

Increasing volume on Europe's structured products markets

EUR 293.5 billion open interest across reporting markets / turnover up on a quarterly basis

Turnover in investment and leverage products on reporting European financial markets totalled EUR 43 billion in the first quarter of 2021. Turnover increased by 23 percent quarter on quarter, though decreased by 13 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 Derivative Partners.

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).

First-quarter turnover in investment products on European trading venues amounted to EUR 18 billion, 42 percent of the total traded volume. Investment product turnover increased by 40 percent on a quarter-by-quarter basis, while remaining largely stable compared with Q1 2020. Turnover in leverage products (Warrants, Knock-Out Warrants, and Constant Leverage Certificates) reached EUR 25 billion in the period from January to March, representing 58 percent of total turnover. Turnover in leverage products decreased 21 percent year on year and rose by 13 percent from Q4 2020.

At the end of March, trading venues located in reporting EUSIPA markets were offering 436,586 investment products and 1,331,678 leverage products. As such, the number of listed products increased by 5 percent on a quarterly basis and 16 percent on the previous year.

Banks issued 1,378,261 new investment and leverage products in the first quarter of 2021, a figure comparable to the previous quarter, but down 22 percent year on year. In total, 150,137 new investment products were launched, accounting for 11 percent of new issues; the 1,228,124 new leverage products represent 89 percent of the total. There were 27 percent fewer investment products launched than in the same quarter of 2020. On the leverage products side, issuance rose by 4 percent from Q4 2020, but decreased 21% on an annual basis.

Contact:

Thomas Wulf
Secretary General
EUSIPA - European
Structured Investment
Products Association
Tel.: +32 (0) 2550 34 15
Mobile: +32 (0) 475 25 15 99
wulf@eusipa.org
www.eusipa.org

For Austria, Belgium, Germany and Switzerland, the **market volume of investment and leverage products** issued as securities stood at EUR 293.5 billion at the end of the first quarter, representing a 4 percent quarter-on-quarter increase.

At the end of March, the market volume of investment products increased to EUR 283 billion – up 4 percent quarter on quarter and 19 percent year on year.

The outstanding volume of leverage products totalled EUR 10.5 billion at the end of March. This represents an 11 percent decrease 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

Q1/2021



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: Increasing

In the first quarter of 2021, turnover in structured investment and leverage products in note format accounted for 43 bn EUR across reporting markets which is an increase of 23% compared to the previous quarter (35 bn EUR), but a decrease of 13% compared to the equivalent last year quarter Q1 2020 (49.5 bn EUR). Leverage products accounted for a turnover of 25 bn EUR in Q1 2021. On a quarterly basis, their turnover slightly increased by 13% while it decreased by 21% compared on year-on-year basis. Turnover in non-leverage investment products significantly increased by 40% against the preceding quarter while on an annual basis it stayed at broadly the same level.

Outstanding Volume: Growth trend continues

The Q1 2021 figures for the Austrian, Belgian, German¹ and Swiss² markets indicate a total amount of 293.5 bn EUR held in note-based structured products, which represents a moderate increase of 4% compared to last quarter Q4 2020 and a significant growth by 18% on an annual basis.

Number of New Issuances: Decrease on an annual basis

The overall number of new issuances slightly increased during Q1 2021 when measured against the preceding quarter Q4 2020 (1'378'261 versus 1'332'686 products in Q4 2020). The number of investment products which were newly issued increased by 2% on a quarter-by-quarter comparison but decreased by 27% when compared to Q1 2020. For leverage products, the number of new listings rose by 4% compared to the preceding quarter Q4 2020, while listings in this area decreased by 21% on an annual basis.

