



BELSIPA Market Report
on retail structured products
Q1/2017 | Public Version

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1. Introductory remark

BELSIPA, the association of issuers of structured products in Belgium, publishes with this document the fifth edition of its regular market report on the sale and trade of structured products to retail investors in Belgium. The reporting period is the first quarter of 2017 (January to March).

The commercial entities submitting data to the report comprise BELSIPA's members and a number of other important market participants. A complete list of the entities submitting data can be taken from the appendix section at the end of the report.

The reported categories are:

- Turnover (primary and secondary market transactions),
- Outstanding volume (retail customer assets invested, which equals "AuM"/"Assets under Management" for funds),
- Number of new products launched on the retail market and
- Total number of products (meaning the total of non-matured products on the secondary retail market) at the end of March.

These data are compared in the overview pages on product categories and underlying.

Please enjoy reading.

2. Highlights

Market Turnover: Secondary market increase in Structured Funds

In the first quarter of 2017 the turnover of structured products sold on the primary market in Belgium amounted to 1.283 bn EUR, a decrease of 8% compared to the fourth quarter of 2016. In contrast, the turnover in the secondary market accounted for 1.195 bn EUR, which represents an increase of 25% compared to the fourth quarter of 2016. While structured notes made for the biggest share in the primary market (64%), structured funds took this role on the secondary market (54%). Underlying-wise, products referenced to equities accounted for 0.749 bn EUR (primary market) and 0.935 bn EUR (secondary market). Products with a fixed-income underlying accounted for 0.426 bn EUR and 0.143 bn EUR, respectively.

Outstanding Volume: Slight increase

At the end of March 2017, the outstanding volume in structured products held by customers of the data-submitting entities was 34.1 bn EUR, which is an overall increase of 1.2% compared to the end of the fourth quarter of 2016. The increase was driven exclusively by the growth of structured notes (up by 5%) while structured funds saw a decrease in outstanding volume (down by 4%).

Number of New Products: Decrease in new issues

The number of new structured products issued in Belgium between January and March 2017 decreased by 46% (304 products issued in Q1 2017 against 567 new products in Q4 2016). 71% of all new products were issued in the leveraged products segment, while structured notes accounted for 22%. Measured by underlying type, equity-linked instruments represented a share of 86% of all newly issued products.

Total Number of Products: Increasing number

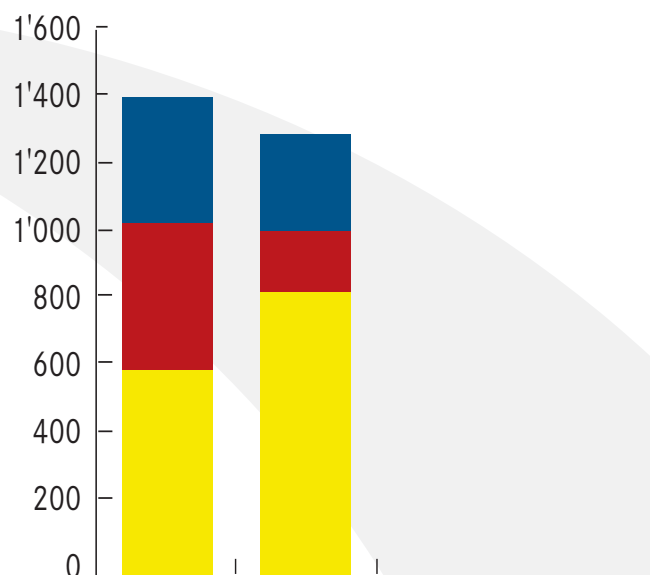
At the end of March 2017, a total of 3'334 products were open/non-matured on the Belgian market. This is an increase compared to the end of the fourth quarter of 2016 (3'104). With 41% of all non-matured products at the end of March 2017 (1'373 products out of 3'334), notes are still the dominating format of structured products in the Belgian market.

