

Increasing volume on Europe's structured products markets

EUR 406 billion open interest across reporting markets / turnover increasing.

Turnover in investment and leverage products on reporting European financial markets was up 5 percent quarter on quarter and 19 percent year on year in the fourth quarter of 2023, bringing the total to EUR 29 billion. These and other market data were sourced by the European Structured Investment Products Association (EUSIPA) from its members and analysed by Avaloq Group Ltd.

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 Détail et de Bourse (AFPDB), Bundesverband für Strukturierte Wertpapiere (BSW), Associazione Italiana Certificati e Prodotti di Investimento (ACEPI), the Netherlands Structured Investment Products Association (NEDSIPA), the Swedish Exchange Traded Investment Products Association (SETIPA), the Swiss Structured Products Association (SSPA), and the Luxembourg Structured Investment Products Association (LUXSIPA).

Fourth-quarter turnover in investment products (36 percent of total traded volume) on European trading venues increased by 23 percent quarter on quarter and by 30 percent year on year. Turnover in leverage products (Warrants, Knock-Out Warrants, and Constant Leverage Certificates) stayed at EUR 19 billion in the period from October to December, representing 64 percent of total turnover. Turnover in leverage products increased by 14 percent year on year and stayed the same quarterly.

At the end of December, trading venues located in reporting EUSIPA markets were offering 451,988 investment products and 1,912,205 leverage products. As such, the number of listed products increased by 4 percent on a quarterly basis and by 12 percent on the previous year.

Banks issued 1,680,382 new investment and leverage products in the fourth quarter of 2023, up 12 percent on the previous quarter and 3 percent annually. In total, 179,793 new investment products were launched, accounting for 11 percent of new issues; the 1,500,589 new leverage products represent 89 percent of the total. There were 31 percent more investment products launched compared to Q3 2023.

For Austria, Belgium, Germany, Switzerland, Luxembourg and Italy, the **market volume of investment and leverage products** issued as securities increased by 4 percent from the previous quarter to a total of EUR 406 billion.

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At the end of December, the market volume of investment products stood at EUR 392 billion – up 3 percent quarter on quarter.

The outstanding volume of leverage products totalled EUR 14 billion at the end of December. This represents a 28 percent increase on a year-on-year basis.

About EUSIPA

EUSIPA represents the interests of the European structured products business. The focal point of its activities are structured investment products and leverage instruments, as 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

Q4/2023



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1. Highlights

Turnover: Increase between quarters

In the fourth quarter of 2023, turnover in structured investment and leverage products in note-based format accounted for 29 bn EUR across reporting markets which is an 5% increase compared to the previous quarter and an 19% increase equivalent to Q4 2022. Leverage products accounted for a turnover of 19 bn EUR in Q4 2023. Their quarterly turnover stayed the same and increased by 14% compared to Q4 2022. Turnover in non-leverage investment products increased by 30% on an annual basis.

Outstanding Volume: Rising figures

The Q4 2023 figures for the Austrian, Belgian, German¹, Swiss², Luxembourg and Italian markets indicate a total amount of 406 bn EUR held in note-based structured products, which is an 4% increase compared to the last quarter Q3 2023 and an 30% increase on an annual basis.

Number of New Issuances: Quarterly increase

The overall number of new issuances increased during Q4 2023 when measured against the preceding quarter Q3 2023 (1.680.382 versus 1.496.606 products in Q3 2023). When singled out, the number of newly issued investment products increased by 31% on a quarter-by-quarter comparison and by 30% when compared to Q4 2022. For leverage products as area having traditionally the highest share in new issuances, the number of new listings increased by 10% compared to the preceding quarter Q3 2023 and by 1% on an annual basis.

Total Number of Products: Continuous Increase

Markets of contributing EUSIPA member associations reported 2.364.193 products as open (non-matured) in Q4 2023, which is an increase of 4% compared to the preceding quarter Q3 2023 and an increase of 12% on an annual basis. In the leverage products segment, the total number of products increased by 4% compared to the previous quarter Q3 2023 and increased by 13% on an annual basis.

