

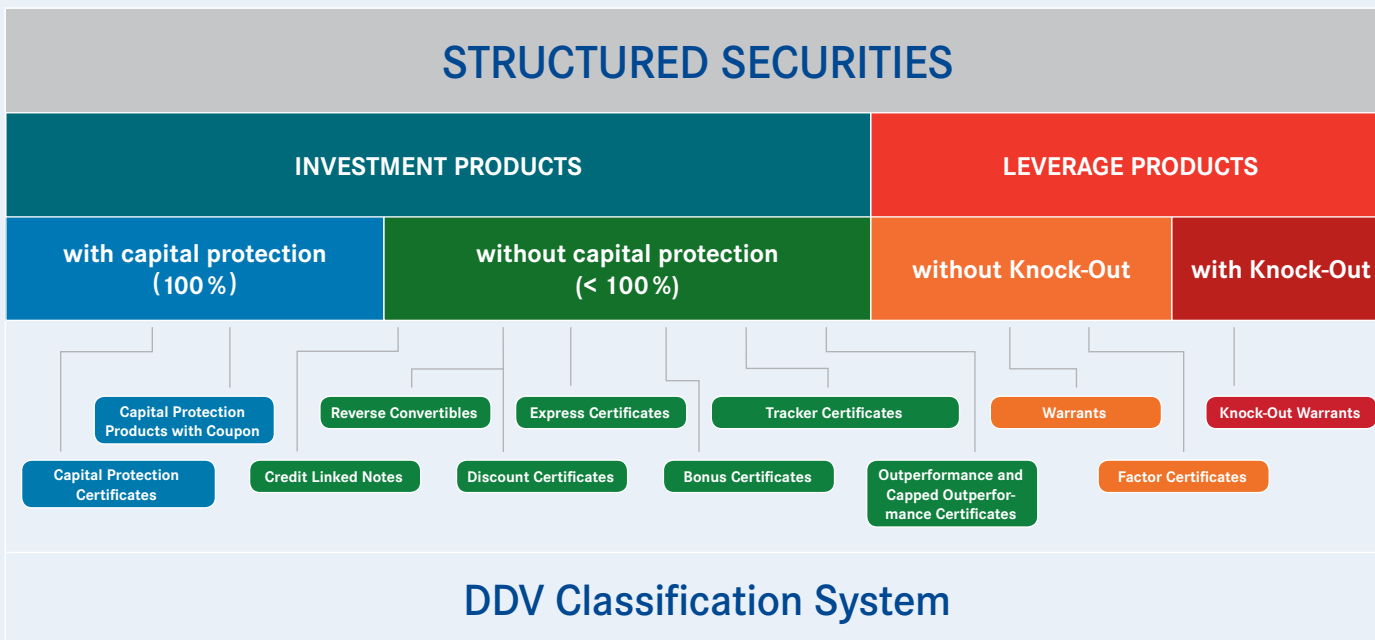
# Market Volume

in Derivatives

## Bonus Certificates record slight increase in volume

Total volume at EUR 68.8 billion in September 2015

### STRUCTURED SECURITIES



### DDV Classification System

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### September | 2015

- In September, the total volume of the German structured products market was EUR 68.8 billion.
- Bonus Certificates recorded slight growth. Their market volume went up to EUR 2.4 billion.
- The market volume of Capital Protection Products shrank in comparison to the previous month. Uncapped Capital Protection Certificates and Capital Protection Products with Coupon accounted for half of the total market volume with 50.1 percent.
- The market volume of leverage products with commodities as an underlying plummeted. Their share was 9.5 percent.

## Bonus Certificates record slight increase in volume

Total volume at EUR 68.8 billion in September 2015

The outstanding volume of the German structured products market fell in September 2015. Maturities on Capital Protection Products with Coupon and a negative market environment were responsible for this decrease.

Overall, the market volume decreased by 1.9 percent or EUR 1.2 billion compared with the previous month. These trends are shown by the latest figures collected each month from 16 banks by the European Derivatives Group (EDG AG) on behalf of Deutscher Derivate Verband (DDV), the German Derivatives Association. Extrapolating these figures to all issuers puts the **total volume of the German structured products market at EUR 68.8 billion at the end of September 2015**.

Compared with the previous month, the **ratio of investment products to leverage products** remained unchanged. The total market share of investment products was 97.6 percent, while leverage products made up 2.4 percent.

