



BELSIPA Market Report **on retail structured products**

Q3/2016 | 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 third quarter of 2016 (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 turnover dominated by Notes, secondary by Funds

In the third quarter of 2016 the turnover of structured products sold in the primary market in Belgium amounted to 1.221 bn EUR, an increase of 1% compared to the second quarter of 2016. The turnover in the secondary market accounted for 0.687 bn EUR, which represents a decrease of 28% compared to the second quarter. While structured notes have been the favorite category in the primary market (57%), this applied for structured funds in the secondary market (31%). Products with an equity-linked underlying accounted for 0.739 bn EUR (primary) and 0.454 bn EUR (secondary). Products with a fixed-income underlying accounted for 0.269 bn EUR and 0.149 bn EUR, respectively.

Outstanding Volume: Largely stable, slight decrease

At the end of September 2016, the outstanding volume in structured products held by customers of the data-submitting entities was 33.50 bn EUR, which is a minimal decrease of 0.5% compared to the end of the second quarter of 2016. As in the previous quarter, the volume in structured insurance products increased by 0.3% against the market trend.

Number of New Products: Equity linked underlying favored

The number of new structured products issued in Belgium during Q3-2016 accounted for 402 products, while a total of 672 new products were issued during the second quarter of 2016. 74% of all new products were issued in the leveraged products segment, structured notes accounted for 18%. Measured by underlying type, equity-linked instruments represented a share of 90% of all newly issued products.

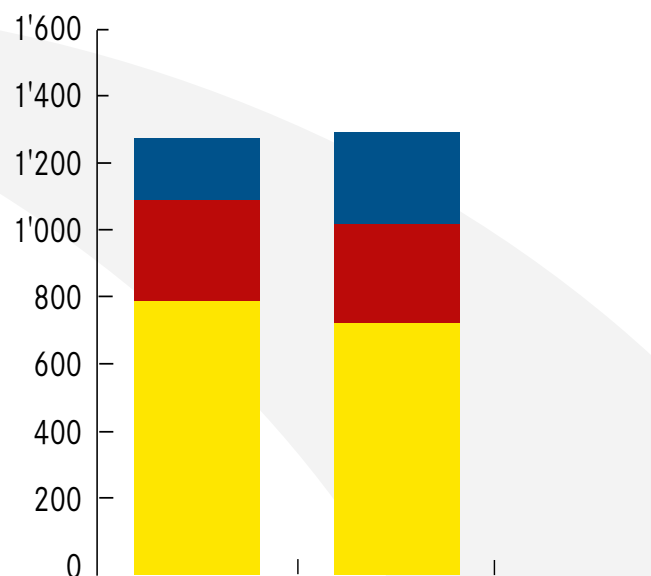
Total Number of Products: Stable Numbers

At the end of September 2016, a total of 3'103 products were open/non-matured on the Belgian market. This is a slight decrease of 0.1% compared to the end of the second quarter of 2016 (3'106). In Q3/2016, products with equity underlying represented a share of 66% of all outstanding products (65% in Q2/2016).