¹ For the statistics on the German market, the BSW uses data from 16 major issuers (Barclays Bank new since June 2023) on the sales of listed note-based structured retail products to customers based in Germany. The issuers come from all sectors of the banking industry in Germany: cooperative banks, public banks, and private banks.

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 (Q4/2023)

	 Austria	 Belgium	 France	 Germany	 Italy	 Netherlands	 Luxembourg	 Sweden	 Switzerland ¹	 EUSIPA
Exchange Turnover (Mio. EUR)										
1 Investment Products	179	848	60	3.422	3.310	7	727	687	1.383	10.623
11 Capital Protected	n/a	n/a	0	98	n/a	0	201	0	18	317
12 Yield-Enhancement	n/a	n/a	49	2.244	n/a	5	453	0	582	3.333
13 Participation	n/a	n/a	11	1.066	n/a	2	31	667	782	2.559
199 Various	n/a	n/a	0	14	n/a	0	42	20	1	77
2 Leverage Products	4	n/a	2.368	8.514	1.505	458	n/a	5.209	612	18.670
21 Without Knock-Out	n/a	n/a	409	1.782	n/a	22	n/a	47	n/a	2.260
22 With Knock-Out	n/a	n/a	1.675	5.935	n/a	401	n/a	3.341	n/a	11.352
23 Constant Leverage	n/a	n/a	284	797	n/a	35	n/a	1.821	n/a	2.937
Various	n/a	n/a	0	n/a	n/a	0	n/a	0	n/a	0
Total	183	848	2.428	11.936	4.815	465	727	5.896	1.995	29.293
Total change - Δ in % to Q4/22 ²	-22	25	0	3	42	-16	-1	119	-14	19
Total change - Δ in % to Q3/23 ³	3	115	9	-1	8	21	22	-1	13	5
Outstanding Volume (Mio. EUR)										
1 Investment Products	14.454	14.546	n/a	100.247	48.496	n/a	4.236	n/a	209.815	391.794
11 Capital Protected	n/a	n/a	n/a	56.409	n/a	n/a	2.071	n/a	35.748	94.228
12 Yield-Enhancement	n/a	n/a	n/a	36.317	n/a	n/a	1.652	n/a	75.157	113.126
13 Participation	n/a	n/a	n/a	4.370	n/a	n/a	402	n/a	95.270	100.042
199 Various	n/a	n/a	n/a	3.151	n/a	n/a	111	n/a	3.640	6.902
2 Leverage Products	146	n/a	n/a	2.706	0	n/a	n/a	n/a	11.534	14.386
21 Without Knock-Out	n/a	n/a	n/a	1.032	n/a	n/a	n/a	n/a	n/a	1.032
22 With Knock-Out	n/a	n/a	n/a	1.328	n/a	n/a	n/a	n/a	n/a	1.328
23 Constant Leverage	n/a	n/a	n/a	346	n/a	n/a	n/a	n/a	n/a	346
Various	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
Total	14.600	14.546	n/a	102.953	48.496	n/a	4.236	n/a	221.349	406.180
Total change - Δ in % to Q4/22 ²	7	8	n/a	46	n/a	n/a	91	n/a	5	30
Total change - Δ in % to Q3/23 ³	2	-2	n/a	2	n/a	n/a	0	n/a	3	4

Source: Country Associations. Avaloq Group Ltd.

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 Q4/2023 and equivalent last year quarter Q4/2022.

³ Field indicates per cent change between reporting quarter Q4/2023 and previous quarter Q3/2023.

