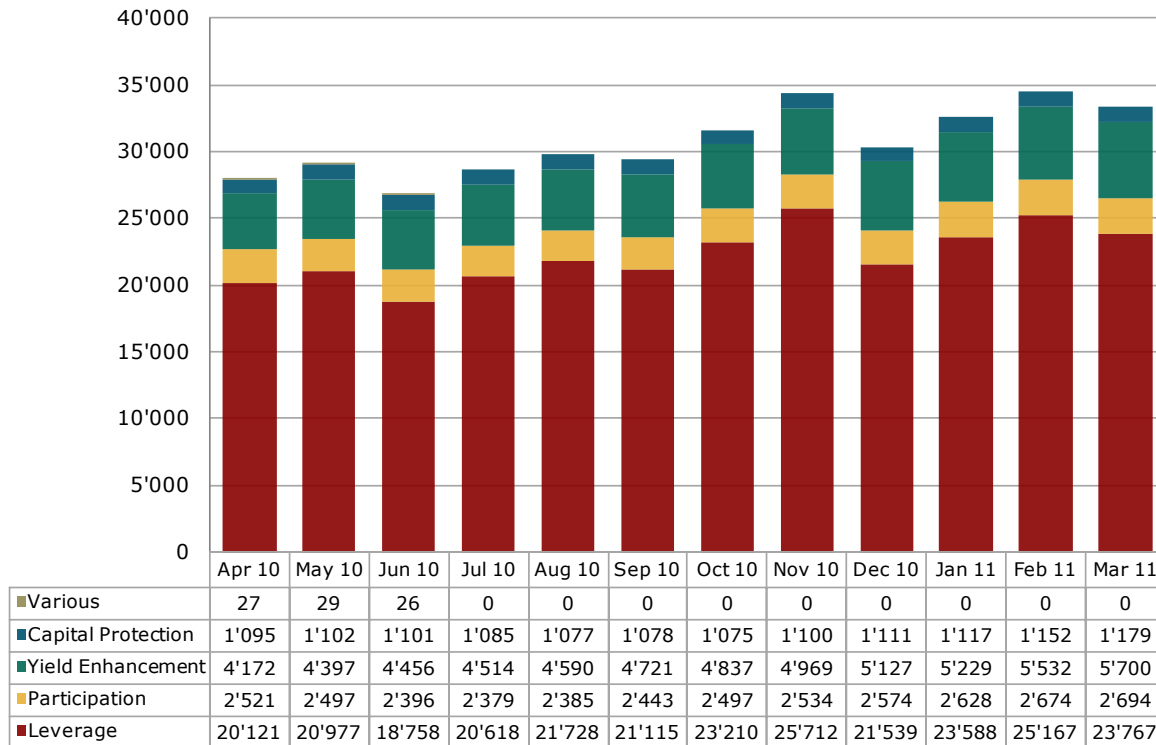
- With an amount of 30'351 products at the end of 2010 the previous year had been exceeded again, following a constant growth. Compared to 2009 the increase totals 6'827 products (+ 29.02%).
- 2010 growth took place again in all product categories, whereas yield enhancement products could profit the most (+53.18%).