Total Number of Products: Increasing figures

Markets of contributing EUSIPA member associations reported 1'768'264 products as open (non-matured) in Q1 2021, which represents an increase of 5% compared to the preceding quarter Q4 2020 and of 16% on an annual basis. In the leverage products segment, the total number of products rose by 8% when compared against the previous quarter Q4 2020 and by 18% 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 (Q1/2021)

	 Austria	 Belgium	 France	 Germany	 Italy	 Netherlands	 Sweden	 Switzerland ¹	 EUSIPA
Exchange Turnover (Mio. EUR)									
1 Investment Products	182	781	44	4.720	4.041	18	4.346	4.286	18.418
11 Capital Protected	n/a	n/a	0	49	n/a	0	0	22	71
12 Yield-Enhancement	n/a	n/a	33	2.489	n/a	16	1	742	3.281
13 Participation	n/a	n/a	11	2.162	n/a	2	4.287	3.515	9.977
199 Various	n/a	n/a	0	20	n/a	0	58	7	85
2 Leverage Products	16	n/a ⁴	1.876	11.522	2.793	1.430	5.746	1.500	24.883
21 Without Knock-Out	n/a	n/a	378	3.588	n/a	42	124	n/a	4.132
22 With Knock-Out	n/a	n/a	1.285	6.424	n/a	1.378	2.105	n/a	11.192
23 Constant Leverage	n/a	n/a	213	1.510	n/a	10	3.517	n/a	5.250
Various	n/a	n/a	0	n/a	n/a	0	0	n/a	0
Total	198	781	1.920	16.242	6.834	1.448	10.092	5.786	43.301
Total change - Δ in % to Q1/20 ²	-26	n/a ⁴	-7	-14	-29	-31	27	-26	-13
Total change - Δ in % to Q4/20 ³	6	n/a ⁴	9	13	9	28	67	31	23
Outstanding Volume (Mio. EUR)									
1 Investment Products	14.366	14.773	n/a	60.307	n/a	n/a	n/a	193.431	282.877
11 Capital Protected	n/a	n/a	n/a	21.280	n/a	n/a	n/a	34.434	55.714
12 Yield-Enhancement	n/a	n/a	n/a	30.033	n/a	n/a	n/a	75.307	105.340
13 Participation	n/a	n/a	n/a	4.631	n/a	n/a	n/a	81.282	85.913
199 Various	n/a	n/a	n/a	4.363	n/a	n/a	n/a	2.408	6.771
2 Leverage Products	234	n/a ⁴	n/a	4.177	n/a	n/a	n/a	6.179	10.590
21 Without Knock-Out	n/a	n/a	n/a	2.087	n/a	n/a	n/a	n/a	2.087
22 With Knock-Out	n/a	n/a	n/a	1.602	n/a	n/a	n/a	n/a	1.602
23 Constant Leverage	n/a	n/a	n/a	488	n/a	n/a	n/a	n/a	488
Various	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
Total	14.600	14.773	n/a	64.484	n/a	n/a	n/a	199.610	293.467
Total change - Δ in % to Q1/20 ²	9	n/a ⁴	n/a	13	n/a	n/a	n/a	22	18
Total change - Δ in % to Q4/20 ³	-3	n/a ⁴	n/a	3	n/a	n/a	n/a	6	4

Source: Country Associations, Derivative Partners

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 Q1/2021 and equivalent last year quarter Q1/2020.

³ Field indicates per cent change between reporting quarter Q1/2021 and previous quarter Q4/2020.