2. Quarterly overview (Q4/2023)

	 Austria	 Belgium	 France	 Germany	 Italy	 Netherlands	 Luxembourg	 Sweden	 Switzerland ¹	 EUSIPA
Number of New Listings on Exchange										
1 Investment Products	597	28	584	173.565	1.378	239	605	18	2.779	179.793
11 Capital Protected	n/a	n/a	0	155	n/a	2	66	6	28	257
12 Yield-Enhancement	n/a	n/a	584	88.972	n/a	165	421	0	2.673	92.815
13 Participation	n/a	n/a	0	84.398	n/a	72	68	3	69	84.610
199 Various	n/a	n/a	0	40	n/a	0	50	9	9	108
2 Leverage Products	1.182	n/a	108.863	1.325.271	5.911	24.652	n/a	11.086	23.624	1.500.589
21 Without Knock-Out	446	n/a	20.459	325.628	n/a	873	n/a	759	n/a	348.165
22 With Knock-Out	736	n/a	82.200	989.230	n/a	23.002	n/a	8.836	n/a	1.104.004
23 Constant Leverage	0	n/a	6.204	10.413	n/a	777	n/a	1.491	n/a	18.885
Various	0	n/a	0	n/a	n/a	0	n/a	0	n/a	0
Total	1.779	28	109.447	1.498.836	7.289	24.891	605	11.104	26.403	1.680.382
Total change - Δ in % to Q4/22 ²	16	-68	0	6	-2	-48	63	-15	-16	3
Total change - Δ in % to Q3/23 ³	92	-18	11	13	7	-16	6	-17	16	12
Number of Exchange Listed Products										
1 Investment Products	4.108	1.596	1.583	415.909	9.193	509	3.055	308	15.727	451.988
11 Capital Protected	n/a	n/a	0	1.322	n/a	2	512	23	449	2.308
12 Yield-Enhancement	n/a	n/a	1.454	248.195	n/a	349	2.086	19	13.416	265.519
13 Participation	n/a	n/a	129	164.817	n/a	158	322	115	1.736	167.277
199 Various	n/a	n/a	0	1.575	n/a	0	135	151	126	1.987
2 Leverage Products	3.899	n/a	97.618	1.690.755	7.859	35.232	n/a	24.442	52.400	1.912.205
21 Without Knock-Out	1.166	n/a	38.746	681.245	n/a	2.684	n/a	2.147	n/a	725.988
22 With Knock-Out	2.733	n/a	49.992	924.933	n/a	27.273	n/a	10.475	n/a	1.015.406
23 Constant Leverage	0	n/a	8.880	84.577	n/a	5.275	n/a	11.820	n/a	110.552
Various	0	n/a	0	n/a	n/a	0	n/a	0	n/a	0
Total	8.007	1.596	99.201	2.106.664	17.052	35.741	3.055	24.750	68.127	2.364.193
Total change - Δ in % to Q4/22 ²	1	-5	0	14	16	-15	58	5	1	12
Total change - Δ in % to Q3/23 ³	8	-3	-13	6	-3	-12	-1	-28	4	4

Source: Country Associations. Avaloq Group Ltd.

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'.

