



Swiss Structured Product Industry Report Q4 2022

January 2023

Executive Summary

Turnover of Swiss structured products industry amounted to CHF 51 bn in Q4 2022; for the full year 2022 turnover reached CHF 221 bn

- Total turnover was CHF 19 bn in October, CHF 17 bn in November and CHF 16 bn in December
- In Q4 2022 capital protection certificates with coupon had the highest turnover (CHF 11 bn), followed by reverse convertibles (CHF 10 bn), and warrants with KO (CHF 5 bn)

Yield enhancement products had the highest turnover share, followed by leverage, capital protection, and participation on par with the full year with 38%, 27%, 19% and 11%

- Yield enhancement had the largest turnover share, at 39% in Q4 2022, representing CHF 20 bn (full year: CHF 85 bn); with foreign exchange as the preferred asset class (57%) and USD as the main currency (38%); 89% of turnover was not listed and 88% was traded in the primary market
- Leverage products' turnover share amounted to 24%, representing a turnover of CHF 12 bn (full year: CHF 59 bn); with equity as the preferred asset class (89%) and EUR as the main currency (51%); 69% of turnover was listed and 86% was traded in the secondary market
- Capital protection products' turnover share amounted to 23%, representing CHF 12 bn (full year: CHF 43 bn); preferring fixed income (93%) and USD as the main currency (80%); 99% of turnover was not listed and 76% was traded in the primary market
- Participation products' turnover share amounted to 8%, representing CHF 4 bn (full year: CHF 24 bn); with equity as the preferred asset class (70%) and USD as the main currency (58%); 64% of turnover was not listed and 74% was traded in the secondary market

Equity products had the highest turnover of all asset classes in Q4 2022; for the full year equity (49%) led in front of foreign exchange (21%) and fixed income (18%)

- The turnover of equity products amounted to CHF 24 bn, followed by foreign exchange (CHF 12 bn), fixed income (CHF 12 bn), commodities (CHF 2 bn) and other asset classes (CHF 2 bn); during the full year 2022 turnover amounted to CHF 109 bn, CHF 47 bn, CHF 40 bn, CHF 8 bn and CHF 18 bn respectively
- Equities products thereby reached a share of 46%; while foreign exchange, fixed income, commodities and other asset classes products were 23%, 23%, 5% and 3% respectively

Non-listed products had the highest turnover share in Q4, based on the full year the turnover share of non-listed products (68%) also stood above listed products (32%)

- Non-listed products realized a turnover of CHF 37 bn in Q4 2022 (full year: CHF 151 bn), which translated to 73% of total turnover
- The turnover share of listed products was 27%, reaching CHF 14 bn (full year: CHF 70 bn)

Turnover share of primary exceeded secondary market in 2022 (56% and 44%) as well as in Q4 (61% and 39%)

- With a turnover of CHF 31 bn in Q4 2022 the primary had a higher turnover than the secondary market (CHF 20 bn), the corresponding turnovers shares were 61% and 39%

In Q4 USD denominated products captured the largest share, followed by EUR and CHF products, similarly turnover share for the full year 2022 was 40%, 32% and 13% respectively

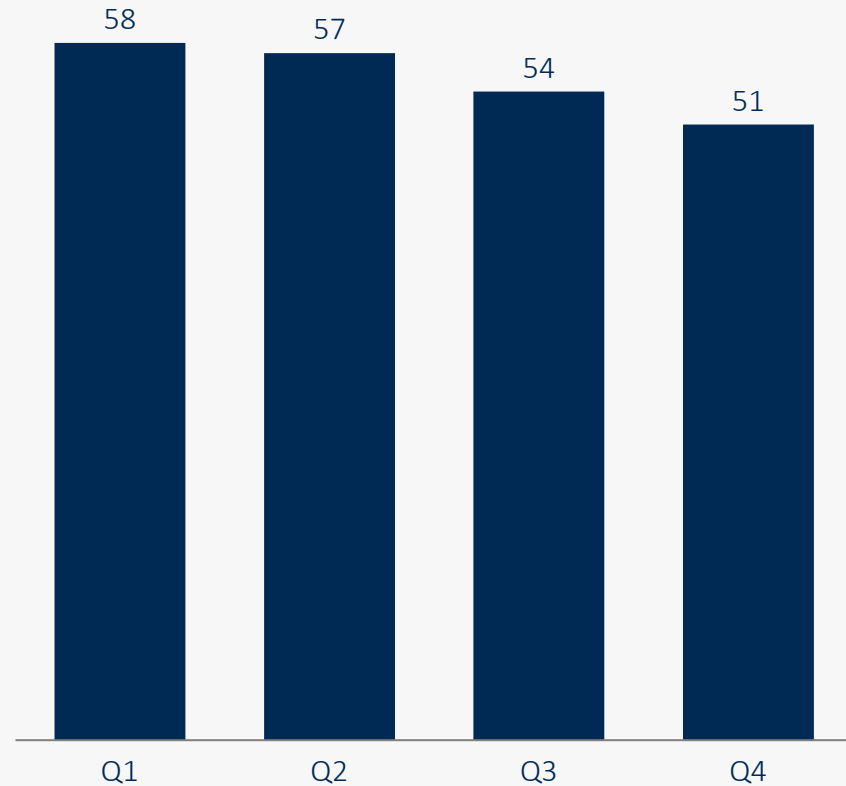
- In Q4 2022 the total turnover of USD products amounted to CHF 22 bn (full year: CHF 88 bn), representing a turnover share of 44%
- The turnover share of EUR was 29%, corresponding to a total turnover CHF 15 bn (full year: CHF 71 bn)
- With a total turnover of CHF 6 bn (full year: CHF 29 bn) the CHF accounted for a turnover share of 12% in Q4 2022

Note: Numbers are commercially rounded. Potential changes were applied retroactively to 2022 data.

