



Swiss Structured Product Industry Report Q1 2023

April 2023

Executive Summary

Turnover of Swiss structured products of the major SSPA members amounted to CHF 56 bn in Q1 2023

- Total turnover was CHF 18 bn in January and February respectively and CHF 20 bn in March
- In Q1 2023 reverse convertibles generated the highest turnover (CHF 13 bn), followed by capital protection certificates with coupon (CHF 8 bn), and trackers (CHF 5 bn)

Yield enhancement products had the highest turnover share, followed by leverage, capital protection, and participation

- Yield enhancement had the largest turnover share, at 45% in Q1 2023, representing CHF 25 bn; with equity as the preferred asset class (50%) and USD as the main currency (42%); 88% of turnover was not listed and 88% was traded in the primary market
- Leverage products' turnover share amounted to 20%, representing a turnover of CHF 11 bn; with equity as the preferred asset class (82%) and EUR as the main currency (67%); 67% of turnover was listed and 88% was traded in the secondary market
- Capital protection products' turnover share amounted to 16%, representing CHF 9 bn; preferring fixed income (94%) and USD as the main currency (81%); 95% of turnover was not listed and 79% was traded in the primary market
- Participation products' turnover share amounted to 11%, representing CHF 6 bn; with equity as the preferred asset class (78%) and USD as the main currency (52%); 58% of turnover was not listed and 77% was traded in the secondary market

Equity products had the highest turnover of all asset classes in Q1 2023

- The turnover of equity products amounted to CHF 28 bn, followed by foreign exchange (CHF 13 bn), fixed income (CHF 10 bn), other commodities (CHF 2 bn), and asset classes (CHF 2 bn)
- Equities products thereby reached a share of 51%; while foreign exchange, fixed income, commodities and other asset classes products were 23%, 18%, 4% and 4% respectively

Non-listed products had the highest turnover share

- Non-listed products realized a turnover of CHF 40 bn in Q1 2023, which translated to 72% of total turnover
- The turnover share of listed products was 28%, reaching CHF 15 bn

Turnover share of primary exceeded secondary market

- With a turnover of CHF 34 bn in Q1 2023 the primary had a higher turnover than the secondary market (CHF 21 bn), the corresponding turnovers shares were 62% and 38%

USD denominated products captured the largest share, followed by EUR and CHF products

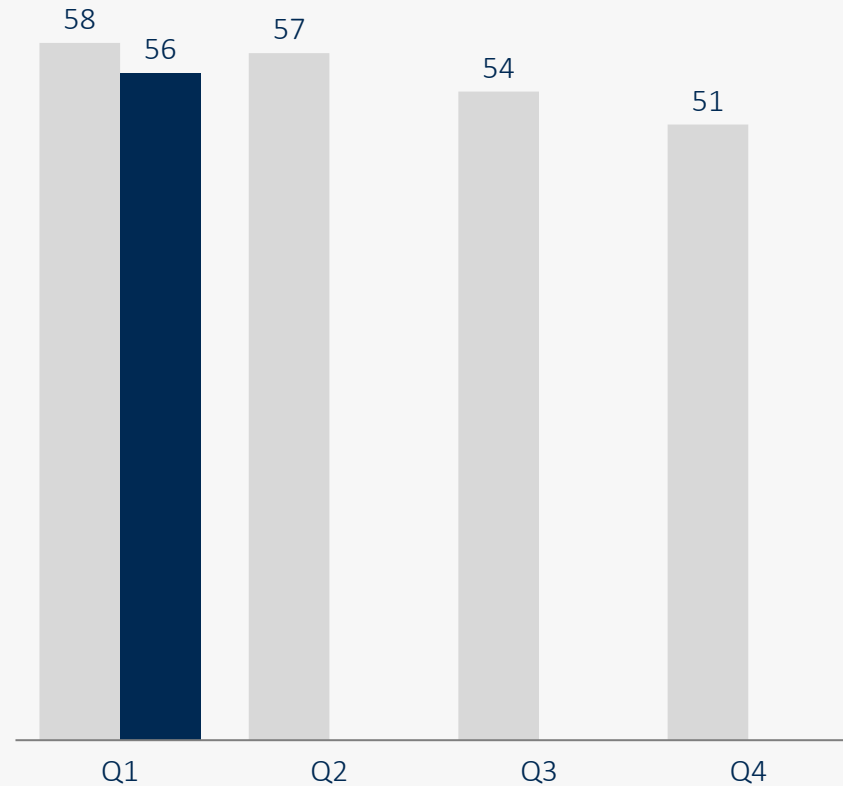
- In Q1 2023 the total turnover of USD products amounted to CHF 24 bn, representing a turnover share of 42%
- The turnover share of EUR was 32%, corresponding to a total turnover CHF 18 bn
- With a total turnover of CHF 9 bn the CHF accounted for a turnover share of 15%