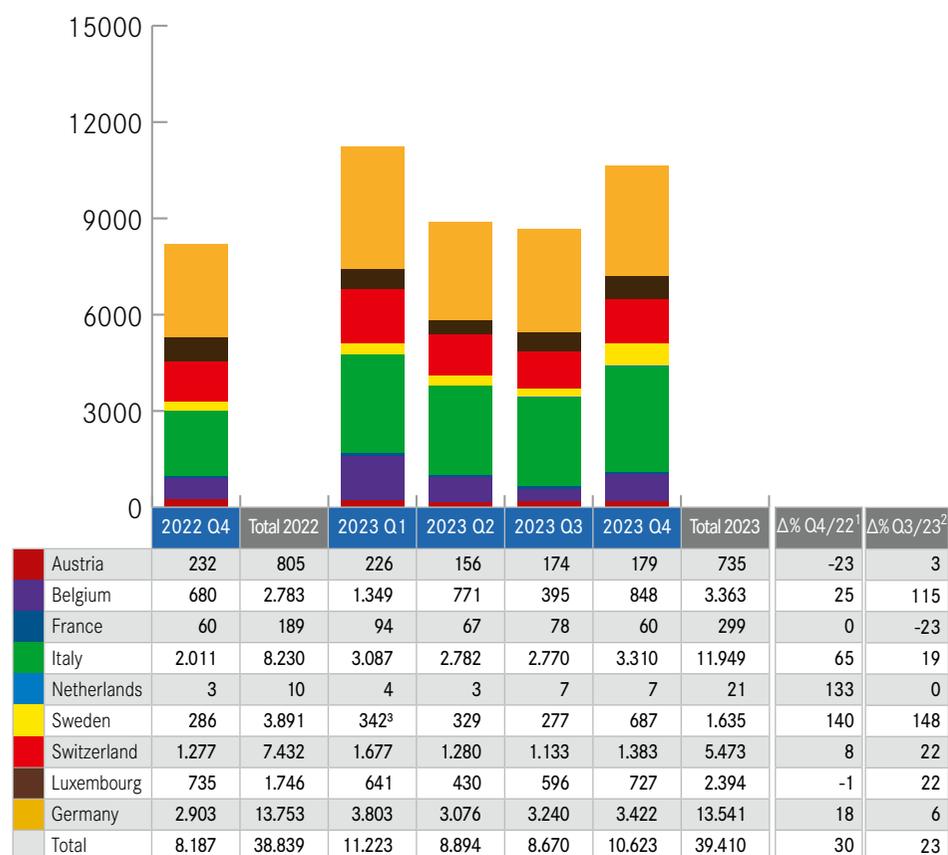
² Field indicates per cent change between Q4/2023 and equivalent last year quarter Q4/2022.

³ Field indicates per cent change between reporting quarter Q4/2023 and previous quarter Q3/2023.

3. Exchange turnover

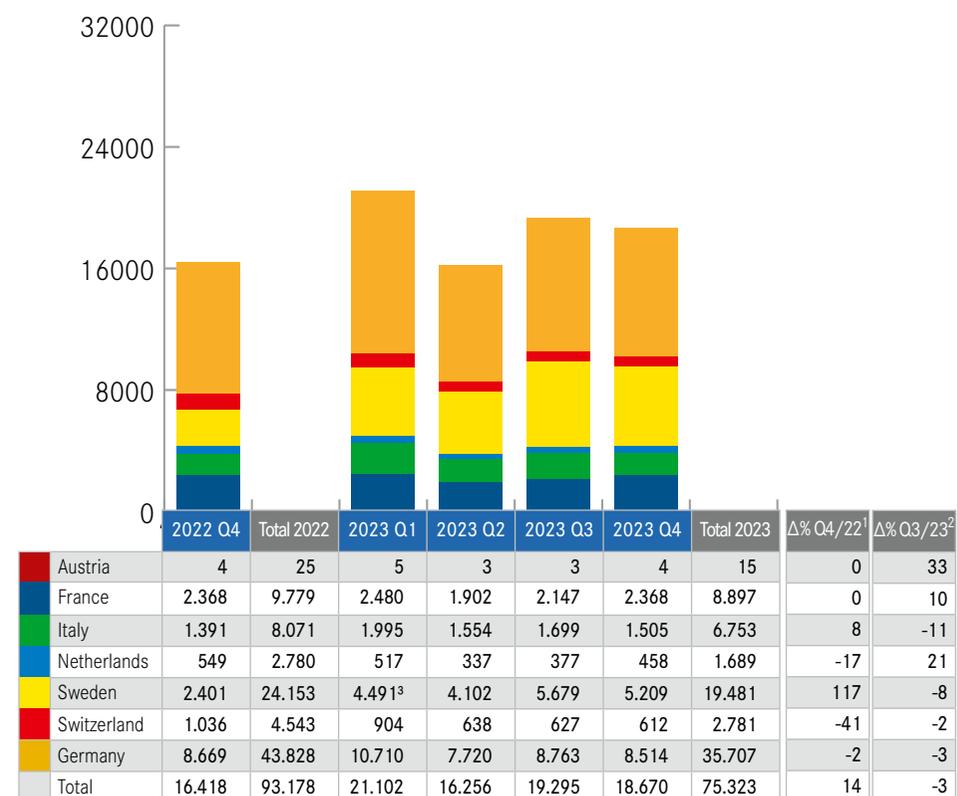
Investment Products

in Mio. EUR



Leverage Products

in Mio. EUR



Source: Country Associations. Avaloq Group Ltd.