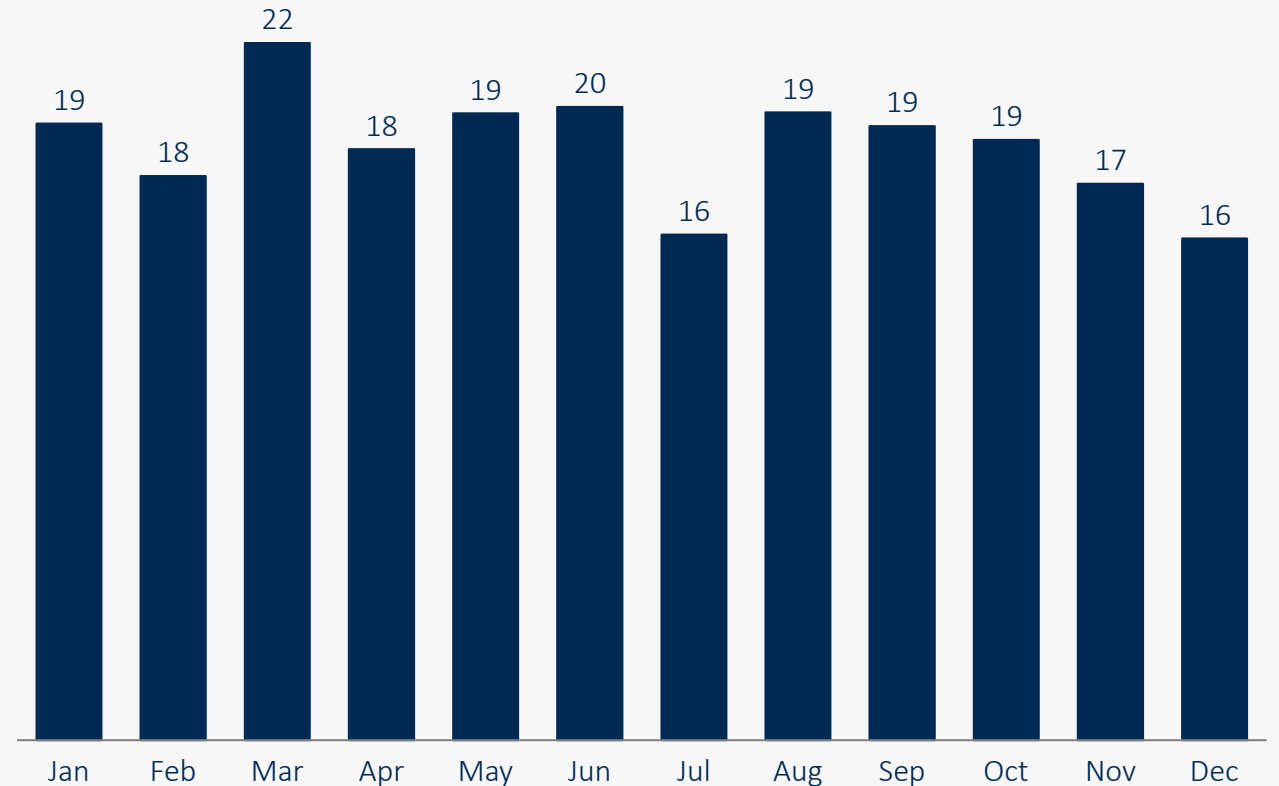
Overall turnover development of structured products in 2022

