

Media release

Value Creation Report of the Swiss Structured Products Association (SSPA):

**Turnover growth of the first nine months of 2018 amounted to 22% compared to the prior-year period – total turnover for Q3 is CHF 76 bn**

**Turnover of Swiss structured products recorded by the largest SVSP members again rose substantially in the third quarter of 2018. Relative to the previous year, the sector saw turnover rise in the third quarter of 2018 to reach CHF 76 bn, an increase of CHF 11 bn or 17%. Yield enhancement products (47%) were in particular demand, followed by leverage products (21%) and participation products (17%). More than half of all products (53%) are based on equities, 27% on foreign exchange. The most important currencies for structured products were USD, EUR and CHF, accounting for 85% of the total.**

*Zurich, 29 October 2018.* Structured product value creation statistics drawn up by The Boston Consulting Group take account of stock market listed as well as unlisted products created in or for Switzerland that are sold nationally as well as internationally. SSPA members Barclays Capital, Banque Cantonale Vaudoise, Commerzbank, Credit Suisse, Goldman Sachs, Julius Baer, Leonteq, Raiffeisen Switzerland, UBS, Vontobel as well as Zürcher Kantonalbank took part in the survey for the third quarter of 2018. These represent the largest part of the Swiss market.

**Most important developments in the third quarter of 2018:**

- Total turnover of CHF 76 bn is CHF 11 bn higher than in Q3 2017; growth rate compared to the previous year was 17%. Turnover growth of the first nine months of 2018 amounted to 22% compared to the prior-year period.
- With 47%, yield enhancement products accounted for approximately half of the total turnover in Q3 2018 (Q3 2017: 57%); seeing a turnover growth of 48% compared to Q3 2017, leverage products constituted the second-largest product group with 21% of the total turnover in Q3 2018. Driven by a turnover increase of 62% year-on-year, the share of participation products increased to 17% in Q3 2018 (Q3 2017: 12%). Capital protection products made up 15% in Q3 2018, with their turnover growing by 28% compared to Q3 2017. Leverage products represented again the vast majority of all structured products transactions with a share of 92%.
- With 53%, Equity products represented again the largest portion of total turnover in Q3 2018, growing by 29% compared to previous year; the share of Foreign Exchange products on the other hand decreased to 27% (Q3 2017: 34%). Due to a turnover increase by 33%, Fixed Income products increased their share to 15% (Q3 2017: 13%).

- Non-listed products constituted about 67% of turnover in Q3 2018; although nominally increasing by 10% from CHF 46 bn to CHF 51 bn compared to Q3 2017, the turnover share decreased by 4 percentage points.
- Despite nominally increasing from CHF 42 bn in Q3 2017 to CHF 44 bn, the primary market lost 6 percentage points of turnover share (59%) compared to previous year, due to strong growth of the secondary market (CHF 31 bn relative to CHF 23 bn in Q3 2017). The secondary market comprised around 98% of all transactions in Q3 2018, with the number of transactions growing by 84% compared to Q3 2017.
- USD is again the predominant currency in Q3 2018 with a share of 38%, but it lost 10 percentage points compared to previous year (48%). The share of EUR increased by 8 percentage points to 32%, while CHF reached the same level of 16% as in Q3 2017.

SSPA Chairman Georg von Wattenwyl on developments within the sector: “During the third quarter, we continue to see a strong development in demand for structured products. The attractive and innovative investment opportunities are broadly accepted in Switzerland and abroad and systematically integrated into the portfolio context.”

Click on the link below for the full set of statistics: <http://www.svsp-verband.ch/media/>

**Further information:**

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**About structured products**

Structured products are investment instruments issued by an issuer whose redemption value is derived from the performance of one or more underlying securities. Equities, interest rates, foreign exchange or commodities such as gold or oil may serve as underlying securities.

**About the Association**

The Swiss Structured Products Association (SSPA) is the first point of contact for all questions relating to structured products. It represents the joint interests of the main market players, who together represent more than 95 % of the market volume for structured products in Switzerland. The headquarters of the Association are located in Zurich. Further information is available at [www.svsp-verband.ch](http://www.svsp-verband.ch).