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

2. Quarterly overview (Q1/2021)

	 Austria	 Belgium	 France	 Germany	 Italy	 Netherlands	 Sweden	 Switzerland ¹	 EUSIPA
Number of New Listings on Exchange									
1 Investment Products	1.359	54	698	143.546	1.112	79	30	3.259	150.137
11 Capital Protected	n/a	n/a	0	26	n/a	0	3	12	41
12 Yield-Enhancement	n/a	n/a	635	68.944	n/a	64	1	3.079	72.723
13 Participation	n/a	n/a	63	74.518	n/a	15	23	167	74.786
199 Various	n/a	n/a	0	58	n/a	0	3	1	62
2 Leverage Products	1.263	n/a ⁴	57.394	1.104.649	2.994	39.358	10.718	11.748	1.228.124
21 Without Knock-Out	439	n/a	11.990	294.184	n/a	247	2.665	n/a	309.525
22 With Knock-Out	824	n/a	44.775	785.721	n/a	38.965	7.350	n/a	877.635
23 Constant Leverage	0	n/a	629	24.744	n/a	146	703	n/a	26.222
Various	0	n/a	0	n/a	n/a	0	0	n/a	0
Total	2.622	54	58.092	1.248.195	4.106	39.437	10.748	15.007	1.378.261
Total change - Δ in % to Q1/20 ²	31	n/a ⁴	-34	-21	-36	-26	-16	-24	-22
Total change - Δ in % to Q4/20 ³	-2	n/a ⁴	21	3	25	-9	12	21	3
Number of Exchange Listed Products									
1 Investment Products	4.833	1.651	1.166	404.478	5.809	337	475	17.837	436.586
11 Capital Protected	n/a	n/a	0	766	n/a	0	46	456	1.268
12 Yield-Enhancement	n/a	n/a	1.085	234.661	n/a	204	61	15.466	251.477
13 Participation	n/a	n/a	81	167.456	n/a	133	318	1.718	169.706
199 Various	n/a	n/a	0	1.595	n/a	0	50	197	1.842
2 Leverage Products	4.030	n/a ⁴	45.613	1.183.808	9.187	37.781	22.200	29.059	1.331.678
21 Without Knock-Out	1.373	n/a	16.467	552.858	n/a	462	4.837	n/a	575.997
22 With Knock-Out	2.657	n/a	26.721	599.346	n/a	36.638	9.774	n/a	675.136
23 Constant Leverage	0	n/a	2.425	31.604	n/a	681	7.589	n/a	42.299
Various	0	n/a	0	n/a	n/a	0	0	n/a	0
Total	8.863	1.651	46.779	1.588.286	14.996	38.118	22.675	46.896	1.768.264
Total change - Δ in % to Q1/20 ²	41	n/a ⁴	-11	16	16	52	42	-1	16
Total change - Δ in % to Q4/20 ³	29	n/a ⁴	4	4	13	72	7	2	5

Source: Country Associations, Derivative Partners

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 Q1/2021 and equivalent last year quarter Q1/2020.

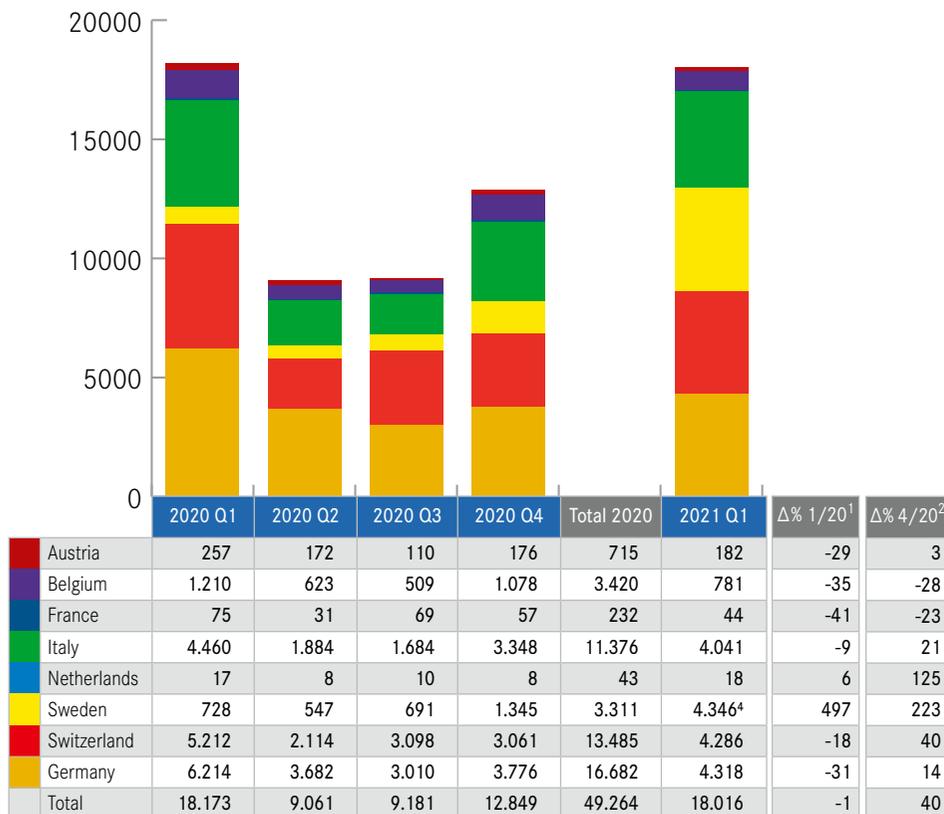
³ Field indicates per cent change between reporting quarter Q1/2021 and previous quarter Q4/2020.

