

# A two-front war

*The major interdealer brokers continue to face stiff competition from each other, but are also starting to see increased participation in the over-the-counter market from the exchanges. At the same time, the shift towards electronic trading is starting to pick up pace.*  
By *Wietske Bles*, with research by *Xiao-Long Chen*

Brokers have been fighting a battle on two fronts this year, competing not only with each other but also with exchanges, which are slowly expanding their reach into the over-the-counter derivatives market. Several exchanges have launched credit derivatives contracts in recent months – the fastest-growing product in the OTC market – while a handful have established clearing and settlement services for OTC instruments.

But despite signs that the exchanges are slowly encroaching into the OTC market, brokers say they are confident they can maintain their edge and point out that exchanges offer few services that cannot be provided by interdealer brokers.

“The OTC market is flexible and reactive, fulfilling the needs of the market quickly, while the exchange-traded markets tend to be more rigid. If investors want to hedge their overall risk by using an exchange-traded contract at certain cardinal points along the curve, such as five, 10 or 30 years, then this is an area where I could see the exchanges potentially gaining traction. However, anything else in terms of contingent transactions or relative-value trading will remain within the remit of the OTC market,” says David Casterton, head of rates and voice broking at Icap in London. “Even if the exchanges do develop products to compete, the market will evolve in such a way as to create opportunities elsewhere.”

Icap once again dominated the survey, winning 35 first places across interest rate, currency and equity derivatives. The broker performed particularly well in the interest rate categories, where it racked up 29 wins – far ahead of nearest rival Tullett Prebon, which took 11 first-places in interest rates and 20 in total. Tullett Prebon topped the currencies section, with nine first-place wins, ahead of TFS-Icap with seven and Icap with five.

“Over the past year, the euro, yen and dollar markets have become ever more efficient, with a deeper liquidity pool, tighter margins and larger ticket sizes transacted on tighter bid/offer spreads,” says Casterton. “On top of this, there has been renewed focus on local currency markets, such as sterling and Swiss francs and also the second-tier markets such as Australian and New Zealand dollars. This development has increased over the past 12 months and, regardless of current volatility, I am sure will continue to do so.”

In the equity derivatives categories, London-based specialist equity broker Sunrise dominated the poll, taking nine first-place wins, with GFI coming in second with six first places. Brokers say volumes in the interbank market have been steady, helped by a shift in correlation levels and a burst of hedging by dealers caught short following a spike in equity implied volatility in August. The Chicago Board Options Exchange’s (CBOE) Vix index, which measures the market’s expectation of 30-day volatility on S&P 500 index option prices, reached 37.50 on August 16 versus 9.87 on January 24.

“In the exotic derivatives interbank business, volume this year has been sustained by a significant move in correlation levels. Besides, the high level of volatility of volatility triggered a more urgent need to hedge risks, especially on the back of two corrections this year. We believe more and more money is going to be injected into equity derivatives, particularly structured products, over the next few years, as potential for macro-wide growth over the next few years is strong, and there is a large demand for capital-protected

investment globally,” says Claude Amar, head of global exotics at Sunrise.

Meanwhile, the credit derivatives segment was dominated by GFI, which won 11 of the 14 categories. Again, brokers say volumes in the interdealer market have been robust, despite recent turbulence emanating from the US subprime mortgage market.

“The market has been very buoyant and we have seen good flows across all asset classes, both from a vanilla and a structured point of view,” says Ron Levi, chief operating officer at GFI in London. “Clearly, the past couple of weeks have seen some crazy dislocations, but on the whole we are very pleased with the amount of liquidity that has kept going throughout this period of high volatility. For most of our products, there has been a bid and an offer.”

However, the world inhabited by interdealer brokers is increasingly being eyed by exchanges on both sides of the Atlantic. In particular, exchanges have looked to introduce what is typically seen as the major advantage of the exchange-traded market – central clearing and settlement – into the OTC space.