Turnover in respective time frame in CHF bn

Quarterly comparison

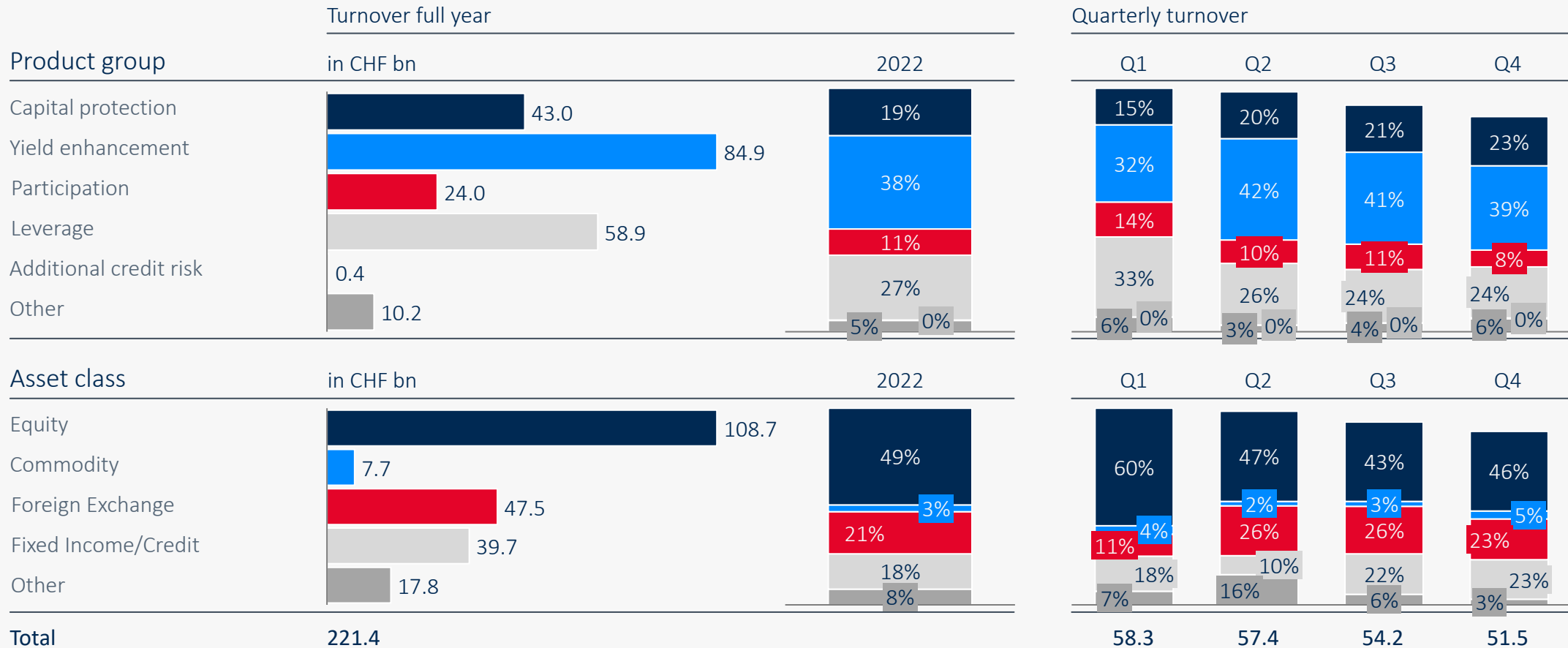


Monthly Comparison



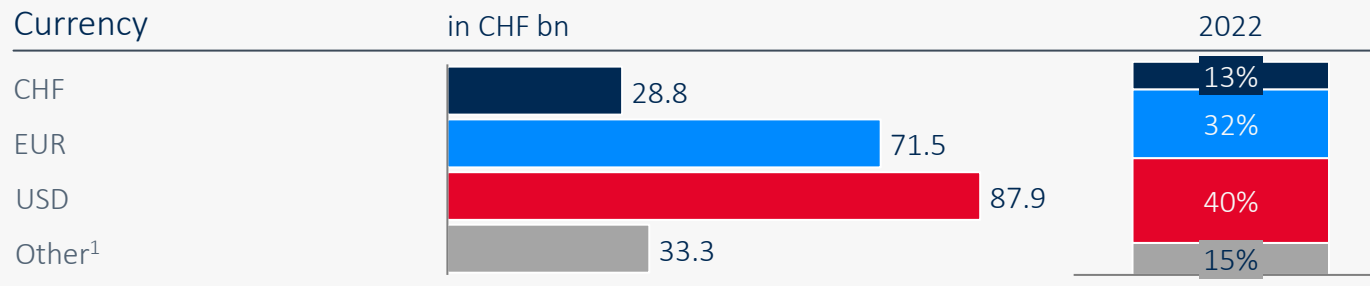
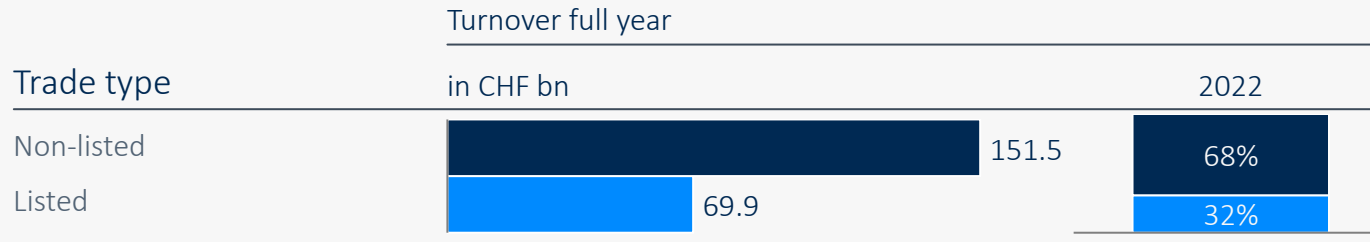
Overall turnover development of structured products in 2022

Turnover for the full year 2022 in CHF bn

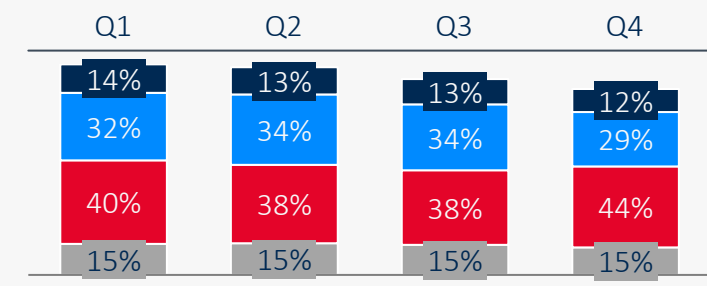
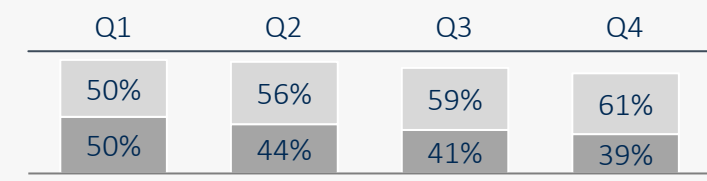
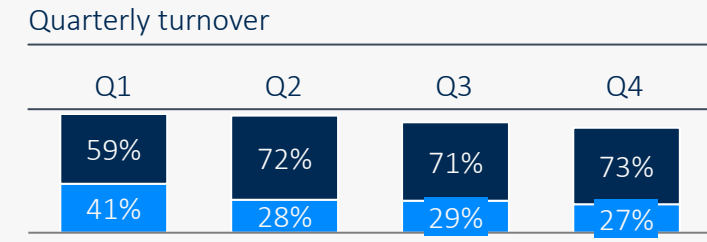