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

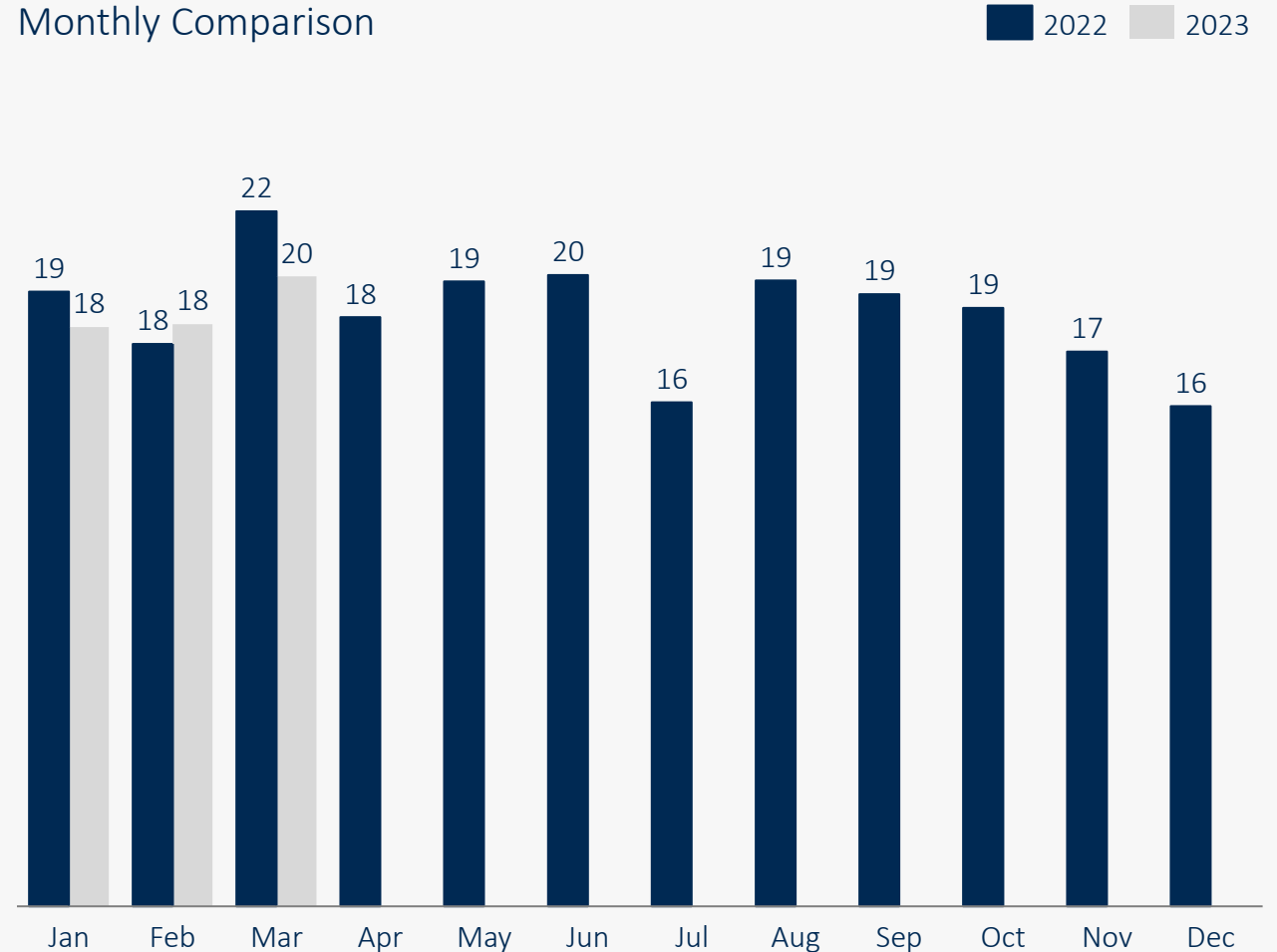
Overall turnover development of structured products in 2022 and 2023

