



BELSIPA Market Report
on retail structured products
Q4/2017 | Public Version

Introductory remarks	2
Highlights	3
Market Report per Product Category	4
Market Report per Underlying Type	7
Appendix	10

1. Introductory remark

BELSIPA, the association of issuers of structured products in Belgium, publishes with this document the regular update 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 2017 (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 market increase in Structured Notes

In the fourth quarter of 2017 the turnover of structured products sold on the primary market in Belgium amounted to 1.381 bn EUR, an increase of 33% compared to Q3 2017 while being largely stably compared to Q4 2016 (-1%). The turnover on the secondary market accounted for 1.026 bn EUR, which is an increase of 16% compared to Q3 2017 and of 8% compared with year end quarter 2016.

Most notably, the primary market turnover in Structured Notes increased in Q4 2017 by 54% measured against Q3 2017 and by 34% measured against Q4 2016. Underlying-wise, the turnover has its biggest share in equity-linked products which amount to 69% of the total turnover (primary and secondary markets combined) in the fourth quarter 2017.

Outstanding Volume: Slight overall decrease

At the end of December 2017, the outstanding volume in structured products held by customers of the data-submitting entities in Belgium stood at 32.3 bn EUR, which is an overall decrease of 1% compared to Q3 2017. The decrease was driven by Structured Funds which fell by 7% compared to Q3 2017 and even by 20% on a year-to-year basis.

Number of New Products: Increasing issuance activity

The number of new structured products issued in Belgium between October and December 2017 increased on a quarterly basis by 55% (556 products issued in Q4 2017 against 359 new products in Q3 2017). 82% of all new products were issued in the leveraged products segment. Measured by underlying type, equity-linked instruments represented a share of 81% of all newly issued products. This is an increase by 52% compared to the previous quarter.

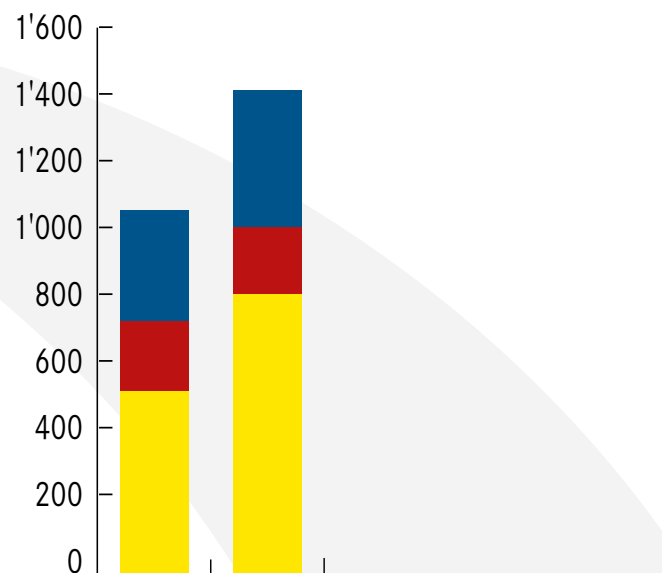
Total Number of Products: Slight increase year on year

At the end of December 2017, a total of 3'410 products were open/non-matured on the Belgian market. The number of products remains the same as at the end of the third quarter of 2017 (3'411) but increased by 10% compared with Q4 2016. With 41% of all non-matured products at the end of December 2017 (1'395 products out of 3'410) coming along as Structured Notes, these remain the dominating structured product format in the Belgian market.