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

3. Exchange turnover

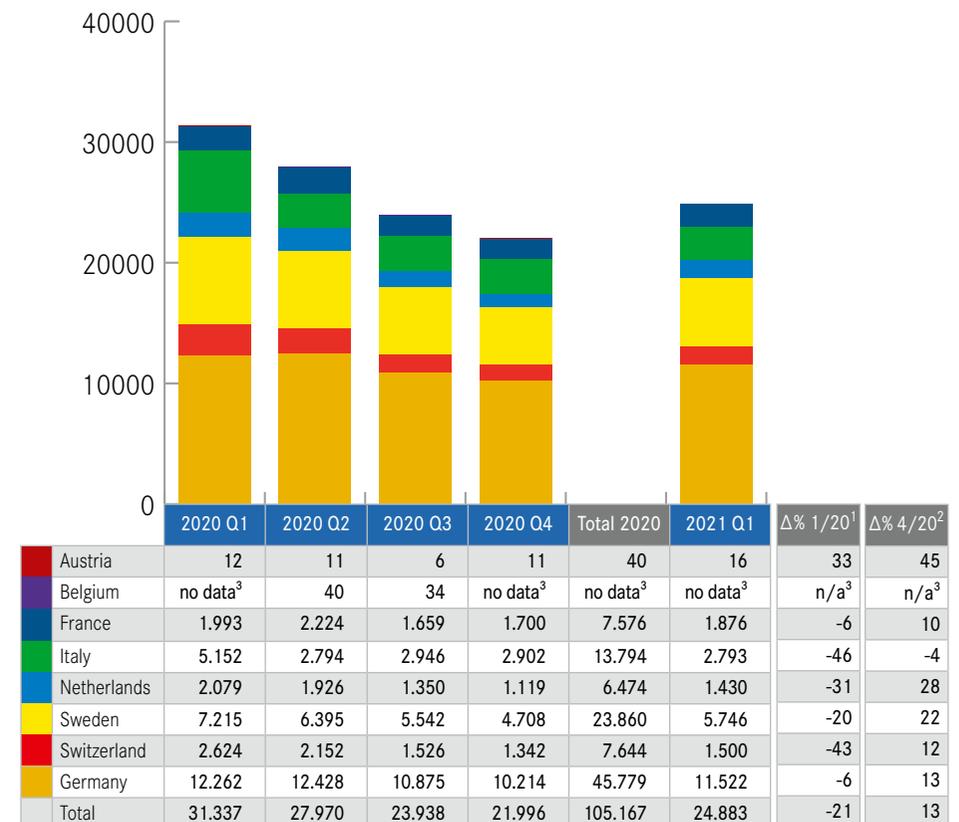
Investment Products

in Mio. EUR



Leverage Products

in Mio. EUR



Source: Country Associations, Derivative Partners

¹ Field indicates per cent change between Q1/2021 and equivalent last year quarter Q1/2020.