Turnover in respective time frame in CHF bn

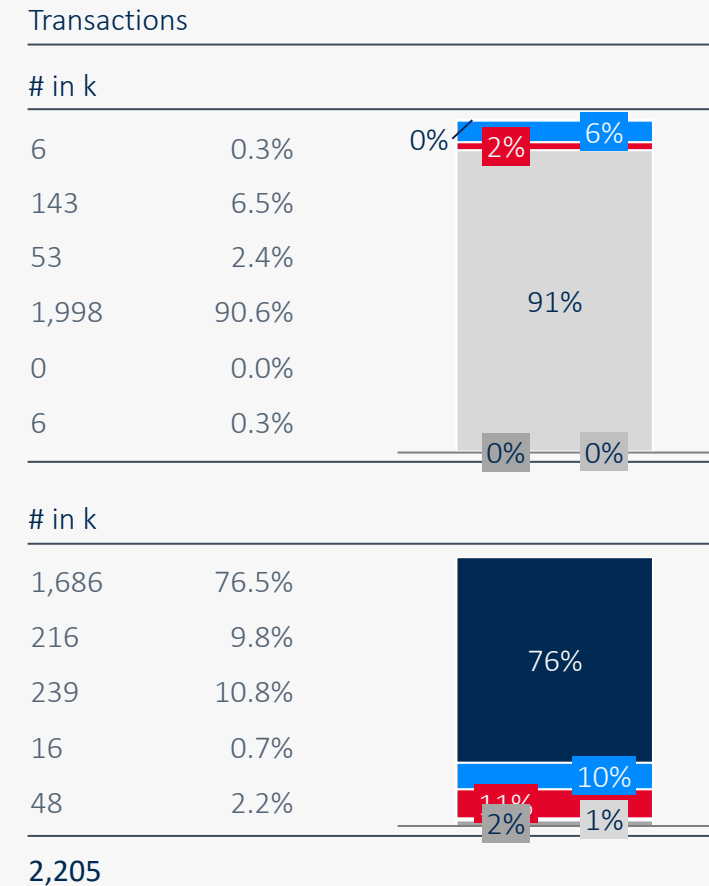