BELSIPA Market Report Q4/2017 per Product Category

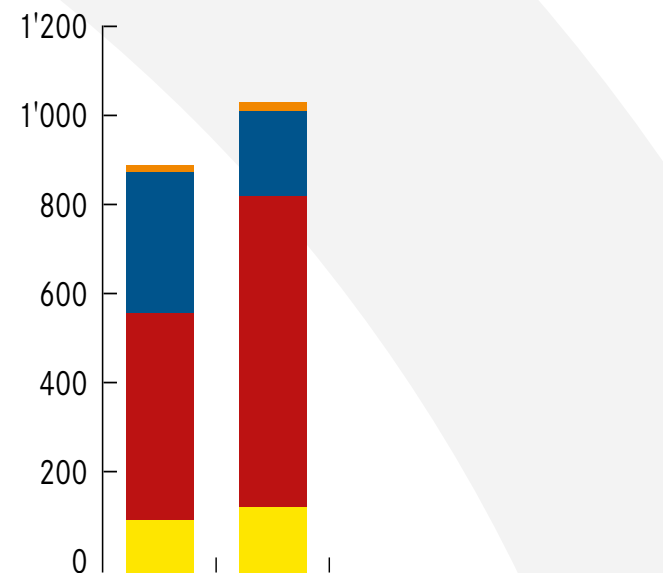
October - December 2017

Turnover primary market
in Mio. EUR



	BELSIPA Total Q3/17	BELSIPA Total Q4/17	Total 2017	Δ in % to Q3/17*	Δ in % to Q4/16**
Leverage Products	0	0	0	0%	0%
Structured Insurance Products	315	387	1'265	23%	5%
Structured Funds	198	190	765	-4%	-56%
Structured Notes	522	804	2'927	54%	34%
Other Structured Products	0	0	0	0%	0%
Total	1'035	1'381	4'957	33%	-1%
Total Turnover (primary + secondary market)	1'923	2'407	9'388	25%	2%
Share Primary vs. Total Market	54%	57%	53%	7%	-3%

Turnover secondary market
in Mio. EUR



	BELSIPA Total Q3/17	BELSIPA Total Q4/17	Total 2017	Δ in % to Q3/17*	Δ in % to Q4/16**
Leverage Products	15	18	79	20%	38%
Structured Insurance Products	307	184	1'309	-40%	-33%
Structured Funds	451	679	2'458	51%	42%
Structured Notes	115	145	585	26%	-23%
Other Structured Products	0	0	0	0%	0%
Total	888	1'026	4'431	16%	8%
Total Turnover (primary + secondary market)	1'923	2'407	9'388	25%	2%
Share Secondary vs. Total Market	46%	43%	47%	-8%	5%

Source: Submitting Entities, Derivative Partners

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

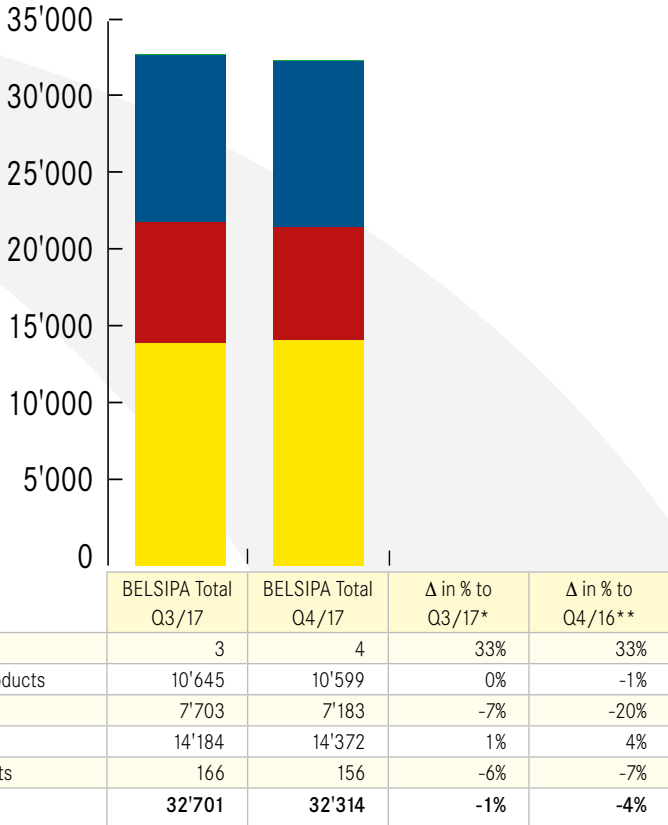
* The field indicates per cent change between reporting the third quarter 2017 and the fourth quarter 2017.
** The field indicates per cent change between reporting the fourth quarter 2016 and the fourth quarter 2017.

