

Increasing volume on Europe's structured products markets

EUR 299 billion open interest across reporting markets / turnover increase on an annual basis

Turnover in investment and leverage products on reporting European financial markets totalled EUR 35 billion in the third quarter of 2021. Turnover decreased by 2 percent quarter on quarter and increased by 5 percent year on year. These and other market data were sourced by the European Structured Investment Products Association (EUSIPA) from its members and analysed by Avaloq Evolution AG.

The members of EUSIPA who provide the figures for the market report include Zertifikate Forum Austria (ZFA), the Belgian Structured Investment Products Association (BELSIPA), Association Française des Produits Dérivés de Bourse (AFPDB), Deutscher Derivate Verband (DDV), Associazione Italiana Certificati e Prodotti di Investimento (ACEPI), the Netherlands Structured Investment Products Association (NEDSIPA), the Swedish Exchange Traded Investment Products Association (SETIPA), and the Swiss Structured Products Association (SSPA).

Third-quarter turnover in investment products on European trading venues amounted to EUR 13 billion, 37 percent of total traded volume. Investment product turnover decreased by 20 percent on a quarter-by-quarter basis, but increased by 40% compared with Q3 2020. Turnover in leverage products (Warrants, Knock-Out Warrants, and Constant Leverage Certificates) reached EUR 22 billion in the period from July to September, representing 63 percent of total turnover. Turnover in leverage products decreased by 9 percent year on year but increased by 13 percent from Q2 2021.

At the end of September, trading venues located in reporting EUSIPA markets were offering 395,391 investment products and 1,410,197 leverage products. As such, the number of listed products decreased by 1 percent on a quarterly basis but increased by 7 percent on the previous year.

Banks issued 1,257,268 new investment and leverage products in the third quarter of 2021, up 6 percent on the previous quarter and down 4 percent annually. In total, 118,660 new investment products were launched, accounting for 9 percent of new issues; the 1,138,608 new leverage products represent 91 percent of the total. There were 6 percent fewer investment products launched than in the same quarter of 2020. On the leverage products side, issuance increased by 6 percent from Q2 2021 but decreased by 4% on an annual basis.

For Austria, Belgium, Germany and Switzerland, the **market volume of investment and leverage products** issued as securities stood at EUR 299 billion and was therefore largely in line with the previous quarter.

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At the end of September, the market volume of investment products increased to EUR 288 billion – up 1 percent quarter on quarter and 9 percent year on year.

The outstanding volume of leverage products totalled EUR 11 billion at the end of September. This represents a 7 percent increase on a year-on-year basis.

About EUSIPA

EUSIPA represents the interests of the European structured investment products business. The focal point of its activities are derivative instruments such as structured investment products and warrants. EUSIPA aims to create an attractive and fair regulatory framework for these financial products.

The umbrella association acts as a contact for politicians, the EU Commission and the European Securities and Markets Authority (ESMA) in all questions concerning structured products. Whenever the need arises, the association is at hand to provide expert advice and opinions, thus playing an active role in the policy dialogue.

Greater protection for investors as well as a comprehensible and transparent product landscape are important concerns for the association. Together with its members, it is actively engaged in promoting Europe-wide standards throughout the sector. These include clear product classification, standardised technical terms, and a broad commitment among the member associations to abide by a code of conduct for the sector.

The members of EUSIPA that provide the information for the market report are:



EUSIPA Market Report

on Structured Investment and Leverage Products

Q3/2021



Contents

Highlights	2
Quarterly overview	3
Exchange turnover	5
Outstanding volume	6
Number of new listings on exchange	7
Number of exchanged listed products	8
Appendix.	9

1. Highlights

Turnover: Slight increase year-on-year

In the third quarter of 2021, turnover in structured investment and leverage products in note-based format accounted for 35 bn EUR across reporting markets which is a decline of 2% against the previous quarter and an increase of 5% compared to the equivalent last year quarter Q3 2020 (33 bn EUR). Leverage products accounted for a turnover of 22 bn EUR in Q3 2021. On a quarterly basis, their turnover increased by 13% while it decreased by 9% compared on year-on-year basis. Turnover in non-leverage investment products however increased by 40% on an annual basis, clearly driven by the Swedish market, while decreasing by 20% against the preceding quarter.