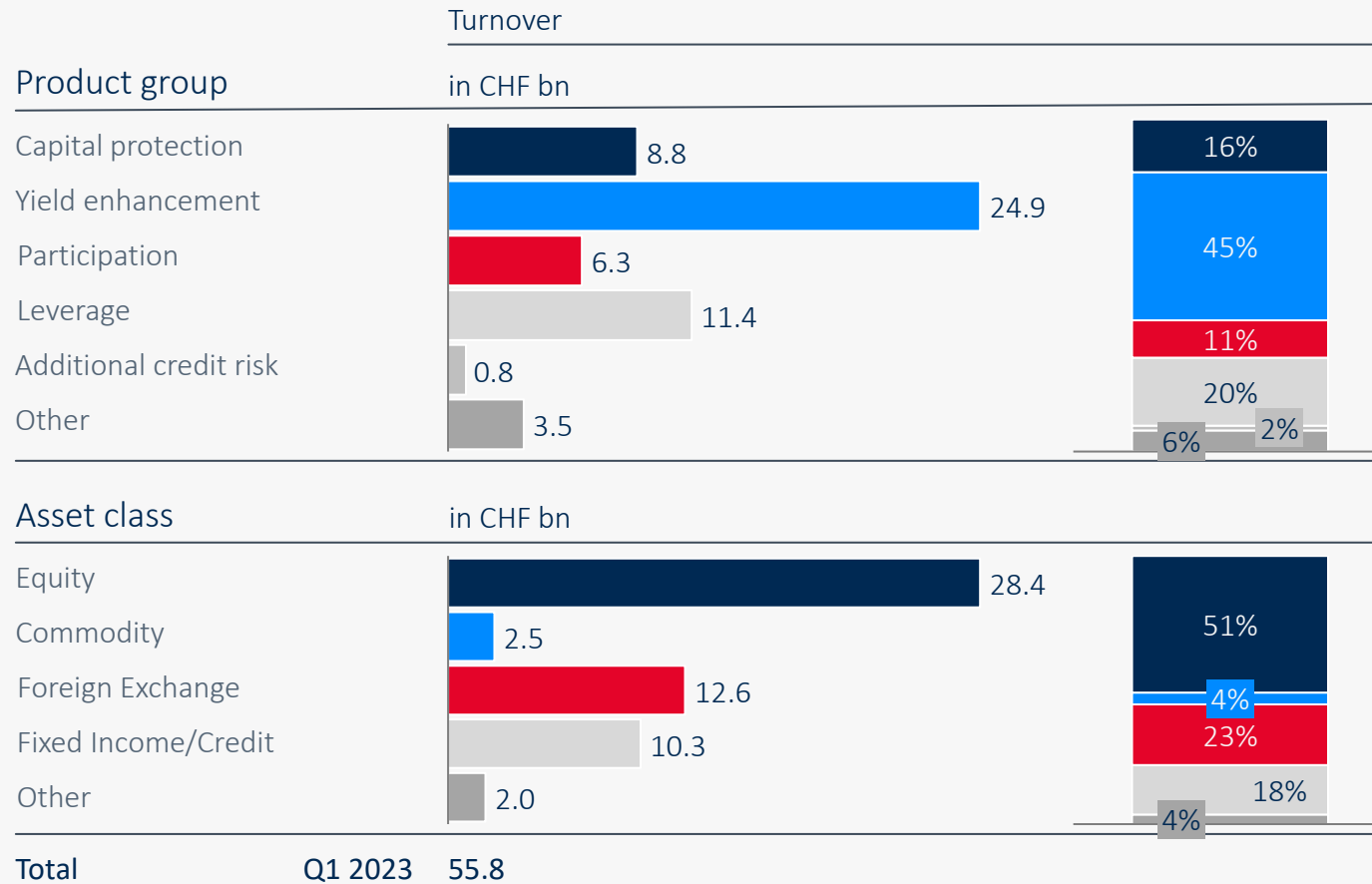
Quarterly comparison