BELSIPA Market Report Q4/2017 per Product Category

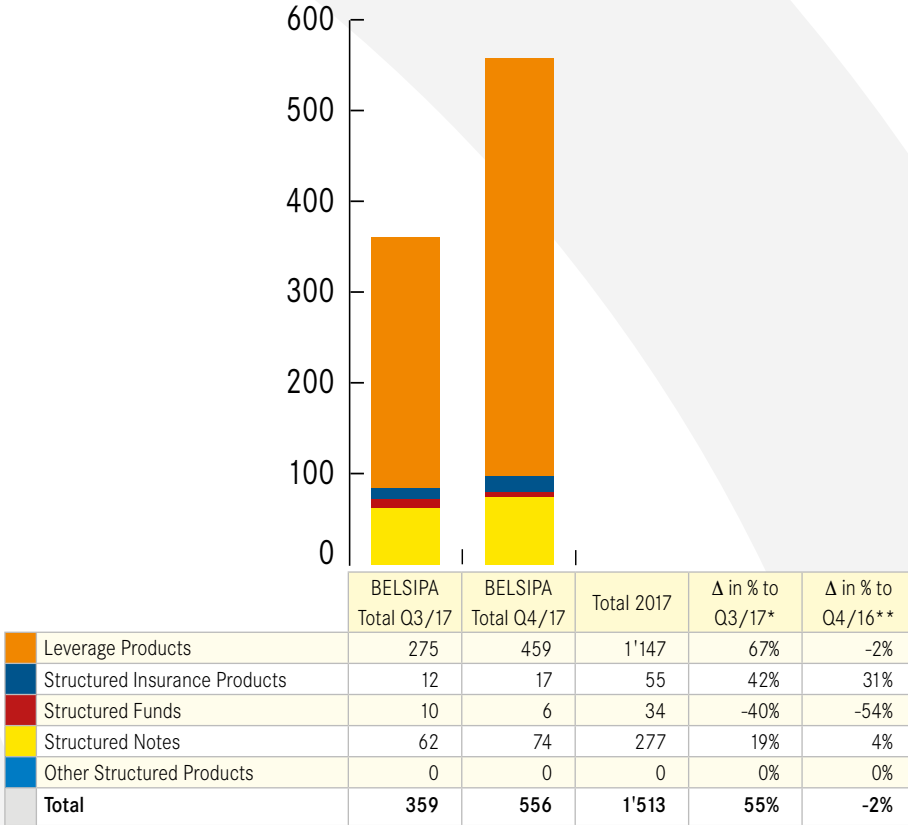
October - December 2017

Outstanding Volume

in Mio. EUR



Number of New Products



Source: Submitting Entities, Derivative Partners

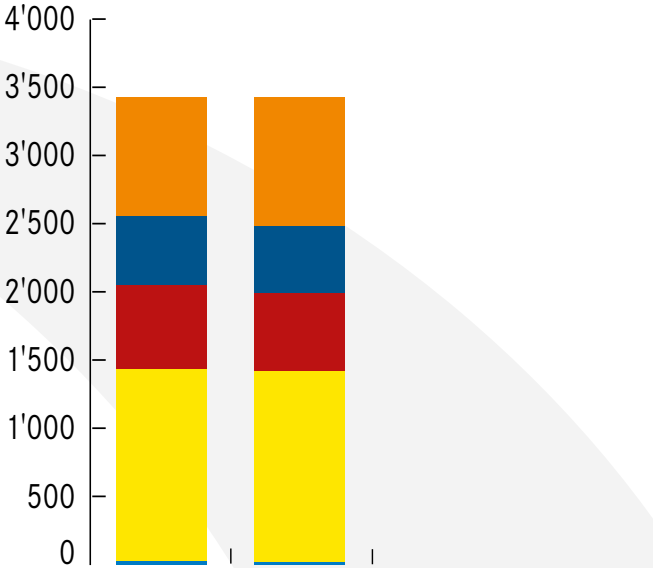
* The field indicates per cent change between reporting the third quarter 2017 and the fourth quarter 2017.
 ** The field indicates per cent change between reporting the fourth quarter 2016 and the fourth quarter 2017.

