

Market Report Structured Products Quarterly Report

June 2012

Swiss Structured Products Association SSPA



Contents

1. Main points at a glance	
1.1 Key figures.....	3
1.2 Information of the SSPA.....	3
2. Product categorization	
2.1 SSPA product categorization	4
3. Securities held in banks' client deposits	
3.1 Structured products since 2007.....	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 – 2011.....	9
4.2 Turnover in the last 12 months.....	10
4.3 Number of listed products 1995 –2011.....	11
4.4 Number of listed products in the last 12 months.....	12
4.5 New issues 2002 – 2011.....	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 192.61 bn were invested in structured products in Swiss bank deposits (assets under management) as of the end of April 2012 (most recent data from the Swiss National Bank). This is a plus of 0.11%.
- Compared with other types of securities this represents 4.50% of all Swiss deposits.
- Private investors account for a 33.68% share in deposits, institutional investors for 60.62% and commercial clients for 5.70%.
- The Scoach exchange turnover of structured products in June 2012 was CHF 2.44 bn, which is an increase of 12.32% compared to the previous month.
- The category of leverage products holds a share of 58.20% of the total turnover. The share for investment products rose to 41.80%.
- 34'993 products were listed at the end of June 2012 of which 11'896 (34.00%) were issued in the second quarter.
- In June, the five biggest issuers of stock-exchange-listed structured products are UBS (market share total: 31.46%), ZKB (23.43%), Bank Vontobel (20.13%), Bank Julius Baer (9.07%) and Credit Suisse/Clariden Leu (4.66%). The market shares of Credit Suisse and Clariden Leu have been consolidated due to the realized takeover. The share of all other issuers is 11.24%.

1.2 Information of the SSPA

- 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 SSPA Risk Figure (SSPA 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 30.06.2012

INVESTMENT PRODUCTS

11 Capital Protection		12 Yield Enhancement		13 Participation	
1100	Capital Protection Certificate with Participation	1200	Discount Certificate	1300	Tracker Certificate
1110	Convertible Certificate	1210	Barrier Discount Certificate	1310	Outperformance Certificate
1130	Barrier Capital Protection Certificate	1220	Reverse Convertible	1320	Bonus Certificate
1140	Capital Protection Certificate with Coupon	1230	Barrier Reverse Convertibl	1330	Bonus Outperformance Certificate
1199	Miscellaneous Capital Protection Certificates	1260	Express Certificate	1340	Twin-Win Certificate
		1299	Miscellaneous Yield Enhancement Certificates	1399	Miscellaneous Participation Certificates

