



BELSIPA Market Report
on retail structured products
Q1/2018 | Public Version

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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 first quarter of 2018 (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: Primary market – overall decrease

In the first quarter of 2018 the turnover in the primary market accounted for 922 bn EUR, which is a decrease of 33% compared to Q4 2017 and of 28% when compared to the equivalent first quarter of 2017. The turnover of structured products sold (back) on the secondary market in Belgium amounted to 1'070 bn EUR, an increase of 4% compared to Q4 2017 but a decrease of 10% compared to last year equivalent Q1 2017. Underlying-wise, the turnover in equity-linked products in Q1 2018 accounted for 0.597 bn EUR (primary market) and 0.880 bn EUR (secondary market), respectively.

Outstanding Volume: No significant changes compared to the previous quarter

At the end of March 2018, the outstanding volume in structured products held by customers of the data-submitting entities was 31.20 bn EUR, which is an overall decrease of 3% compared to the end of the fourth quarter of 2017. The decrease was driven by Structured Funds with -12% compared to Q4 2017.

Number of New Products: Increasing number of leverage products

The number of new structured products issued in Belgium between January and March 2018 increased by 47% (818 products issued in Q1 2018 against 556 new products in Q4 2017). 89% of all new products were issued in the leveraged products segment. On the investment (non-leverage) products side, structured notes increased by 8% compared to Q1 2017 while the number of structured funds fell by 33% in the same timeframe. Measured by underlying type, equity-linked instruments represented a share of 88% of all newly issued products. This is an increase by 59% compared to the previous quarter Q4 2017.

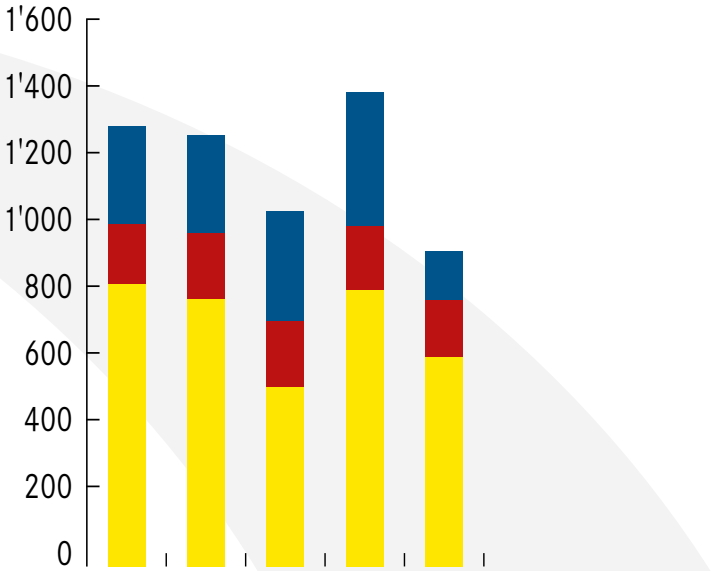
Total Number of Products: Slight decrease compared to the previous quarter

At the end of March 2018, a total of 3'255 products were open/non-matured on the Belgian market. The number of products hence remains roughly the same as at the end of the fourth quarter of 2017 (3'410). Compared with Q1/2017 it decreased though by 2%. With 44% of all non-matured products at the end of March 2018 (1'445 products out of 3'255), notes are still the dominating format of structured products in the Belgian market.