BELSIPA Market Report Q1/2017 per Product Category

January - March 2017

Turnover primary market

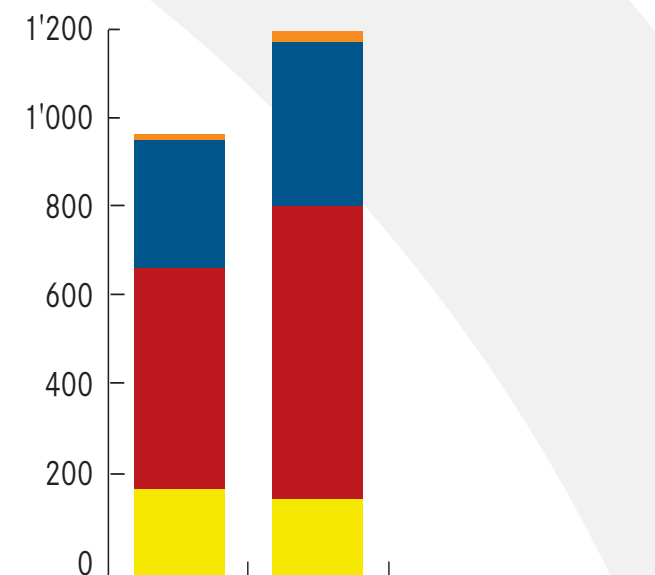
in Mio. EUR



	BELSIPA Total Q4/16	BELSIPA Total Q1/17	Δ in % to Q4/16*	Δ in % to Q1/16**
Leverage Products	0	0	0%	0%
Structured Insurance Products	369	283	-23%	0%
Structured Funds	429	177	-59%	-38%
Structured Notes	598	823	38%	-2%
Other Structured Products	0	0	0%	-100%
Total	1'396	1'283	-8%	-11%
Total Turnover (primary + secondary market)	2'350	2'478	5%	12%
Share Primary vs. Total Market	59%	52%	-8%	-13%

Turnover secondary market

in Mio. EUR



	BELSIPA Total Q4/16	BELSIPA Total Q1/17	Δ in % to Q4/16*	Δ in % to Q1/16**
Leverage Products	13	25	92%	39%
Structured Insurance Products	275	359	30%	52%
Structured Funds	478	641	34%	75%
Structured Notes	188	169	-10%	8%
Other Structured Products	0	0	0%	0%
Total	955	1'195	25%	54%
Total Turnover (primary + secondary market)	2'350	2'478	5%	12%
Share Secondary vs. Total Market	41%	48%	8%	13%

Source: Submitting Entities, Derivative Partners

* The field indicates per cent change between reporting the fourth quarter 2016 and the first quarter 2017.

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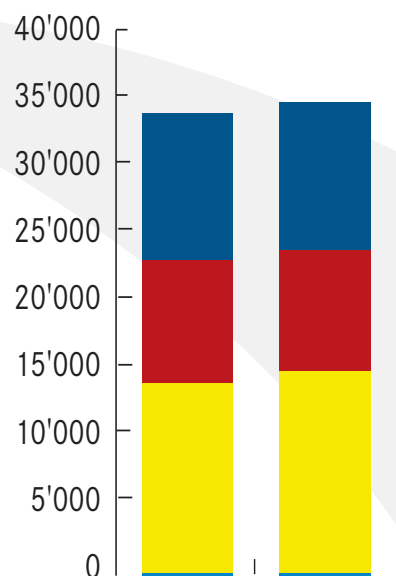
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BELSIPA Market Report Q1/2017 per Product Category

January - March 2017

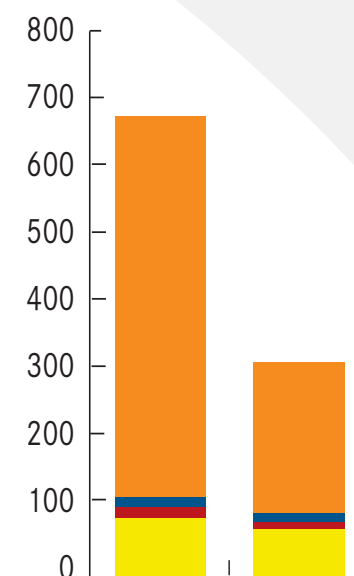
Outstanding Volume

in Mio. EUR



	BELSIPA Total Q4/16	BELSIPA Total Q1/17	Δ in % to Q4/16*	Δ in % to Q1/16**
Leverage Products	3	3	0%	50%
Structured Insurance Products	10'695	10'692	0%	2%
Structured Funds	8'983	8'661	-4%	-4%
Structured Notes	13'852	14'583	5%	4%
Other Structured Products	167	166	-1%	-50%
Total	33'700	34'104	1%	0%