### Investment products by product category

The volume of **Capital Protection Products** decreased further in the month under review. Compared with the previous month, the market volume of Capital Protection Products with Coupon fell by 1.8 percent to EUR 21.6 billion. This

corresponded to a 35 percent share of the investment products market. At 0.8 percent, the decline in Uncapped Capital Protection Certificates was moderate. Their volume stood at EUR 9.3 billion, which was a 15.1 percent share of the investment products market. A total of 50.1 percent of the market volume was invested in these two product categories in September.

The volume of **Reverse Convertibles** experienced above-average losses of 4.6 percent to EUR 7.4 billion. This corresponded to a share of 11.9 percent.

**Express Certificates** lost 2.9 percent to come in at EUR 5.6 billion. Their share was 9.0 percent in September.

**Credit Linked Notes** lost 0.2 percent to stand at EUR 5.3 billion. They accounted for 8.6 percent of the volume.

**Discount Certificates** recorded a drop of 2.3 percent to EUR 4.9 billion – a share of 7.9 percent.

The market volume for **Tracker Certificates** decreased by 2.0 percent to EUR 4.1 billion. Their volume share of the investment products segment remained unchanged at 6.7 percent.

**Bonus Certificates** bucked the general market trend and slightly upped their volume by 0.1 percent to EUR 2.4 billion in September. Their share of the total market was 3.9 percent.

**Outperformance and Capped Outperformance Certificates** gained 3.7 percent taking the volume to EUR 124.9 million. However, as it accounted for just 0.2 percent of the total investment products volume, this category had scarcely any impact on the overall trend.

The volume of **other Yield Enhancement Products** fell by 1.7 percent to EUR 1.0 billion. They accounted for 1.7 percent of the aggregate volume.

### Leverage products by product category

The market volume of **leverage products** lost 4.8 percent to stand at EUR 1.5 billion in September.

The volume invested in **Knock-Out Warrants** dropped by 4.3 percent in comparison with the previous month, taking it to EUR 564.0 million. Their share of the leverage products segment was 37.7 percent.

**Warrants** lost 2.8 percent to come in at EUR 642.0 million. Their market share stood at 42.9 percent. ▶▶

The volume invested in **Factor Certificates** fell by 9.8 percent to EUR 291.4 million. This category accounted for a 19.5 percent share of the leverage products market.

## Investment products by underlying

Despite registering some losses, structured products with **interest rates as an underlying** remained the most popular category. Their volume was down 1.4 percent at EUR 28.1 billion mainly due the decrease in Capital Protection Products with Coupon. This took their share to 45.5 percent.

Investment products with **equities as an underlying** followed in second place. Their volume shrank by 4.4 percent, taking it to EUR 17.3 billion. This corresponded to 27.9 percent of the total volume.

Investment products with **indices as an underlying** were the third most popular investment category. Their share of the total volume grew by 0.9 percent, taking it to EUR 14.8 billion. This corresponded to a 24.0 percent share.

Following at a considerable distance behind the other asset classes were investment products with **commodities as an underlying**. Their outstanding volume fell by 2.8 percent in September, taking it to EUR 923.9 million. Commodities therefore accounted for a 1.5 percent share of the total volume.

As in the previous month, investment products with **investment funds as an underlying** made up a 1.0 percent share. Their volume came in at EUR 589.7 million.

Investment products with **currencies as an underlying** were fairly insignificant in relation to the general trend with a share of 0.1 percent. The volume invested in them dropped by a considerable 44.5 percent to EUR 40.3 million in the reporting month.

## Leverage products by underlying

The market volume of leverage products with **equities as an underlying** fell by 2.9 percent to EUR 723.5 million. They made up 48.3 percent of the total leverage products volume.

Leverage products with **indices as an underlying** were down 3.5 percent at EUR 531.3 million. This corresponded to a 35.5 percent share of the total volume.

Lagging some way behind leverage products based on equities and indices were those with **commodities as an underlying**. Their volume dwindled by 18.8 percent month on month and came in at EUR 142.2 million. Their market share was 9.5 percent.

Leverage products with **currencies as an underlying** gained 1.0 percent to stand at EUR 74.6 million. This corresponded to a 5.0 percent share of the total volume.