Outstanding Volume: Growth trend continues

The Q3 2021 figures for the Austrian, Belgian, German¹ and Swiss² markets indicate a total amount of 299 bn EUR held in note-based structured products, which is largely in line with last quarter Q2 2021 but a significant growth of 9% on an annual basis.

Number of New Issuances: Rising figures within the past six months

The overall number of new issuances increased during Q3 2021 when measured against the preceding quarter Q2 2021 (1'257'268 versus 1'184'899 products in Q2 2021). The number of newly issued investment products increased by 9% on a quarter-by-quarter comparison and decreased by 6% when compared to Q3 2020. For leverage products, the number of new listings increased by 6% compared to the preceding quarter Q2 2021, while listings in this area decreased by 4% on an annual basis.










Total Number of Products: Increasing level on an annual basis

Markets of contributing EUSIPA member associations reported 1'805'588 products as open (non-matured) in Q3 2021, which represents a slight decrease of 1% compared to the preceding quarter Q2 2021 and an increase of 7% on an annual basis. In the leverage products segment, the total number of products stayed constant when compared against the previous quarter Q2 2021 and increased by 14% on an annual basis.

¹ The German figures are sourced in from the 15 issuers assembled under the roof of Deutsche Derivate Verband (DDV) and entail assets from the sales of listed note-based structured retail products to customers based in Germany. The 15 issuers cover more than 90% of the German market in these products.

² The Swiss figures are sourced in from the Swiss National Bank and represent all assets in listed note-based structured retail products held in Swiss depots of issuers domiciled in Switzerland. The figures include therefore, to a small extent, also assets from product sales of these issuers outside Switzerland. The Swiss National Bank has extended the circle of the reportable institutions for the statistics of the securities held in bank's client deposits. The survey group consists now also of institutions with a special field of business. In case of such institutions with a special field of business and especially for deposits which are stored centrally there are only securities included that are not already stored at another reportable bank and reported by it.

2. Quarterly overview (Q3/2021)

	 Austria	 Belgium	 France	 Germany	 Italy	 Netherlands	 Sweden	 Switzerland ¹	 EUSIPA
Exchange Turnover (Mio. EUR)									
1 Investment Products	156	529	39	3.766	3.105	8	2.370	2.872	12.845
11 Capital Protected	n/a	n/a	0	23	n/a	0	1	29	53
12 Yield-Enhancement	n/a	n/a	18	2.162	n/a	6	1	592	2.779
13 Participation	n/a	n/a	21	1.570	n/a	2	2.368	2.246	6.207
199 Various	n/a	n/a	0	11	n/a	0	0	5	16
2 Leverage Products	5	n/a ³	1.599	9.848	2.509	1.185	5.643	1.098	21.887
21 Without Knock-Out	n/a	n/a	309	3.115	n/a	5	60	n/a	3.489
22 With Knock-Out	n/a	n/a	1.140	5.689	n/a	1.160	2.695	n/a	10.684
23 Constant Leverage	n/a	n/a	150	1.044	n/a	20	2.888	n/a	4.102
Various	n/a	n/a	0	n/a	n/a	0	0	n/a	0
Total	161	529	1.638	13.614	5.614	1.193	8.013	3.970	34.732
Total change - Δ in % to Q3/20 ²	39	n/a ³	-5	-2	20	-12	29	-14	5
Total change - Δ in % to Q2/21 ³	-12	n/a ³	-4	11	-10	10	-11	-4	-2
Outstanding Volume (Mio. EUR)									
1 Investment Products	14.578	16.686	n/a	60.107	n/a	n/a	n/a	196.515	287.886
11 Capital Protected	n/a	n/a	n/a	21.592	n/a	n/a	n/a	30.757	52.349
12 Yield-Enhancement	n/a	n/a	n/a	29.849	n/a	n/a	n/a	74.069	103.918
13 Participation	n/a	n/a	n/a	4.212	n/a	n/a	n/a	89.226	93.438
199 Various	n/a	n/a	n/a	4.454	n/a	n/a	n/a	2.463	6.917
2 Leverage Products	222	n/a ³	n/a	4.179	n/a	n/a	n/a	6.389	10.790
21 Without Knock-Out	n/a	n/a	n/a	1.938	n/a	n/a	n/a	n/a	1.938
22 With Knock-Out	n/a	n/a	n/a	1.712	n/a	n/a	n/a	n/a	1.712
23 Constant Leverage	n/a	n/a	n/a	529	n/a	n/a	n/a	n/a	529
Various	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
Total	14.800	16.686	n/a	64.286	n/a	n/a	n/a	202.904	298.676
Total change - Δ in % to Q3/20 ²	4	n/a ³	n/a	3	n/a	n/a	n/a	11	9
Total change - Δ in % to Q2/21 ³	0	n/a ³	n/a	-1	n/a	n/a	n/a	0	0