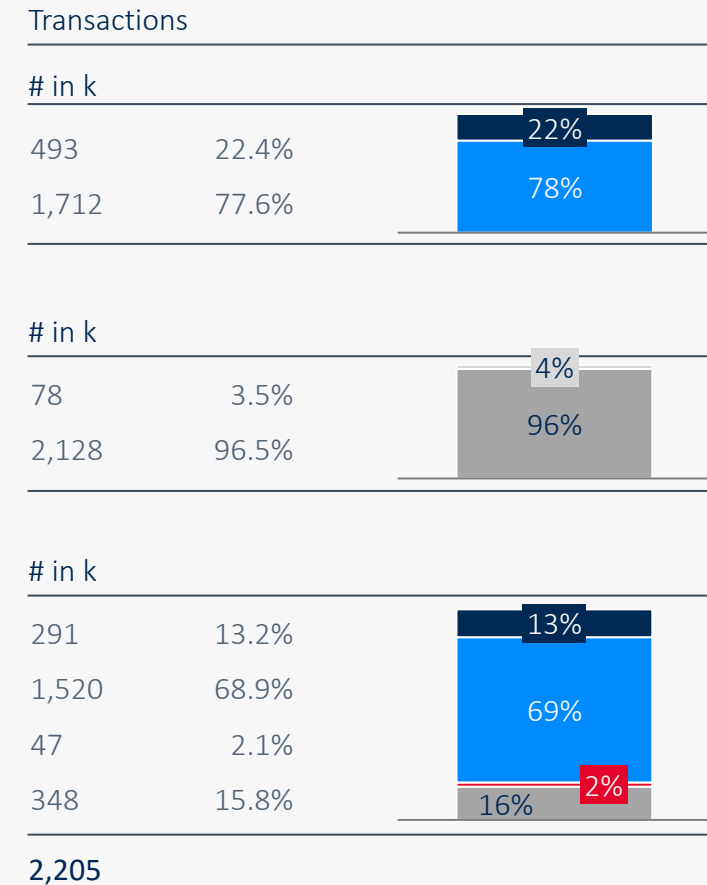
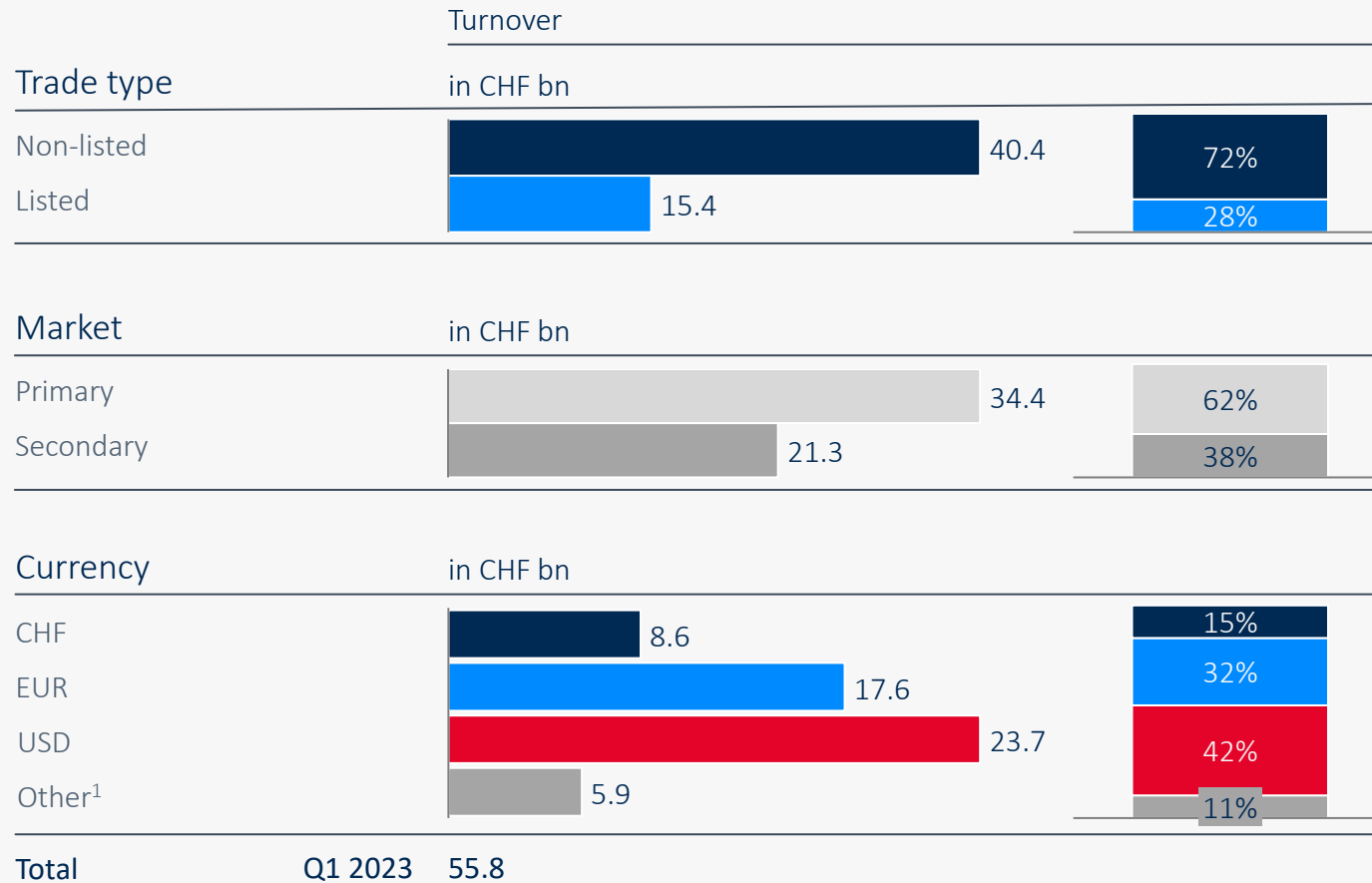
Monthly Comparison