BELSIPA Market Report Q3/2016 per Product Category

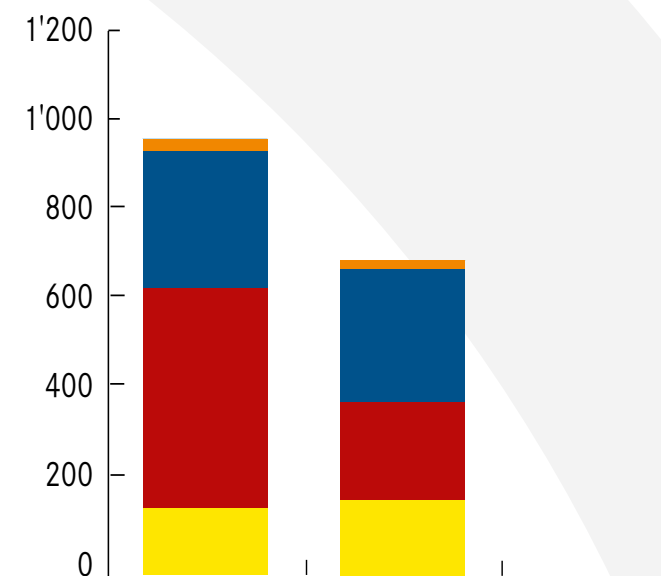
July - September 2016

Turnover primary market
in Mio. EUR



	BELSIPA Total Q2/16	BELSIPA Total Q3/16	Δ in % to Q2/16*
Other Structured Products	0	0	
Leverage Products	0	0	
Structured Insurance Products	169	253	50%
Structured Funds	281	275	-2%
Structured Notes	754	693	-8%
Total	1'204	1'221	1%
Total Turnover (primary + secondary market)	2'157	1'908	-12%
Share Primary vs. Total Market	56%	64%	8%

Turnover secondary market
in Mio. EUR



	BELSIPA Total Q2/16	BELSIPA Total Q3/16	Δ in % to Q2/16*
Other Structured Products	0	0	
Leverage Products	28	19	-32%
Structured Insurance Products	298	290	-3%
Structured Funds	481	214	-56%
Structured Notes	146	164	12%
Total	953	687	-28%
Total Turnover (primary + secondary market)	2'157	1'908	-12%
Share Secondary vs. Total Market	44%	36%	-8%

Source: Submitting Entities, Derivative Partners

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

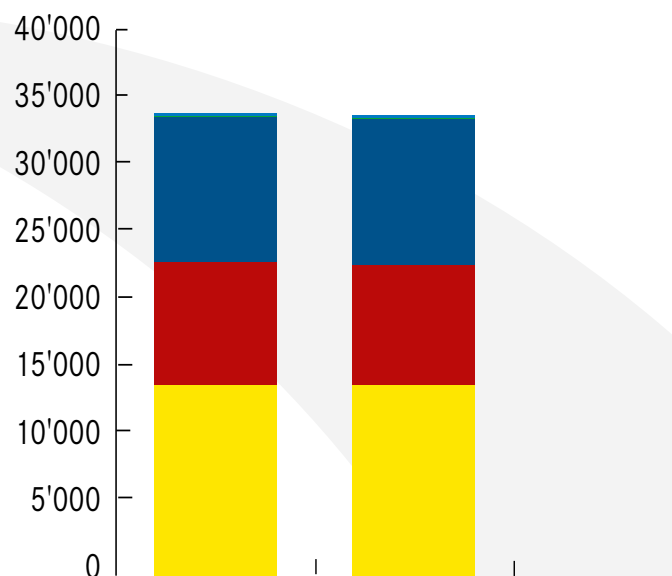
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BELSIPA Market Report Q3/2016 per Product Category

