



BELSIPA Market Report
on retail structured products
Q4/2016 | 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 fourth quarter of 2016 (October to December).

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 December.

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

Please enjoy reading.

2. Highlights

Market Turnover: Primary turnover dominated by Notes, secondary by Funds

In the fourth quarter of 2016 the turnover of structured products sold on the primary market in Belgium amounted to 1.396 bn EUR, an increase of 14% compared to the third quarter of 2016. The turnover in the secondary market accounted for 0.955 bn EUR, which represents an increase of 39% compared to the third quarter. While structured notes made for the biggest share in the primary market (43%), structured funds took this role on the secondary market (50%). However, the primary market turnover in funds increased sharply by 56%. Underlying-wise, products referenced to equities accounted for 1.015 bn EUR (primary market) and 0.643 bn EUR (secondary market). Products with a fixed-income underlying accounted for 0.280 bn EUR and 0.227 bn EUR, respectively.

Outstanding Volume: Largely stable, slight increase

At the end of December 2016, the outstanding volume in structured products held by customers of the data-submitting entities was 33.7 bn EUR, which is an overall increase of 1% compared to the end of the third quarter of 2016. The increase was driven mainly by the growth of structured products in fund format (up by 2%) and in insurance products (up by 1%).

Number of New Products: Equity linked underlying favored

The number of new structured products issued in Belgium between October and December 2016 increased by 41% (567 products issued in Q4 2016 against 402 new products in Q3). 83% of all new products were issued in the leveraged products segment, while structured notes accounted for 13%. Measured by underlying type, equity-linked instruments represented a share of 72% of all newly issued products.

Total Number of Products: Stable Numbers

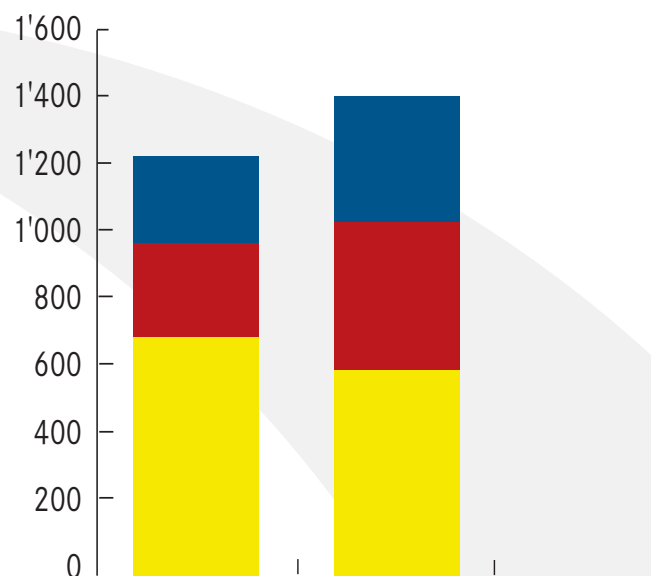
At the end of December 2016, a total of 3'104 products were open/non-matured on the Belgian market. This is a stable figure compared to the end of the third quarter of 2016 (3'103). Almost half of all non-matured products at the end of December 2016 (1'542 products out of 3'104) were capital-protected.