Source: Country Associations, Avaloq Evolution AG










¹ Please note that the product category 'Investment Products with Reference Entities' exists only in Switzerland. Values for this category are therefore shown as 'Various Investment Products'.

² Field indicates per cent change between Q3/2021 and equivalent last year quarter Q3/2020.

³ Field indicates per cent change between reporting quarter Q3/2021 and previous quarter Q2/2021.

⁴ Reporting disruption due to operational transformation of the relevant trading venue.

2. Quarterly overview (Q3/2021)

	 Austria	 Belgium	 France	 Germany	 Italy	 Netherlands	 Sweden	 Switzerland ¹	 EUSIPA
Number of New Listings on Exchange									
1 Investment Products	576	27	999	112.301	939	228	14	3.576	118.660
11 Capital Protected	n/a	n/a	0	6	n/a	0	0	10	16
12 Yield-Enhancement	n/a	n/a	951	59.994	n/a	162	0	3.423	64.530
13 Participation	n/a	n/a	48	52.227	n/a	66	3	143	52.487
199 Various	n/a	n/a	0	74	n/a	0	11	0	85
2 Leverage Products	807	n/a ³	50.787	1.023.151	2.746	38.188	12.081	10.848	1.138.608
21 Without Knock-Out	97	n/a	8.279	263.221	n/a	468	2.825	n/a	274.890
22 With Knock-Out	416	n/a	41.959	754.532	n/a	37.244	8.255	n/a	842.406
23 Constant Leverage	0	n/a	549	5.398	n/a	476	1.001	n/a	7.424
Various	0	n/a	0	n/a	n/a	0	0	n/a	0
Total	1.383	27	51.786	1.135.452	3.685	38.416	12.095	14.424	1.257.268
Total change - Δ in % to Q3/20 ²	80	n/a ³	15	-4	-5	-19	6	7	-4
Total change - Δ in % to Q2/21 ³	37	n/a ³	0	6	12	19	8	11	6
Number of Exchange Listed Products									
1 Investment Products	4.548	1.637	1.571	363.899	6.177	446	467	16.646	395.391
11 Capital Protected	n/a	n/a	0	749	n/a	0	37	422	1.208
12 Yield-Enhancement	n/a	n/a	1.399	206.670	n/a	274	50	14.250	222.643
13 Participation	n/a	n/a	172	154.865	n/a	172	309	1.806	157.324
199 Various	n/a	n/a	0	1.615	n/a	0	71	168	1.854
2 Leverage Products	3.900	n/a ³	49.849	1.253.216	5.084	40.937	26.829	30.382	1.410.197
21 Without Knock-Out	1.179	n/a	17.165	562.994	n/a	571	5.724	n/a	587.633
22 With Knock-Out	2.721	n/a	30.027	652.995	n/a	39.264	12.025	n/a	737.032
23 Constant Leverage	0	n/a	2.657	37.227	n/a	1.102	9.080	n/a	50.066
Various	0	n/a	0	n/a	n/a	0	0	n/a	0
Total	8.448	1.637	51.420	1.617.115	11.261	41.383	27.296	47.028	1.805.588
Total change - Δ in % to Q3/20 ²	30	n/a ³	8	6	-21	34	30	2	7
Total change - Δ in % to Q2/21 ³	-1	n/a ³	-1	-1	-27	6	8	0	-1

Source: Country Associations, Avaloq Evolution AG

¹ Please note that the product category 'Investment Products with Reference Entities' exists only in Switzerland. Values for this category are therefore shown as 'Various Investment Products'.