Number of New Products



	BELSIPA Total Q4/16	BELSIPA Total Q1/17	Δ in % to Q4/16*	Δ in % to Q1/16**
Leverage Products	470	215	-54%	-65%
Structured Insurance Products	13	14	8%	27%
Structured Funds	13	9	-31%	-25%
Structured Notes	71	66	-7%	-24%
Other Structured Products	0	0	0%	-100%
Total	567	304	-46%	-59%

Source: Submitting Entities, Derivative Partners

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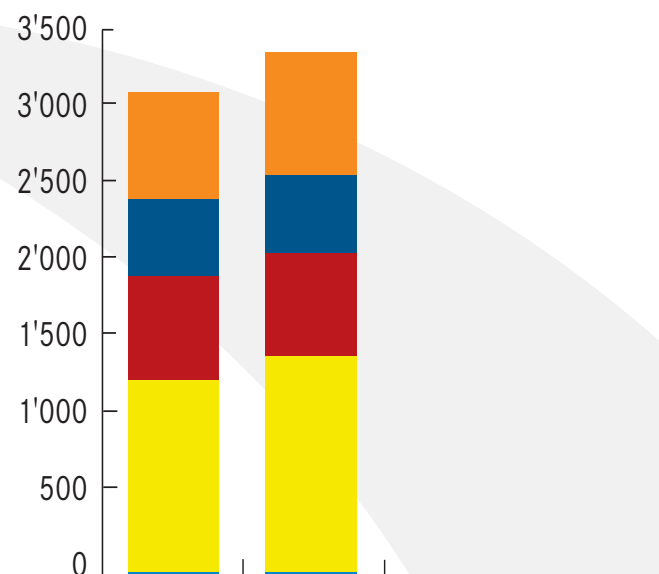
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BELSIPA Market Report Q1/2017 per Product Category

January - March 2017

Total Number of Products



	BELSIPA Total Q4/16	BELSIPA Total Q1/17	Δ in % to Q4/16*	Δ in % to Q1/16**
Leverage Products	690	786	14%	29%
Structured Insurance Products	491	494	1%	2%
Structured Funds	670	660	-1%	-20%
Structured Notes	1'232	1'373	11%	18%
Other Structured Products	21	21	0%	-34%
Total	3'104	3'334	7%	7%

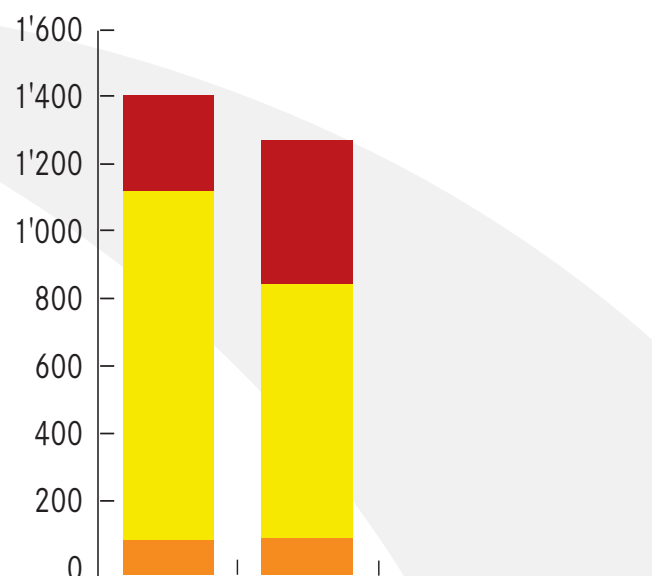
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BELSIPA Market Report Q1/2017 per Underlying Type

