



BELSIPA Market Report **on retail structured products**

Q3/2017 | 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 third quarter of 2017 (July to September).

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 September.

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 Insurance Products

In the third quarter of 2017 the turnover of structured products sold on the primary market in Belgium amounted to 1.035 bn EUR, a decrease of 15% compared to Q3 2016. In contrast, the turnover in the secondary market accounted for 0.888 bn EUR, which is an increase of 29% compared to Q3 2016. The primary market turnover in Structured Insurance Products however increased in Q3 2017 by 13% and by even 25% measured against Q3 2016. Underlying-wise, the turnover in equity-linked products accounted in Q3 2017 for 0.741 bn EUR (primary market) and 0.706 bn EUR (secondary market), respectively.

Outstanding Volume: Slight decrease

At the end of September 2017, the outstanding volume in structured products held by customers of the data-submitting entities was 32.7 bn EUR, which is an overall decrease of 2% compared to the end of the second quarter of 2017. The decrease was driven by Structured Funds (-4%) and Structured Notes with -2% compared to Q2 2017.

Number of New Products: Increase in new issues

The number of new structured products issued in Belgium between July and September 2017 increased by 22% (359 products issued in Q3 2017 against 294 new products in Q2 2017). 77% of all new products were issued in the leveraged products segment, while structured notes accounted for 17%. Measured by underlying type, equity-linked instruments represented a share of 83% of all newly issued products. This is an increase by 32% compared to the previous quarter.

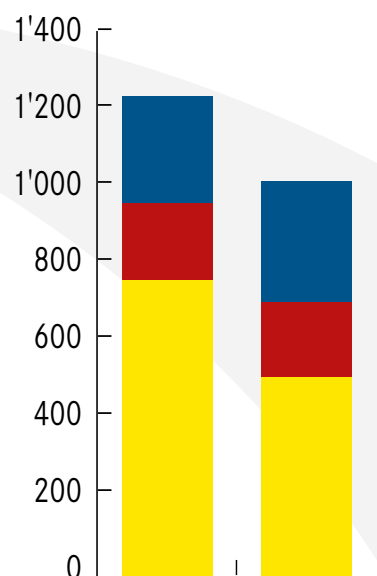
Total Number of Products: Slightly increase compared to the previous year

At the end of September 2017, a total of 3'411 products were open/non-matured on the Belgian market. The number of products hence remains the same as at the end of the second quarter of 2017 (3'411). Compared with Q3/2016 it increased by 10%. With 41% of all non-matured products at the end of September 2017 (1'397 products out of 3'411), notes are still the dominating format of structured products in the Belgian market.

BELSIPA Market Report Q3/2017 per Product Category

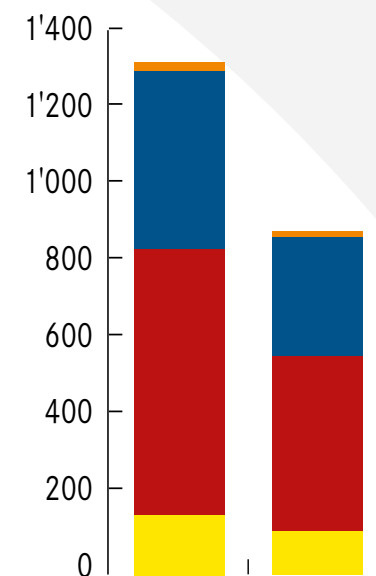
July - September 2017

Turnover primary market
in Mio. EUR



	BELSIPA Total Q2/17	BELSIPA Total Q3/17	Δ in % to Q2/17*	Δ in % to Q3/16**
Leverage Products	0	0	0%	0%
Structured Insurance Products	280	315	13%	25%
Structured Funds	200	198	-1%	-28%
Structured Notes	778	522	-33%	-25%
Other Structured Products	0	0	0%	0%
Total	1'258	1'035	-18%	-15%
Total Turnover (primary + secondary market)	2'580	1'923	-25%	1%
Share Primary vs. Total Market	49%	54%	10%	-16%