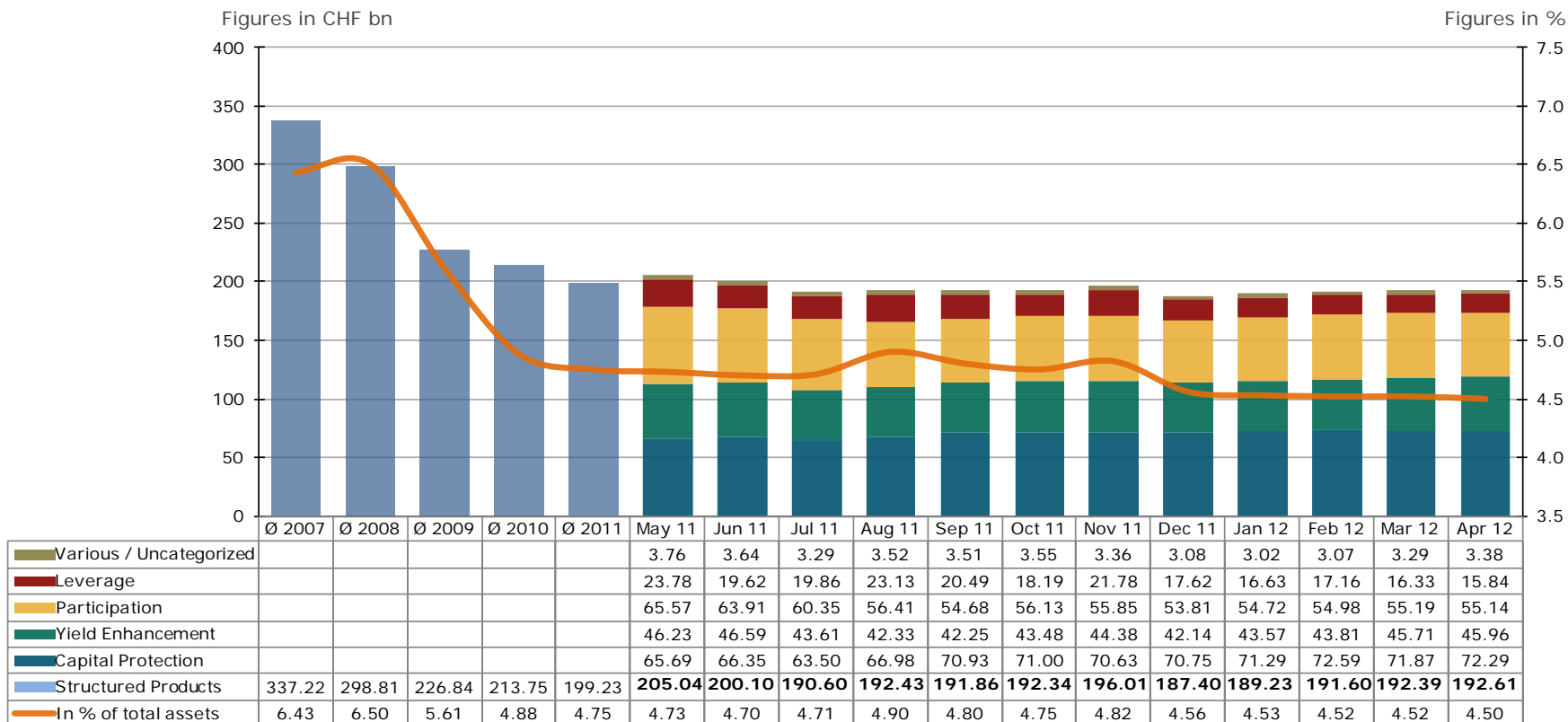
LEVERAGE PRODUCTS

14 Investment Products with Reference Entities		21 Leverage without Knock-Out		22 Leverage with Knock-Out	
1410	Reference Entity Certificate with Conditional Capital Protection	2100	Warrant	2200	Warrant with Knock-Out
1420	Reference Entity Certificate with Yield Enhancement	2110	Spread Warrant	2210	Mini-Future
1430	Reference Entity Certificate with Participation	2199	Miscellaneous Leverage Certificates without Knock-Out	2299	Miscellaneous Leverage Certificates with Knock-Out

- The Association's product classification comprises six main groups and 24 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 2007



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
Ø 2011	4'197	102	1'177	1'424	1'294	199	1
Apr 11	4'381	108	1'184	1'525	1'352	210	1
May 11	4'331	106	1'173	1'526	1'319	205	2
Jun 11	4'253	110	1'170	1'472	1'300	200	1
Jul 11	4'046	109	1'135	1'364	1'247	189	1
Aug 11	3'930	85	1'140	1'294	1'216	192	1
Sep 11	3'999	89	1'178	1'293	1'246	192	1
Oct 11	4'051	86	1'173	1'352	1'246	192	1
Nov 11	4'063	83	1'171	1'360	1'251	196	1
Dec 11	4'113	82	1'184	1'394	1'263	187	1
Jan 12	4'178	79	1'193	1'434	1'282	189	1
Feb 12	4'236	77	1'199	1'468	1'299	192	1
Mar 12	4'259	76	1'202	1'482	1'305	192	1
Apr 12	4'281	77	1'209	1'473	1'329	193	1

Source: SNB Monthly Statistical Bulletin, latest available figures

- Compared to the previous year total securities held decreased from CHF 4'381 bn to CHF 4'281 bn in April 2012 (minus CHF 100 bn), which is a non-price-adjusted decline of 2.28%.
- In this period, the market for structured products decreased from CHF 210.18 bn to CHF 192.61 bn. This is a minus of 8.36%.
- Almost all other categories also were affected by withdrawals, most remarkably Money Market Papers (-29.24%). Just the market share in bonds (+2.1%) has increased slightly.