The market volume of leverage products with **interest rates as an underlying** fell by 9.7 percent in September to EUR 25.9 million. Because they accounted for only 1.7 percent of the volume, their impact on the general trend was not significant, however. ■



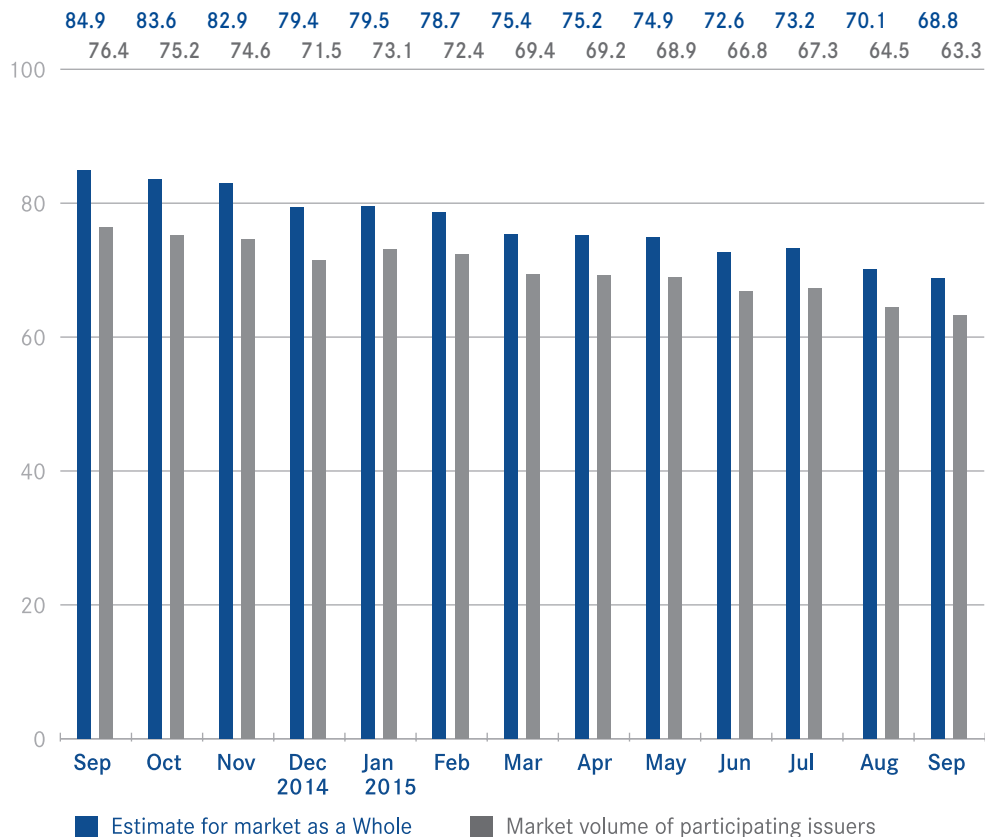
## Deutscher Derivate Verband (DDV)

Deutscher Derivate Verband (DDV), the German Derivatives Association, is the industry representative body for the 16 leading issuers of derivatives in Germany: Barclays, BayernLB, BNP Paribas, Citigroup, Commerzbank, DekaBank, Deutsche Bank, DZ BANK, Goldman Sachs, Helaba, HSBC Trinkaus, HypoVereinsbank, LBBW, Société Générale, UBS and Vontobel. The Association's work is supported by nine sponsoring members, which include the Stuttgart and Frankfurt am Main stock exchanges, finance portals and service providers.

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## Market volume since September 2014