BELSIPA Market Report Q1/2018 per Product Category

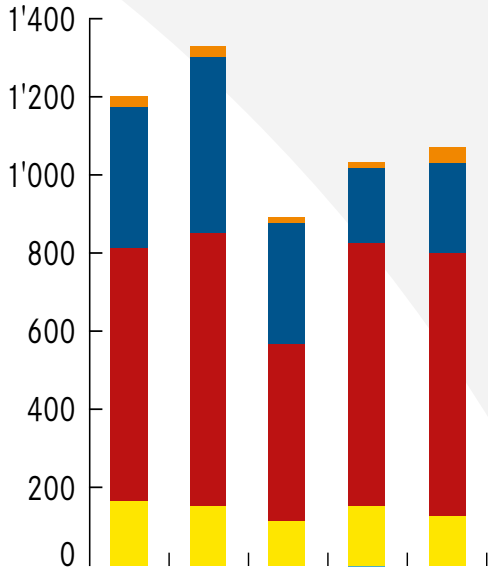
January - March 2018

Turnover primary market
in Mio. EUR



	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	Total 2017	Δ% 1/17*	Δ% 4/17**
Leverage Products	0	0	0	0	0	0	0%	0%
Structured Insurance Products	283	280	315	387	145	1'265	-49%	-63%
Structured Funds	177	200	198	190	164	765	-7%	-14%
Structured Notes	823	778	522	804	613	2'927	-26%	-24%
Other Structured Products	0	0	0	0	0	0	0%	0%
Total	1'283	1'258	1'035	1'381	922	4'957	-28%	-33%
Total Turnover (primary + secondary market)	2'477	2'581	1'923	2'407	1'992	9'388	-20%	-17%
Share Primary vs. Total Market	52%	49%	54%	57%	46%	53%	-11%	-19%

Turnover secondary market
in Mio. EUR



	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	Total 2017	Δ% 1/17*	Δ% 4/17**
Leverage Products	25	21	15	18	36	79	44%	100%
Structured Insurance Products	359	459	307	184	231	1'309	-36%	26%
Structured Funds	641	687	451	679	672	2'458	5%	-1%
Structured Notes	169	156	115	145	128	585	-24%	-12%
Other Structured Products	0	0	0	0	3	0	0%	0%
Total	1'194	1'323	888	1'026	1'070	4'431	-10%	4%
Total Turnover (primary + secondary market)	2'477	2'581	1'923	2'407	1'992	9'388	-20%	-17%
Share Secondary vs. Total Market	48%	51%	46%	43%	54%	47%	11%	26%

Source: Submitting Entities, Derivative Partners

* The field indicates per cent change between reporting the first quarter 2017 and the first quarter 2018.
 ** The field indicates per cent change between reporting the fourth quarter 2017 and the first quarter 2018.

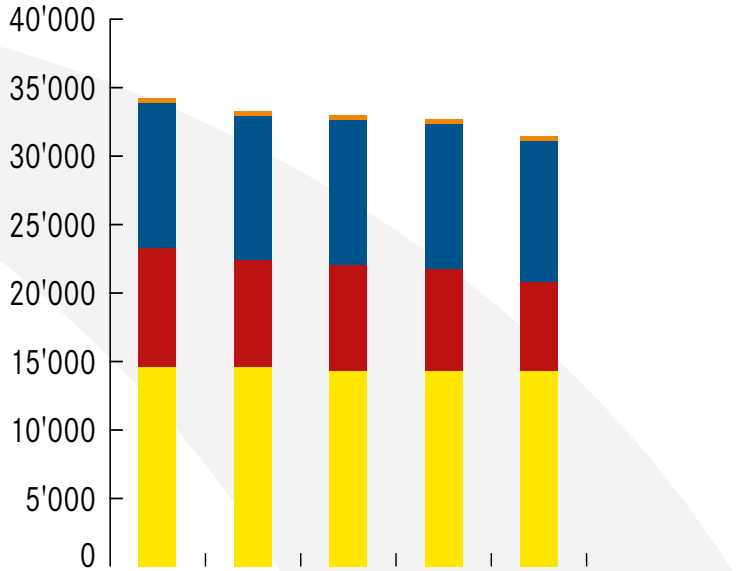
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BELSIPA Market Report Q1/2018 per Product Category