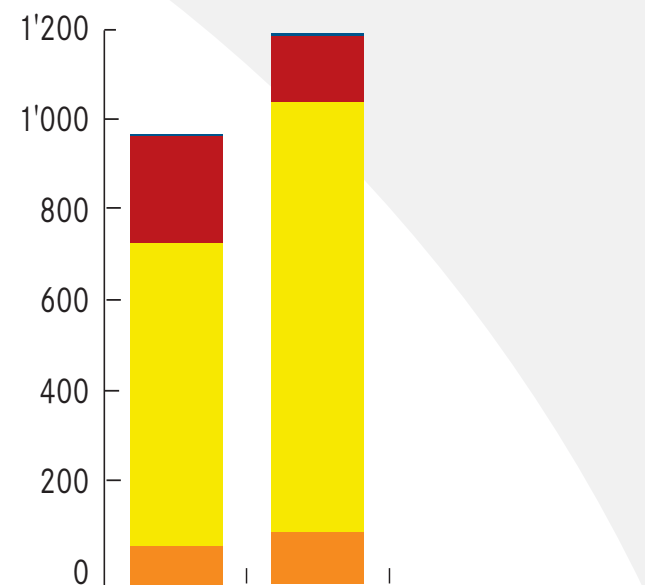
January - March 2017

Turnover primary market
in Mio. EUR



	BELSIPA Total Q4/16	BELSIPA Total Q1/17	Δ in % to Q4/16*	Δ in % to Q1/16**
with commodity underlying	0	0	0%	-100%
with fixed-income underlying	280	426	52%	182%
with equity-linked underlying	1'015	749	-26%	-37%
with various underlying	101	108	7%	10%
Total	1'395	1'283	-8%	-11%
(with capital protection feature)	(581)	(737)	27%	36%
Total Turnover (primary + secondary market)	2'350	2'478	5%	12%

Turnover secondary market
in Mio. EUR



	BELSIPA Total Q4/16	BELSIPA Total Q1/17	Δ in % to Q4/16*	Δ in % to Q1/16**
with commodity underlying	4	6	44%	460%
with fixed-income underlying	227	143	-37%	-19%
with equity-linked underlying	643	935	45%	70%
with various underlying	81	111	38%	123%
Total	955	1'195	25%	54%
(with capital protection feature)	(465)	(496)	7%	-1%
Total Turnover (primary + secondary market)	2'350	2'478	5%	12%

Source: Submitting Entities, Derivative Partners

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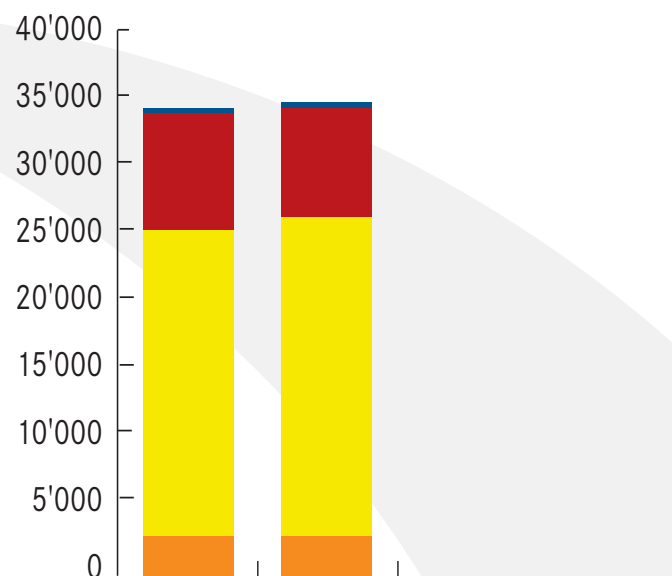
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BELSIPA Market Report Q1/2017 per Underlying Type