The Chicago Mercantile Exchange (CME), for example, launched Clearing360, a clearing platform for OTC derivatives, in April last year. The service allows bilaterally negotiated OTC trades to be converted into futures contracts, allowing investors to benefit from central counterparty clearing. CME Clearing is the counterparty to every trade, reducing the risk of losses through default of a swaps counterparty. The CME also launched FXMarketSpace in a joint venture with Reuters last May, creating the first centrally cleared electronic trading platform for the cash foreign exchange market.

#### **Anonymity**

Meanwhile, Euronext.liffe launched its BClear clearing service for OTC derivatives in 2005. The service allows users to register OTC contracts for trade confirmation, administration and clearing as an exchange contract, while retaining the ability to specify contract maturity, exercise price and settlement. The key advantage of services such as these is anonymity – as LCH.Clearnet stands as a central counterparty between the clearing members, there is no need to reveal counterparty names for credit checking.

Despite initiatives such as these, as well as attempts by the CME, the CBOE and Eurex to launch exchange-traded credit derivatives contracts, brokers say they are not overly concerned about a threat to their business. “The exchanges have been attempting to take some of the products that have always originated in the broker space, but they haven’t really been successful, certainly not in credit,” says Levi. “I don’t think they’ve got the backing of the major banks, and the contracts they have been trying to attract have been too specialised with too few traders.”

In fact, brokers have been developing clearing initiatives of their own. Last year, GFI and Icap took minority stakes in Chicago-based Clearing Corporation, an independent futures clearing house owned by 50 major banks, market-makers and other financial organisations.

At the same time, brokers have



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continued to enhance their electronic trading capabilities. One of the most recent developments was from BGC, which announced in May that it had shelved its planned initial public offering (IPO) in favour of a merger with eSpeed, an electronic trading platform owned by BGC’s parent, Cantor Fitzgerald. “It’s a natural progression,” says Robin Clark, vice-president and executive managing director at BGC in London. “We already had a service agreement with eSpeed, but a merger would remove a lot of barriers that would help the new combined company grow successfully.”

The merger, expected to close in the fourth quarter of 2007 or early 2008, will effectively consolidate Cantor’s interdealer brokerage businesses into one public entity (eSpeed was spun off from Cantor Fitzgerald in a \$220 million IPO in December 1999). To acquire BGC, eSpeed will issue an aggregate 133,860,000 shares of its common stock and rights to acquire shares in its common stock.

“Technology is the way forward in our business,” says Clark. “At the moment, we don’t compete directly with the

exchanges. But there are a lot of niche players in the electronic market and further consolidation between electronic platforms and brokers is probably inevitable. And as electronic trading becomes a bigger part of our revenue, we are naturally going to be in a similar market-place as some of these exchanges.”

The growing overlap has raised speculation that the next big merger could occur between an exchange and a broker. Indeed, Icap entered into merger talks with the London Stock Exchange last year, but pulled out amid claims the exchange was over-valued. However, some brokers privately acknowledge the logic of such a tie-up and state that more consolidation is inevitable in the long term.

Others entertain a more co-operative view. “The exchanges and OTC are two halves of the same coin and each feeds business into the other,” says Sunrise’s Amar. “As usage of derivatives to manage risk continues to become more widespread, volumes of both exchange and OTC products will continue to rise. The exchanges and the OTC markets have coexisted for more than 20 years, and we expect that to continue.” ■

**OVERALL: BROKERS**
**First positions - interest rates**

Brokers	Short-dated swaps	Swaps 2-10 years	Swaps 10+ years	Interest rate caps/floors	Interest rate swaptions	Exotic interest rate products	Overnight index swaps	Repurchase agreements	Forward rate agreements	Total
Icap	3	3	4	2	4	7	2	3	1	29
Tullett Prebon	0	0	0	2	0	4	1	1	3	11
Tradition	1	1	0	1	1	0	1	0	0	5
BGC	0	0	0	0	0	4	0	0	0	4
Gottex	1	1	1	0	0	0	0	0	0	3
Velcor	0	0	0	0	0	0	1	0	1	2