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

BELSIPA Market Report Q4/2017 per Product Category

October - December 2017

Total Number of Products



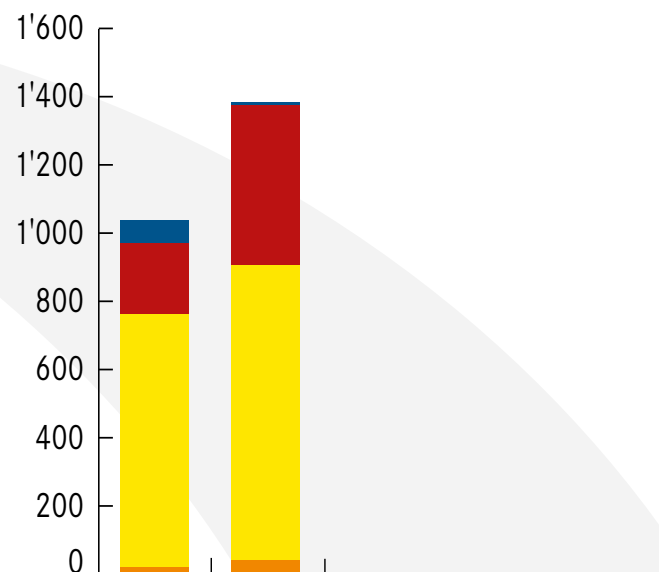
	BELSIPA Total Q3/17	BELSIPA Total Q4/17	Δ in % to Q3/17*	Δ in % to Q4/16**
Leverage Products	868	940	8%	36%
Structured Insurance Products	497	484	-3%	-1%
Structured Funds	620	571	-8%	-15%
Structured Notes	1'397	1'395	0%	13%
Other Structured Products	29	20	-31%	-5%
Total	3'411	3'410	0%	10%

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

BELSIPA Market Report Q4/2017 per Underlying Type

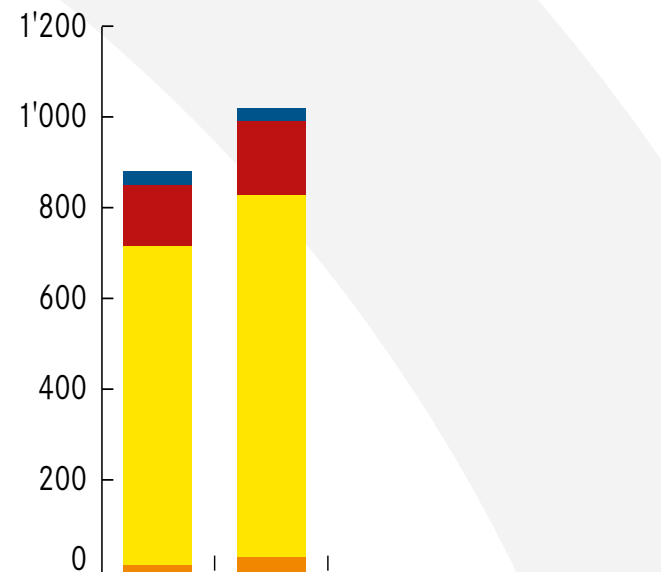
October - December 2017

Turnover primary market
in Mio. EUR



	BELSIPA Total Q3/17	BELSIPA Total Q4/17	Total 2017	Δ in % to Q3/17*	Δ in % to Q4/16**
with commodity underlying	67	8	75	-88%	n.a. ‡
with fixed-income underlying	206	469	1'526	128%	68%
with equity-linked underlying	741	862	3'072	16%	-15%
with various underlying	21	42	284	100%	n.a. ‡
Total	1'035	1'381	4'957	33%	-1%
(with capital protection feature)	(556)	(865)	(2871)	56%	49%
Total Turnover (primary + secondary market)	1'923	2'407	9'388	25%	2%

Turnover secondary market
in Mio. EUR



	BELSIPA Total Q3/17	BELSIPA Total Q4/17	Total 2017	Δ in % to Q3/17*	Δ in % to Q4/16**
with commodity underlying	30	27	64	-9%	n.a. ‡
with fixed-income underlying	137	164	629	20%	-28%
with equity-linked underlying	706	803	3'512	14%	25%
with various underlying	14	32	226	126%	n.a. ‡
Total	888	1'026	4'431	16%	7%
(with capital protection feature)	461	(539)	(2164)	17%	16%
Total Turnover (primary + secondary market)	1'923	2'407	9'388	25%	2%

Source: Submitting Entities, Derivative Partners

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

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

‡ Due to one issuer reattributing numerous products from various to commodity underlying as of Q3 2017, quarter-on-quarter changes in this section will be published as of Q4 2017, annual quarter comparisons again as of Q3 2018.