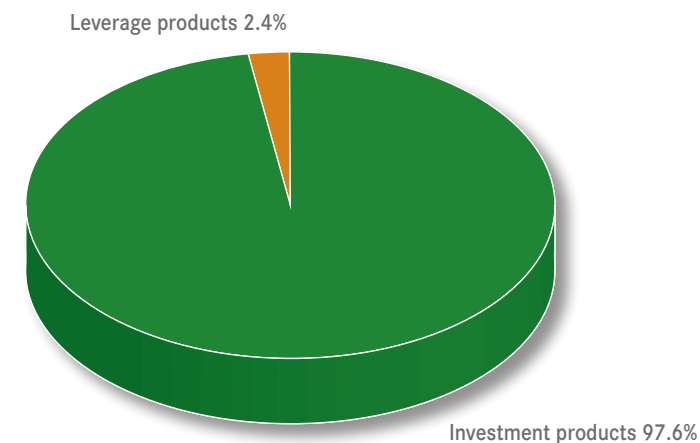
## Product classes

Market volume as at 30 September 2015

Product classes	Market volume	Share
	T€	%
Investment products with capital protection	30,927,791	50.1%
Investment products without capital protection	30,862,941	49.9%
<b>Total Investment products</b>	<b>61,790,732</b>	<b>100.0%</b>
Leverage products without Knock-Out	933,464	62.3%
Leverage products with Knock-Out	563,992	37.7%
<b>Total Leverage products</b>	<b>1,497,456</b>	<b>100.0%</b>
<b>Total Investment products</b>	<b>61,790,732</b>	<b>97.6%</b>
<b>Total Leverage products</b>	<b>1,497,456</b>	<b>2.4%</b>
<b>Total Derivatives</b>	<b>63,288,188</b>	<b>100.0%</b>

## Product classes

Market volume as at 30 September 2015

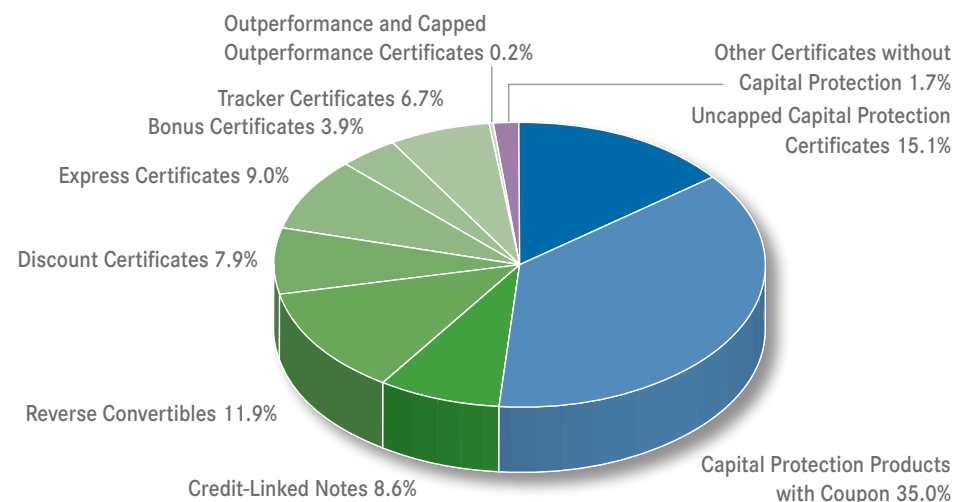


## Market volume by product category as at 30 September 2015

Product categories	Market volume		Market volume price-adjusted		Number of Products	
	T€	in %	T€	in %	#	in %
■ Uncapped Capital Protection Certificates	9,306,781	15.1%	9,313,982	14.8%	2,581	0.5%
■ Capital Protection Products with Coupon	21,621,010	35.0%	21,633,403	34.4%	2,078	0.4%
■ Credit-Linked Notes	5,306,947	8.6%	5,377,126	8.5%	1,728	0.3%
■ Reverse Convertibles	7,382,290	11.9%	7,716,547	12.3%	102,276	18.8%
■ Discount Certificates	4,896,207	7.9%	5,008,232	8.0%	175,323	32.2%
■ Express Certificates	5,558,767	9.0%	5,825,674	9.3%	6,411	1.2%
■ Bonus Certificates	2,410,869	3.9%	2,478,192	3.9%	250,711	46.0%
■ Tracker Certificates	4,144,071	6.7%	4,353,598	6.9%	1,938	0.4%
■ Outperformance and Capped Outperformance Certificates	124,898	0.2%	132,901	0.2%	902	0.2%
■ Other Certificates without Capital Protection	1,038,893	1.7%	1,056,745	1.7%	715	0.1%
<b>Investment products total</b>	<b>61,790,732</b>	<b>97.6%</b>	<b>62,896,400</b>	<b>97.2%</b>	<b>544,663</b>	<b>42.1%</b>
■ Warrants	642,020	42.9%	740,407	40.2%	397,954	53.2%
■ Factor Certificates	291,444	19.5%	439,587	23.9%	5,679	0.8%
■ Knock-Out Warrants	563,992	37.7%	661,906	35.9%	343,981	46.0%
<b>Leverage products total</b>	<b>1,497,456</b>	<b>2.4%</b>	<b>1,841,900</b>	<b>2.8%</b>	<b>747,614</b>	<b>57.9%</b>
<b>Total</b>	<b>63,288,188</b>	<b>100.0%</b>	<b>64,738,300</b>	<b>100.0%</b>	<b>1,292,277</b>	<b>100.0%</b>