**First positions - currencies**

Broker	Cross-currency swaps	Vanilla currency options	Exotic currency options	Currency forwards	Total
Tullett Prebon	2	1	1	5	9
TFS-Icap	0	4	3	0	7
Icap	4	0	0	1	5
GFI	0	1	1	0	2
Tradition	1	0	0	0	1

**First position - equity derivatives**

Brokers	OTC single-stock equity options	Equity index options	Exotic equity products	Total
Sunrise	1	2	6	9
GFI	2	3	1	6
Link	0	3	0	3
TFS	0	1	2	3
Icap	0	1	0	1

**First position - credit derivatives**

Brokers	Credit default swaps	Structured credit	Total
GFI	7	4	11
Creditex	1	2	3

**INTEREST RATES OVERALL**
**Short-dated interest rate swaps**

2007	2006	Banks	%
1	1	Deutsche Bank	11.6
2	3	JP Morgan	10.2
3	2	Royal Bank of Scotland	7.5
4	4	Barclays Capital	7.2
5	5	Goldman Sachs	6.5

**Interest rate swaps 10+ years**

2007	2006	Banks	%
1	1	Deutsche Bank	13.0
2=	5	Barclays Capital	10.3
2=	3	JP Morgan	10.3
4	2	Goldman Sachs	8.8
5	4	UBS	5.8

**Interest rate swaps 2-10 years**

2007	2006	Banks	%
1	1	Deutsche Bank	12.8
2	3	Goldman Sachs	10.1
3	4	Barclays Capital	9.6
4	2	JP Morgan	9.1
5		Royal Bank of Scotland	6.8

**Interest rate caps/floors**

2007	2006	Banks	%
1	1	JP Morgan	12.7
2	3	Deutsche Bank	11.8
3	2	Goldman Sachs	9.2
4	5	Barclays Capital	8.3
5		Société Générale	6.2

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## INTEREST RATES OVERALL

### Interest rate swaptions

2007	2006	Banks	%
1	1	JP Morgan	13.5
2=	3	Deutsche Bank	12.1
2=	2	Goldman Sachs	12.1
4	4	Citi	8.5
5		Barclays Capital	8.1

### Repurchase agreements

2007	2006	Banks	%
1	1	Credit Suisse	15.8
2	4	Barclays Capital	11.2
3	5	Deutsche Bank	10.3
4	2	UBS	6.5
5	3	Goldman Sachs	6.2

### Exotic interest rate products

2007	2006	Banks	%
1	1	Goldman Sachs	13.8
2		Royal Bank of Scotland	9.6
3	3	Deutsche Bank	8.1
4	2	BNP Paribas	6.8
5	4	Barclays Capital	6.5

### Forward rate agreements

2007	2006	Banks	%
1	1	Royal Bank of Scotland	15.4
2	3=	Deutsche Bank	14.3
3	3=	JP Morgan	13.6
4=	2	Barclays Capital	7.1
4=		UBS	7.1

### Overnight index swaps

2007	2006	Banks	%
1	1	Deutsche Bank	13.8
2		JP Morgan	11.6
3	2	UBS	10.8
4=	3	Barclays Capital	6.9
4=	4	Royal Bank of Scotland	6.9

## CURRENCY OVERALL

### Cross-currency swaps

2007	2006	Banks	%
1	1	Deutsche Bank	15.8
2	4	Barclays Capital	9.2
3	2	UBS	8.8
4	3	JP Morgan	8.0
5		Royal Bank of Scotland	5.7

### Exotic currency options

2007	2006	Banks	%
1	1	UBS	13.5
2=		Deutsche Bank	12.4
2=	5	Goldman Sachs	12.4
4	3	Royal Bank of Scotland	10.6
5	2	JP Morgan	9.5