Overall turnover development of structured products in 2022

Turnover for the full year 2022 in CHF bn



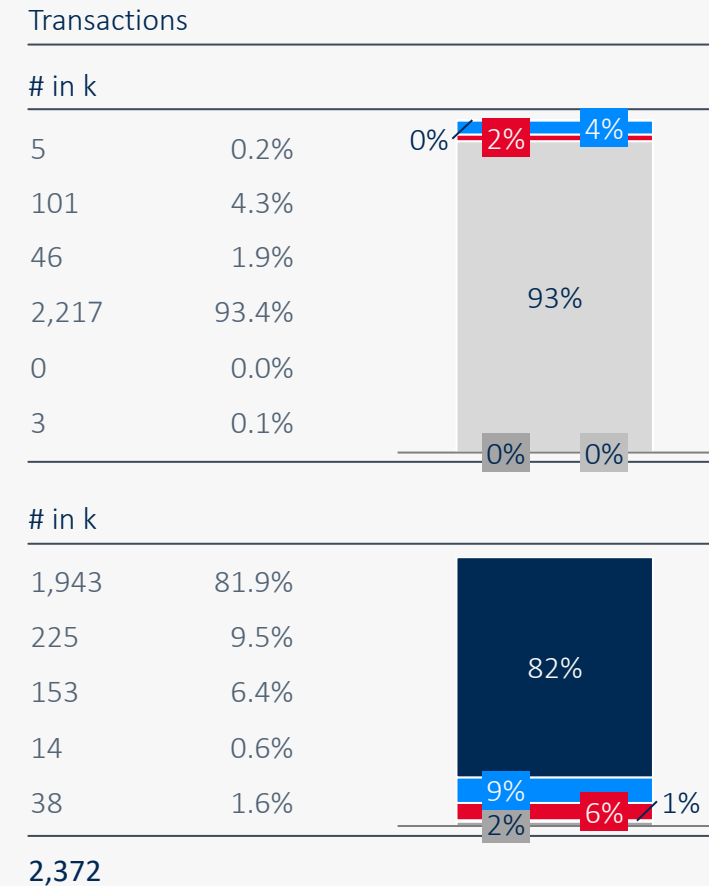
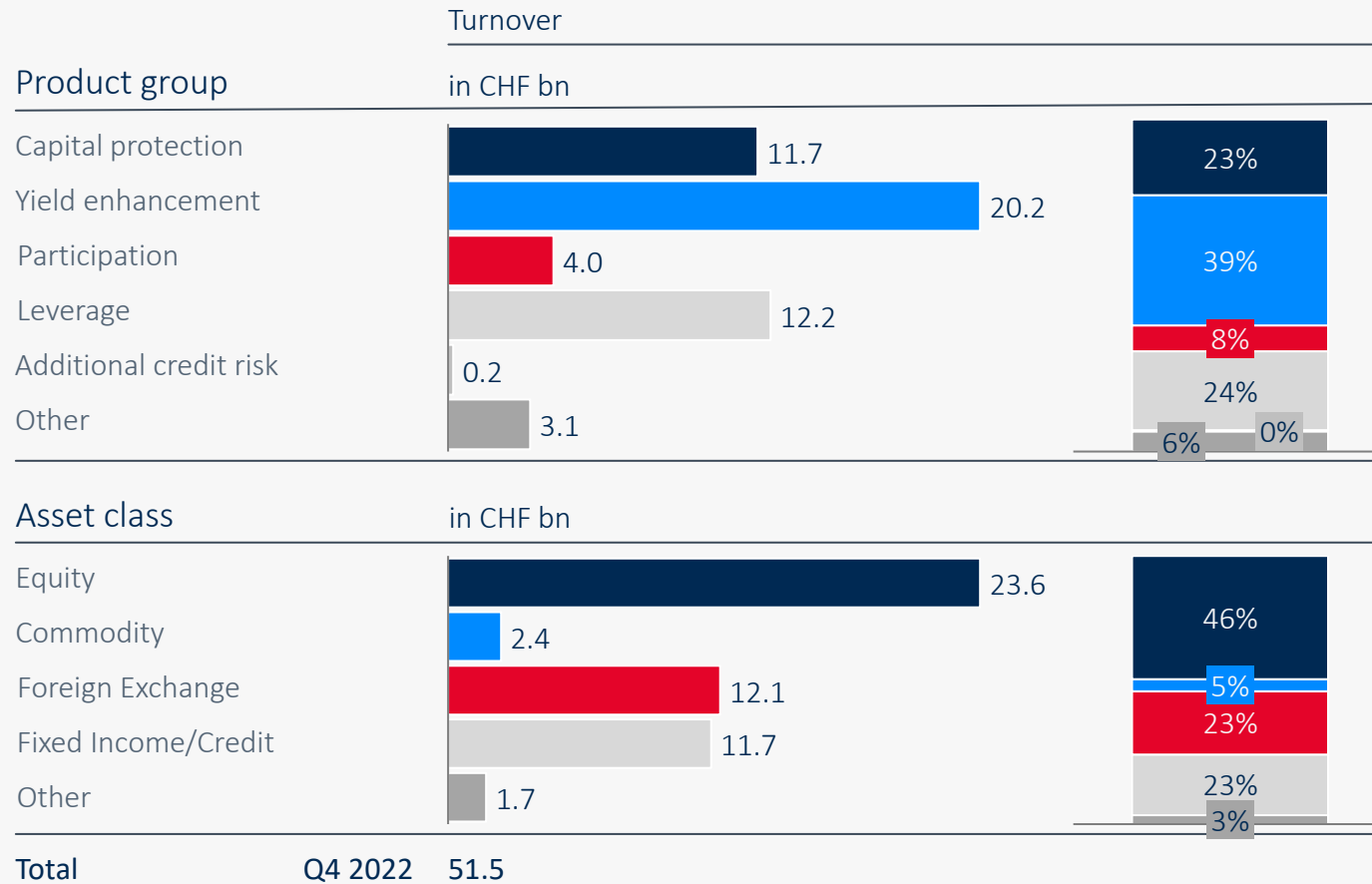
Total 221.4