Turnover of structured products in Q1 2023



Turnover of structured products in Q1 2023

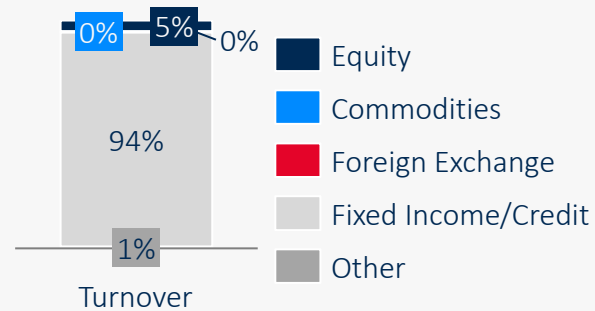


Source: Data collected monthly from SSPA member institutes. 1) Includes among others AUD, CAD, GBP, JPY, NOK and TRY

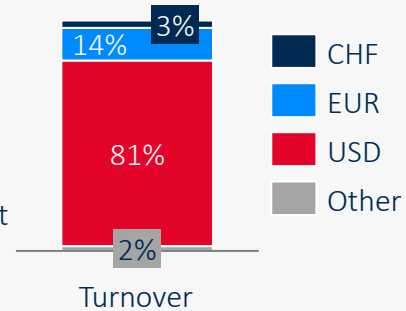
Turnover of capital protection products in Q1 2023

Product type	Turnover		Transactions	
	in CHF bn	in %	# in k	in %
Participation	0.3	3.1%	2.1	36.5%
Barrier	0.1	1.1%	0.1	1.8%
Twin-Win	0.1	0.6%	0.1	1.0%
Coupon	8.4	95.3%	3.4	60.7%
Other	0.0	0.0%	0.0	0.0%
Total	Q1 2023 8.8	100.0%	5.6	100.0%

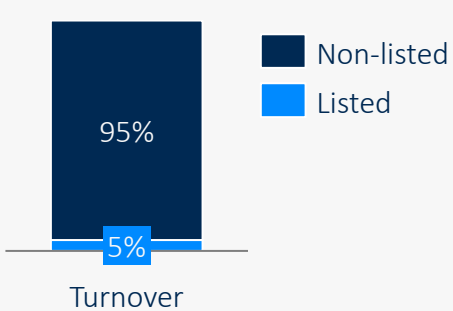
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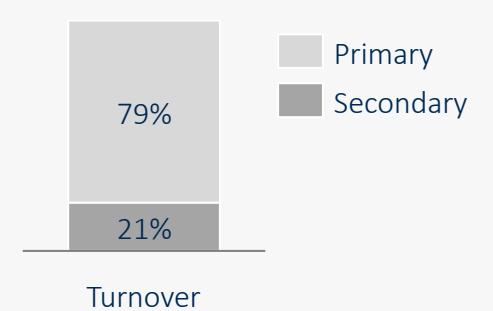
Currency



Trade type



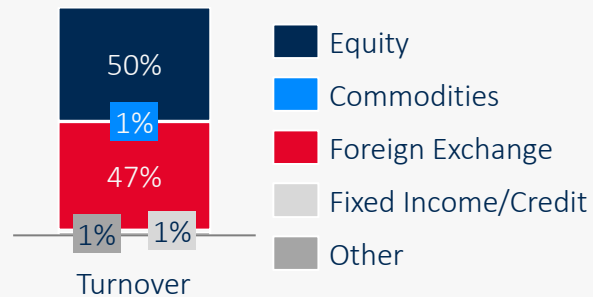
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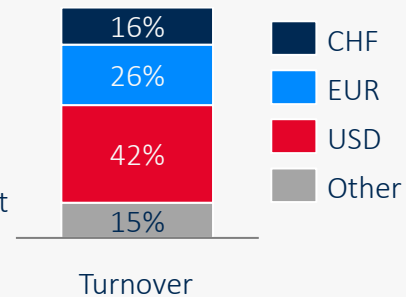
Turnover of yield enhancement products in Q1 2023

Product type	Turnover		Transactions	
	in CHF bn	in %	# in k	in %
Discount	3.8	15.1%	14.1	9.8%
Barrier Discount	0.0	0.1%	0.1	0.1%
Reverse Convertible	13.1	52.6%	34.7	24.3%
Barrier Reverse Convertible	5.1	20.3%	48.4	33.9%
Conditional Coupon Reverse Convertible	0.4	1.7%	10.8	7.6%
Conditional Coupon Barrier Reverse Convertible	2.3	9.0%	34.5	24.2%
Andere	0.3	1.1%	0.2	0.1%
Total	Q1 2023 24.9	100.0%	142.8	100.0%