BELSIPA Market Report Q4/2016 per Product Category

October - December 2016

Turnover primary market

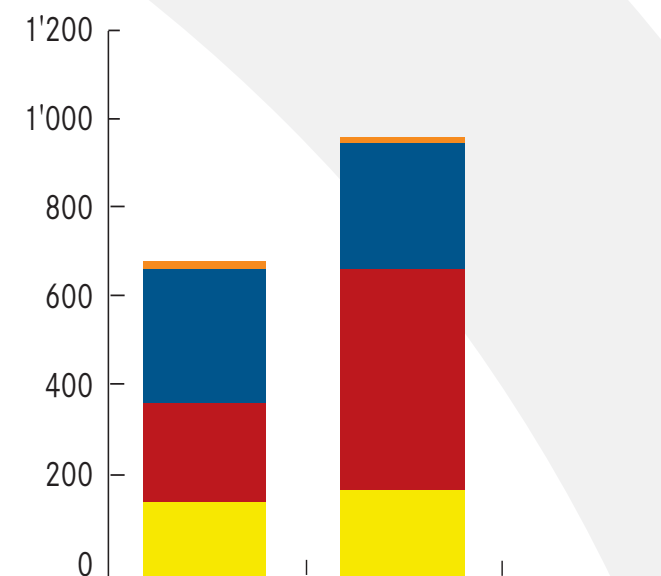
in Mio. EUR



	BELSIPA Total Q3/16	BELSIPA Total Q4/16	Δ in % to Q3/16*
Leverage Products	0	0	0%
Structured Insurance Products	253	369	46%
Structured Funds	275	429	56%
Structured Notes	693	598	-14%
Other Structured Products	0	0	0%
Total	1'221	1'396	14%
Total Turnover (primary + secondary market)	1'908	2'350	23%
Share Primary vs. Total Market	64%	59%	-5%

Turnover secondary market

in Mio. EUR



	BELSIPA Total Q3/16	BELSIPA Total Q4/16	Δ in % to Q3/16*
Leverage Products	19	13	-32%
Structured Insurance Products	290	275	-5%
Structured Funds	214	478	123%
Structured Notes	164	188	15%
Other Structured Products	0	0	0%
Total	687	955	39%
Total Turnover (primary + secondary market)	1'908	2'350	23%
Share Secondary vs. Total Market	36%	41%	5%

Source: Submitting Entities, Derivative Partners

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

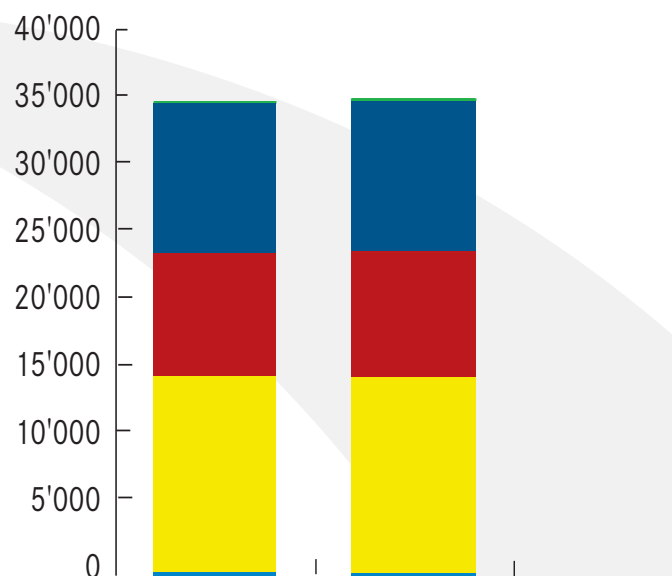
* The field indicates per cent change between reporting the third quarter 2016 and the fourth quarter 2016.