Turnover secondary market
in Mio. EUR



	BELSIPA Total Q2/17	BELSIPA Total Q3/17	Δ in % to Q2/17*	Δ in % to Q3/16**
Leverage Products	21	15	-29%	-21%
Structured Insurance Products	459	307	-33%	6%
Structured Funds	687	451	-34%	111%
Structured Notes	156	115	-26%	-30%
Other Structured Products	0	0	0%	0%
Total	1'323	888	-33%	29%
Total Turnover (primary + secondary market)	2'580	1'923	-25%	1%
Share Secondary vs. Total Market	51%	46%	-10%	28%

Source: Submitting Entities, Derivative Partners

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

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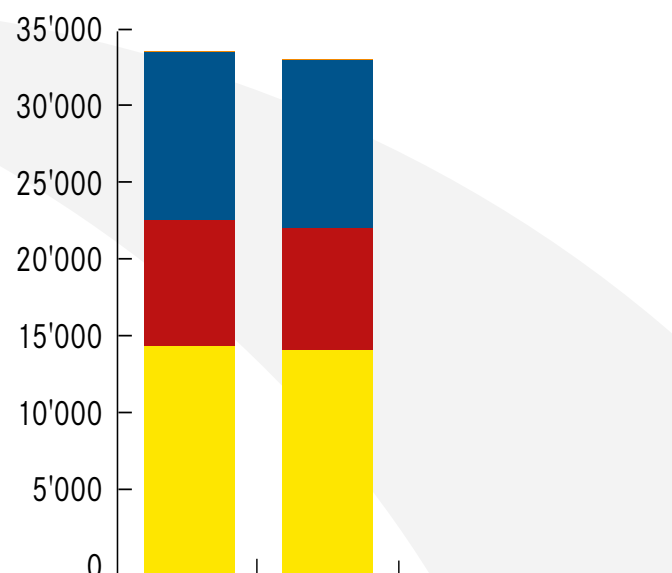
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BELSIPA Market Report Q3/2017 per Product Category

July - September 2017

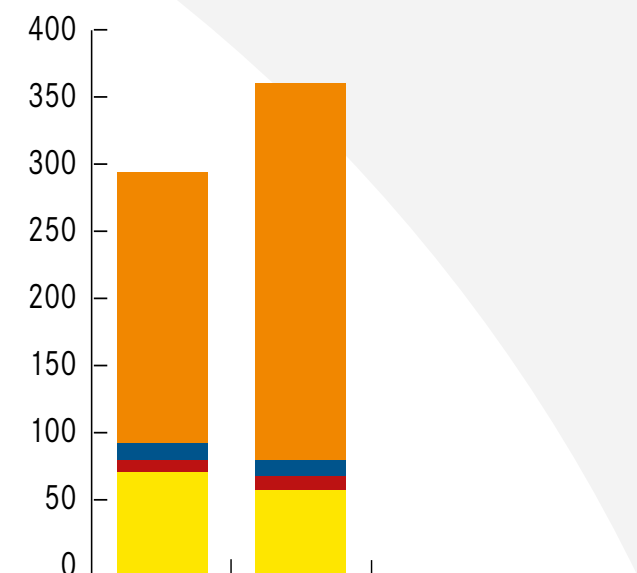
Outstanding Volume

in Mio. EUR



	BELSIPA Total Q2/17	BELSIPA Total Q3/17	Δ in % to Q2/17*	Δ in % to Q3/16**
Leverage Products	2	3	50%	50%
Structured Insurance Products	10'631	10'645	0%	0%
Structured Funds	8'005	7'703	-4%	-12%
Structured Notes	14'406	14'184	-2%	2%
Other Structured Products	166	166	0%	-26%
Total	33'210	32'701	-2%	-2%