January - March 2018

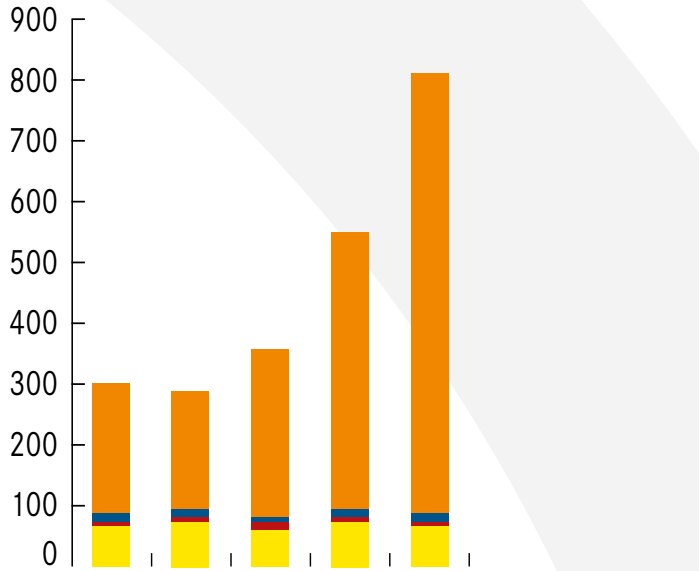
Outstanding Volume

in Mio. EUR



	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	Δ% 1/17*	Δ% 4/17**
Leverage Products	3	2	3	4	3	0%	-25%
Structured Insurance Products	10'692	10'631	10'645	10'599	10'325	-3%	-3%
Structured Funds	8'661	8'005	7'703	7'183	6'356	-27%	-12%
Structured Notes	14'583	14'406	14'184	14'372	14'364	-2%	0%
Other Structured Products	166	166	166	156	154	-7%	-1%
Total	34'105	33'210	32'701	32'314	31'202	-9%	-3%

Number of New Products



	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	Total 2017	Δ% 1/17*	Δ% 4/17**
Leverage Products	215	198	275	459	731	1'147	240%	59%
Structured Insurance Products	14	12	12	17	10	55	-29%	-41%
Structured Funds	9	9	10	6	6	34	-33%	0%
Structured Notes	66	75	62	74	71	277	8%	-4%
Other Structured Products	0	0	0	0	0	0	0%	0%
Total	304	294	359	556	818	1'513	169%	47%

Source: Submitting Entities, Derivative Partners

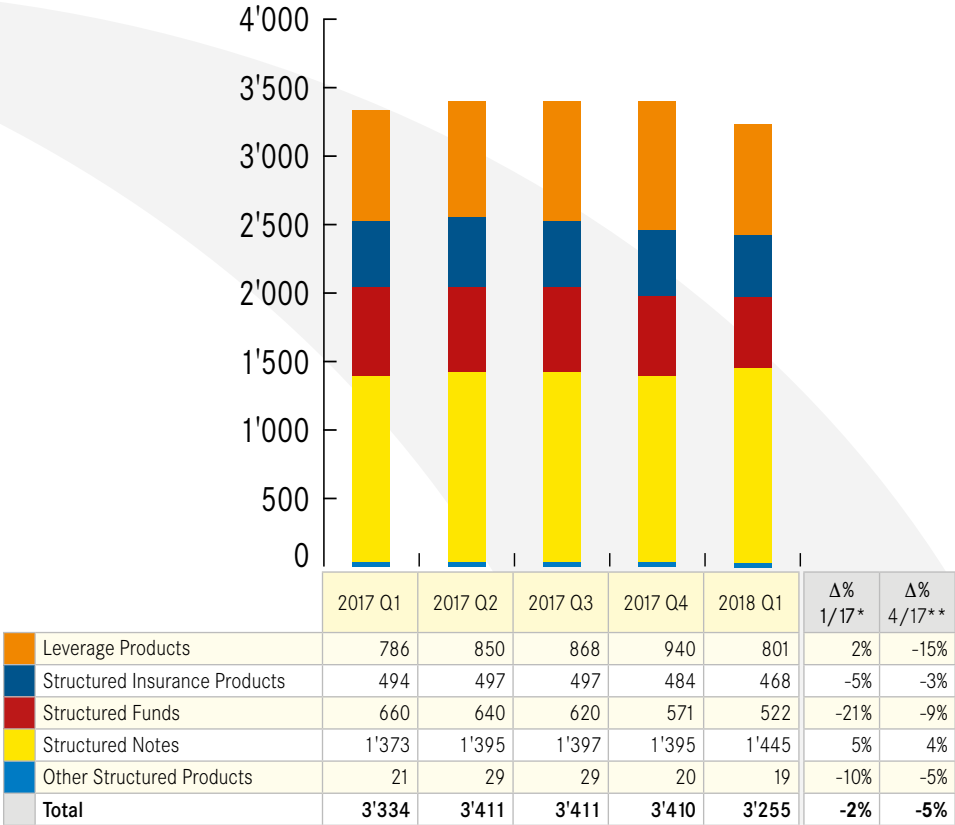
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BELSIPA Market Report Q1/2018 per Product Category