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

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

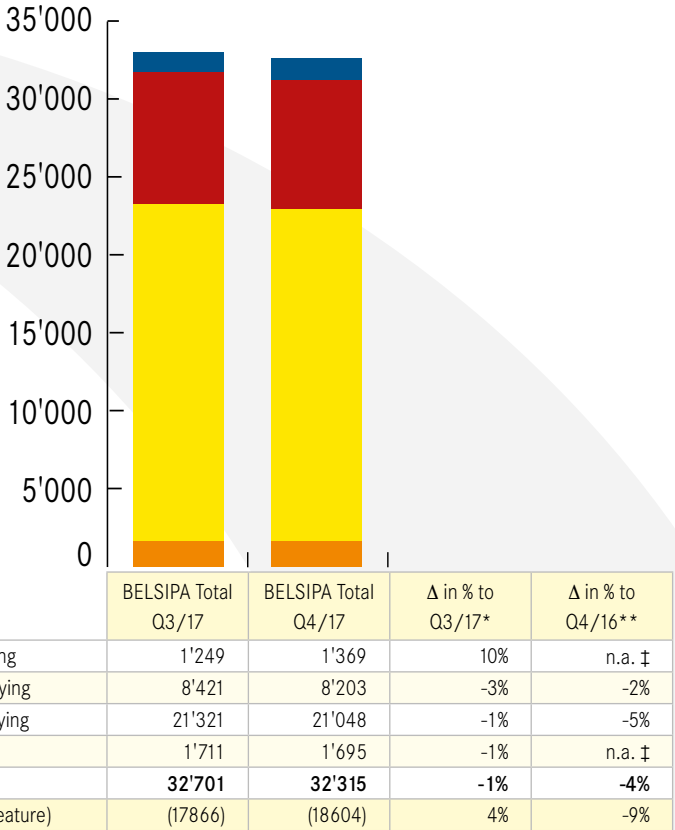
‡ Due to one issuer reattributing numerous products from various to commodity underlying as of Q3 2017, quarter-on-quarter changes in this section will be published as of Q4 2017, annual quarter comparisons again as of Q3 2018.