* 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

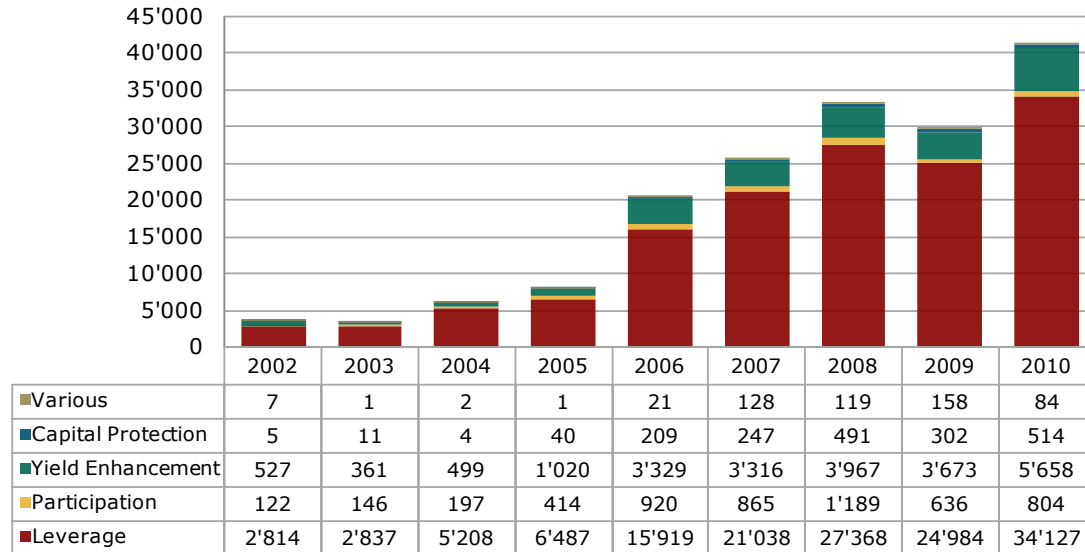


- In the first quarter there were more yield enhancement products issued (+9.01%) but also capital protection products were in demand (+5.55%). Increase in shares were also seen in participation products (+2.51%) and leverage products (+0.76%).
- Please note that in March as well as in June, September and December 2010 a large amount of products has been delisted due to scheduled expiration (large expiration at the exchanges). In March 2011 5'699 products were delisted.