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
Ø 2011	2.43	28.06	33.89	30.83	4.75	0.03
Apr 11	2.48	27.03	34.81	30.85	4.80	0.03
May 11	2.44	27.08	35.25	30.46	4.73	0.03
Jun 11	2.59	27.50	34.60	30.57	4.70	0.03
Jul 11	2.69	28.06	33.72	30.81	4.68	0.04
Aug 11	2.17	29.02	32.94	30.94	4.90	0.04
Sep 11	2.22	29.46	32.33	31.16	4.80	0.04
Oct 11	2.12	28.96	33.37	30.77	4.75	0.04
Nov 11	2.06	28.82	33.47	30.79	4.82	0.04
Dec 11	2.00	28.79	33.91	30.71	4.56	0.03
Jan 12	1.88	28.56	34.32	30.68	4.53	0.03
Feb 12	1.82	28.30	34.65	30.67	4.52	0.03
Mar 12	1.78	28.22	34.80	30.65	4.52	0.03
Apr 12	1.79	28.24	34.40	31.04	4.50	0.03

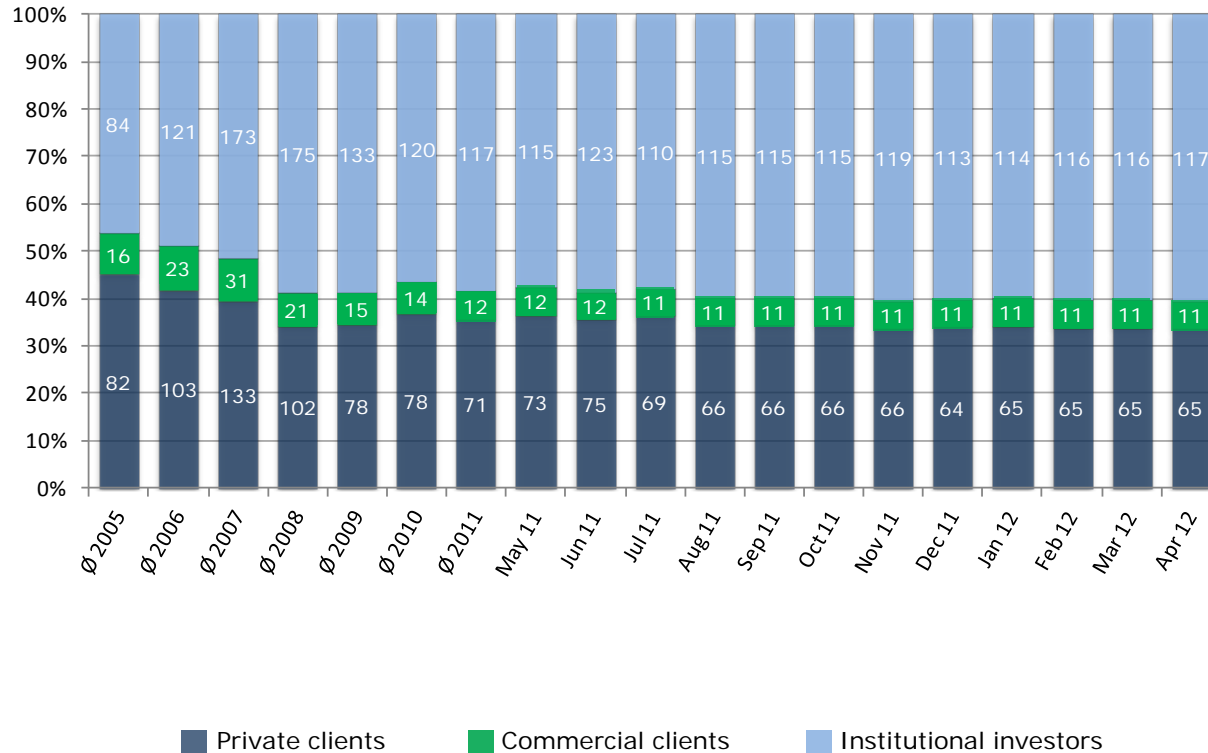
Source: SNB Monthly Statistical Bulletin, latest available figures

- In April 2012 4.50% of all client deposits were invested in Structured Products.
- Compared to the preceding year (4.80%) this is a decrease of 6.25%.
- In all other asset classes there has for the same period been a shift away from money market papers (-27.82%) and structured products (-6.25%) to bonds (+4.48%), whereas shares (-1.18%) and investment funds (+0.62%) remained relatively stable.