BELSIPA Market Report Q4/2016 per Product Category

October - December 2016

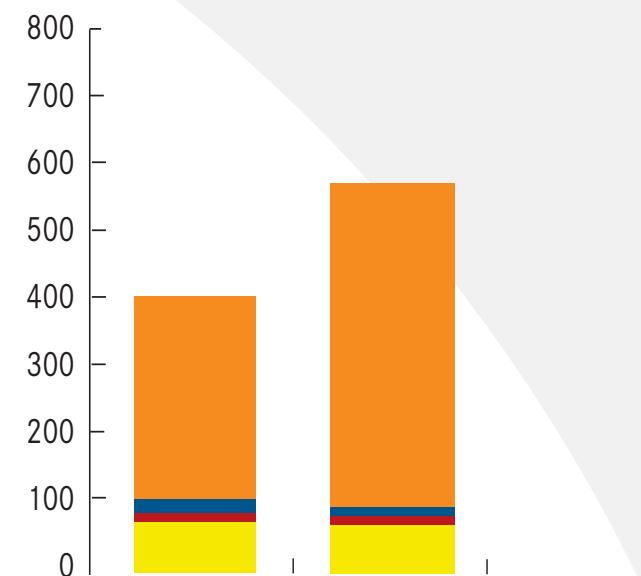
Outstanding Volume

in Mio. EUR



	BELSIPA Total Q3/16	BELSIPA Total Q4/16	Δ in % to Q3/16*
Leverage Products	2	3	50%
Structured Insurance Products	10'629	10'695	1%
Structured Funds	8'784	8'983	2%
Structured Notes	13'861	13'853	0%
Other Structured Products	223	167	-25%
Total	33'500	33'701	1%

Number of New Products



	BELSIPA Total Q3/16	BELSIPA Total Q4/16	Δ in % to Q3/16*
Leverage Products	296	470	59%
Structured Insurance Products	20	13	-35%
Structured Funds	13	13	0%
Structured Notes	73	71	-3%
Other Structured Products	0	0	0%
Total	402	567	41%

Source: Submitting Entities, Derivative Partners

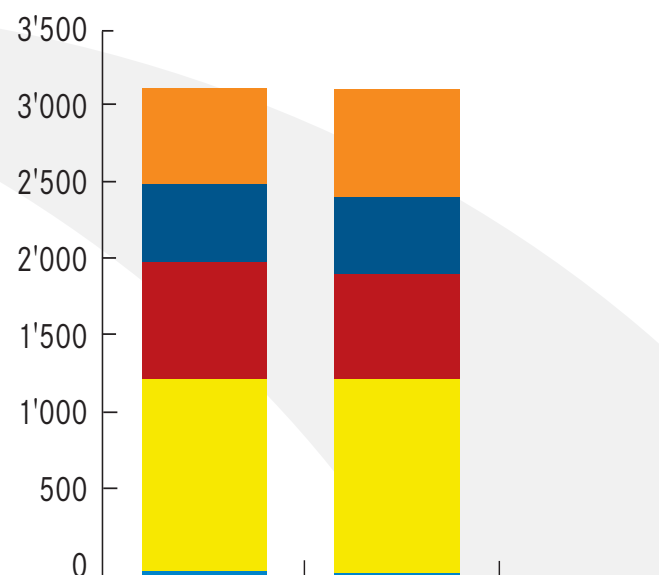
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BELSIPA Market Report Q4/2016 per Product Category

October - December 2016

Total Number of Products



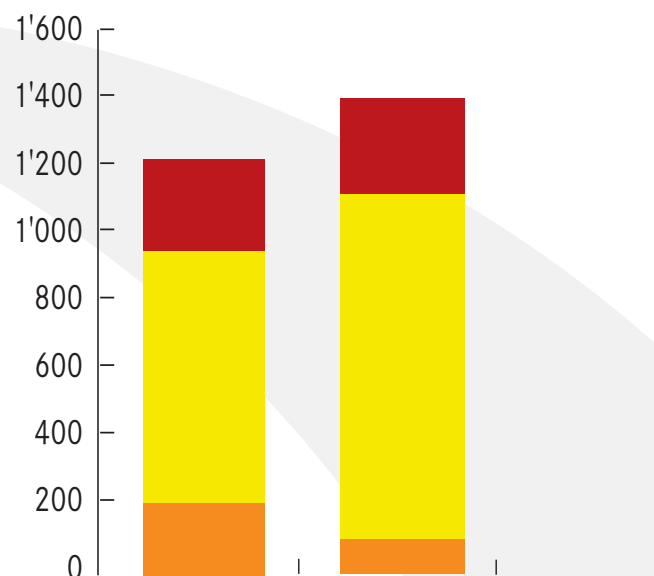
	BELSIPA Total Q3/16	BELSIPA Total Q4/16	Δ in % to Q3/16*
Leverage Products	613	690	13%
Structured Insurance Products	498	491	-1%
Structured Funds	741	670	-10%
Structured Notes	1'227	1'232	0%
Other Structured Products	24	21	-13%
Total	3'103	3'104	0%