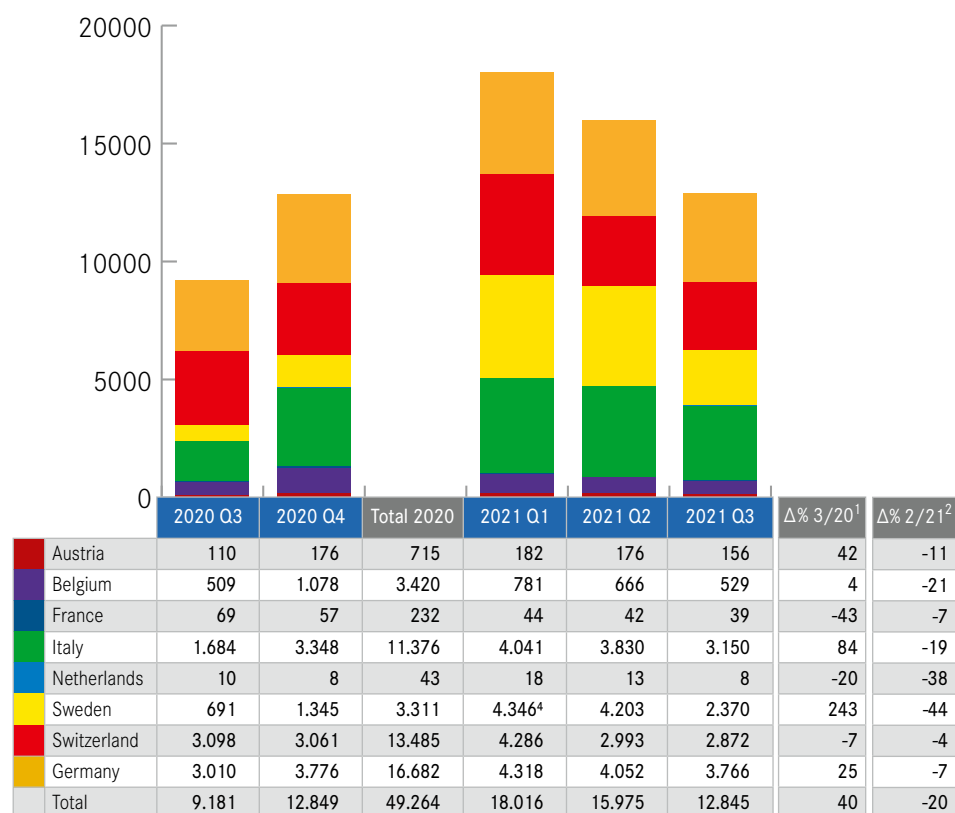
² Field indicates per cent change between Q3/2021 and equivalent last year quarter Q3/2020.

³ Field indicates per cent change between reporting quarter Q3/2021 and previous quarter Q2/2021.

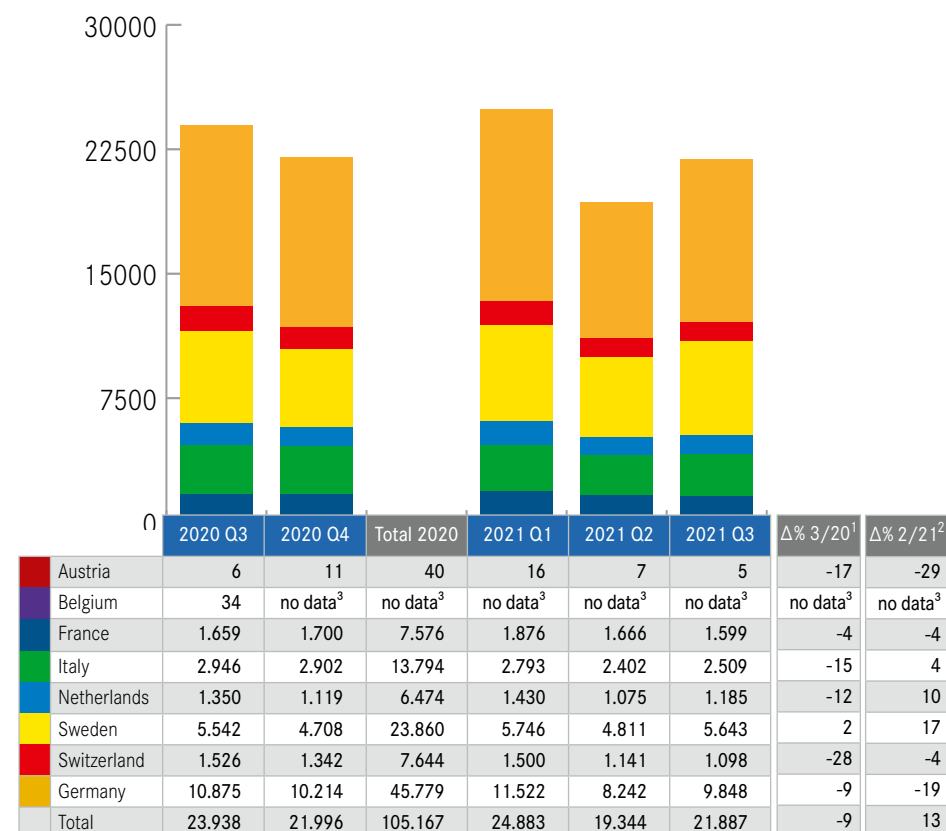
⁴ Reporting disruption due to operational transformation of the relevant trading venue.