3. Securities held in banks' client deposits

3.4 By client (deposits holders)

Figures in CHF bn



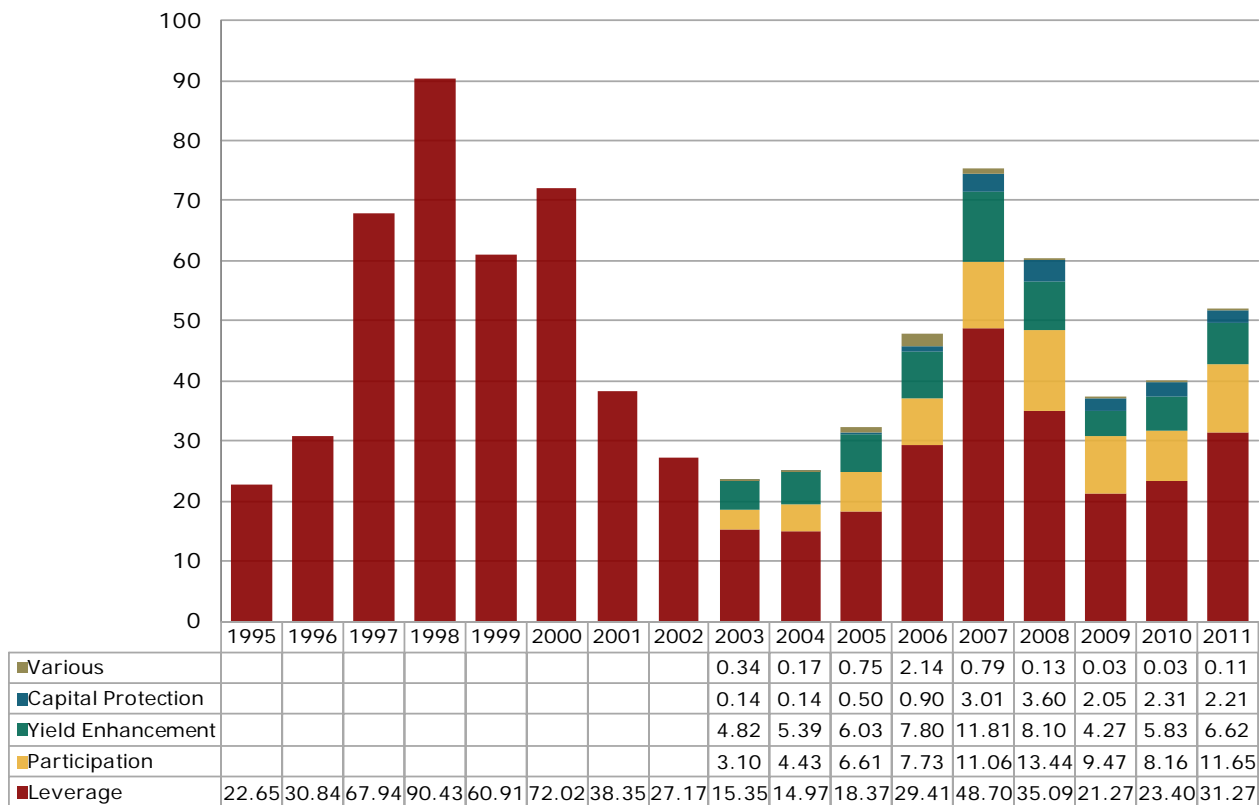
- SSPA estimates that more than half of all Structured Products are placed by investment managers acting on behalf of private investors.