² Field indicates per cent change between reporting quarter Q1/2021 and previous quarter Q4/2020.

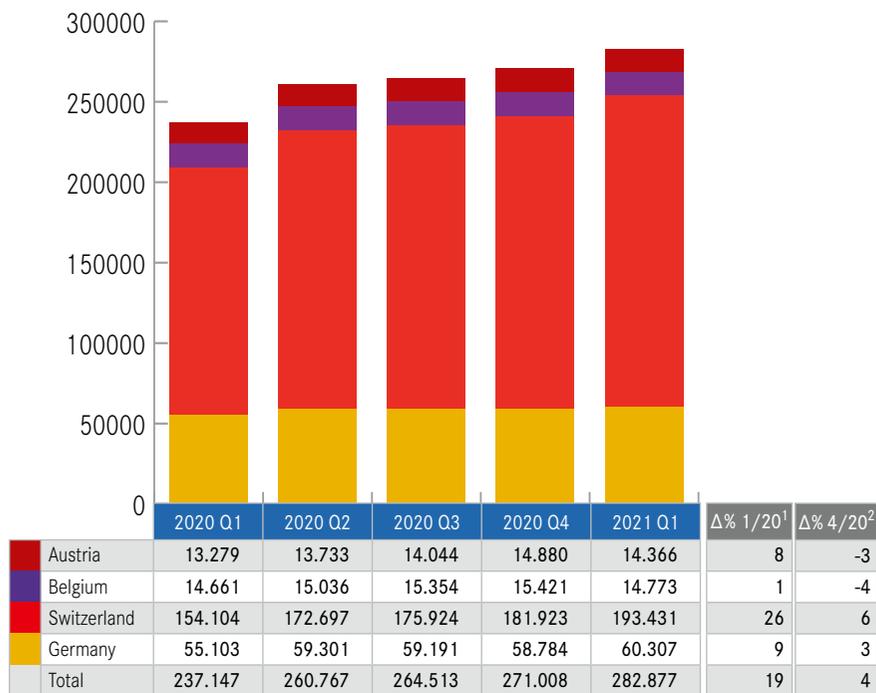
³ Reporting disruption due to operational transformation of the relevant trading venue.

⁴ Reflects higher trading in crypto-related products during the first quarter.