3. Exchange turnover

Investment Products
in Mio. EUR



Leverage Products
in Mio. EUR



Source: Country Associations, Avaloq Evolution AG

¹ Field indicates per cent change between Q3/2021 and equivalent last year quarter Q3/2020.

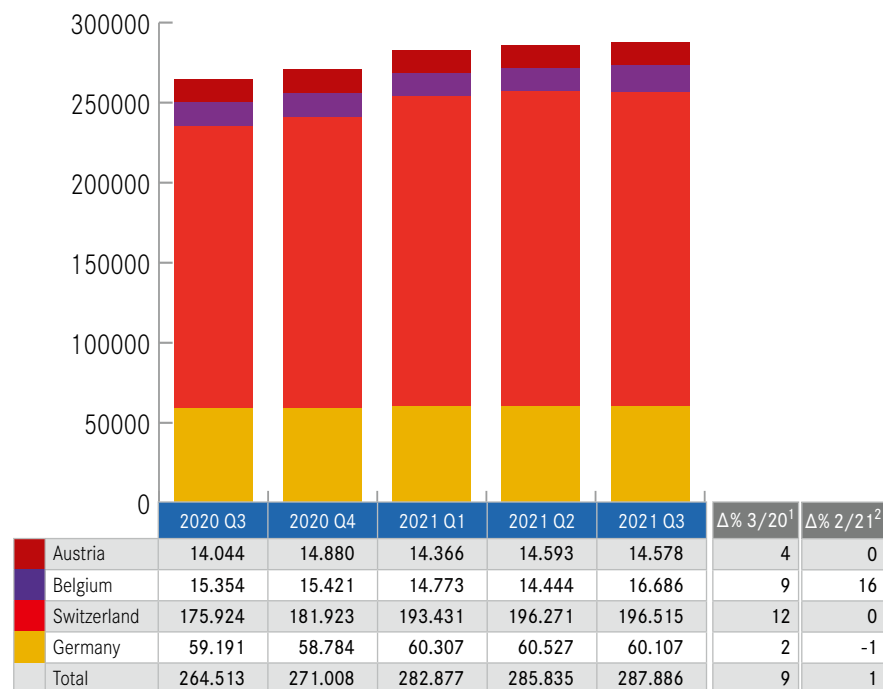
² Field indicates per cent change between reporting quarter Q3/2021 and previous quarter Q2/2021.

³ Reporting disruption due to operational transformation of the relevant trading venue.