Source: SNB Monthly Statistical Bulletin, latest available figures

4. Structured products at the Scoach exchange

4.1 Turnover 1995 - 2011

Figures in CHF bn



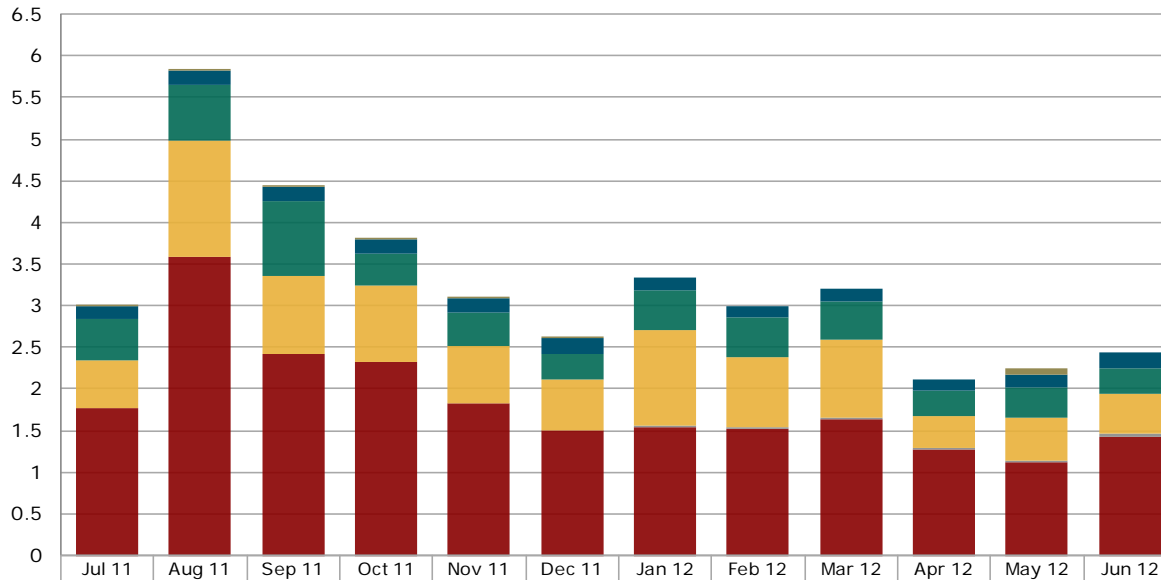
- With a total turnover of CHF 51.76 bn in 2011 on the Scoach exchange the turnaround started since the low in 2009 continued.
- Compared to the previous year 2010 turnover increased sharply by CHF 12.13 bn (+30.53%). Measured against the exceptionally strong year 2007 it equals about 68.68% of the turnover.
- Against 2010 in 2011 participation products (+42.77%), leverage products (+33.63%) and yield enhancement products (+13.55%) could increase their demand. Capital protection products (-4.33%) however 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

