



Swiss Structured Product Industry Report of the Swiss Structured Products Association (SSPA):

Turnover in Q2 2023 at CHF 43 bn significantly below previous quarter's level – reverse convertibles remain top-selling products with CHF 12 bn turnover

The industry achieved a turnover of CHF 43 bn in the second quarter of 2023. It was thus significantly below the level of the first quarter, when sales of CHF 56 bn were achieved. The largest turnover share in Q2 2023 is accounted for by yield enhancement products (52%), followed by leverage products (20%). Capital protection and participation products accounted for 15% and 9% of quarterly turnover in Q2 2023, respectively. In Q2 2023 reverse convertibles again generated the highest turnover (CHF 12 bn), followed by capital protection certificates with coupon (CHF 6 bn), and warrants with KO (CHF 4 bn). Equities remain the dominant asset class with 52% of turnover, while Foreign Exchange, Fixed Income and Commodities account for 28%, 15% and 2% of quarterly turnover, respectively. Non-listed products generate 75% of total turnover in Q2 2023. At 68%, the primary market achieves a higher share of turnover than the secondary market. The USD achieved the highest share of turnover with 45%. Together with the EUR and CHF as the most important currencies for structured products, it accounts for 89% of total turnover.

Zurich, 7 September 2023. The statistics compiled by Boston Consulting Group take into account listed and non-listed products that are created in or for Switzerland and sold nationally and internationally. The report was optimised in cooperation with the participating SSPA banks as of Q1 2022. Due to the optimisation of the report, only data from Q1 2022 will be reported in future. The SSPA members Banque Cantonale Vaudoise, Barclays Capital, Credit Suisse, Goldman Sachs, Julius Bär, Leonteq, Raiffeisen Switzerland, Société Générale, UBS, Vontobel as well as Zürcher Kantonalbank took part in the survey for the second quarter of 2023. They represent a majority of the Swiss market.

Most important developments in the second quarter of 2023:

- Turnover of Swiss structured products of the major SSPA members amounted to CHF 43 bn in Q2 2023. In April, May and June, total turnover was CHF 12 bn, CHF 16 bn and CHF 15 bn respectively. In comparison total turnover of CHF 43 bn in Q2 2023 was below Q1 2023 (CHF 56 bn) as well as Q2 2022 (CHF 57 bn). In Q2 2023 reverse convertibles generated the highest turnover (CHF 12 bn), followed by capital protection certificates with coupon (CHF 6 bn), and warrants with KO (CHF 4 bn).
- Yield enhancement had the largest turnover share, at 52% in Q2 2023, representing CHF 22 bn, with foreign exchange as the preferred asset class (50%) and USD as the main currency (45%). 88% of turnover was not listed and 90% was traded in the primary market.
- Leverage products' turnover share amounted to 20%, representing a turnover of CHF 8 bn, with equity as the preferred asset class (85%) and EUR as the main currency (65%). 68% of turnover was listed and 86% was traded in the secondary market.
- Capital protection products' turnover share amounted to 15%, representing CHF 6 bn, preferring fixed income (92%) and USD as the main currency (81%). 98% of turnover was not listed and 90% was traded in the primary market.



- Participation products' turnover share amounted to 9%, representing CHF 4 bn, with equity as the preferred asset class (74%) and USD as the main currency (55%). 52% of turnover was not listed and 77% was traded in the secondary market.
- The turnover of equity products amounted to CHF 22 bn, followed by foreign exchange (CHF 12 bn), fixed income (CHF 7 bn), other asset classes (CHF 1 bn) and commodities (CHF 1 bn). Equities products thereby reached a share of 52%, while foreign exchange, fixed income, commodities and other asset classes products were 28%, 15%, 3% and 2% respectively.
- Non-listed products realized a turnover of CHF 32 bn in Q2 2023, which translated to 75% of total turnover. The turnover share of listed products was 25%, reaching CHF 11 bn.
- With a turnover of CHF 29 bn in Q2 2023 the primary had a higher turnover than the secondary market (CHF 14 bn). The corresponding turnovers shares were 68% and 32%.
- In Q2 2023 the total turnover of USD products amounted to CHF 20 bn, representing a turnover share of 45%. The turnover share of EUR was 31%, corresponding to a total turnover CHF 13 bn. With a total turnover of CHF 6 bn the CHF accounted for a turnover share of 13%.

SSPA Chairman Markus Pfister commented: "After a successful start into the financial year 2023, the second quarter proved to be very challenging, as expected. The ongoing difficult market conditions led to lower industry turnover, both quarter-on-quarter and year-on-year. Nevertheless, yield enhancement products enjoyed rising popularity as in the first quarter of 2023, underlining that investors' in-depth knowledge allows them to target specific product types and thus take advantage of the current market environment."

Click on the link below for the full set of statistics: www.sspa.ch/media

For further information:

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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 point of contact 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.