July - September 2016

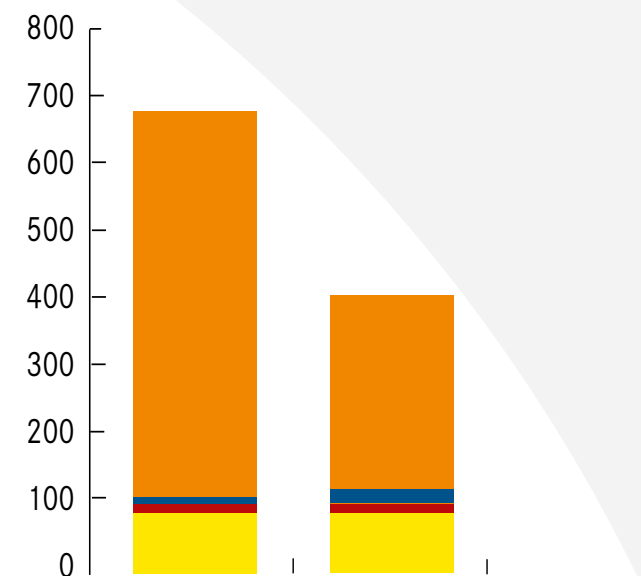
Outstanding Volume

in Mio. EUR



	BELSIPA Total Q2/16	BELSIPA Total Q3/16	Δ in % to Q2/16*
Other Structured Products	229	223	-3%
Leverage Products	2	2	0%
Structured Insurance Products	10'596	10'629	0%
Structured Funds	8'954	8'784	-2%
Structured Notes	13'876	13'861	0%
Total	33'658	33'500	0%

Number of New Products



	BELSIPA Total Q2/16	BELSIPA Total Q3/16	Δ in % to Q2/16*
Other Structured Products	0	0	
Leverage Products	575	296	-49%
Structured Insurance Products	15	20	33%
Structured Funds	11	13	18%
Structured Notes	71	73	3%
Total	672	402	-40%

Source: Submitting Entities, Derivative Partners

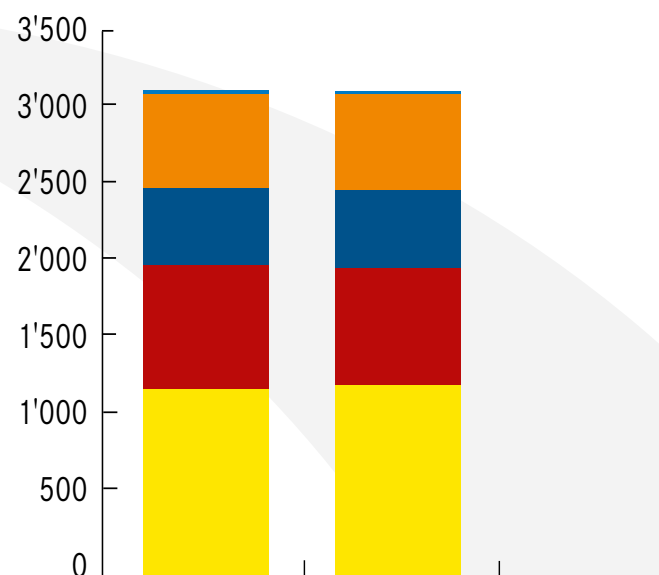
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BELSIPA Market Report Q3/2016 per Product Category

July - September 2016

Total Number of Products



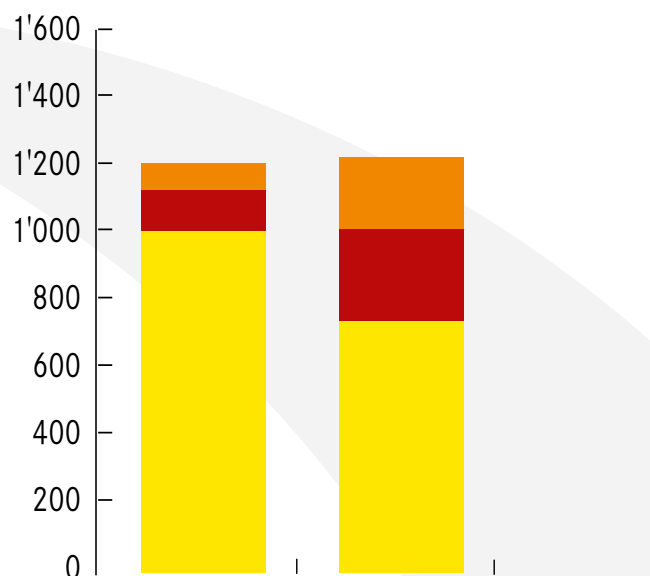
	BELSIPA Total Q2/16	BELSIPA Total Q3/16	Δ in % to Q2/16*
Other Structured Products	26	24	-8%
Leverage Products	600	613	2%
Structured Insurance Products	493	498	1%
Structured Funds	785	741	-6%
Structured Notes	1'202	1'227	2%
Total	3'106	3'103	0%

