



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

## **Turnover in Q1 2021 CHF 94 billion – still high revenue, but lower than record turnover in Q1 2020**

**In the first quarter of 2021, the industry generated a turnover of CHF 94 billion, down 20% year-on-year. This means that the quarterly result is CHF 23 billion lower than in the first quarter of 2020. However, turnover increased by CHF 15 billion over the fourth quarter of 2020. Almost half of total turnover (49%) was generated by yield enhancement products. Nominal turnover of leverage products declined modestly compared with the same quarter of the previous year and, at 28%, represent the second-highest share of total turnover. The share of turnover of capital protection products now amounts to 8% and the one of participation products to a consistent 14%. Equity remains the dominant asset class (61%), while the shares of Foreign Exchange (22%) are increasingly slightly, whereas Fixed Income at 8% is declining over the same quarter the previous year. Turnover on the secondary market decreased by CHF 14 billion to CHF 45 billion. The most important currencies for structured products are USD, EUR and CHF, with a total share of 85% of turnover.**

*Zurich, 04 May 2021.* Structured product value creation statistics drawn up by Boston Consulting Group take account of listed as well as unlisted products created in Switzerland that are sold nationally as well as internationally. The 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 first quarter of 2021. They represent a majority of the Swiss market.

### **Most important developments in the first quarter of 2021:**

- At CHF 94 billion, turnover is CHF 23 billion lower than the quarterly result for Q1 2020 (CHF 117 billion). Turnover declined by 20% compared with the same quarter of the previous year. Turnover increased by 19% over Q4 2020.
- At 49%, yield enhancement products accounted for almost half of total turnover in Q1 2021 (CHF 46 billion). Leverage products represented the second-largest share of overall sales at 28% (previous year: 24%); nominal turnover amounted to CHF 26 billion (previous year: CHF 29 billion). At 14%, the share of turnover of participation products remained constant in Q1 2021 compared with the previous year; nominal turnover declined from CHF 17 billion to CHF 13 billion. The nominal turnover of capital protection products decreased in Q1 2021 to CHF 7 billion (previous year: CHF 18 billion) and thus represents 8% of quarterly turnover (previous year: 15 %).
- Despite the decline in nominal turnover from CHF 69 billion in Q1 2020 to CHF 57 billion in Q1 2021, equity products account for the largest share of turnover at 61% (previous year: 59 %). The nominal turnover of foreign exchange products declined from CHF 23 billion to CHF 20 billion; however, their share of total turnover increased slightly from 20% to 22%. The share of turnover of fixed income products fell from 12% to 8% compared to Q1 2020; the nominal turnover stood at CHF 8 billion



(previous year: CHF 15 billion).

- At CHF 59 billion, unlisted products account for 63% of quarterly turnover in Q1 2021, down 4 percentage points year-on-year. The nominal turnover of listed products decreased from CHF 39 billion to CHF 35 billion in Q1 2021 compared with the same quarter of the previous year, although their share of turnover rose to 37% (previous year: 33 %).
- The nominal turnover of primary market products decreased from CHF 8 billion to CHF 49 billion in Q1 2021 over the same quarter the previous year, this corresponds to 52% of total turnover (previous year: 49 %). The share of turnover of the secondary market fell from 51% to 48% compared with the same quarter of the previous year; the nominal turnover stood at CHF 45 billion (previous year: CHF 59 billion).
- In a quarter-on-quarter comparison, CHF lost 3 percentage points of share in turnover (now 13%, previous year: 16%); nominal turnover decreased to CHF 12 billion (previous year: CHF 18 billion). The nominal turnover of USD declined to CHF 35 billion (previous year: CHF 46 billion); the share in turnover declined from 39% to 38% compared with the same quarter of the previous year. The share of EUR remained constant at 34% over the previous quarter, this corresponds to nominal turnover of CHF 32 billion.

SSPA Chairman Markus Pfister commented: “In the first quarter we saw once again how investors are taking advantage of market changes and the flexibility of structured products. Yield enhancement products in particular are still very popular and account for around half of total turnover. They enable investors to continue to use investment opportunities ideally, especially in markets trending sideways.”

Click on the link below for the full set of statistics: [www.sspa.ch/media](http://www.sspa.ch/media)

**For further information:**

SSPA – Swiss Structured Products Association  
Juerg Staehelin, Managing Director

Raemistrasse 4  
PO Box  
CH-8024 Zuerich  
Tel.: +41 43 534 97 72  
Email: [info@sspa.ch](mailto:info@sspa.ch)  
[www.sspa.ch](http://www.sspa.ch)

**About structured products**

Structured products are investment instruments publicly 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 port of call for all questions associated with structured products. It represents the collective interests of the key market players who bring together over 95 percent of the market volume for structured products in Switzerland. The headquarters of the association are located in Zurich. Further information is available at [www.sspa.ch](http://www.sspa.ch).