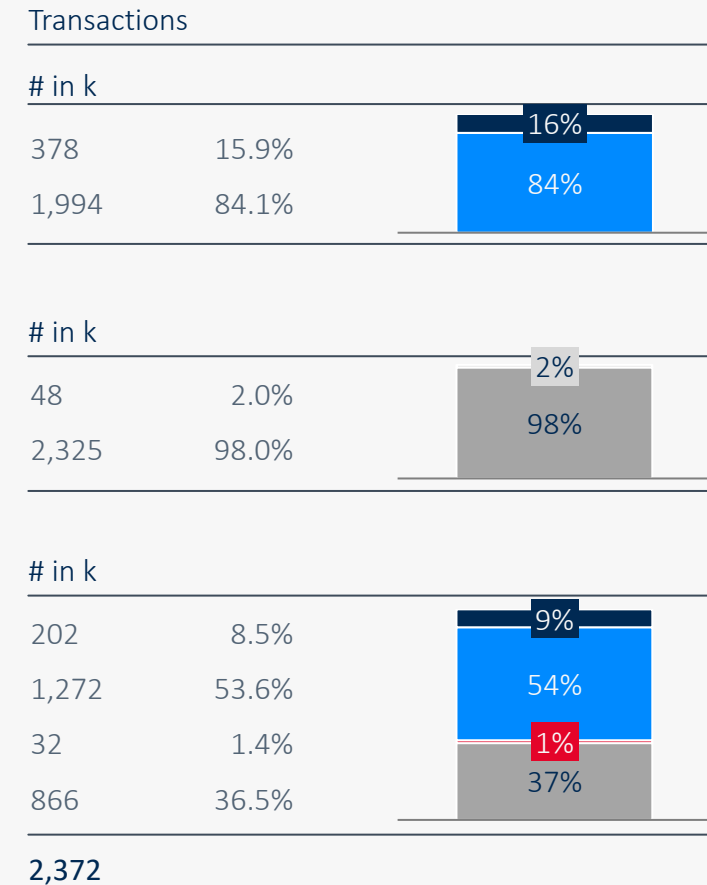
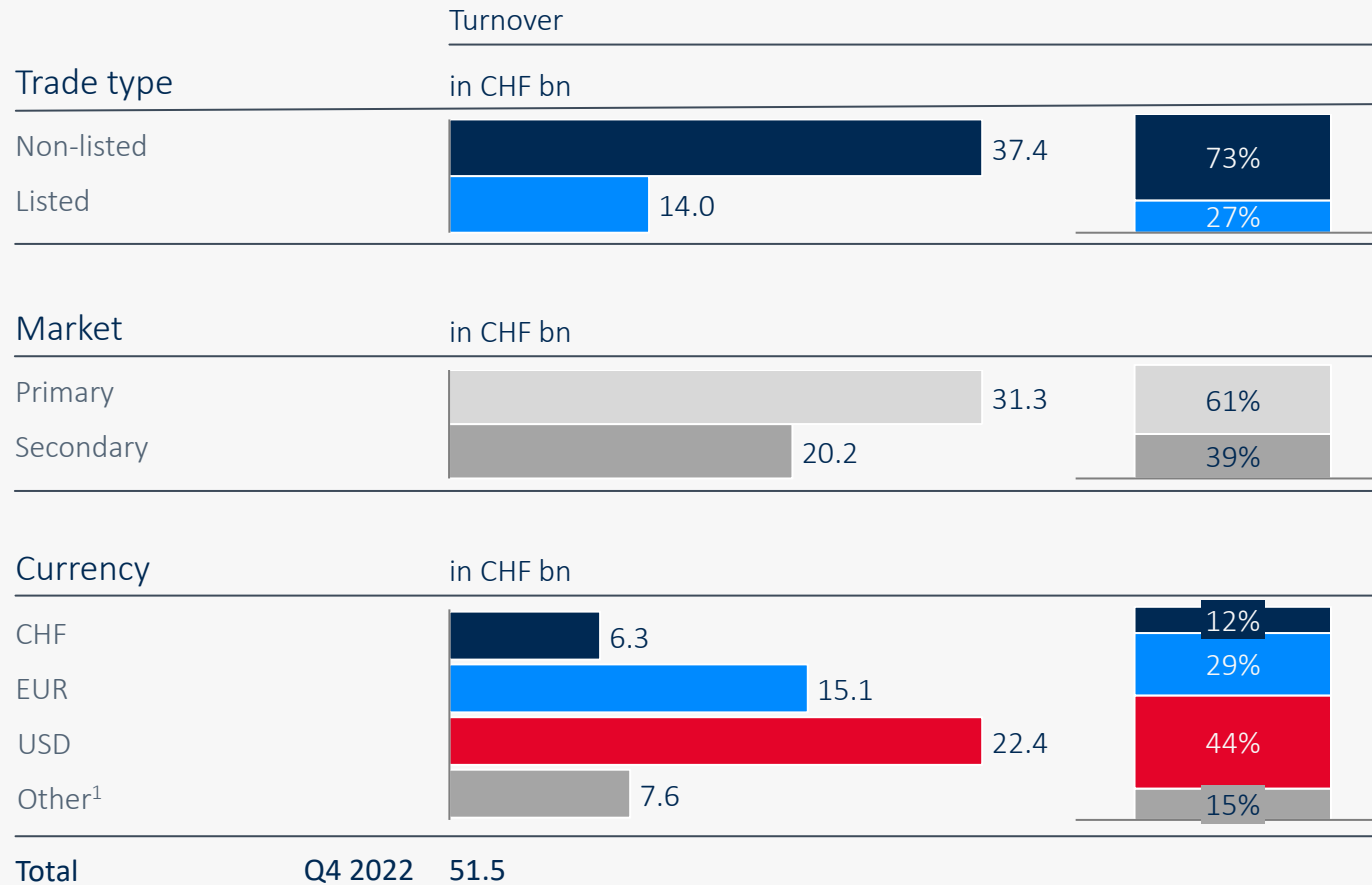
Total 58.3 57.4 54.2 51.5

Source: Data collected monthly from SSPA member institutes. 1) Includes among others AUD, CAD, GBP, JPY, NOK and TRY

Turnover of structured products in Q4 2022



Turnover of structured products in Q4 2022

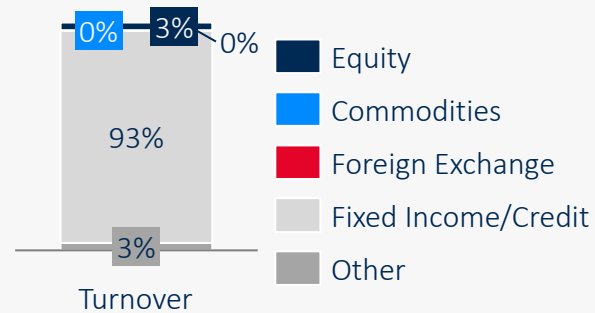


Source: Data collected monthly from SSPA member institutes. 1) Includes among others AUD, CAD, GBP, JPY, NOK and TRY