4. Outstanding volume

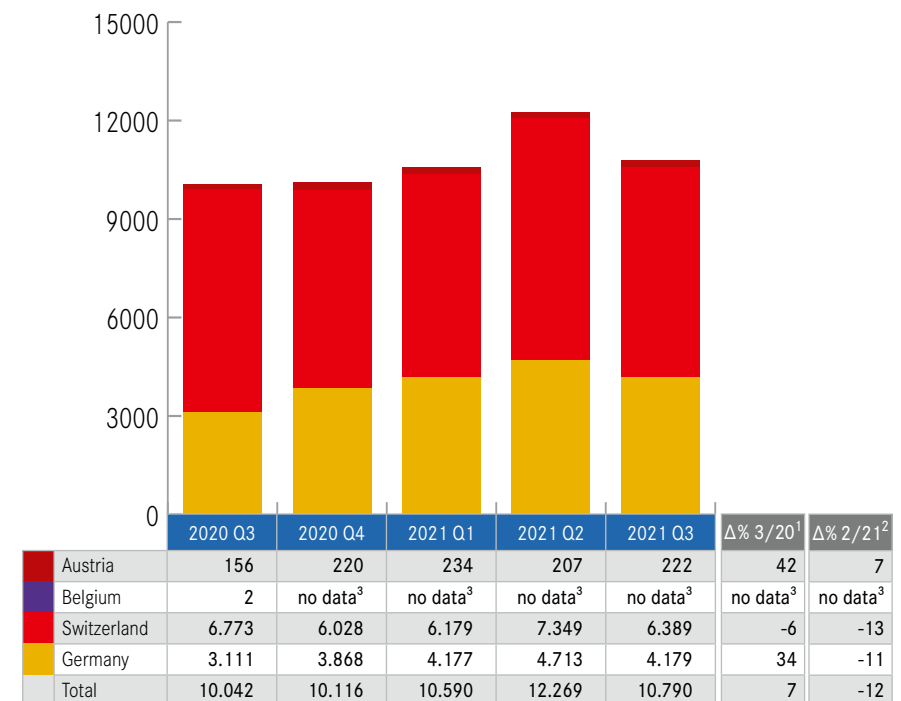
Investment Products

in Mio. EUR



Leverage Products

in Mio. EUR



Source: Country Associations, Avaloq Evolution AG

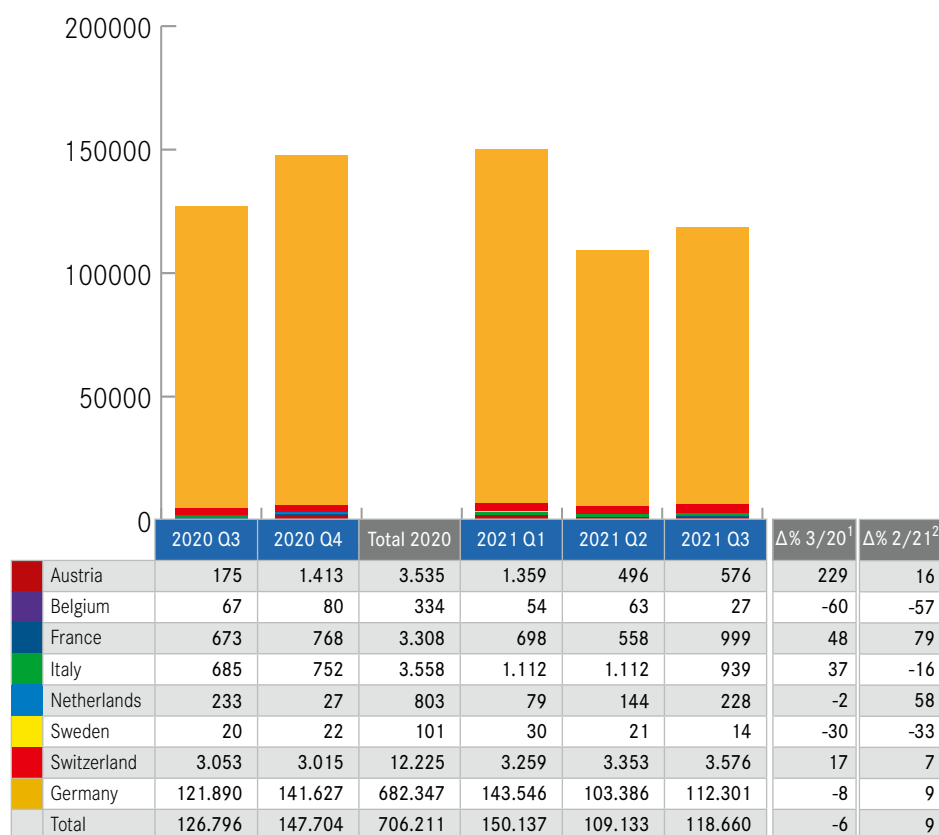
¹ Field indicates per cent change between Q3/2021 and equivalent last year quarter Q3/2020.

² Field indicates per cent change between reporting quarter Q3/2021 and previous quarter Q2/2021.