### Vanilla currency options

2007	2006	Banks	%
1	1	Royal Bank of Scotland	13.2
2	2	UBS	10.6
3		Barclays Capital	9.5
4	3	Goldman Sachs	9.1
5	5	Deutsche Bank	6.9

### Currency forwards

2007	2006	Banks	%
1	1	UBS	15.5
2	3	Deutsche Bank	10.2
3		Royal Bank of Scotland	8.8
4=		Barclays Capital	6.2
4=	2	Credit Suisse	6.2

## EQUITY OVERALL

### OTC single-stock equity products

2007	2006	Banks	%
1	1	Société Générale	21.5
2	2	JP Morgan	17.2
3	5	BNP Paribas	8.6
4	3	Deutsche Bank	8.2
5		Goldman Sachs	5.0

### Warrants

2007	2006	Banks	%
1	1	Société Générale	14.2
2	5	BNP Paribas	10.2
3	2	Deutsche Bank	6.8
4	4	Citi	6.4
5	3	JP Morgan	4.6

### Equity index options

2007	2006	Banks	%
1	1	Société Générale	16.5
2	2	JP Morgan	15.8
3	3	Deutsche Bank	10.2
4	5	BNP Paribas	9.1
5		Goldman Sachs	5.1

### Exotic equity products

2007	2006	Banks	%
1	1	Société Générale	16.5
2	3	BNP Paribas	13.6
3	2	JP Morgan	11.2
4	4	Barclays Capital	4.5
5	5	Deutsche Bank	4.3

**CREDIT OVERALL**
**Credit default swaps**

2007	2006	Banks	%
1	1	JP Morgan	14.5
2	2	Morgan Stanley	9.5
3	3	Deutsche Bank	8.8
4	4	Goldman Sachs	8.1
5	5	BNP Paribas	5.3

**Structured credit**

2007	2006	Banks	%
1	1	JP Morgan	13.1
2	2	BNP Paribas	11.8
3	3	Deutsche Bank	8.2
4	5	Morgan Stanley	7.8
5	4	Merrill Lynch	6.7

**INTEREST RATE OVERALL: BREAKDOWN BY CURRENCY**
**US dollar**

2007	2006	Banks	%
1	2	JP Morgan	11.7
2	3	Deutsche Bank	10.2
3	1	Goldman Sachs	8.5
4	4	Barclays Capital	6.4
5		Royal Bank of Scotland	5.8

**Sterling**

2007	2006	Banks	%
1	1	Royal Bank of Scotland	20.9
2	2	Barclays Capital	17.6
3	3	Deutsche Bank	8.6
4	4	Goldman Sachs	6.4
5	5	UBS	5.2

**Euro**

2007	2006	Banks	%
1	1	Deutsche Bank	12.4
2=	2	Barclays Capital	9.8
2=	4	JP Morgan	9.8
4	3	Goldman Sachs	6.4
5	5	Royal Bank of Scotland	4.7

**Swiss franc**

2007	2006	Banks	%
1	2	Credit Suisse	24.7
2	1	UBS	20.1
3	4	JP Morgan	8.2
4		Zürcher Kantonalbank	6.9
5	3	Deutsche Bank	4.8

**Yen**

2007	2006	Banks	%
1	1	Deutsche Bank	10.2
2=	2	JP Morgan	8.1
2=	3	Mitsubishi UFJ Securities	8.1
4		Mizuho Bank	6.2
5	5	Goldman Sachs	5.7

**CURRENCY OVERALL: BREAKDOWN BY CURRENCY**
**US dollar/euro**

2007	2006	Banks	%
1	1	UBS	12.1
2	3	Royal Bank of Scotland	9.8
3	4	Barclays Capital	9.5
4	2	Deutsche Bank	8.6
5	5	Citi	4.1