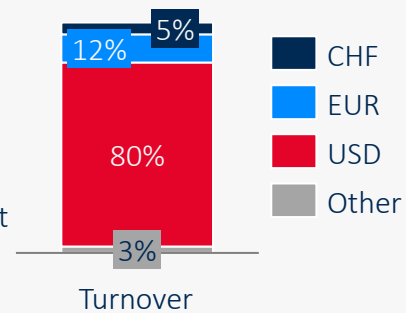
Turnover of capital protection products in Q4 2022

| Product type | Turnover | | Transactions | |
|---------------|---------------------|---------------|--------------|---------------|
| | in CHF bn | in % | # in k | in % |
| Participation | 0.3 | 2.5% | 1.6 | 32.4% |
| Barrier | 0.1 | 0.6% | 0.1 | 2.0% |
| Twin-Win | 0.0 | 0.1% | 0.0 | 0.4% |
| Coupon | 11.4 | 96.8% | 3.3 | 65.2% |
| Other | 0.0 | 0.0% | 0.0 | 0.0% |
| Total | Q4 2022 11.7 | 100.0% | 5.1 | 100.0% |

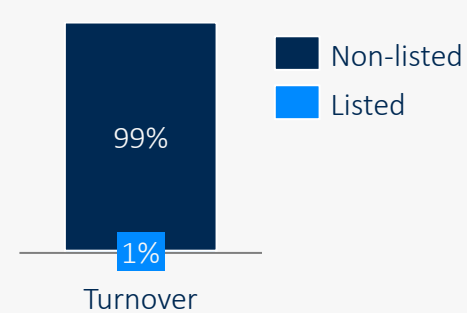
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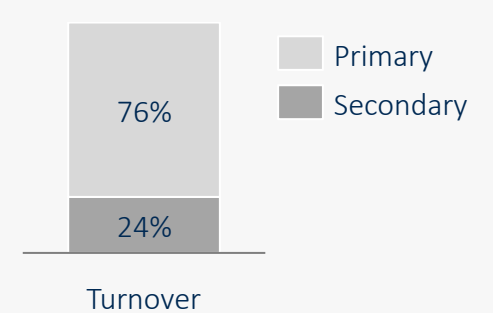
Currency



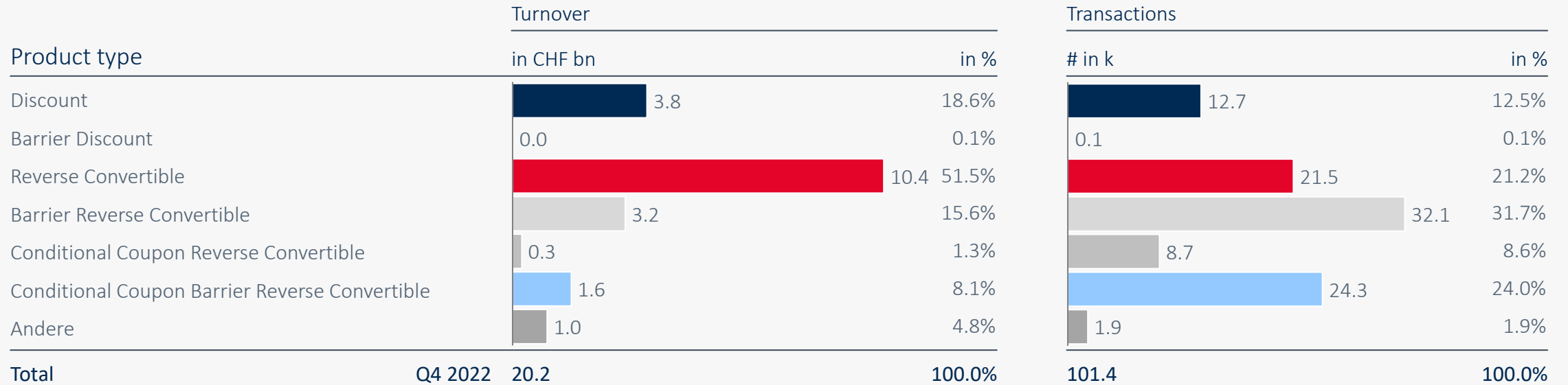
Trade type



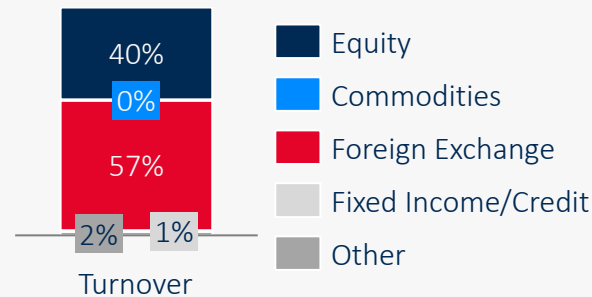
Market



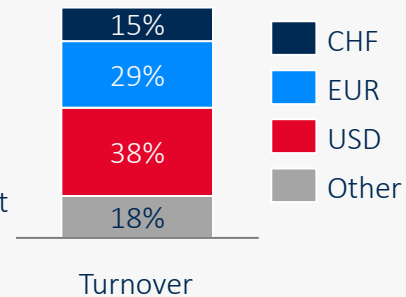
Turnover of yield enhancement products in Q4 2022