4. Outstanding volume

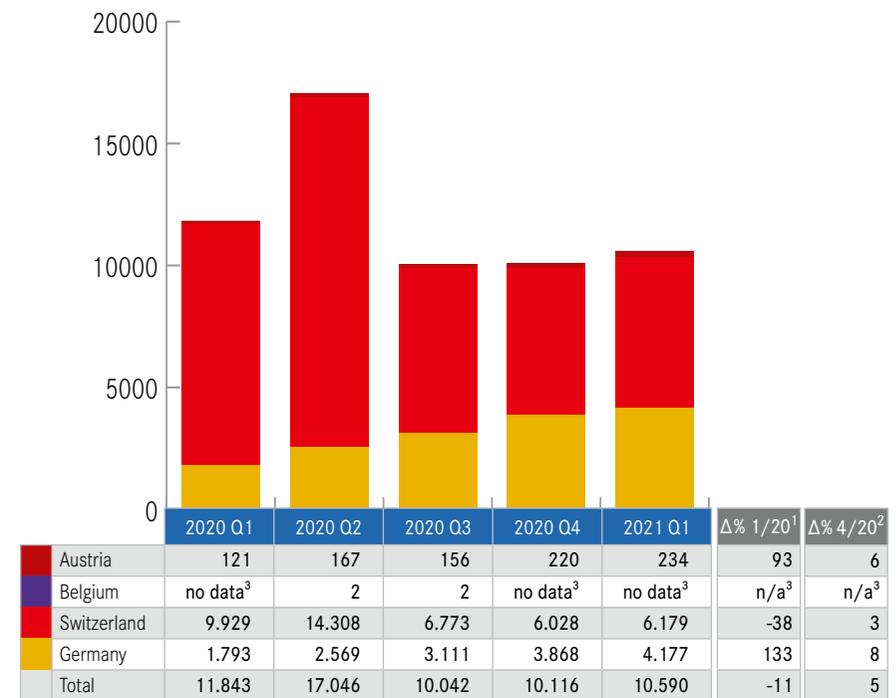
Investment Products

in Mio. EUR



Leverage Products

in Mio. EUR



Source: Country Associations, Derivative Partners

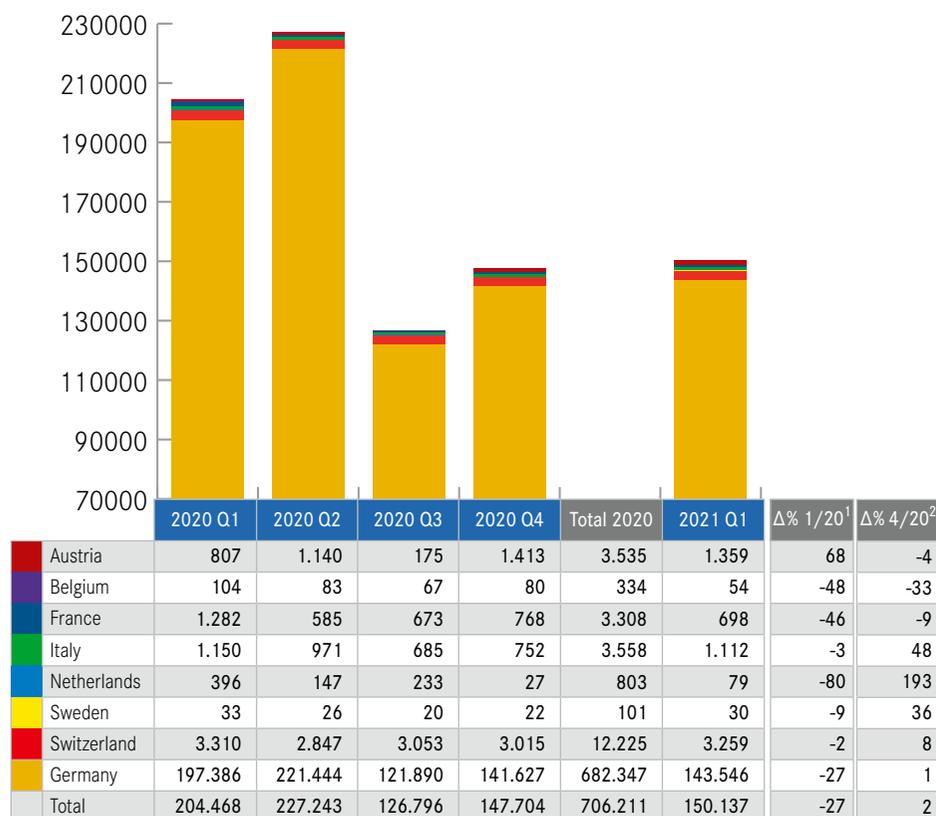
¹ Field indicates per cent change between Q1/2021 and equivalent last year quarter Q1/2020.

² Field indicates per cent change between reporting quarter Q1/2021 and previous quarter Q4/2020.