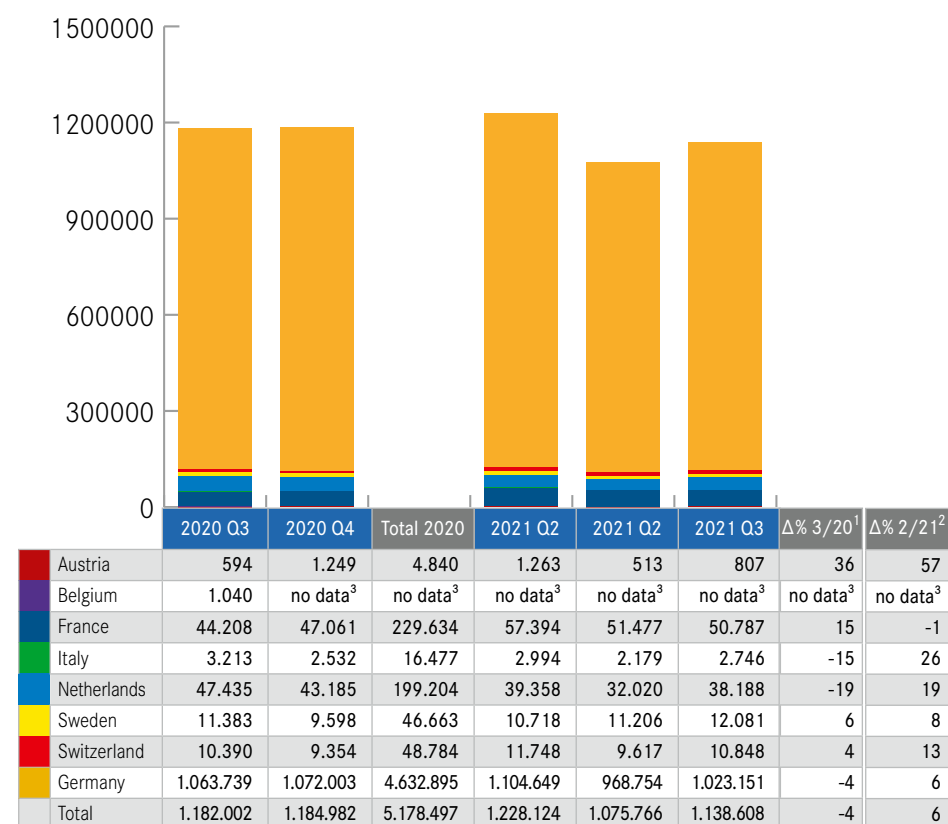
³ Reporting disruption due to operational transformation of the relevant trading venue.

5. Number of new listings on exchange

Investment Products



Leverage Products



Source: Country Associations, Avaloq Evolution AG

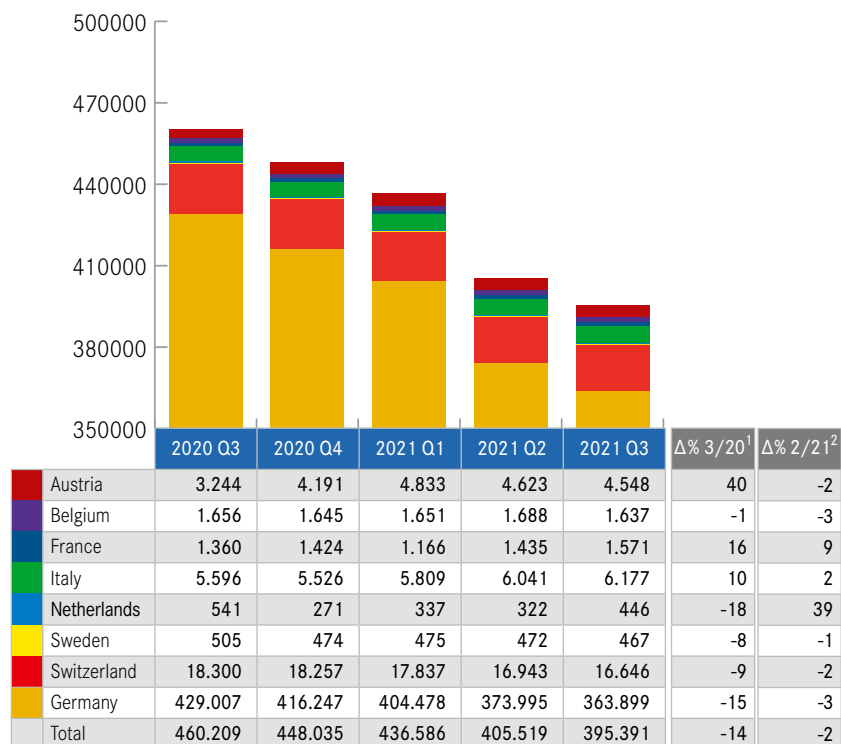
¹ Field indicates per cent change between Q3/2021 and equivalent last year quarter Q3/2020.