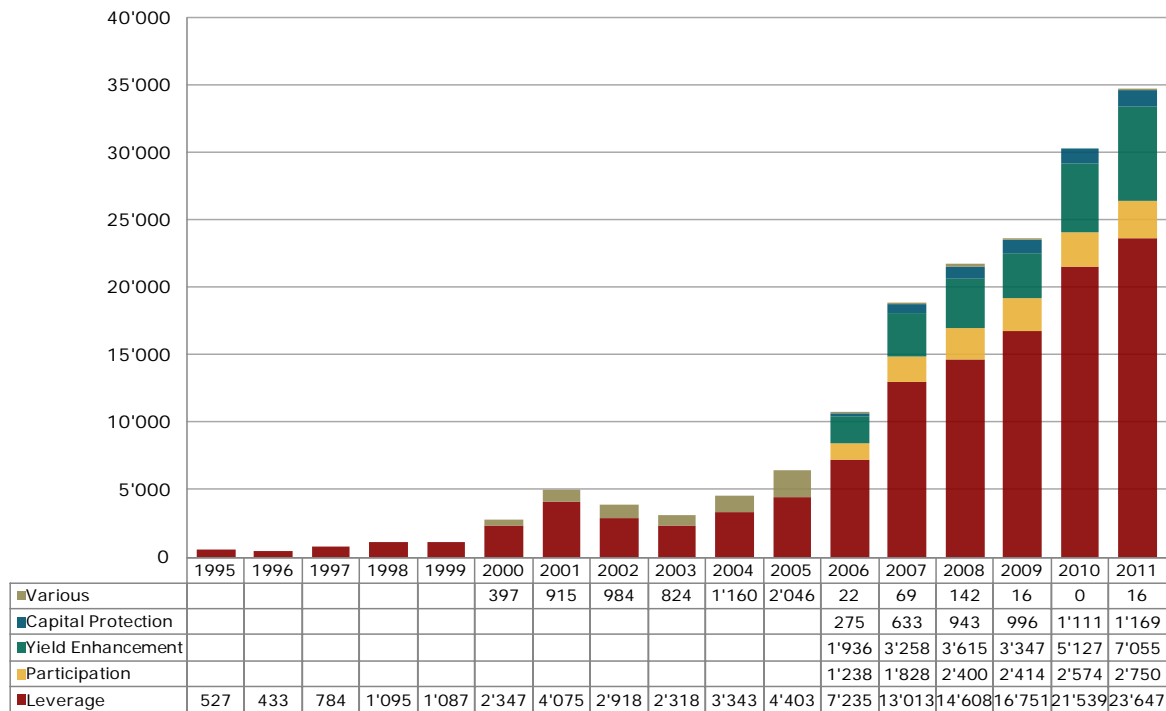


- Compared to the previous month the turnover increased in June by 12.32%.
- Compared to the beginning of the year the turnover in March is lower by 26.82%.
- Turnover has decreased especially in the categories participation (-59.31%) and yield enhancement (-22.50%) sharply.

Source: SIX Swiss Exchange, Derivative Partners Research AG

4. Structured products at the Scoach exchange

4.3 Number of listed products 1995 – 2011*



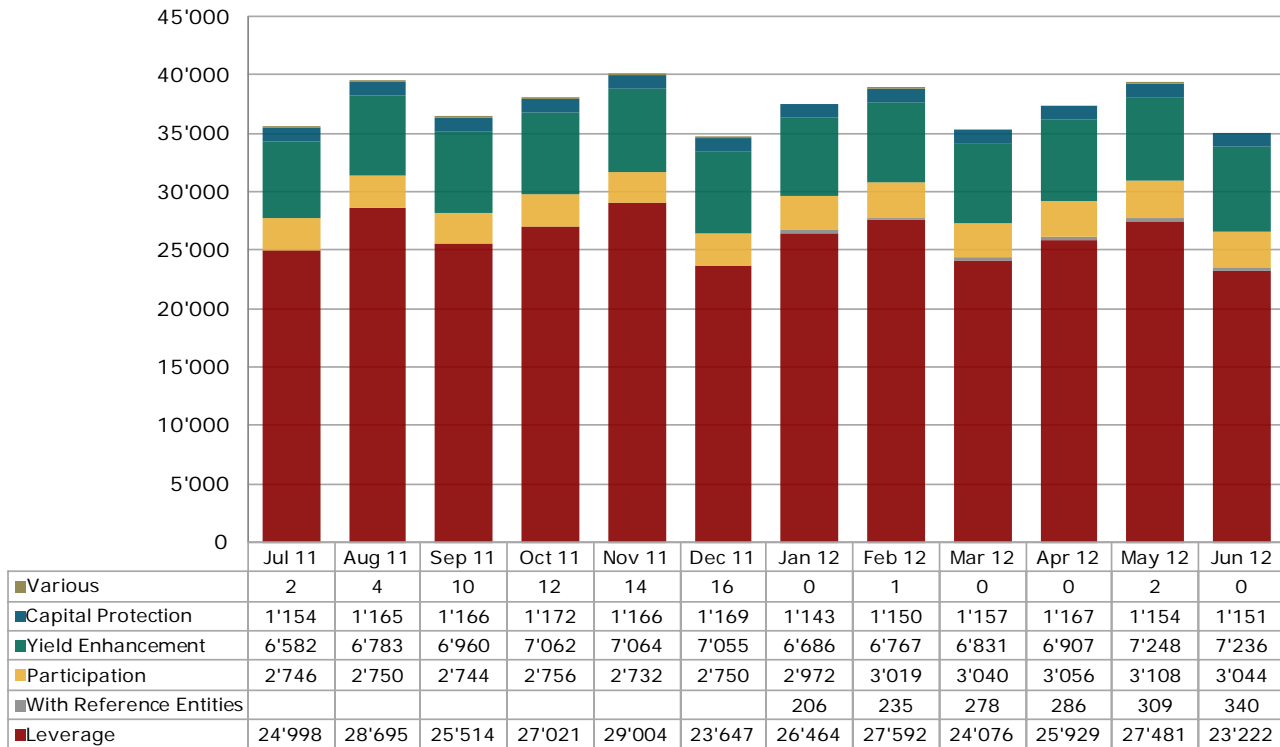
- With an amount of 34'637 products at the end of 2011 the previous years have been exceeded again, following a constant growth. Compared to 2010 the increase totals 4'286 products (+14.12%).
- 2011 growth took place again in all product categories, whereas yield enhancement products could profit the most (+37.60%).