¹ Field indicates per cent change between Q4/2023 and equivalent last year quarter Q4/2022.

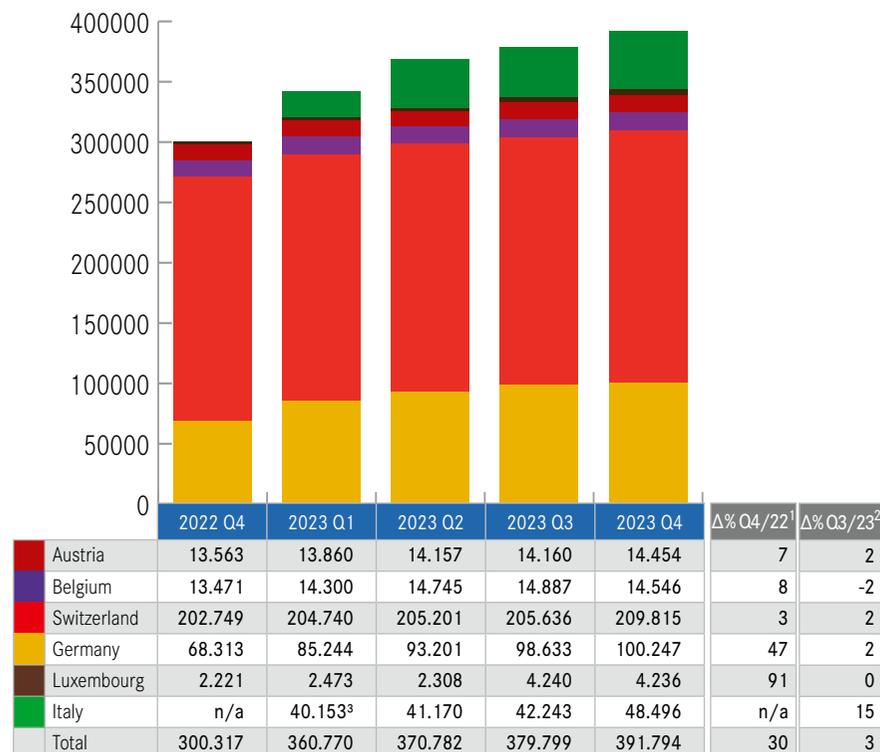
² Field indicates per cent change between reporting quarter Q4/2023 and previous quarter Q3/2023.

