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

Turnover in Q3 2022 with CHF 54 bn slightly below previous quarter's level – reverse convertibles generated the highest turnover with CHF 12 bn

The industry achieved a turnover of CHF 54 bn in the third quarter of 2022. It was thus slightly below the level of the second quarter, when sales of CHF 57 bn were achieved. The largest turnover share in Q3 2022 is accounted for by yield enhancement products (41%), followed by leverage products (24%). Capital protection and participation products accounted for 21% and 11% of quarterly turnover in Q3 2022, respectively. In Q3 2022 reverse convertibles generated the highest turnover (CHF 12 bn), followed by capital protection certificates with coupon (CHF 10 bn), and trackers (CHF 5 bn). Equities remain the dominant asset class with 43% of turnover, while Foreign Exchange, Fixed Income and Commodities account for 26%, 22% and 3% of quarterly turnover, respectively. Non-listed products generate 71% of total turnover in Q3 2022. At 59%, the primary market achieves a higher share of turnover than the secondary market at 41%. The USD achieved the highest share of turnover with 38%. Together with the EUR and CHF as the most important currencies for structured products, it accounts for 85% of total turnover.

Zurich, 10 November 2022. 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 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 third quarter of 2022. They represent a majority of the Swiss market.

Most important developments in the third quarter of 2022:

- Turnover of Swiss structured products of the major SSPA members amounted to CHF 54 bn in Q3 2022. Total turnover was CHF 16 bn in July and CHF 18 bn in August and September respectively.
- In Q3 2022 reverse convertibles generated the highest turnover (CHF 12 bn), followed by capital protection certificates with coupon (CHF 10 bn), and trackers (CHF 5 bn).
- Yield enhancement had the largest turnover share, at 41% in Q3 2022, representing CHF 22 bn; with foreign exchange as the preferred asset class (57%) and USD as the main currency (32%); 91% of turnover was not listed and 90% was traded in the primary market.
- Leverage products' turnover share amounted to 24%, representing a turnover of CHF 13 bn; with equity as the preferred asset class (79%) and EUR as the main currency.
- Capital protection products' turnover share amounted to 21%, representing CHF 11 bn; preferring fixed income (92%) and USD as the main currency (63%); 99% of turnover was not listed and 83% was traded in the primary market.
- Participation products' turnover share amounted to 11%, representing CHF 6 bn; with equity as the preferred asset class (55%) and USD as the main currency (61%); 51% of turnover was not listed and 80% was traded in the secondary market.

Swiss Structured Products Association
Raemistrasse 4 | P.O. Box | CH-8024 | Zurich
Tel. +41 (0) 43 534 97 72
sspa.ch

- The turnover of equity products amounted to CHF 24 bn, followed by foreign exchange (CHF 14 bn), fixed income (CHF 12 bn), other asset classes (CHF 3 bn), and commodities (CHF 1 bn). Equities products thereby reached a share of 43%; while foreign exchange, fixed income, other asset classes and commodities products were 26%, 22%, 6% and 3% respectively.
- Non-listed products realized a turnover of CHF 39 bn in Q3 2022, which translated to 71% of total turnover. The turnover share of listed products was 29%, reaching CHF 16 bn.
- With a turnover of CHF 32 bn in Q3 2022 the primary had a higher turnover than the secondary market (CHF 22 bn), the corresponding turnovers shares were 59% and 41%.
- In Q3 2022 the total turnover of USD products amounted to CHF 21 bn, representing a turnover share of 38%. The turnover share of EUR was 34%, corresponding to a total turnover CHF 18 bn. With a total turnover of CHF 7 bn the CHF accounted for a turnover share of 13%.

SSPA Chairman Markus Pfister commented: "Although the markets remained challenging in the third quarter, industry turnover was only slightly below the result of the previous quarter. The solid performance of the structured products market in Q3 demonstrated the interesting investment opportunity, that structured products offer especially in volatile and uncertain markets. Reverse convertibles generated the highest turnover in Q3 which underpins the investors acknowledgement of reverse convertibles generating attractive coupons in a volatile market environment, well above the usual level."

Click on the link below for the full set of statistics: 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
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.