BELSIPA Market Report Q4/2017 per Underlying Type

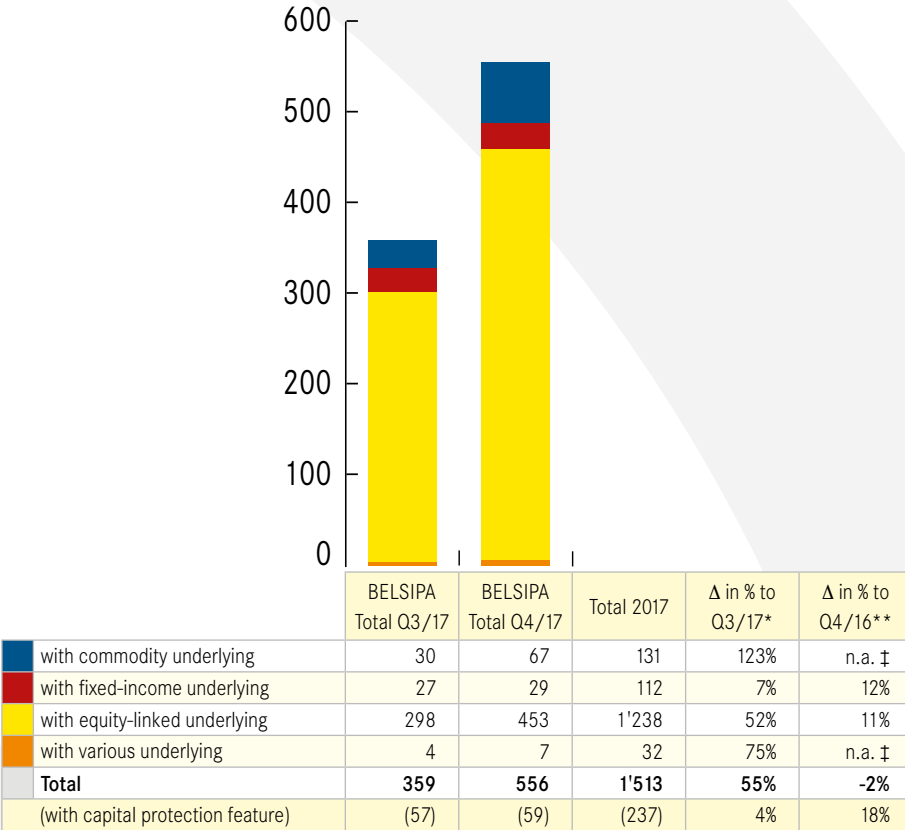
October - December 2017

Outstanding Volume

in Mio. EUR



Number of New Products



Source: Submitting Entities, Derivative Partners

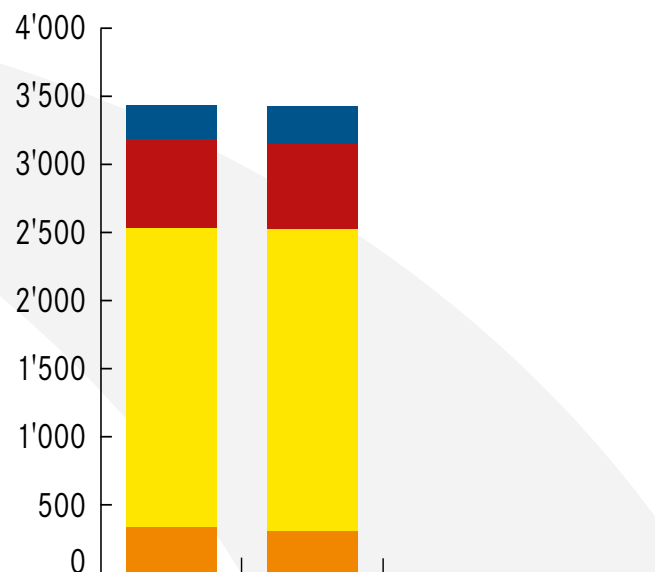
* The field indicates per cent change between reporting the third quarter 2017 and the fourth quarter 2017.
 ** The field indicates per cent change between reporting the fourth quarter 2016 and the fourth quarter 2017.
 ‡ Due to one issuer reattributing numerous products from various to commodity underlying as of Q3 2017, quarter-on-quarter changes in this section will be published as of Q4 2017, annual quarter comparisons again as of Q3 2018.

* The field indicates per cent change between reporting the third quarter 2017 and the fourth quarter 2017.
 ** The field indicates per cent change between reporting the fourth quarter 2016 and the fourth quarter 2017.
 ‡ Due to one issuer reattributing numerous products from various to commodity underlying as of Q3 2017, quarter-on-quarter changes in this section will be published as of Q4 2017, annual quarter comparisons again as of Q3 2018.

BELSIPA Market Report Q4/2017 per Underlying Type

October - December 2017

Total Number of Products



	BELSIPA Total Q3/17	BELSIPA Total Q4/17	Δ in % to Q3/17*	Δ in % to Q4/16**
with commodity underlying	244	275	13%	n.a. ‡
with fixed-income underlying	643	624	-3%	18%
with equity-linked underlying	2'179	2'200	1%	10%
with various underlying	345	311	-10%	n.a. ‡
Total	3'411	3'410	0%	10%
(with capital protection feature)	(1212)	(1405)	16%	-9%

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

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

‡ Due to one issuer reattributing numerous products from various to commodity underlying as of Q3 2017, quarter-on-quarter changes in this section will be published as of Q4 2017, annual quarter comparisons again as of Q3 2018.

7. Appendix

Data sources

BELSIPA Members

Derivative Partners AG

Key date is 31st of December, 2017

Contact

Thomas Wulf | Secretary General

Belgian Structured Investment Products Association asbl | vzw

Bastion Tower Level 20

5, Place du Champ de Mars

1050 Brussels | Belgium

Phone: +32 2 550 37 10

Mobile: +32 475 25 15 99

secretariat@belsipa.be

www.belsipa.be

The data is collected by Derivative Partners AG.

Patrick Walther | Managing Director

Derivative Partners AG

Splügenstrasse 10

8002 Zurich | Switzerland

Phone: +41 43 305 00 55

Fax: +41 43 305 05 31

patrick.walther@derivativepartners.com

Disclaimer

BELSIPA, the submitting Entities 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 issuers/distributors on their websites:

AXA
www.axa.be



AG Insurance
www.aginsurance.be



Belfius Bank
www.belfius.be



BNPP
www.bnpparibas.be



BNP PARIBAS

Commerzbank AG
www.commerzbank.be



Crelan
www.crelan.be



Bank Nagelmackers
nagelmackers.be



Deutsche Bank
www.deutschebank.be



ING
www.ing.be



KBC Bank & Verzekering
www.kbc.be

