

## 2013 Greenwich Leaders: U.S. & European Retail Structured Products

Q1 2014

### New Rules for Competition in Retail Structured Products

As the global financial crises recedes farther into the past and bank credit ratings converge, banks that had been exploiting their advantage in funding rates to win business in the retail structured products market are seeing that advantage wither. In the year ahead, business will increasingly be won or lost not based on credit ratings and funding costs, but on the strengths of banks' ability to effectively support and service clients.

"As the playing field levels, the competitive landscape is changing. The firms that will succeed in this business are those that have stuck with the basics – a focus on customer needs from both a product and servicing standpoint," says Greenwich Associates consultant Andrew Awad.

### The United States

The U.S. retail structured product market is dominated by three banks: J.P. Morgan, which is the leader in overall footprint with a market penetration score of 74%, and HSBC and Barclays, which are tied at

66–67%. Morgan Stanley and Goldman Sachs are tied at a distance behind these leaders with market penetration scores of 36–37%. These five firms are the 2013 Greenwich Share Leaders in U.S. Retail Structured Products.

The 2013 Greenwich Quality Leader in U.S. Retail Structured Products is HSBC.

### Europe

A newly assertive Société Générale has led the resurgence of the French banks in Europe's retail structured products market. Société Générale has positioned itself as the clear leader with a market penetration score of 49%, followed by Barclays and BNP Paribas, which are tied at 41–42%. Also tied with market penetration levels of 28–29% are J.P. Morgan and UBS. These five firms are the 2013 Greenwich Share Leaders in European Retail Structured Products.

The 2013 Greenwich Quality Leaders in European Retail Structured Products are BNP Paribas and Société Générale.

### Greenwich Share and Quality Leaders — 2013



#### U.S. Retail Structured Products Market Penetration

Dealer	Market Penetration*	Statistical Rank
J.P. Morgan	74%	1
HSBC	67%	2T
Barclays	66%	2T
Morgan Stanley	37%	4T
Goldman Sachs	36%	4T

#### European Retail Structured Products Market Penetration

Dealer	Market Penetration*	Statistical Rank
Société Générale	49%	1
Barclays	42%	2T
BNP Paribas	41%	2T
UBS	29%	4T
J.P. Morgan	28%	4T



#### U.S. Retail Structured Products Quality

Dealer
HSBC

#### European Retail Structured Products Quality

Dealer
BNP Paribas
Société Générale

Note: \*Proportion of distributors interviewed that consider each firm an important provider of retail structured products. Based on interviews with 73 distributors in the U.S. and 140 in Europe. Share leaders are based on top 5 dealers including ties. Quality leaders are listed in alphabetical order.  
Source: Greenwich Associates 2013 U.S. and European Retail Structured Products Studies

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*Consultant Andrew Awad advises on the retail structured products and fixed-income markets globally.*

**Greenwich Share and Quality Leaders Methodology**

*Between April and June 2013, Greenwich Associates conducted interviews with 73 distributors of retail structured products in the United States and 140 in Europe to better understand product demand, distributor preferences and the competitive landscape. Respondents were asked to name the firms they used for retail structured products and to rate those providers in a series of product and service quality categories. Quality Leaders have distinguished themselves from their competitors by receiving service quality ratings that exceed those of competitors by a statistically significant margin.*

*The findings reported in this document reflect solely the views reported to Greenwich Associates by the research participants. They do not represent opinions or endorsements by Greenwich Associates or its staff. Interviewees may be asked about their*

*use of and demand for financial products and services and about investment practices in relevant financial markets. Greenwich Associates compiles the data received, conducts statistical analysis and reviews for presentation purposes in order to produce the final results.*

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