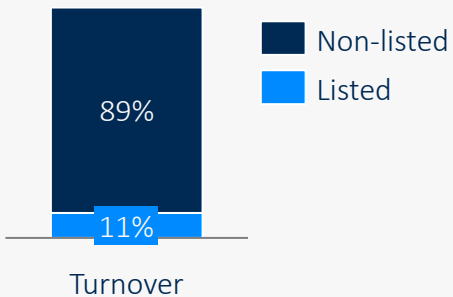
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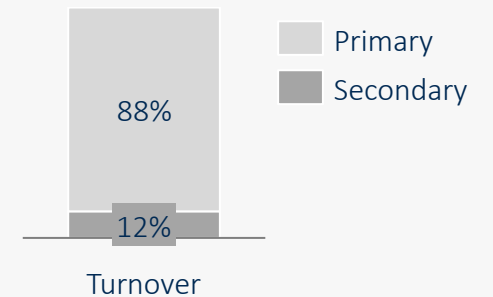
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Trade type



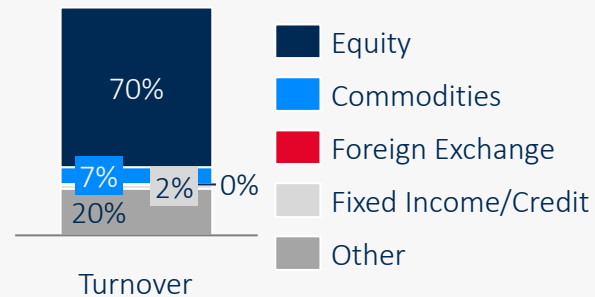
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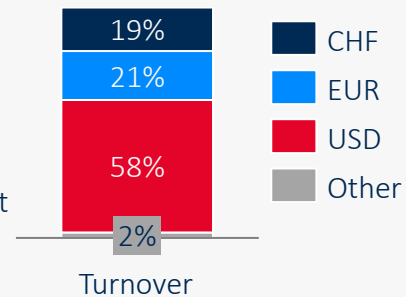
Turnover of participation products in Q4 2022

| Product type | Turnover | | Transactions | |
|----------------------|--------------------|---------------|--------------|---------------|
| | in CHF bn | in % | # in k | in % |
| Tracker | 3.1 | 78.2% | 41.5 | 90.3% |
| Outperformance | 0.1 | 2.7% | 0.7 | 1.4% |
| Bonus | 0.4 | 10.3% | 2.7 | 6.0% |
| Bonus Outperformance | 0.0 | 0.5% | 0.0 | 0.1% |
| Twin-Win | 0.1 | 2.6% | 0.1 | 0.3% |
| Other | 0.2 | 5.7% | 0.9 | 1.9% |
| Total | Q4 2022 4.0 | 100.0% | 46.0 | 100.0% |

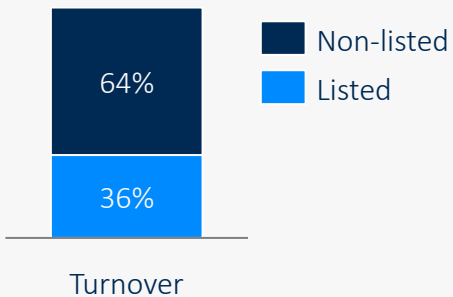
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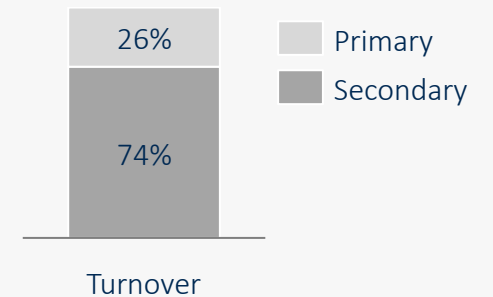
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Trade type



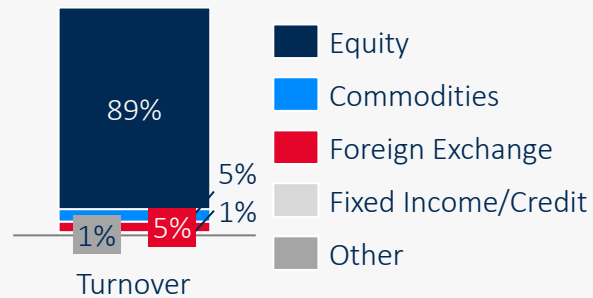
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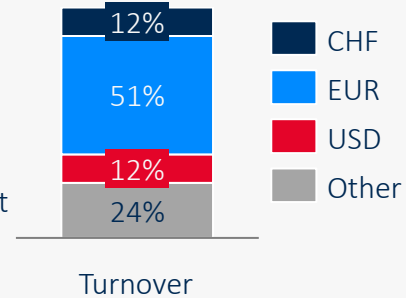
Turnover of leverage products in Q4 2022

| Product type | Turnover | | Transactions | |
|-------------------------------|---------------------|---------------|----------------|---------------|
| | in CHF bn | in % | # in k | in % |
| Warrant | 3.2 | 26.2% | 353.4 | 15.9% |
| Spread Warrant | 0.1 | 0.9% | 29.8 | 1.3% |
| Warrant with Knock-Out | 4.8 | 39.0% | 844.8 | 38.1% |
| Mini-Future | 2.8 | 22.7% | 590.1 | 26.6% |
| Constant Leverage Certificate | 1.4 | 11.1% | 398.4 | 18.0% |
| Other | 0.0 | 0.1% | 0.1 | 0.0% |
| Total | Q4 2022 12.2 | 100.0% | 2,216.7 | 100.0% |

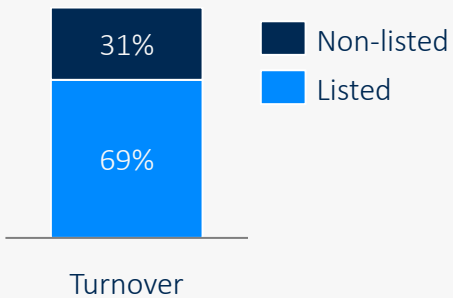
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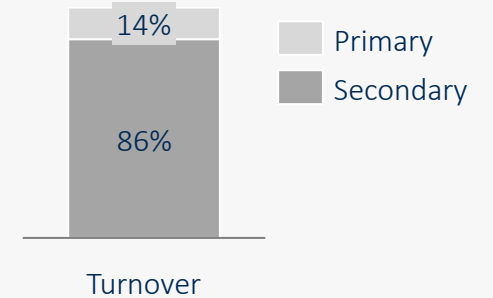
Currency