January - March 2018

Total Number of Products



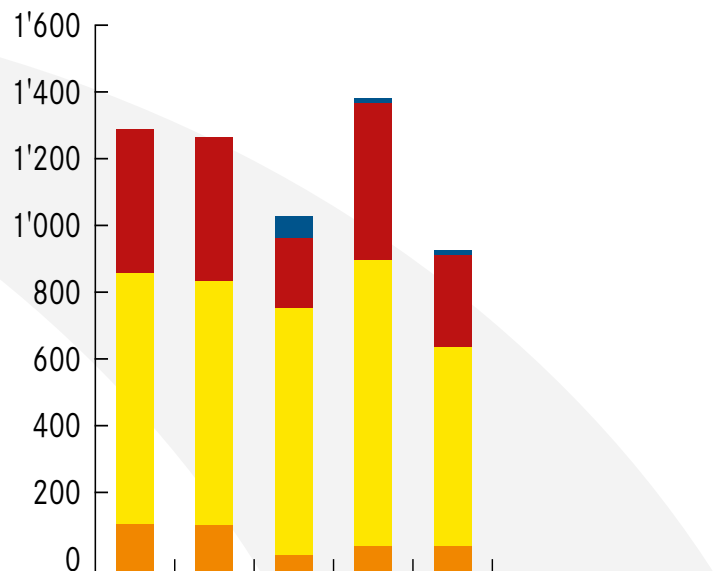
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BELSIPA Market Report Q1/2018 per Underlying Type

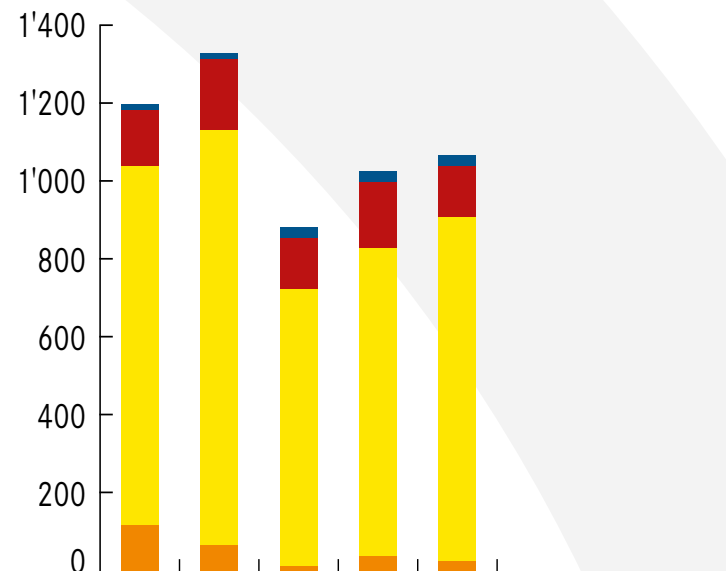
January - March 2018

Turnover primary market
in Mio. EUR



	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	Total 2017	Δ% 1/17*	Δ% 4/17**
with commodity underlying	0	0	67	8	11	75	n.a.‡	38%
with fixed-income underlying	426	425	206	469	276	1'526	-35%	-41%
with equity-linked underlying	749	720	741	862	597	3'072	-20%	-31%
with various underlying	108	113	21	42	38	284	n.a.‡	-10%
Total	1'283	1'258	1'035	1'381	922	4'957	-28%	-33%
(with capital protection feature)	(737)	(713)	(556)	(865)	(611)	(2'871)	-17%	-29%
Total Turnover (primary + secondary market)	2'477	2'581	1'923	2'407	1'992	9'388	2%	-17%