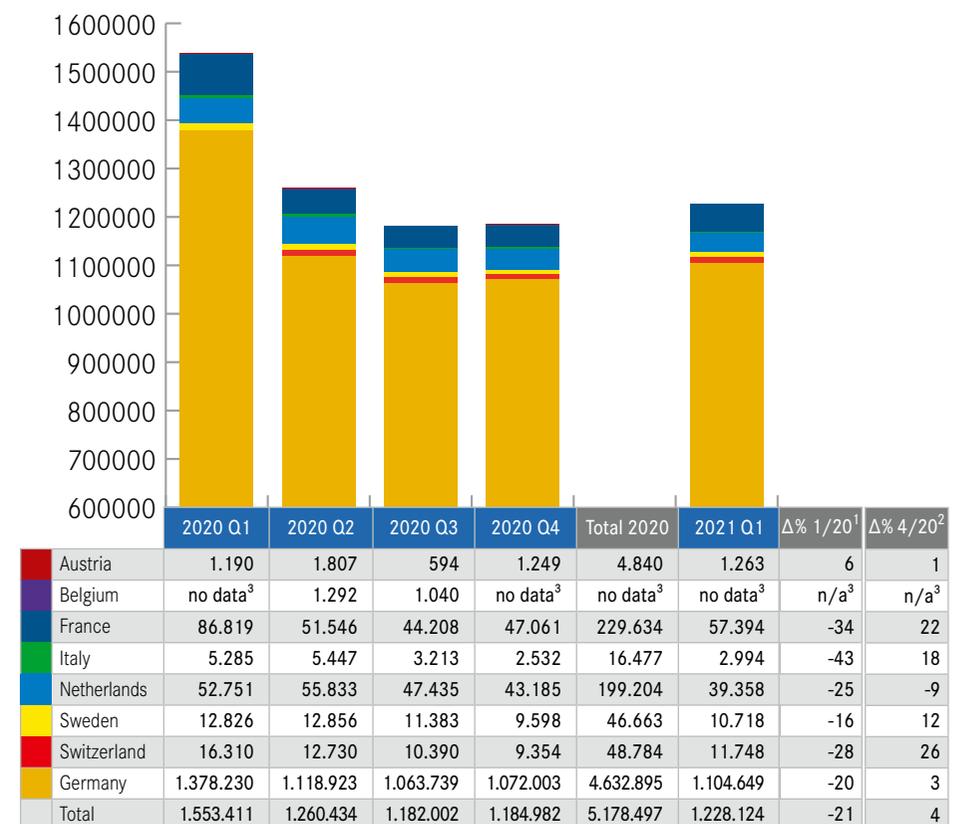
³ Reporting disruption due to operational transformation of the relevant trading venue.

5. Number of new listings on exchange

Investment Products



Leverage Products



Source: Country Associations, Derivative Partners

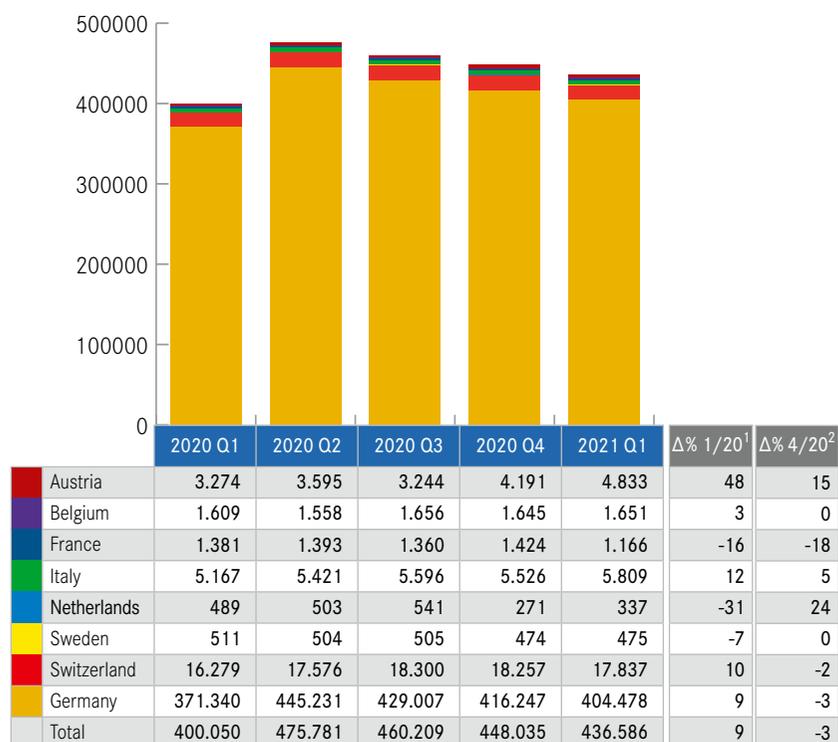
¹ Field indicates per cent change between Q1/2021 and equivalent last year quarter Q1/2020.