² Field indicates per cent change between reporting quarter Q3/2021 and previous quarter Q2/2021.

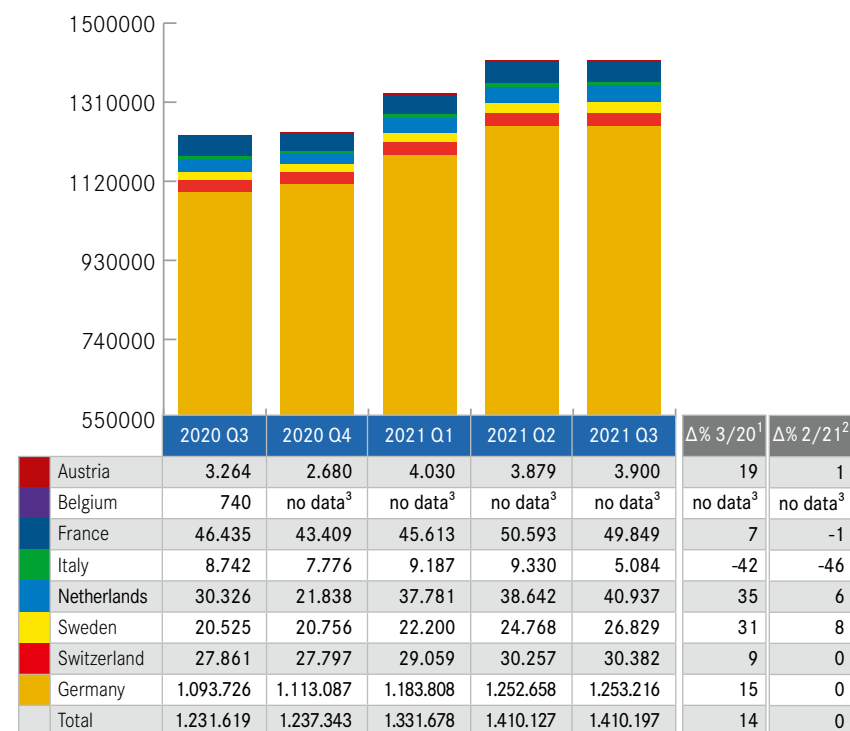
³ Reporting disruption due to operational transformation of the relevant trading venue.

6. Number of exchange listed products

Investment Products



Leverage Products



Source: Country Associations, Avaloq Evolution AG

¹ Field indicates per cent change between Q3/2021 and equivalent last year quarter Q3/2020.

² Field indicates per cent change between reporting quarter Q3/2021 and previous quarter Q2/2021.

³ Reporting disruption due to operational transformation of the relevant trading venue.

7. Appendix

Data sources

EUSIPA Members

Avaloq Evolution AG

Key date is 30 September 2021. The exchange rates for CHF/EUR and SEK/EUR are defined at the last trading day of each quarter.

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Further information about Structured Investment Products is provided by the country associations on their websites:

Austria

Zertifikate Forum Austria (ZFA)

www.zertifikateforum.at



France

Association française des produits d'investissement de détail et de bourse (AFPDB)

www.afpdb.org



Germany

Deutscher Derivate Verband (DDV)

www.derivateverband.de



Italy

Associazione Italiana Certificati e prodotti di Investimento (ACEPI)

www.acepi.it



Netherlands

Netherlands Structured Investment Products Association (NEDSIPA)

www.nedsipa.nl



Sweden

Swedish exchange-traded investment products association (SETIPA)

www.setipa.se



Switzerland

Swiss Structured Products Association (SSPA)

www.sspa.ch



Belgium

Belgian Structured Investment Products Association (BELSIPA)

www.belsipa.be