Turnover secondary market
in Mio. EUR



	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	Total 2017	Δ% 1/17*	Δ% 4/17**
with commodity underlying	6	1	30	27	29	64	n.a.‡	7%
with fixed-income underlying	143	185	137	164	138	629	-3%	-16%
with equity-linked underlying	935	1'068	706	803	880	3'512	-6%	10%
with various underlying	111	68	14	32	23	225	n.a.‡	-28%
Total	1195	1322	887	1'026	1'070	4'430	-10%	4%
(with capital protection feature)	(496)	(668)	(461)	(539)	(456)	(2'164)	-8%	-16%
Total Turnover (primary + secondary market)	2'477	2'581	1'923	2'407	1'992	9'388	-20%	-17%

Source: Submitting Entities, Derivative Partners

* The field indicates per cent change between reporting the first quarter 2017 and the first quarter 2018.

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‡ 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.

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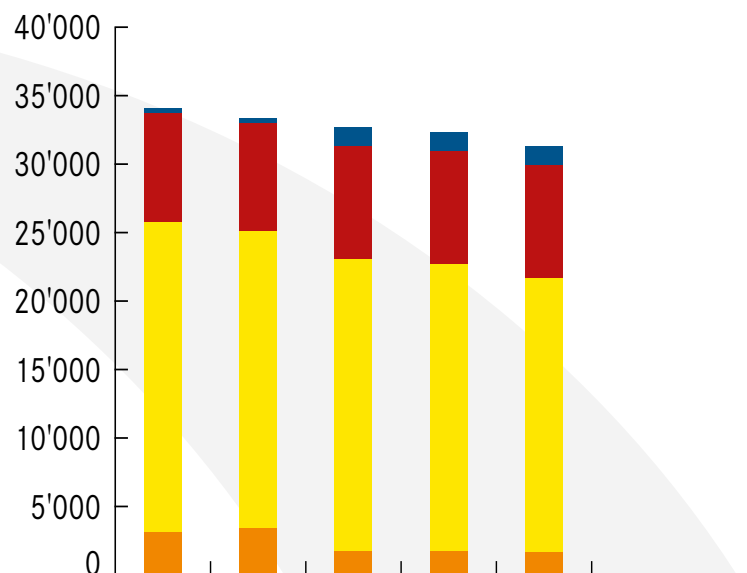
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BELSIPA Market Report Q1/2018 per Underlying Type

January - March 2018

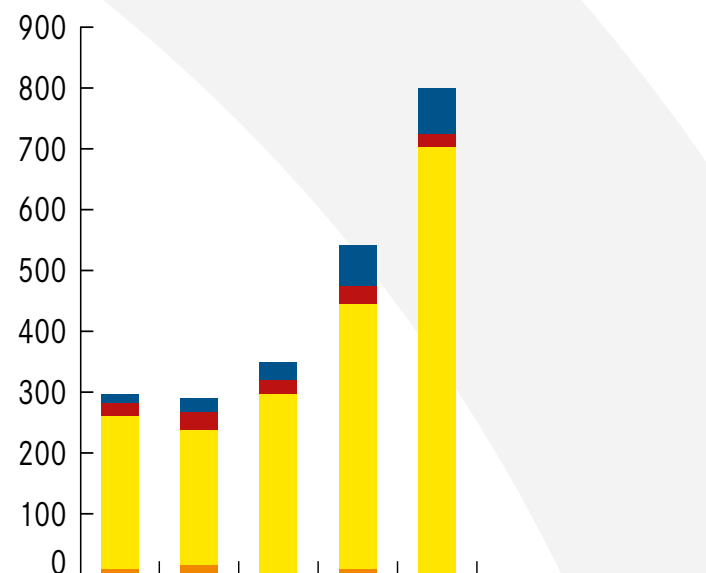
Outstanding Volume

in Mio. EUR



	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	Δ% 1/17*	Δ% 4/17**
with commodity underlying	384	126	1'249	1'369	1'330	n.a.‡	-3%
with fixed-income underlying	7'907	8'014	8'421	8'203	8'223	4%	0%
with equity-linked underlying	22'982	21'628	21'321	21'048	20'021	-13%	-5%
with various underlying	2'831	3'441	1'711	1'695	1'628	n.a.‡	-4%
Total	34'104	33'209	32'702	32'315	31'202	-9%	-3%
(with capital protection feature)	(18'783)	(17'658)	(17'866)	(18'604)	(18'065)	-4%	-3%