**US dollar/Swiss franc**

2007	2006	Banks	%
1	1	UBS	21.5
2	2	Credit Suisse	19.8
3	3	Deutsche Bank	7.5
4	4	JP Morgan	7.0
5		Zürcher Kantonalbank	4.8

**US dollar/yen**

2007	2006	Banks	%
1	2	Deutsche Bank	11.5
2	3	JP Morgan	9.2
3	1	UBS	7.9
4	4	Royal Bank of Scotland	6.5
5		Goldman Sachs	6.0

**Euro/sterling**

2007	2006	Banks	%
1	1	Royal Bank of Scotland	16.2
2	3	Barclays Capital	13.8
3	2	UBS	12.1
4	4	Deutsche Bank	7.9
5		Goldman Sachs	6.3

**US dollar/sterling**

2007	2006	Banks	%
1	1	Royal Bank of Scotland	16.5
2	2	Barclays Capital	14.3
3	3	UBS	10.2
4	4	Deutsche Bank	7.6
5		Credit Suisse	5.5

**Euro/yen**

2007	2006	Banks	%
1	2	UBS	12.7
2	3	Deutsche Bank	11.4
3=		Barclays Capital	6.8
3=	1	JP Morgan	6.8
5	5	Goldman Sachs	5.1

**SHORT-DATED INTEREST RATE SWAPS**
**US dollar**
*29 banks cited*

2007	2006	Banks	%	2007	2006	Brokers
1	1	JP Morgan	15.3	1	2	Icap
2	2	Royal Bank of Scotland	12.9	2	1	Tullett Prebon
3	3	Deutsche Bank	10.6	3	3	BGC
4	4	Goldman Sachs	10.2			
5	5	Barclays Capital	6.5			

**Euro**
*32 banks cited*

2007	2006	Banks	%	2007	2006	Brokers
1	1	Deutsche Bank	16.2	1	1	Icap
2	2	Barclays Capital	14.5	2	2	Tullett Prebon
3		JP Morgan	12.7	3	3	BGC
4	3	Goldman Sachs	11.4			
5	4	Royal Bank of Scotland	9.3			

**Yen**
*25 banks cited*

2007	2006	Banks	%	2007	2006	Brokers
1	3	JP Morgan	14.9	1	1	Tradition
2	1	Deutsche Bank	12.6	2	2	Icap
3	2	Mitsubishi UFJ Securities	10.5	3		BGC
4=		Mizuho Bank	8.0			
4=	4	UBS	8.0			

**Sterling**
*27 banks cited*

2007	2006	Banks	%	2007	2006	Brokers
1	1	Royal Bank of Scotland	22.1	1	1	Icap
2	2	Barclays Capital	20.5	2	2	Tullett Prebon
3	3	Deutsche Bank	12.7	3=	3	BGC
4	4	Goldman Sachs	7.6	3=		Tradition
5	5	JP Morgan	4.8			

**Swiss franc**
*20 banks cited*

2007	2006	Banks	%	2007	2006	Brokers
1	2	Credit Suisse	25.7	1	2	Gottex
2	1	UBS	22.8	2	1	Icap
3=	3	Deutsche Bank	7.0	3		Velcor
3=	5	JP Morgan	7.0			
5		Goldman Sachs	6.7			

**INTEREST RATE SWAPS 2-10 YEARS**
**US dollar**
*26 banks cited*

2007	2006	Banks	%	2007	2006	Brokers
1	1	Deutsche Bank	15.2	1	1	Icap
2	3	JP Morgan	13.1	2	2	Tullett Prebon
3	4	Barclays Capital	10.6	3		BGC
4	2	Goldman Sachs	9.8			
5	5	Bank of America	7.1			

**Euro**
*27 banks cited*

2007	2006	Banks	%	2007	2006	Brokers
1	2	Deutsche Bank	16.8	1	1	Icap
2	1	Barclays Capital	16.5	2	2	BGC
3	4	Goldman Sachs	14.3	3	3	Tullett Prebon
4	3	JP Morgan	10.6			
5	5	Royal Bank of Scotland	7.2			