## Investment products by product category

Market volume as at 30 September 2015

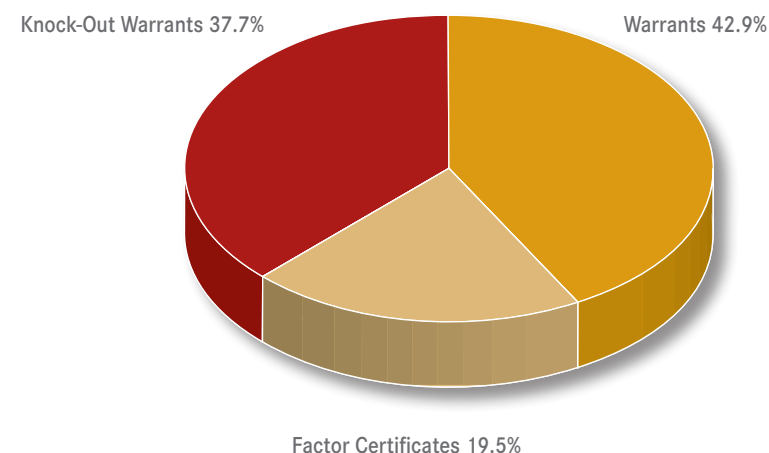


## Change in market volume by product category in comparison with previous month

Product categories	Change		Change price-adjusted		Price effect
	T€	in %	T€	in %	in %
■ Uncapped Capital Protection Certificates	-73,195	-0.8%	-65,994	-0.7%	-0.1%
■ Capital Protection Products with Coupon	-393,143	-1.8%	-380,749	-1.7%	-0.1%
■ Credit-Linked Notes	-10,800	-0.2%	59,379	1.1%	-1.3%
■ Reverse Convertibles	-354,371	-4.6%	-20,113	-0.3%	-4.3%
■ Discount Certificates	-115,379	-2.3%	-3,354	-0.1%	-2.2%
■ Express Certificates	-88,259	-1.6%	178,649	3.2%	-4.7%
■ Bonus Certificates	3,313	0.1%	70,637	2.9%	-2.8%
■ Tracker Certificates	-85,303	-2.0%	124,224	2.9%	-5.0%
■ Outperformance and Capped Outperformance Certificates	4,435	3.7%	12,439	10.3%	-6.6%
■ Other Certificates without Capital Protection	-18,085	-1.7%	-234	0.0%	-1.7%
<b>Investment products total</b>	<b>-1,130,785</b>	<b>-1.8%</b>	<b>-25,117</b>	<b>0.0%</b>	<b>-1.8%</b>
■ Warrants	-18,594	-2.8%	79,793	12.1%	-14.9%
■ Factor Certificates	-31,830	-9.8%	116,313	36.0%	-45.8%
■ Knock-Out Warrants	-25,374	-4.3%	72,539	12.3%	-16.6%
<b>Leverage products total</b>	<b>-75,798</b>	<b>-4.8%</b>	<b>268,646</b>	<b>17.1%</b>	<b>-21.9%</b>
<b>Total</b>	<b>-1,206,582</b>	<b>-1.9%</b>	<b>243,529</b>	<b>0.4%</b>	<b>-2.2%</b>