Number of New Products



	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	Total 2017	Δ% 1/17*	Δ% 4/17**
with commodity underlying	14	20	30	67	75	131	n.a.‡	12%
with fixed-income underlying	23	33	27	29	21	112	-9%	-28%
with equity-linked underlying	262	225	298	453	719	1'238	174%	59%
with various underlying	5	16	4	7	3	32	n.a.‡	-57%
Total	304	294	359	556	818	1'513	169%	47%
(with capital protection feature)	(58)	(63)	(57)	(59)	(52)	(237)	-10%	-12%

Source: Submitting Entities, Derivative Partners

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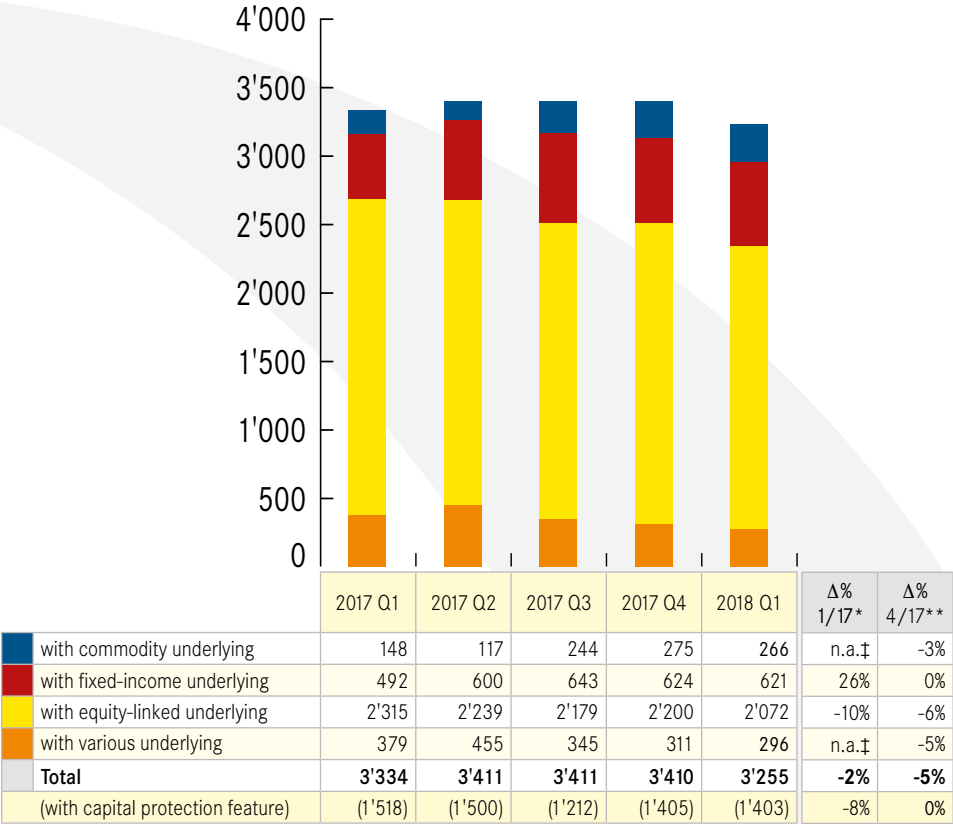
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BELSIPA Market Report Q1/2018 per Underlying Type

January - March 2018

Total Number of Products



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7. Appendix

Data sources

BELSIPA Members

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Key date is 30th of March, 2018

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