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

BELSIPA Market Report Q4/2016 per Underlying Type

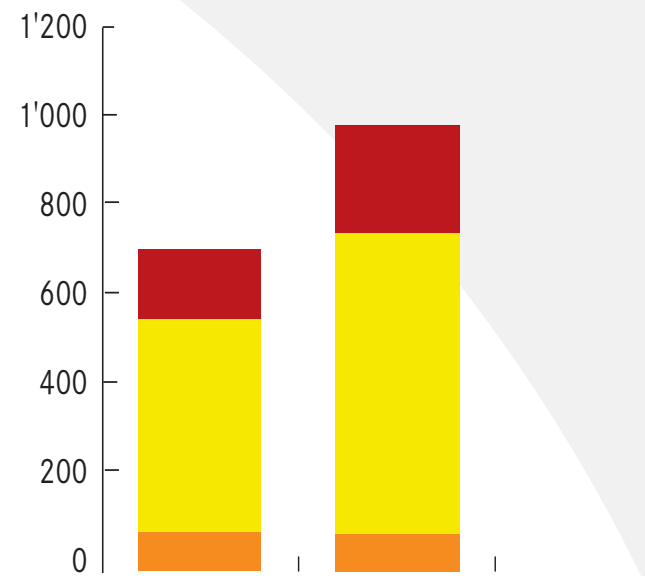
October - December 2016

Turnover primary market
in Mio. EUR



	BELSIPA Total Q3/16	BELSIPA Total Q4/16	Δ in % to Q3/16*
with commodity underlying	0	0	0%
with fixed-income underlying	269	280	4%
with equity-linked underlying	739	1'015	37%
with various underlying	213	101	-53%
Total	1'221	1'396	14%
(with capital protection feature)	(610)	(581)	-5%
Total Turnover (primary + secondary market)	1'908	2'350	19%

Turnover secondary market
in Mio. EUR



	BELSIPA Total Q3/16	BELSIPA Total Q4/16	Δ in % to Q3/16*
with commodity underlying	1	4	300%
with fixed-income underlying	149	227	52%
with equity-linked underlying	454	643	42%
with various underlying	83	81	-3%
Total	687	955	39%
(with capital protection feature)	(410)	(465)	13%
Total Turnover (primary + secondary market)	1'908	2'350	19%

Source: Submitting Entities, Derivative Partners

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

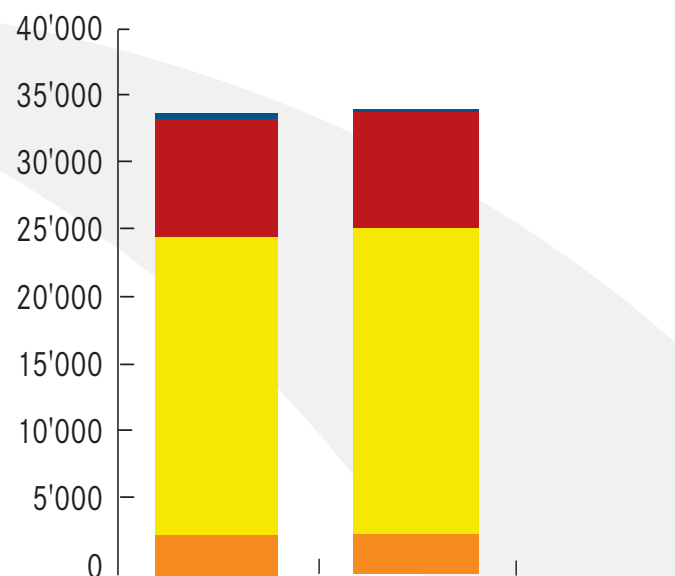
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BELSIPA Market Report Q4/2016 per Underlying Type