## Leverage products by product category

Market volume as at 30 September 2015



## Market volume by underlying asset as at 30 September 2015

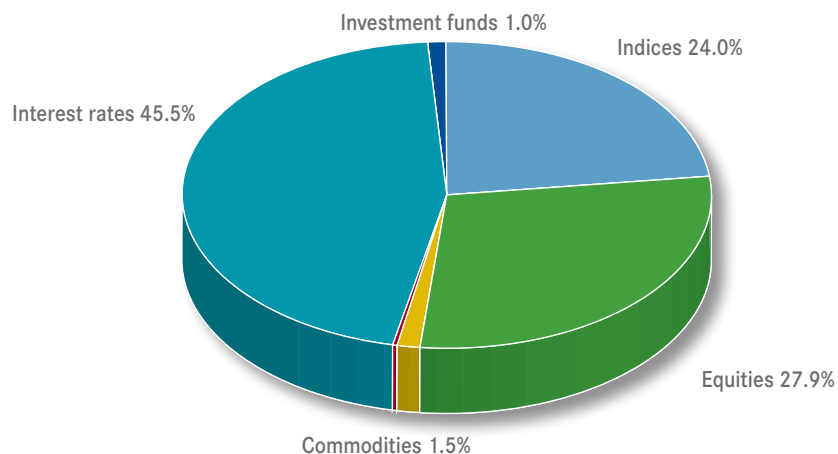
Underlying	Market volume		Market volume price-adjusted*		Number of Products	
	T€	%	T€	%	#	%
<b>Investment products</b>						
Indices	14,849,518	24.0%	15,072,951	24.0%	127,080	23.3%
Equities	17,252,619	27.9%	17,913,933	28.5%	411,364	75.5%
Commodities	923,856	1.5%	960,691	1.5%	2,071	0.4%
Currencies	40,314	0.1%	41,281	0.1%	37	0.0%
Interest rates	28,134,735	45.5%	28,216,701	44.9%	4,008	0.7%
Investment funds	589,691	1.0%	690,841	1.1%	103	0.0%
	<b>61,790,732</b>	<b>97.6%</b>	<b>62,896,400</b>	<b>97.2%</b>	<b>544,663</b>	<b>42.1%</b>
<b>Leverage products</b>						
Indices	531,285	35.5%	647,384	35.1%	201,714	27.0%
Equities	723,483	48.3%	897,762	48.7%	478,930	64.1%
Commodities	142,195	9.5%	187,782	10.2%	32,457	4.3%
Currencies	74,553	5.0%	75,813	4.1%	31,640	4.2%
Interest rates	25,915	1.7%	33,133	1.8%	2,863	0.4%
Investment funds	26	0.0%	26	0.0%	10	0.0%
	<b>1,497,456</b>	<b>2.4%</b>	<b>1,841,900</b>	<b>2.8%</b>	<b>747,614</b>	<b>57.9%</b>
<b>Total</b>	<b>63,288,188</b>	<b>100.0%</b>	<b>64,738,300</b>	<b>100.0%</b>	<b>1,292,277</b>	<b>100.0%</b>

\*Market volume adjusted for price changes = quantity outstanding as at 30 September 2015 x price as at 31 August 2015

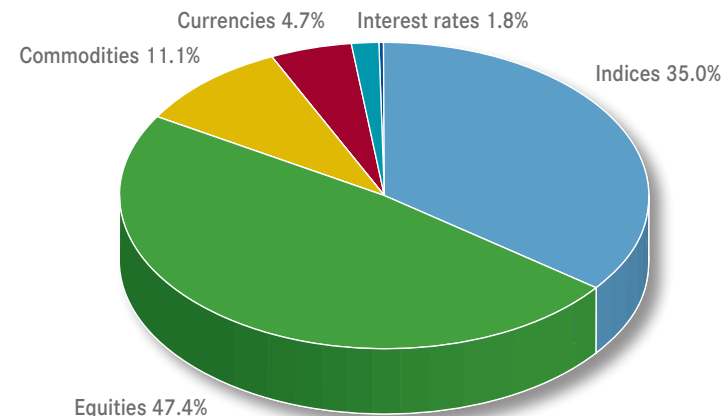
## Change in the market volume by underlying asset in comparison with previous month

Underlying	Change		Change price-adjusted		Price effect
	T€	%	T€	%	
<b>Investment products</b>					
Indices	130,451	0.9%	353,885	2.4%	-1.5%
Equities	-789,400	-4.4%	-128,086	-0.7%	-3.7%
Commodities	-26,842	-2.8%	9,993	1.1%	-3.9%
Currencies	-32,289	-44.5%	-31,321	-43.1%	-1.3%
Interest rates	-401,391	-1.4%	-319,425	-1.1%	-0.3%
Investment funds	-11,314	-1.9%	89,837	14.9%	-16.8%
	<b>-1,130,785</b>	<b>-1.8%</b>	<b>-25,117</b>	<b>0.0%</b>	<b>-1.8%</b>
<b>Leverage products</b>					
Indices	-19,077	-3.5%	97,022	17.6%	-21.1%
Equities	-21,631	-2.9%	152,648	20.5%	-23.4%
Commodities	-33,002	-18.8%	12,586	7.2%	-26.0%
Currencies	705	1.0%	1,965	2.7%	-1.7%
Interest rates	-2,793	-9.7%	4,425	15.4%	-25.1%
Investment funds	0	0.0%	0	0.0%	0.0%
	<b>-75,798</b>	<b>-4.8%</b>	<b>268,646</b>	<b>17.1%</b>	<b>-21.9%</b>
<b>Total</b>	<b>-1,206,582</b>	<b>-1.9%</b>	<b>243,529</b>	<b>0.4%</b>	<b>-2.2%</b>