² Field indicates per cent change between reporting quarter Q1/2021 and previous quarter Q4/2020.

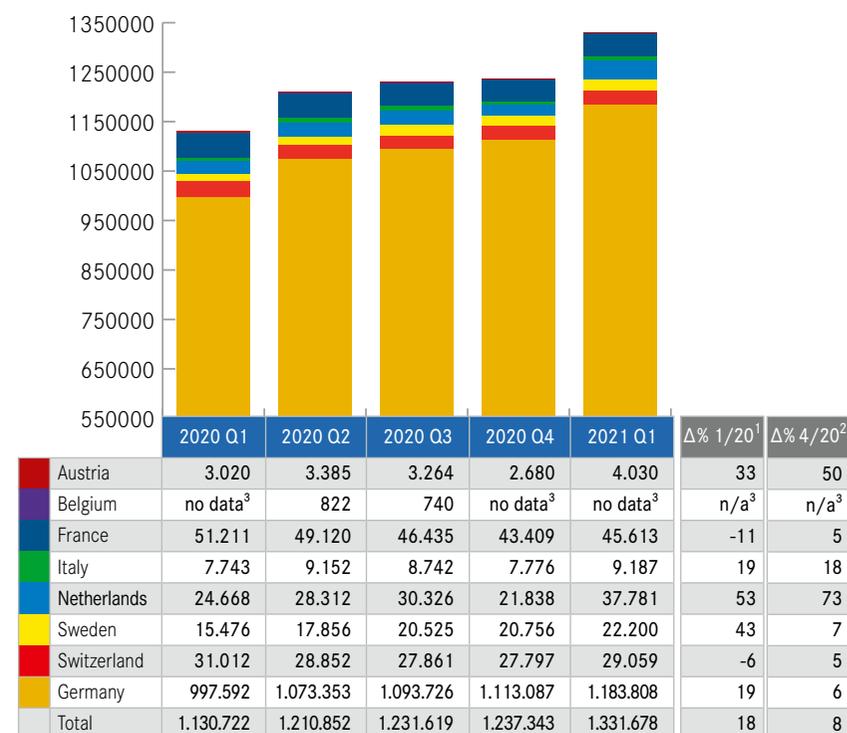
³ Reporting disruption due to operational transformation of the relevant trading venue.

6. Number of exchange listed products

Investment Products



Leverage Products



Source: Country Associations, Derivative Partners

¹ Field indicates per cent change between Q1 /2021 and equivalent last year quarter Q1 /2020.

² Field indicates per cent change between reporting quarter Q1/2021 and previous quarter Q4/2020.

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

7. Appendix

Data sources

EUSIPA Members

Derivative Partners

Key date is 31st of March 2021. The exchange rates for CHF/EUR and SEK/EUR are defined at the last trading day of each quarter.

Contact

Thomas Wulf | Secretary General

EUSIPA - European Structured Investment Products Association

Rond Point Schuman 2-4

Level 6

1040 Brussels | Belgium

Phone: +32 2 550 34 15

Mobile: +32 475 25 15 99

wulf@eusipa.org

www.eusipa.org

The data is collected by Derivative Partners

Patrick Walther | Data Management & Valuation Services

c/o Avaloq Evolution AG

Allmendstrasse 140

8027 Zurich | Switzerland

Phone: +41 (0) 58 316 10 10

patrick.walther@avalog.com

Disclaimer

EUSIPA, the country associations and Derivative Partners do not guarantee the accuracy of this document. We hereby authorize reprints of and quotes with attributions from this document.

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