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

BELSIPA Market Report Q3/2016 per Underlying Type

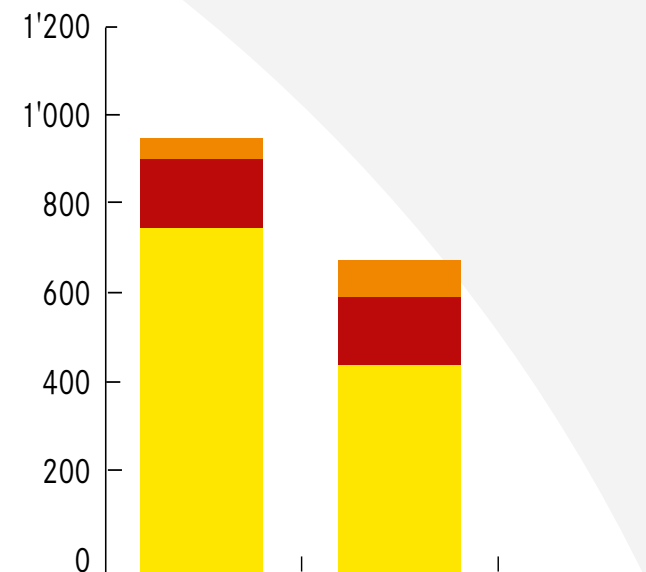
July - September 2016

Turnover primary market
in Mio. EUR



	BELSIPA Total Q2/16	BELSIPA Total Q3/16	Δ in % to Q2/16*
with various underlying	81	213	163%
with commodity underlying	0	0	
with fixed-income underlying	119	269	125%
with equity-linked underlying	1'003	739	-26%
Total	1'204	1'221	1%
(with capital protection feature)	(605)	(610)	1%
Total Turnover (primary + secondary market)	2'157	1'908	-12%

Turnover secondary market
in Mio. EUR



	BELSIPA Total Q2/16	BELSIPA Total Q3/16	Δ in % to Q2/16*
with various underlying	45	83	83%
with commodity underlying	4	1	-85%
with fixed-income underlying	150	149	0%
with equity-linked underlying	755	454	-40%
Total	953	687	-28%
(with capital protection feature)	(510)	(410)	-20%
Total Turnover (primary + secondary market)	2'157	1'908	-12%

Source: Submitting Entities, Derivative Partners

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

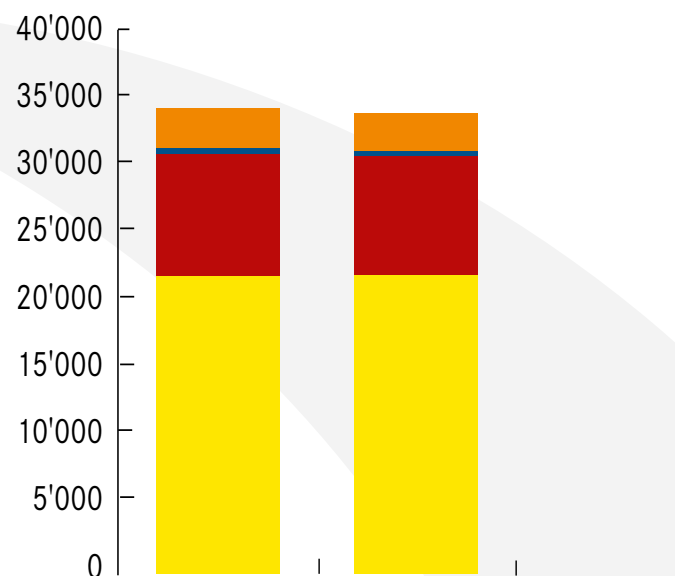
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BELSIPA Market Report Q3/2016 per Underlying Type