Number of New Products



	BELSIPA Total Q2/17	BELSIPA Total Q3/17	Δ in % to Q2/17*	Δ in % to Q3/16**
Leverage Products	198	275	39%	-7%
Structured Insurance Products	12	12	0%	-40%
Structured Funds	9	10	11%	-23%
Structured Notes	75	62	-17%	-15%
Other Structured Products	0	0	0%	0%
Total	294	359	22%	-11%

Source: Submitting Entities, Derivative Partners

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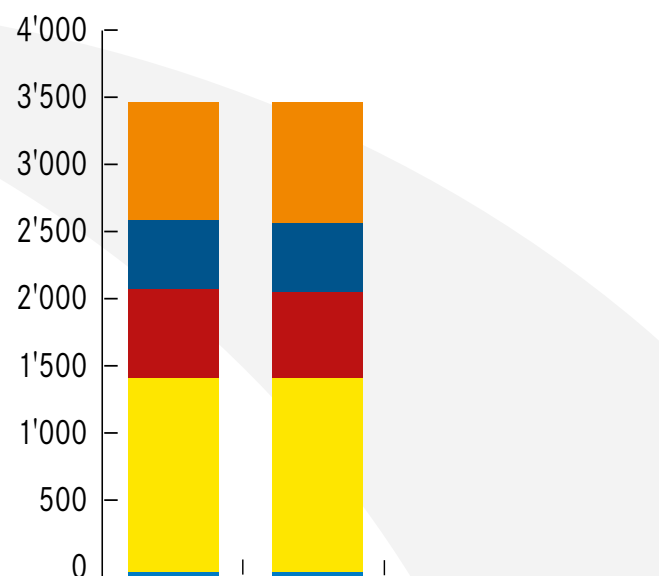
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BELSIPA Market Report Q3/2017 per Product Category

July - September 2017

Total Number of Products



	BELSIPA Total Q2/17	BELSIPA Total Q3/17	Δ in % to Q2/17*	Δ in % to Q3/16**
Leverage Products	850	868	2%	42%
Structured Insurance Products	497	497	0%	0%
Structured Funds	640	620	-3%	-16%
Structured Notes	1'395	1'397	0%	14%
Other Structured Products	29	29	0%	21%
Total	3'411	3'411	0%	10%

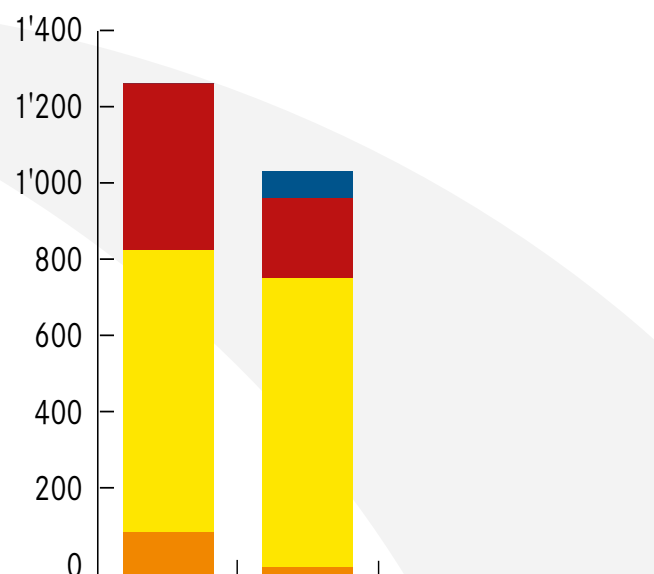
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BELSIPA Market Report Q3/2017 per Underlying Type