**INTEREST RATE SWAPS 2-10 YEARS**
**Yen**

18 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Mitsubishi UFJ Securities	16.2	1	1	Tradition
2	3	Deutsche Bank	15.2	2	2	Icap
3	4	Goldman Sachs	12.5	3		BGC
4	2	JP Morgan	10.9			
5		Mizuho Bank	9.7			

**Sterling**

18 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Royal Bank of Scotland	23.9	1	1	Icap
2	2	Barclays Capital	21.6	2	3	Tradition
3	4	Goldman Sachs	9.2	3	2	Tullet Prebon
4	3	Deutsche Bank	8.2			
5		HSBC	4.1			

**Swiss franc**

16 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Credit Suisse	22.9	1	1	Gottex
2	2	UBS	17.3	2	2	Icap
3		Zürcher Kantonalbank	9.5	3		Velcor
4		JP Morgan	7.8			
5		Goldman Sachs	4.5			

**INTEREST RATE SWAPS 10+ YEARS**
**US dollar**

24 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1=	2	Deutsche Bank	12.6	1	1	Icap
1=	4	JP Morgan	12.6	2		BGC
3	3	Bank of America	11.7	3	2	Tradition
4		Barclays Capital	11.6			
5	1	Goldman Sachs	10.4			

**Euro**

24 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	2	Barclays Capital	14.7	1	1	Icap
2	4	Goldman Sachs	13.9	2	2	BGC
3	1	Deutsche Bank	12.9	3	3	Tullett Prebon
4	3	JP Morgan	10.1			
5		Société Générale	8.1			

**Yen**

23 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1=	Deutsche Bank	14.7	1	1	Icap
2	3	Mitsubishi UFJ Securities	14.1	2	2	Tradition
3	1=	JP Morgan	11.3	3	3	Tullett Prebon
4	5	Goldman Sachs	9.6			
5	4	UBS	8.5			

**Sterling**

23 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	2	Barclays Capital	20.5	1	1	Icap
2	1	Royal Bank of Scotland	18.2	2	2	Tullett Prebon
3	3	Goldman Sachs	8.7	3		Tradition
4	5	Deutsche Bank	8.6			
5		HSBC	7.7			

**INTEREST RATE SWAPS 10+ YEARS**
**Swiss franc**

17 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	2	Credit Suisse	23.7	1	1	Gottex
2	1	UBS	19.9	2	2	Icap
3		Zürcher Kantonalbank	13.3	3		BGC
4	4	JP Morgan	7.6			
5		Deutsche Bank	6.0			

**INTEREST RATE CAPS/FLOORS**
**US dollar**

22 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	2	JP Morgan	12.7	1	1	Tullett Prebon
2	1	Goldman Sachs	12.3	2	2	Icap
3	3	Barclays Capital	9.2	3	3	BGC
4=	5	Deutsche Bank	8.1			
4=		Royal Bank of Scotland	8.1			

**Euro**

21 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Société Générale	18.5	1	1	Icap
2		JP Morgan	17.6	2	2	Tullett Prebon
3	3	Deutsche Bank	10.9	3	3	BGC
4	2	Citi	7.4			
5	4=	Barclays Capital	7.1			

**Yen**

20 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	3	Goldman Sachs	12.4	1	1	Tradition
2	1	Deutsche Bank	11.7	2	2	Icap
3	4=	Mitsubishi UFJ Securities	9.9	3		BGC
4	4=	Bank of America	8.1			
5		Mizuho Bank	7.3			

**Sterling**

18 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Royal Bank of Scotland	21.2	1	1=	Tullett Prebon
2	2	Barclays Capital	17.5	2	1=	Icap
3	3	Deutsche Bank	13.9	3		BGC
4		JP Morgan	10.3			
5	4	Citi	7.3			