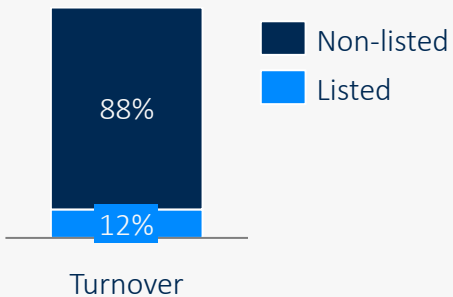
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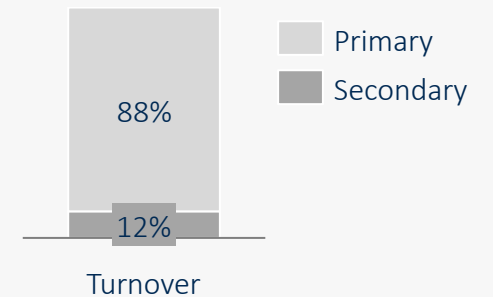
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Trade type



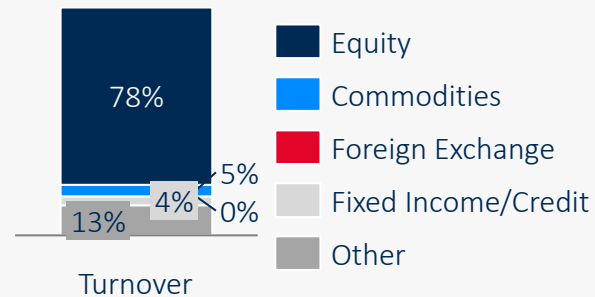
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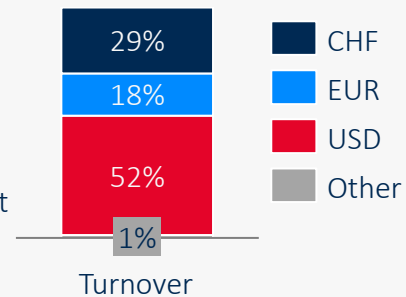
Turnover of participation products in Q1 2023

Product type	Turnover		Transactions	
	in CHF bn	in %	# in k	in %
Tracker	5.5	87.3%	48.4	91.0%
Outperformance	0.2	2.8%	0.7	1.4%
Bonus	0.4	6.7%	3.1	5.8%
Bonus Outperformance	0.0	0.4%	0.0	0.1%
Twin-Win	0.1	0.9%	0.2	0.4%
Other	0.1	1.9%	0.8	1.4%
Total	Q1 2023 6.3	100.0%	53.2	100.0%

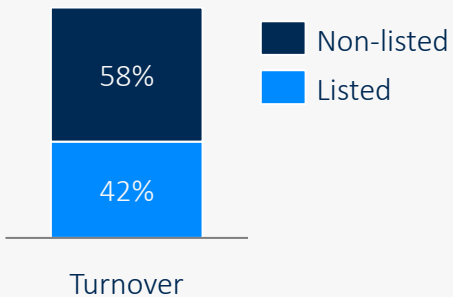
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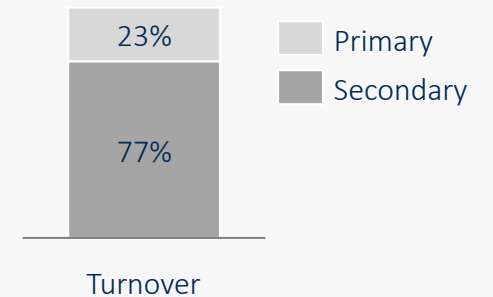
Currency



Trade type



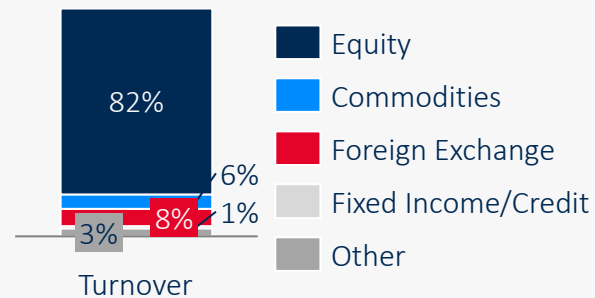
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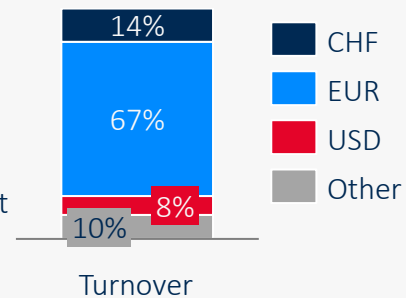
Turnover of leverage products in Q1 2023