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

4. Outstanding volume

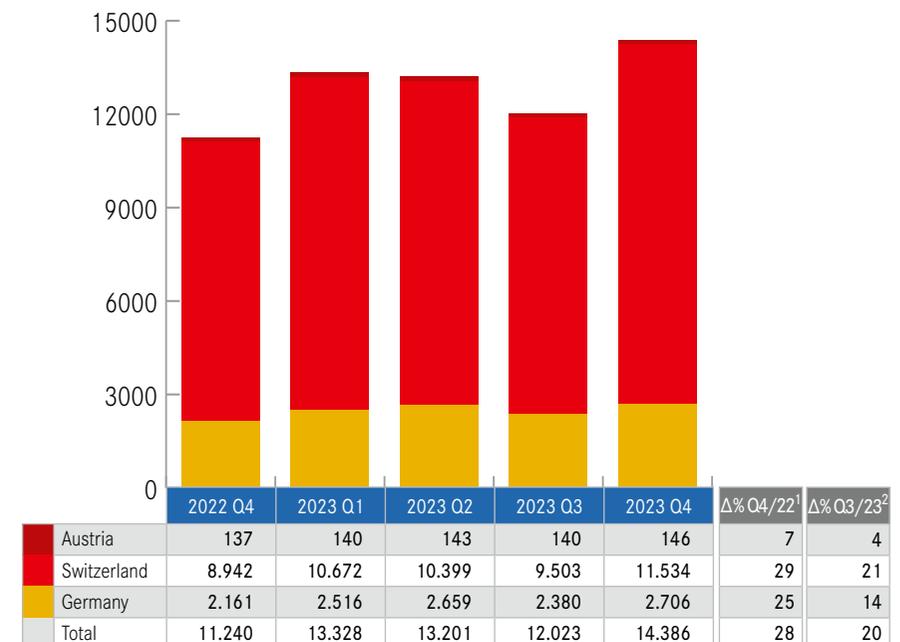
Investment Products

in Mio. EUR



Leverage Products

in Mio. EUR



Source: Country Associations. Avaloq Group Ltd.

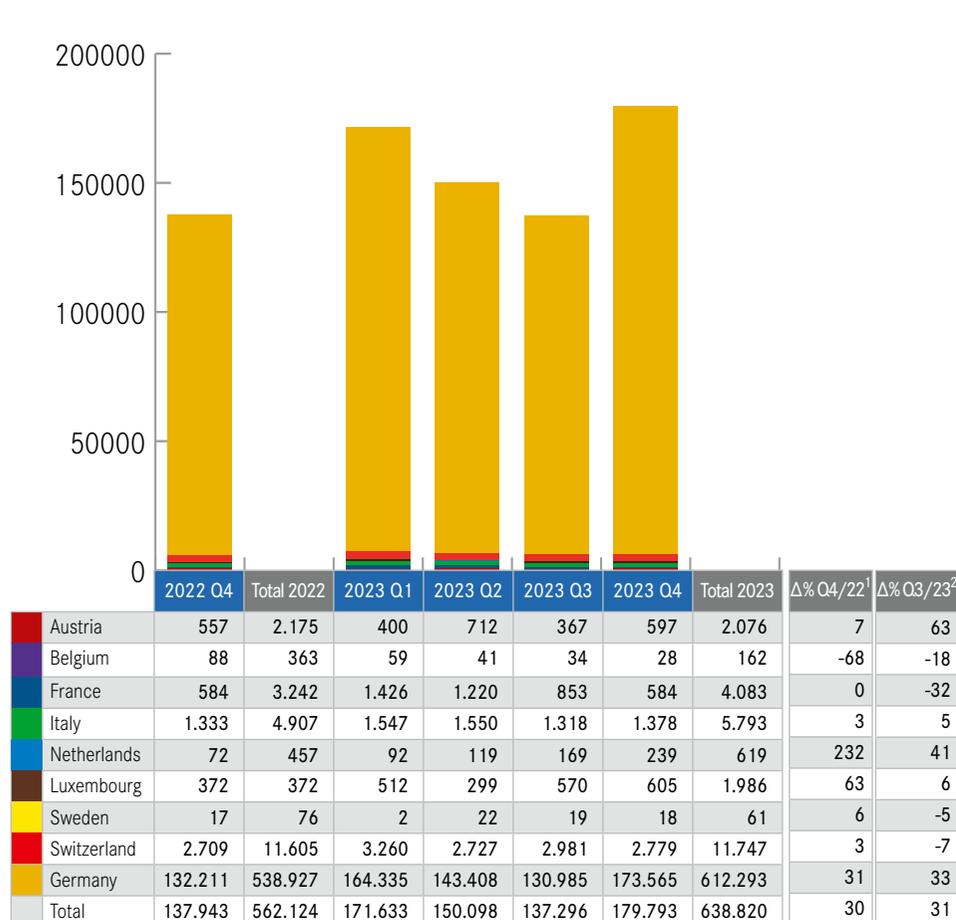
¹ Field indicates per cent change between Q4/2023 and equivalent last year quarter Q4/2022.

² Field indicates per cent change between reporting quarter Q4/2023 and previous quarter Q3/2023.