July - September 2016

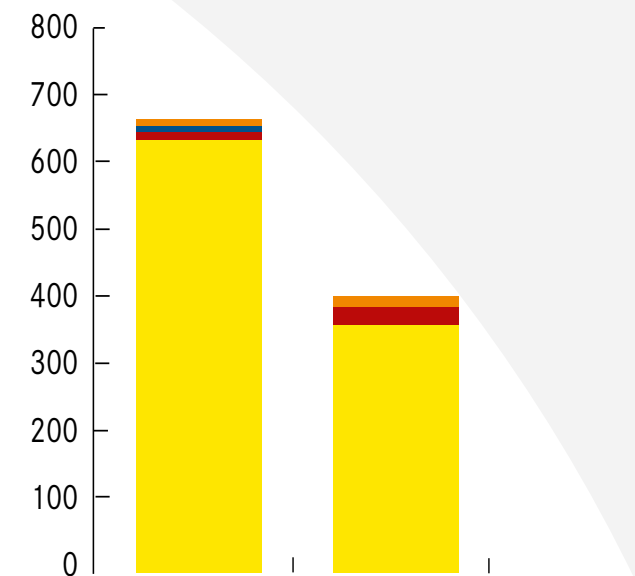
Outstanding Volume

in Mio. EUR



	BELSIPA Total Q2/16	BELSIPA Total Q3/16	Δ in % to Q2/16*
with various underlying	2'892	2'926	1%
with commodity underlying	407	391	-4%
with fixed-income underlying	8'850	8'612	-3%
with equity-linked underlying	21'509	21'570	0%
Total	33'658	33'500	0%
(with capital protection feature)	(21'452)	(21'045)	-2%

Number of New Products



	BELSIPA Total Q2/16	BELSIPA Total Q3/16	Δ in % to Q2/16*
with various underlying	9	17	89%
with commodity underlying	10	0	-100%
with fixed-income underlying	12	25	108%
with equity-linked underlying	641	360	-44%
Total	672	402	-40%
(with capital protection feature)	(50)	(50)	0%

Source: Submitting Entities, Derivative Partners

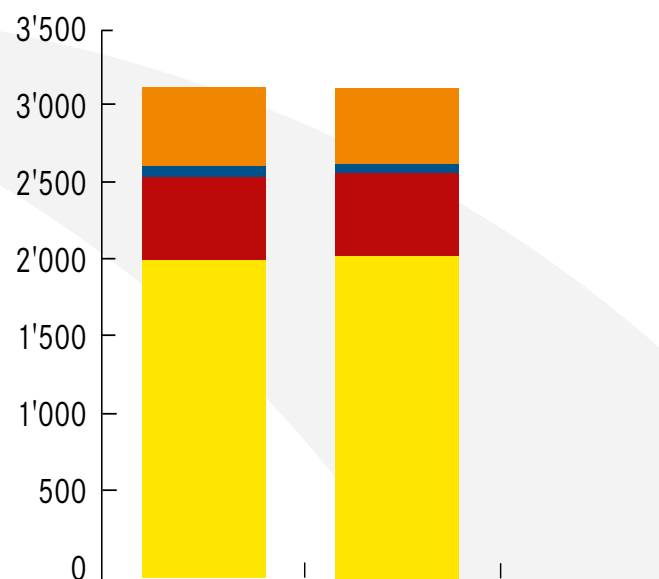
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BELSIPA Market Report Q3/2016 per Underlying Type

July - September 2016

Total Number of Products



	BELSIPA Total Q2/16	BELSIPA Total Q3/16	Δ in % to Q2/16*
with various underlying	498	482	-3%
with commodity underlying	68	54	-21%
with fixed-income underlying	530	528	0%
with equity-linked underlying	2'010	2'039	1%
Total	3'106	3'103	0%
(with capital protection feature)	(1'635)	(1'587)	-3%

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

7. Appendix

Data sources

BELSIPA Members

Derivative Partners AG

Key date is 30st of September, 2016

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

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