**Swiss franc**

18 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	2	Credit Suisse	19.8	1	1	Icap
2	1	UBS	17.0	2	2	Tullett Prebon
3		Zürcher Kantonalbank	11.5	3	3	Gottex
4	3	JP Morgan	9.8			
5	5	Société Générale	8.2			

**INTEREST RATE SWAPTIONS**
**US dollar**

20 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Goldman Sachs	14.2	1	1=	Icap
2	2	JP Morgan	12.7	2	1=	BGC
3		Barclays Capital	10.7	3	3	Tullett Prebon
4		Bank of America	8.2			
5	5	Citi	7.0			

**INTEREST RATE SWAPTIONS**
**Euro**

23 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Citi	15.4	1	1	Icap
2	4	Deutsche Bank	13.9	2	2	BGC
3	2	Goldman Sachs	8.5	3	3	Tullet Prebon
4	3	JP Morgan	7.5			
5	5	BNP Paribas	6.5			

**Yen**

17 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	5	Deutsche Bank	15.5	1	1	Tradition
2	3	Goldman Sachs	15.0	2	3=	Tullett Prebon
3	1	JP Morgan	12.4	3	3=	BGC
4=	2	Bank of America	8.8			
4=		Lehman Brothers	8.8			

**Sterling**

18 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	3	Barclays Capital	20.5	1	1	Icap
2	1	Royal Bank of Scotland	18.5	2	2	BGC
3	2	Deutsche Bank	13.9	3	3	Tullett Prebon
4	5	JP Morgan	10.3			
5		Goldman Sachs	7.3			

**Swiss franc**

17 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	2	Credit Suisse	24.7	1	1	Icap
2	1	UBS	19.8	2=	2	Gottex
3	3	JP Morgan	13.8	2=	2	Tullet Prebon
4	5	Citi	10.2			
5		Deutsche Bank	6.6			

**EXOTIC INTEREST RATE PRODUCTS**
**Volatility/variance swaps**

25 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Goldman Sachs	13.2	1	1	Icap
2	3=	BNP Paribas	11.7	2	2=	BGC
3	2	Deutsche Bank	9.9	3	2=	Tullett Prebon
4	3=	JP Morgan	9.1			
5		Royal Bank of Scotland	7.4			

**Binary/digital**

23 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Goldman Sachs	13.2	1	1	Icap
2	4	BNP Paribas	12.3	2	2	BGC
3	5	Société Générale	10.7	3		Tradition
4	3	Deutsche Bank	8.9			
5		Royal Bank of Scotland	7.1			

**Constant maturity - euro**

21 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1=	BNP Paribas	13.1	1	1	Icap
2	4=	Barclays Capital	12.3	2	2	BGC
3	1=	Goldman Sachs	10.1	3		Tradition
4	4=	JP Morgan	8.7			
5	3	Deutsche Bank	8.0			

## EXOTIC INTEREST RATE PRODUCTS

### Constant maturity - US dollar

19 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	2	JP Morgan	12.9	1	1	BGC
2	1	Goldman Sachs	11.3	2	2	Icap
3	3	Deutsche Bank	10.4	3	3	Tullett Prebon
4		BNP Paribas	9.4			
5		Morgan Stanley	8.5			

### CMS spread option - euro

20 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Deutsche Bank	13.6	1	1	Icap
2=	2	BNP Paribas	10.8	2	3=	Tullett Prebon
2=	4	Société Générale	10.8	3	2	BGC
4	3	Goldman Sachs	9.4			
5		UBS	7.2			