Source: SIX Swiss Exchange, Derivative Partners Research AG

4. Structured products at the Scoach exchange

4.5 New issues 2002 – 2010

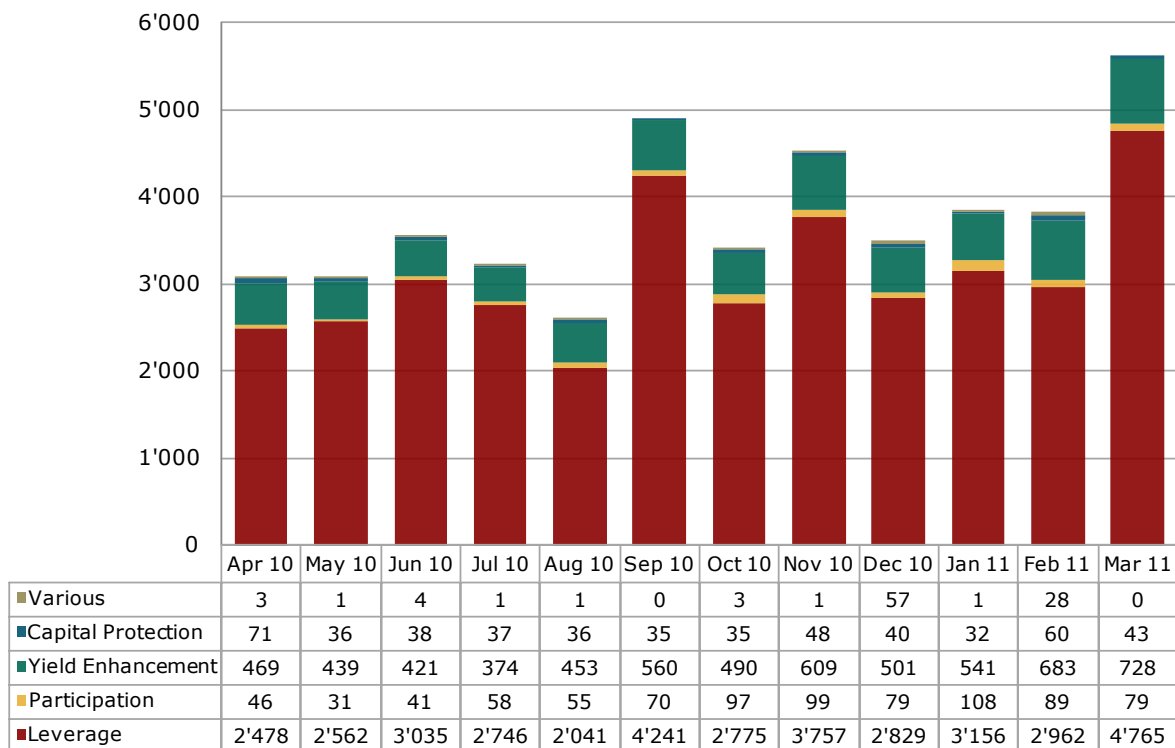


- 2010 topped all previous years with 41'187 new issues. Compared to 2009 it is a plus of 38.43%.
- Leverage products accounted for the biggest part with 82.86%. Primarily yield enhancement products were issued in the category of investment products with a share of 13.74%.

Source: SIX Swiss Exchange, Derivative Partners Research AG

4. Structured products at the Scoach exchange

4.6 New issues in the last 12 months



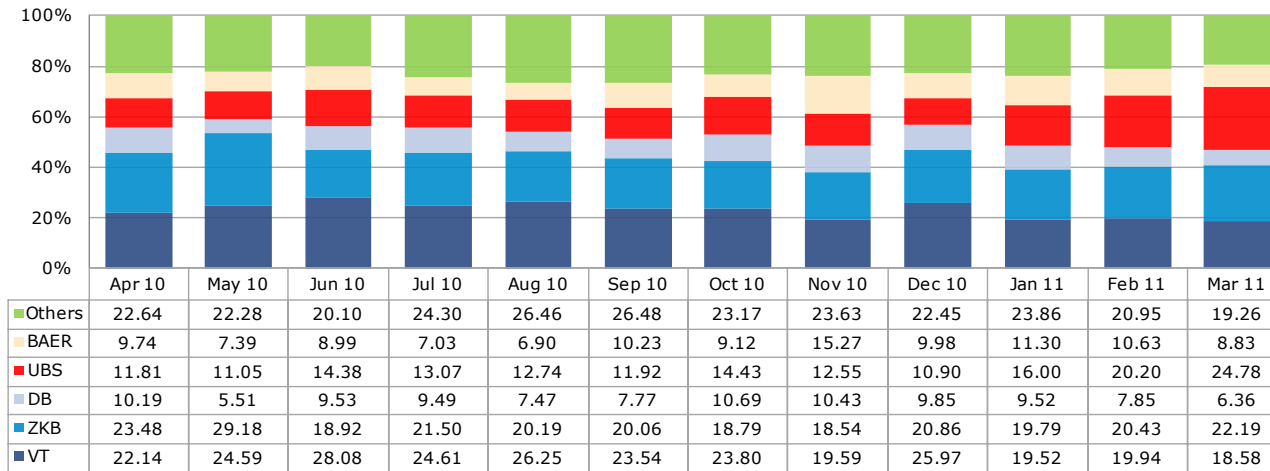
- March 2011 was with 5'615 new issues the most successful month in more than two years and surpasses therefore September 2010 (4'606).
- Whereas 10'708 products were issued in the third quarter of 2010, the fourth quarter saw an increase of 6.65% to 11'420 products. In the first quarter of 2011 13'275 products were newly listed. Compared to the beginning of the year this is an increase of 46%.

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 March 2011, the five largest issuers of stock-exchange-listed structured products are UBS (market share total: 24.78%), ZKB (22.19%), Bank Vontobel (18.58%), Bank Julius Bär (8.83%) and Deutsche Bank (6.36%). All other issuers account for 19.26% of the total market.
- In the first quarter only UBS (+54.89) and ZKB (+12.13%) improved their shares. All other lost market shares: Bank Vontobel (-4.82%), Bank Julius Bär (-21.85%) and Deutsche Bank (-33.24%). The share of all other minor issuers combined declined also by 19.27%.

Source: SIX Swiss Exchange, Derivative Partners Research AG

5. Appendix

5.1 Abbreviations

Leverage Products.....	Leverage
Capital Protection Products.....	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 2011

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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