* 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

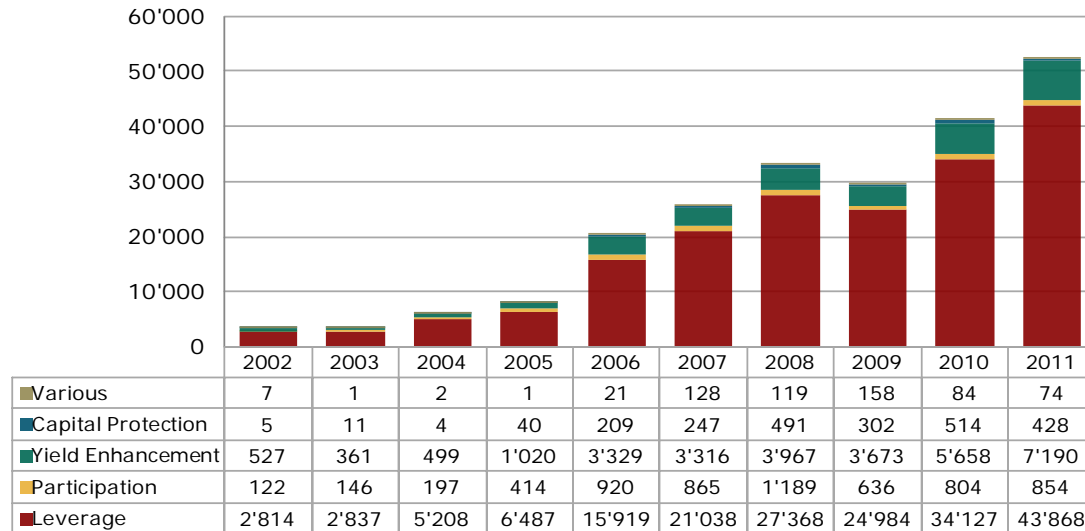


- In the second quarter the category yield enhancement (+5.93%) achieved an increase. However, the number of listed products for the leverage category (-3.55%) decreased, whereas it remained rather stable for the categories capital protection (-0.52%) and participation (+0.13%).
- The number of listed products with reference entities has increased continuously since the beginning of the year.
- Please note that in March and June a large amount of products was regularly delisted due to scheduled expiration (large expiration at the exchanges).

Source: SIX Swiss Exchange, Derivative Partners Research AG

4. Structured products at the Scoach exchange

4.5 New issues 2002 – 2011

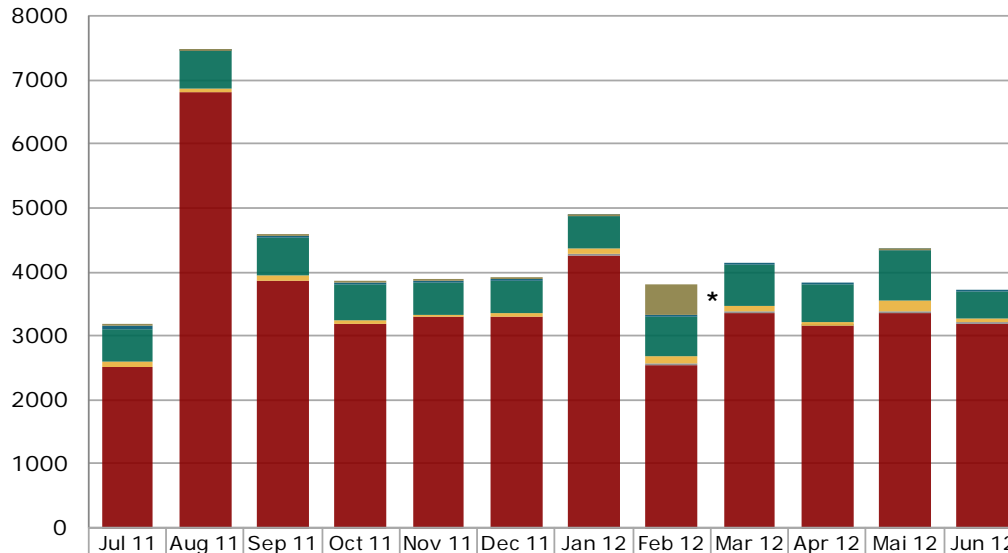


- 2011 again topped all previous years with 52'414 new issues. Compared to 2010 it is a plus of 27.26%.
- Leverage products accounted for the biggest part with 83.70%. Primarily yield enhancement products were issued in the category of investment products with a share of 13.72%.