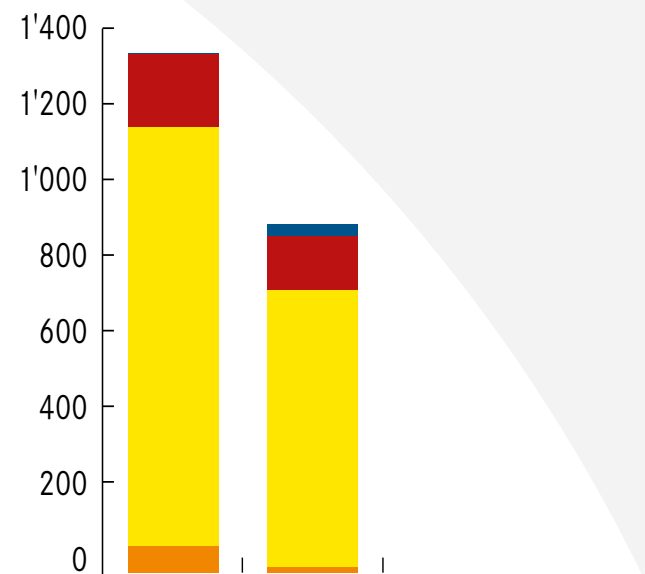
July - September 2017

Turnover primary market
in Mio. EUR



	BELSIPA Total Q2/17	BELSIPA Total Q3/17	Δ in % to Q2/17*	Δ in % to Q3/16**
with commodity underlying	0	67	n.a. ‡	n.a. ‡
with fixed-income underlying	425	206	-52%	-23%
with equity-linked underlying	720	741	3%	0%
with various underlying	113	21	n.a. ‡	n.a. ‡
Total	1'258	1'035	-18%	-15%
(with capital protection feature)	(713)	(556)	-22%	-9%
Total Turnover (primary + secondary market)	2'580	1'923	-25%	1%

Turnover secondary market
in Mio. EUR



	BELSIPA Total Q2/17	BELSIPA Total Q3/17	Δ in % to Q2/17*	Δ in % to Q3/16**
with commodity underlying	1	30	n.a. ‡	n.a. ‡
with fixed-income underlying	185	137	-26%	-8%
with equity-linked underlying	1'068	706	-34%	56%
with various underlying	68	14	n.a. ‡	n.a. ‡
Total	1323	888	-33%	29%
(with capital protection feature)	(668)	(461)	-31%	12%
Total Turnover (primary + secondary market)	2'580	1'923	-25%	1%

Source: Submitting Entities, Derivative Partners

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

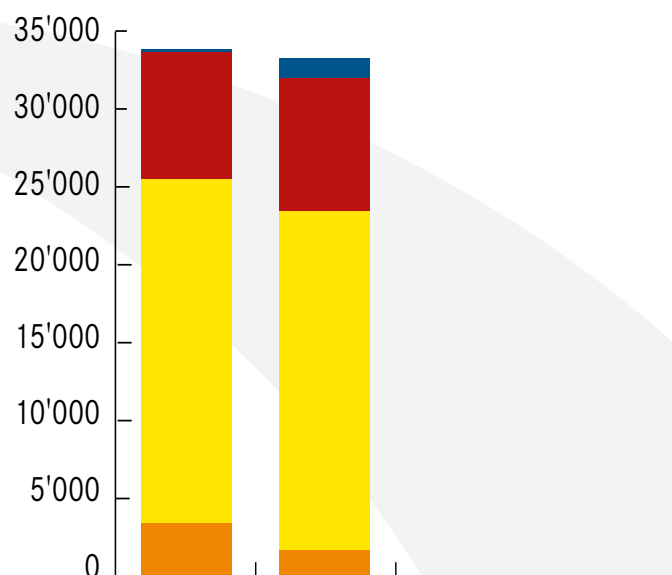
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BELSIPA Market Report Q3/2017 per Underlying Type