October - December 2016

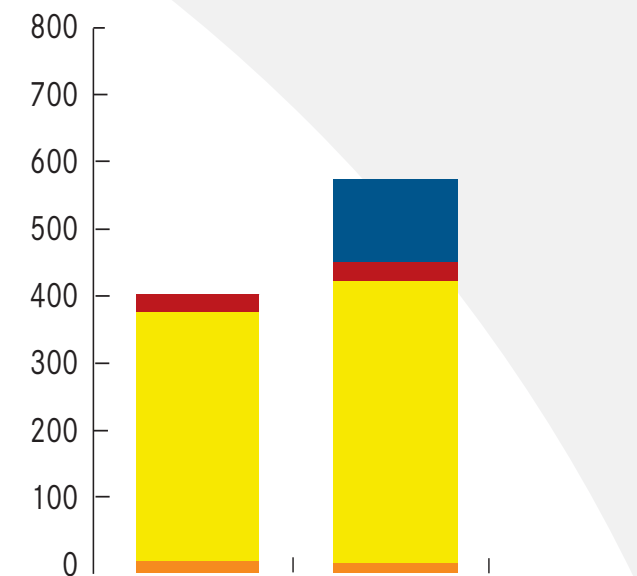
Outstanding Volume

in Mio. EUR



	BELSIPA Total Q3/16	BELSIPA Total Q4/16	Δ in % to Q3/16*
with commodity underlying	391	227	-42%
with fixed-income underlying	8'612	8'414	-2%
with equity-linked underlying	21'570	22'301	3%
with various underlying	2'926	2'829	-3%
Total	33'500	33'701	1%
(with capital protection feature)	(21'045)	(20'497)	-3%

Number of New Products



	BELSIPA Total Q3/16	BELSIPA Total Q4/16	Δ in % to Q3/16*
with commodity underlying	0	120	n.a.
with fixed-income underlying	25	26	4%
with equity-linked underlying	360	408	13%
with various underlying	17	13	-24%
Total	402	567	41%
(with capital protection feature)	(50)	(56)	0%

Source: Submitting Entities, Derivative Partners

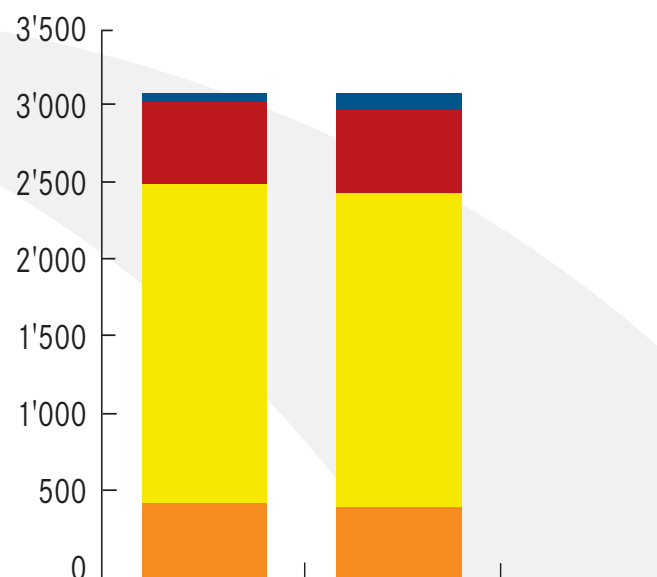
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BELSIPA Market Report Q4/2016 per Underlying Type

October - December 2016

Total Number of Products



	BELSIPA Total Q3/16	BELSIPA Total Q4/16	Δ in % to Q3/16*
with commodity underlying	482	459	-5%
with fixed-income underlying	54	112	107%
with equity-linked underlying	528	529	0%
with various underlying	2'039	2'004	-2%
Total	3'103	3'104	0%
(with capital protection feature)	(1'587)	(1'542)	-3%

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

7. Appendix

Data sources

BELSIPA Members

Derivative Partners AG

Key date is 31st of December, 2016

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AG Insurance
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