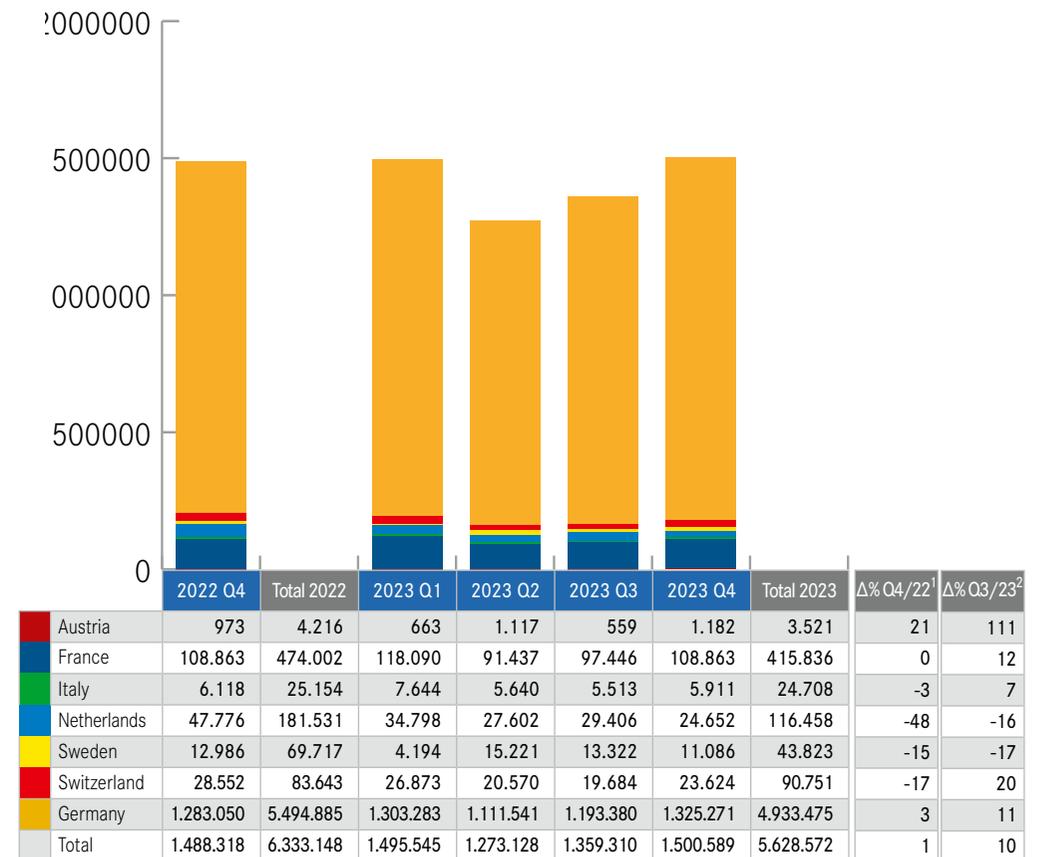
³ Data correction by issuer.

5. Number of new listings on exchange

Investment Products



Leverage Products



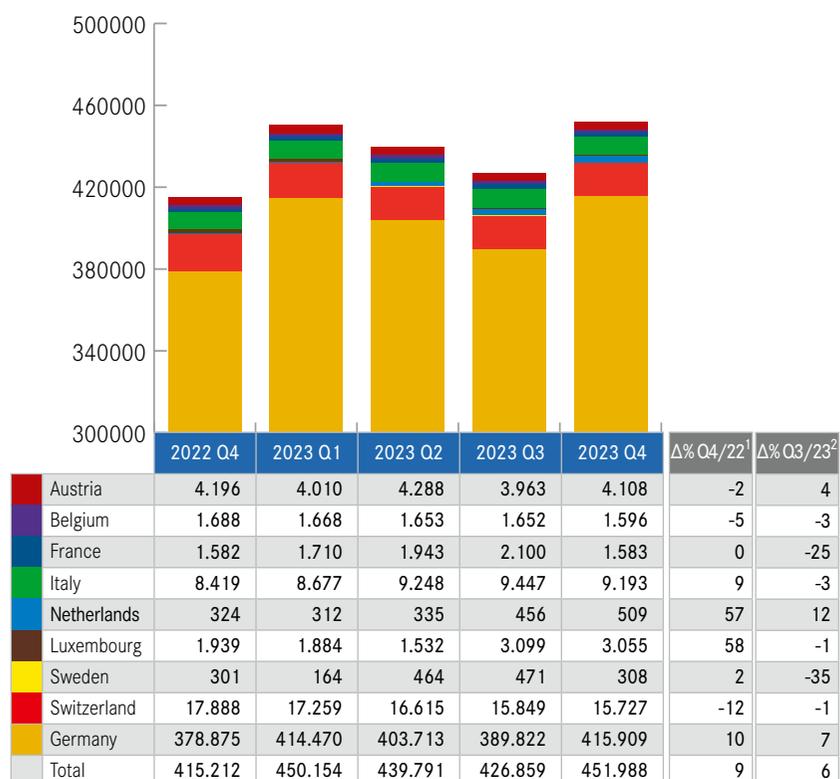
Source: Country Associations. Avaloq Group Ltd.