January - March 2017

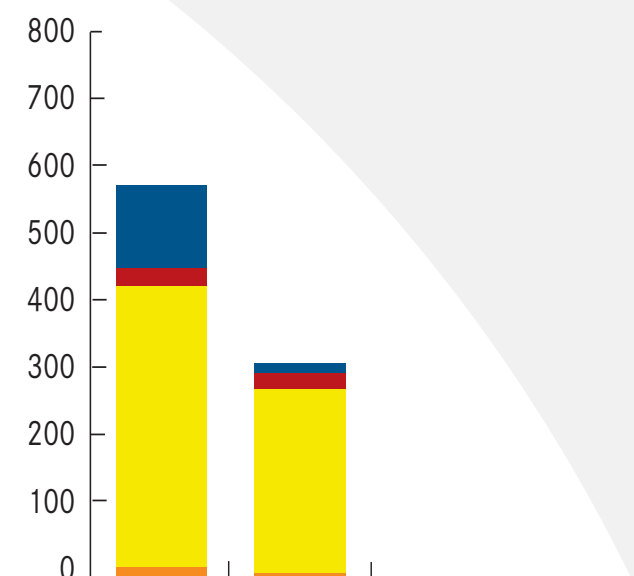
Outstanding Volume

in Mio. EUR



	BELSIPA Total Q4/16	BELSIPA Total Q1/17	Δ in % to Q4/16*	Δ in % to Q1/16**
with commodity underlying	399	384	-4%	69%
with fixed-income underlying	8'413	7'907	-6%	-13%
with equity-linked underlying	22'059	22'982	4%	8%
with various underlying	2'829	2'831	0%	-14%
Total	33'700	34'104	1%	0%
(with capital protection feature)	(20'497)	(18'783)	-8%	-15%

Number of New Products



	BELSIPA Total Q4/16	BELSIPA Total Q1/17	Δ in % to Q4/16*	Δ in % to Q1/16**
with commodity underlying	120	14	-88%	-33%
with fixed-income underlying	26	23	-12%	10%
with equity-linked underlying	408	262	-36%	-61%
with various underlying	13	5	-62%	-69%
Total	567	304	-46%	-59%
(with capital protection feature)	(56)	(58)	4%	-24%

Source: Submitting Entities, Derivative Partners

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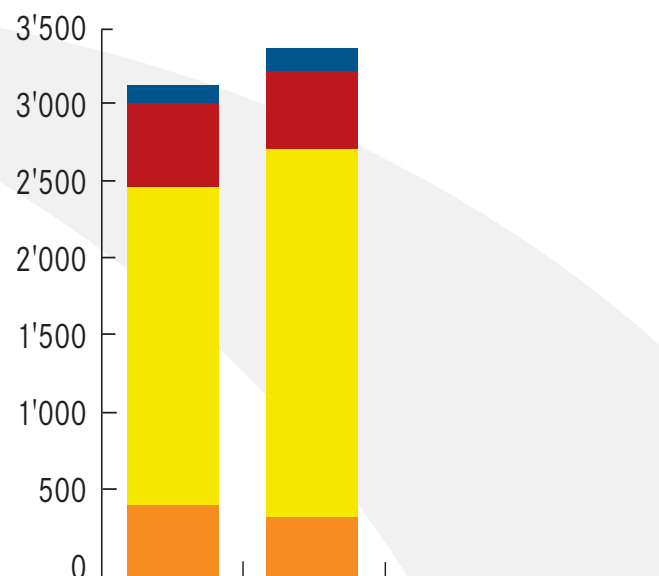
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BELSIPA Market Report Q1/2017 per Underlying Type

January - March 2017

Total Number of Products



	BELSIPA Total Q4/16	BELSIPA Total Q1/17	Δ in % to Q4/16*	Δ in % to Q1/16**
with commodity underlying	112	148	32%	722%
with fixed-income underlying	529	492	-7%	-8%
with equity-linked underlying	2'004	2'315	16%	10%
with various underlying	459	379	-17%	-17%
Total	3'104	3'334	7%	7%
(with capital protection feature)	(1'542)	(1'518)	-2%	-7%

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7. Appendix

Data sources

BELSIPA Members

Derivative Partners AG

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AG Insurance
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Belfius Bank
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