Trade type



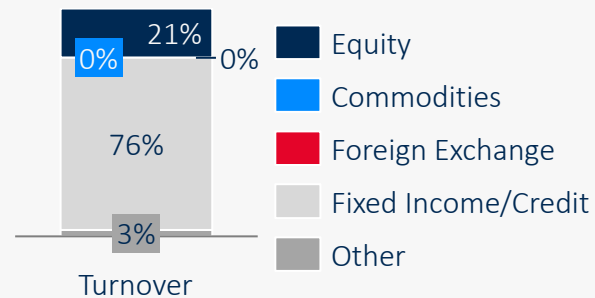
Market



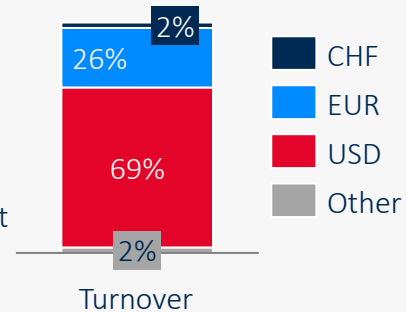
Turnover of products with additional credit risk in Q4 2022

| Product type | Turnover | | Transactions | |
|--|---------------------|---------------|--------------|---------------|
| | in CHF bn | in % | # in k | in % |
| Credit-linked Note | 0.11 | 54.7% | 0.05 | 20.8% |
| Capital protection with additional credit risk | 0.07 | 37.0% | 0.08 | 37.5% |
| Yield enhancement with additional credit risk | 0.02 | 8.2% | 0.09 | 39.8% |
| Participation with additional credit risk | 0.00 | 0.2% | 0.00 | 1.9% |
| Andere | 0.00 | 0.0% | 0.00 | 0.0% |
| Total | Q4 2022 0.20 | 100.0% | 0.22 | 100.0% |

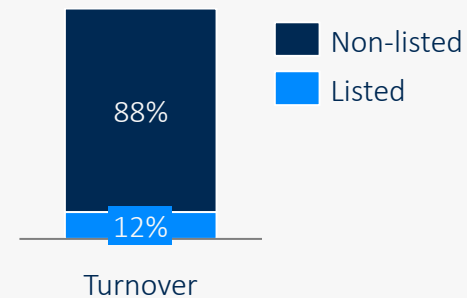
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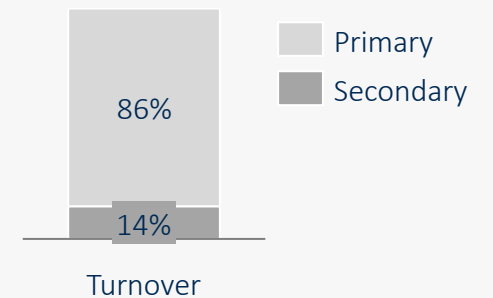
Currency



Trade type



Market



Data collection methods and definitions (I/II)

Data collection and verification

Issuers provide data on a monthly basis

Requested data points include

- Product group/product type
- Asset class
- Trade type
- Market
- Investment currency
- Production
- Transactions
- Turnover in investment currency
- Turnover in CHF

Data verification

- Selected data points are verified during the data collection process and checked against historical data

Product groups¹ (I/II)

Capital protection products

- Capital Protection Certificate with Participation (1100)
- Capital Protection Note with Barrier (1130)
- Capital Protection Certificate with Twin Win (1135)
- Capital Protection Certificate with Coupon (1140)

Yield enhancement products

- Discount Certificate (1200)
- Barrier Discount Certificate (1210)
- Reverse Convertible (1220)
- Barrier Reverse Convertible (1230)
- Conditional Coupon Reverse Convertible (1255)
- Conditional Coupon Barrier Reverse Convertible (1260)

Product groups¹ (II/II)

Participation products

- Tracker Certificate (1300)
- Outperformance Certificate (1310)
- Bonus Certificate (1320)
- Bonus Outperformance Certificate (1330)
- Twin Win Certificate (1340)

Leverage products

- Warrant (2100)
- Spread Warrant (2110)
- Warrant with Knock-Out (2200)
- Mini-Future (2210)
- Constant Leverage Certificate (2300)

Products with additional credit risk

- Credit-linked Note (1400)
- Conditional Capital Protection Note with additional credit risk (1410)
- Yield Enhancement Certificate with additional credit risk (1420)
- Participation Certificate with additional credit risk (1430)

Other products

- Miscellaneous Certificates (9999)

Data collection methods and definitions (II/II)

Asset class

Equity

- Stocks, shares of ownership in publicly held companies

Commodities

- Goods traded on a commodity exchange

Foreign Exchange

- Foreign exchange

Fixed Income/Credit

- Asset in which real return rates or periodic income is received at regular intervals

Other

- Any other asset class not covered above

Market

Primary

- Product volume of products newly issued on primary market

Secondary

- Product volume of products traded on secondary markets, e.g., stock exchanges

Trade type¹

Listed

- Products listed on exchanges

Non-listed

- Products not listed on exchanges

Production

Manufactured in Switzerland

- All or part of the production takes place in Switzerland

Sold in Switzerland

- Transactions by domestic and foreign investors booked in Switzerland

Other

Transactions

- Number of transactions for products engineered or sold in Switzerland during a given month

Turnover

- Volume of all transactions of products engineered or sold in Switzerland
- Origin of customer (i.e., domestic vs. international) not taken into account
- Third party market transactions not considered

Appendix

Issued by

Swiss Structured Products Association SSPA

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Published quarterly

Participating banks

Banque Cantonale Vaudoise

Barclays Capital

Credit Suisse

Goldman Sachs

Julius Bär

Leonteq

Raiffeisen Schweiz

Société Générale

UBS

Vontobel

Zürcher Kantonalbank

Data as of December 31st, 2022.

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