Source: SIX Swiss Exchange, Derivative Partners Research AG

4. Structured products at the Scoach exchange

4.6 New issues in the last 12 months



	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12	Apr 12	Mai 12	Jun 12
■ Various	2	21	8	2	5	3	18	464	0	0	2	0
■ Capital Protection	44	26	21	27	15	16	19	21	29	28	11	17
■ Yield Enhancement	521	575	576	573	504	507	512	627	627	577	785	428
■ Participation	84	50	84	49	28	50	72	114	102	55	164	48
■ With Reference Entities							21	31	31	15	28	31
■ Leverage	2'513	6'819	3'876	3'197	3'314	3'311	4'263	2537	3350	3150	3363	3194

- Whereas 12'838 products were issued in the first quarter of 2012 the second quarter 2012 saw an decrease of 7.34% to 11'896 products.
- Compared to the beginning of the year 2012 (4'905 products) a lesser amount of products was issued in June (-24.20%).

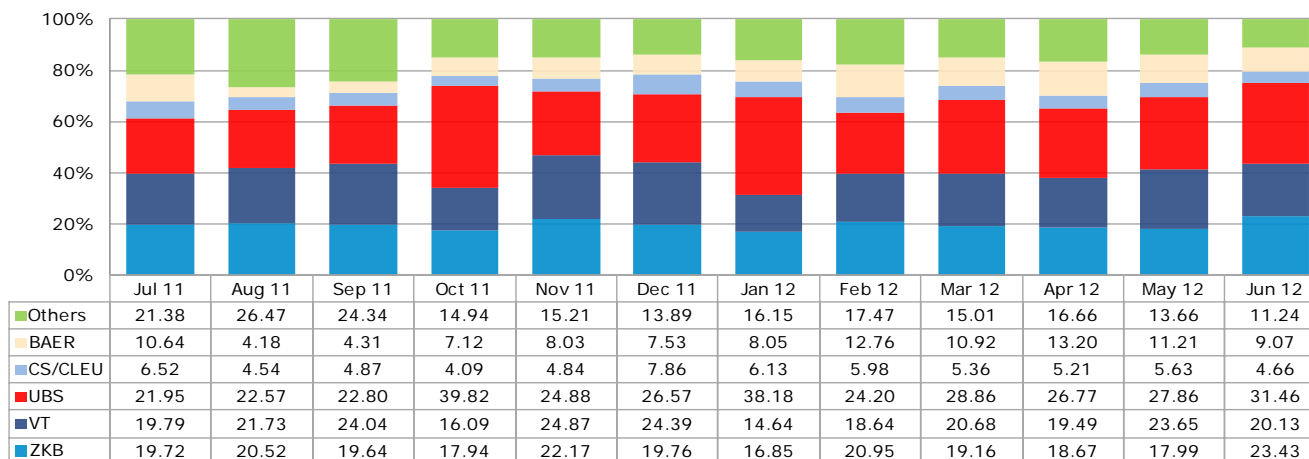
Source: SIX Swiss Exchange, Derivative Partners Research AG

* One day listed: 400 products by UBS

4. Structured products at the Scoach exchange

4.7 Market shares (turnover) of the five largest issuers

Figures in %



- In June 2012, the five biggest issuers of stock-exchange-listed structured products are UBS (market share total: 31.46%), ZKB (23.43%), Bank Vontobel (20.13%), ZKB (19.16%), Bank Julius Baer (9.07%) and Credit Suisse/Clariden Leu (4.66%).
- The market shares of Credit Suisse and Clariden Leu have been consolidated due to the realized takeover.
- In the second quarter UBS (+9.01%) and ZKB (+22.29%) improved their shares. Bank Vontobel (-2.66%), Bank Julius Baer (-16.34%) and Credit Suisse/Clariden Leu (-13.06%) accounted for losses.

Source: SIX Swiss Exchange, Derivative Partners Research AG

5. Appendix

5.1 Abbreviations

Leverage Products.....	Leverage
Investment Products with Reference Entities	With Reference Entities
Participation Products	Participation
Capital Protection Products	Capital Protection
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 29th June 2012.

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.