Product type	Turnover		Transactions	
	in CHF bn	in %	# in k	in %
Warrant	2.3	20.5%	239.2	12.0%
Spread Warrant	0.3	2.8%	54.2	2.7%
Warrant with Knock-Out	5.4	47.5%	967.5	48.4%
Mini-Future	1.8	15.8%	348.1	17.4%
Constant Leverage Certificate	1.5	13.3%	388.4	19.4%
Other	0.0	0.1%	0.1	0.0%
Total	Q1 2023 11.4	100.0%	1,997.5	100.0%

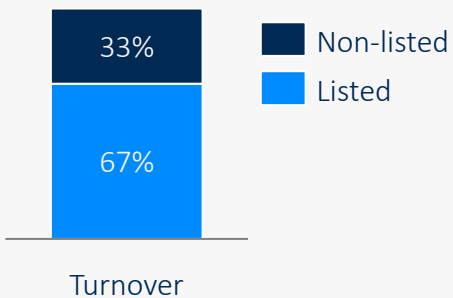
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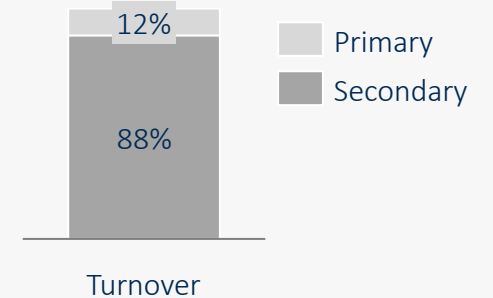
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Trade type



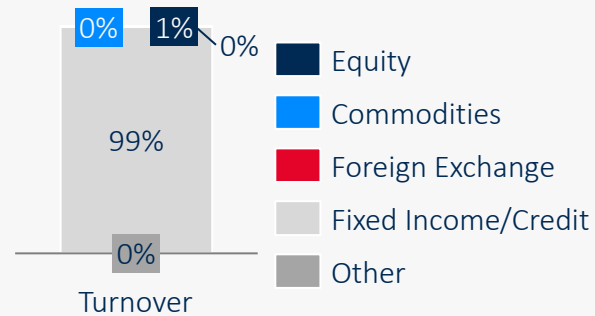
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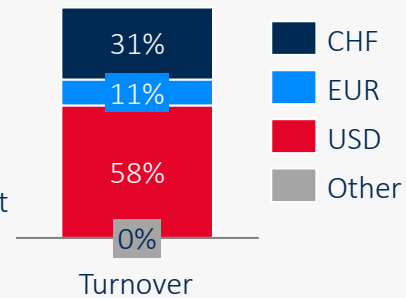
Turnover of products with additional credit risk in Q1 2023

Product type	Turnover		Transactions	
	in CHF bn	in %	# in k	in %
Credit-linked Note	0.32	38.5%	0.12	37.6%
Capital protection with additional credit risk	0.50	59.2%	0.09	27.3%
Yield enhancement with additional credit risk	0.02	2.0%	0.10	31.8%
Participation with additional credit risk	0.00	0.3%	0.01	3.2%
Andere	0.00	0.0%	0.00	0.0%
Total	Q1 2023 0.84	100.0%	0.31	100.0%

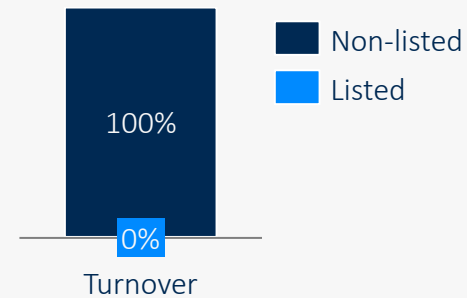
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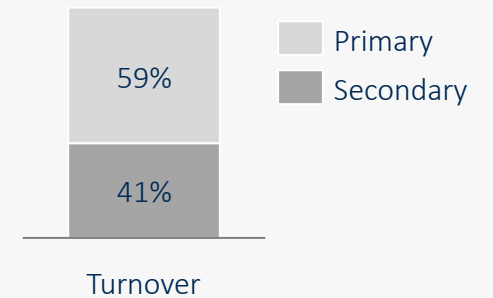
Currency



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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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 March 31st, 2023.

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