¹ Field indicates per cent change between Q4/2023 and equivalent last year quarter Q4/2022.

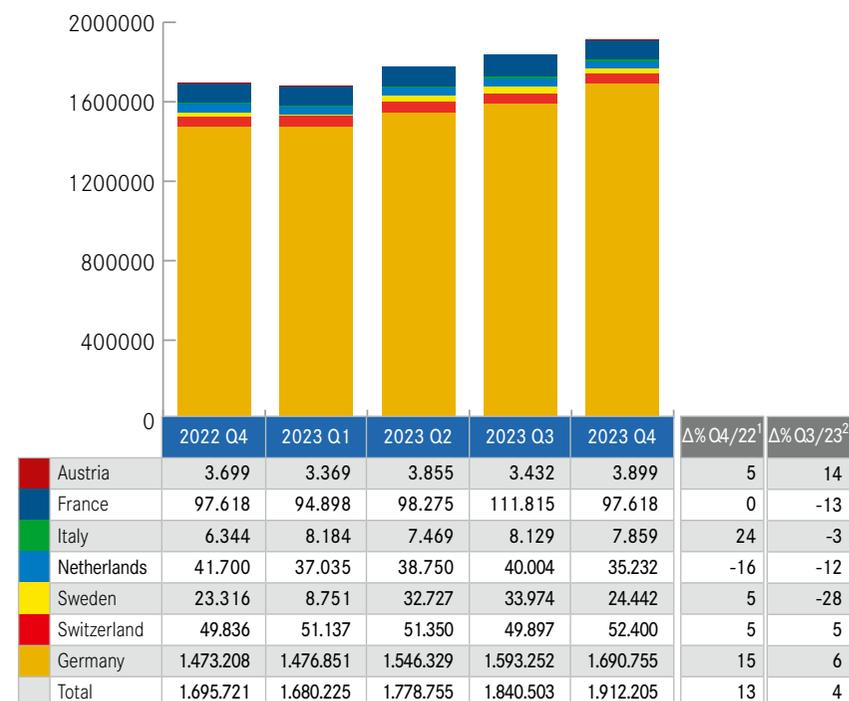
² Field indicates per cent change between reporting quarter Q4/2023 and previous quarter Q3/2023.

6. Number of exchange listed products

Investment Products



Leverage Products



Source: Country Associations. Avaloq Group Ltd.

¹ Field indicates per cent change between Q4/2023 and equivalent last year quarter Q4/2022.

² Field indicates per cent change between reporting quarter Q4/2023 and previous quarter Q3/2023.

7. Appendix

Data sources

EUSIPA Members

Avaloq Evolution AG

Key date is 31st December 2023. 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

Bundesverband Strukturierter Wertpapiere (BSW)

www.derbsw.de



Italy

Associazione Italiana Certificati e prodotti di Investimento (ACEPI)

www.acepi.it



Luxembourg

Luxembourg Structured Investment Products Association

www.luxsipa.lu



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.ssipa.ch



Belgium

Belgian Structured Investment Products Association (BELSIPA)

www.belsipa.be