July - September 2017

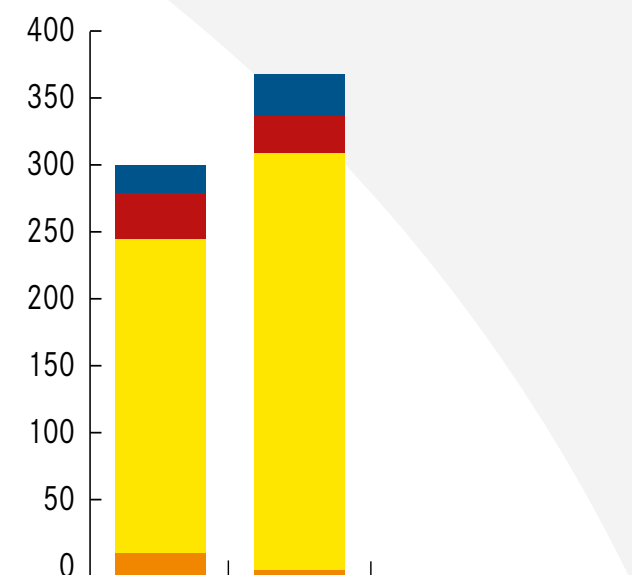
Outstanding Volume

in Mio. EUR



	BELSIPA Total Q2/17	BELSIPA Total Q3/17	Δ in % to Q2/17*	Δ in % to Q3/16**
with commodity underlying	126	1'249	n.a. ‡	n.a. ‡
with fixed-income underlying	8'014	8'421	5%	-2%
with equity-linked underlying	21'628	21'321	-1%	-1%
with various underlying	3'441	1'711	n.a. ‡	n.a. ‡
Total	33'210	32'701	-2%	-2%
(with capital protection feature)	(17658)	(17866)	1%	-15%

Number of New Products



	BELSIPA Total Q2/17	BELSIPA Total Q3/17	Δ in % to Q2/17*	Δ in % to Q3/16**
with commodity underlying	20	30	n.a. ‡	n.a. ‡
with fixed-income underlying	33	27	-18%	8%
with equity-linked underlying	225	298	32%	-17%
with various underlying	16	4	n.a. ‡	n.a. ‡
Total	294	359	22%	-11%
(with capital protection feature)	(63)	(57)	-10%	14%

Source: Submitting Entities, Derivative Partners

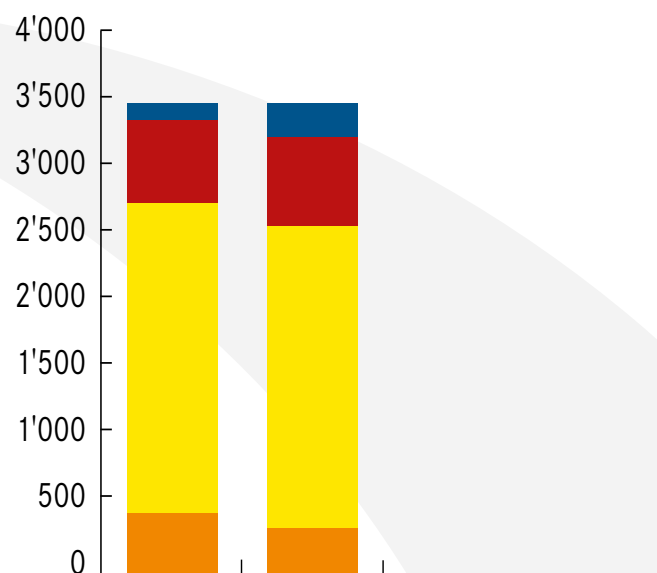
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BELSIPA Market Report Q3/2017 per Underlying Type

July - September 2017

Total Number of Products



	BELSIPA Total Q2/17	BELSIPA Total Q3/17	Δ in % to Q2/17*	Δ in % to Q3/16**
with commodity underlying	117	244	n.a. ‡	n.a. ‡
with fixed-income underlying	600	643	7%	22%
with equity-linked underlying	2'239	2'179	-3%	7%
with various underlying	455	345	n.a. ‡	n.a. ‡
Total	3'411	3'411	0%	10%
(with capital protection feature)	(1500)	(1212)	-19%	-24%

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7. Appendix

Data sources

BELSIPA Members

Derivative Partners AG

Key date is 29th of September, 2017

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