## Investment products by underlying asset Market volume as at 30 September 2015



## Leverage products by underlying asset Market volume as at 30 September 2015



## Collection, validation and analysis methodology

### 1. Calculation of the market volume

In calculating the outstanding volume, the first step is to establish the market volume for an individual issue by multiplying the quantity outstanding by the market price on the last trading day of the month under review. The total market volume is calculated by adding the individual values. The price-adjusted figure is obtained by valuing the outstanding quantities at the market prices on the last trading day of the previous month. Newly launched products are valued at the price on the last trading day in the month under review.

### 2. Calculation of the turnover

Turnover is calculated at the relevant exercise price by aggregating the individual trades per issue and period and then adding them up. Purchases and sales are included at their relevant absolute amounts. The only turnover recorded is that relating to end customers. Also, issues are not classified as turnover until their value dates. By contrast, repayments are not included in the turnover figures, since they do not constitute actual trades. This means that there is a natural outflow of funds at the maturity date of the products, although this is offset by new issues if investors continue to invest in these investment classes. This turnover calculation can lead to inflows of funds in one investment class in one month that exceed the turnover recorded for that month in terms of their amounts. Also, large price fluctuations can lead to a change in the market volume that exceeds the turnover amount in terms of its amount.

### 3. Definition of the retail products covered

The collection and analysis process covers market volume and turnover in retail products that are publicly offered and listed on at least one German stock exchange in the relevant survey period. Private placements, institutional transactions and white-label trading are not covered. The possibility that parts of an issue may be bought by institutional investors, for instance through the stock exchange, cannot be ruled out.

### 4. DDV classification system (Derivatives League)

The product classification system used is based on DDV's Derivatives League concept. Investment products include Uncapped Capital Protection Certificates, Capital Protection Products with Coupon, Reverse Convertibles, Discount Certificates, Express Certificates, Bonus Certificates, Tracker Certificates, Outperformance and Capped Outperformance Certificates, as well as other investment products without capital protection. Leverage products comprise Warrants and Knock-Out Warrants. (For further details please refer to [http://www.derivateverband.de/DE/MediaLibrary/Document/ddv\\_klassifizierung\\_final.pdf](http://www.derivateverband.de/DE/MediaLibrary/Document/ddv_klassifizierung_final.pdf)).

### 5. Differentiation by investment class

Retail products are differentiated by the investment class of the underlying. All products with an equity component are included among the equity-based investment or leverage products. Products with a purely bond-based underlying (e.g. index certificates based on the German REX bond index, capital protected certificates based on the EURIBOR Euro Interbank Offered Rate) are included in the investment class of bonds. The currencies and commodities investment class comprises products based on goods, commodities and currencies. Hedge fund products are also shown separately.

### 6. Collection of the data

Each month, the issuers provide the relevant data in a specified scope and format from their internal systems (trading, risk management and pricing systems etc.). The mandatory information comprises ISIN, product type, asset class of the underlying, product category, turnover, market volume, quantity outstanding, maturity date of the products, product name, issue date, issue volume (quantity issued). The optional information includes details of the underlying, the knock-out thresholds, market prices and listings on German stock exchanges.

### 7. Monitoring of compliance with the self-commitment

Compliance with the code of conduct is monitored by means of on-site and off-site inspection of data and systems. Random sampling and targeted requests for selected information are backed up by cross-checking of data using stock exchange data, information services and the websites of issuers. In particular, the data are reconciled on a regular basis in cooperation with Boerse Stuttgart, with the main focus on stock exchange listing, the categorisation of products and the substantiation of figures for turnover and outstanding volumes.

### DISCLAIMER

EDG AG regularly checks the methods and analyses on which this interpretation is based. However, it does not guarantee the correctness of the analyses. By signing up to the voluntary agreement, the issuers have agreed to ensure the correctness of the transaction data provided by them, and on which the analysis is based. However, EDG AG cannot guarantee the correctness or the completeness of the data from the issuers.

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