### CMS spread option - US dollar

17 banks cited

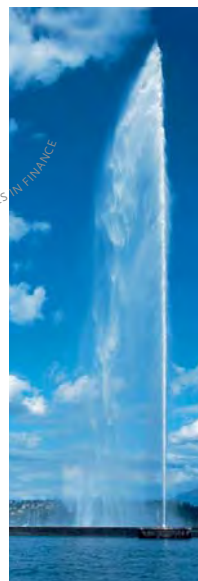
2007	2006	Banks	%	2007	2006	Brokers
1	5	JP Morgan	16.2	1	1	Icap
2	1	Goldman Sachs	14.2	2		GFI
3	2	BNP Paribas	9.9	3	3	BGC
4	2=	Credit Suisse	8.1			
5	4	Deutsche Bank	7.2			

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**EXOTIC INTEREST RATE PRODUCTS**
**Bermudan/American - euro**

18 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Goldman Sachs	15.2	1	1	Icap
2=	3=	Barclays Capital	14.5	2	2	BGC
2=		Deutsche Bank	14.5	3		GFI
4	2	JP Morgan	9.5			
5	5	BNP Paribas	7.7			

**Bermudan/American - US dollar**

19 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Goldman Sachs	12.7	1	3=	BGC
2	2	JP Morgan	11.0	2	1	Icap
3	4	Lehman Brothers	10.1	3		GFI
4=		Credit Suisse	9.2			
4=		Morgan Stanley	9.2			

**Quantos**

20 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Credit Suisse	14.5	1	1=	Icap
2	2	Goldman Sachs	14.1	2	1=	BGC
3	5	JP Morgan	12.8	3	3	Tradition
4		Morgan Stanley	10.3			
5	3=	Royal Bank of Scotland	9.0			

**Inflation swaps - euro**

18 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1		Royal Bank of Scotland	15.6	1	1	Tullett Prebon
2	2	Société Générale	13.0	2	3	BGC
3	5	BNP Paribas	10.4	3	2	Icap
4	4	Barclays Capital	10.0			
5	1	Goldman Sachs	6.5			

**Inflation swaps - US dollar**

17 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Barclays Capital	13.8	1	1	BGC
2	2	Goldman Sachs	12.2	2=	2=	Icap
3	3	Deutsche Bank	10.1	2=		Tradition
4	4	JP Morgan	6.8			
5		Bear Stearns	6.1			

**Inflation swaps - sterling**

18 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Royal Bank of Scotland	13.4	1	1	Tullett Prebon
2	2	Barclays Capital	11.6	2	2	BGC
3	3=	Goldman Sachs	9.1	3	3	Icap
4		UBS	8.1			
5	5	Deutsche Bank	5.6			

**Inflation cap/floors - euro**

19 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Goldman Sachs	13.5	1	3=	Tullett Prebon
2		Royal Bank of Scotland	12.6	2	2	BGC
3	4	Barclays Capital	10.5	3	3=	Tradition
4	5	Société Générale	8.1			
5	2	BNP Paribas	6.3			

**EXOTIC INTEREST RATE PRODUCTS**
**Inflation cap/floors - US dollar**
*20 banks cited*

2007	2006	Banks	%	2007	2006	Brokers
1	2	Barclays Capital	15.3	1	1	BGC
2	1	Goldman Sachs	14.9	2=		Tradition
3	4	Deutsche Bank	13.2	2=	2=	Tullett Prebon
4		Lehman Brothers	7.4			
5		Royal Bank of Scotland	6.1			

**Inflation cap/floors - sterling**
*16 banks cited*

2007	2006	Banks	%	2007	2006	Brokers
1	1	Royal Bank of Scotland	15.1	1	1	Tullett Prebon
2	2	Barclays Capital	14.3	2	2	BGC
3	4=	Goldman Sachs	8.0	3		Tradition
4		Deutsche Bank	6.3			
5	3	UBS	5.4			

**OVERNIGHT INDEX SWAPS**
**US dollar**
*18 banks cited*

2007	2006	Banks	%	2007	2006	Brokers
1	2=	JP Morgan	12.7	1	2	Tullett Prebon
2	1	Deutsche Bank	11.2	2	1	Icap
3	2=	UBS	10.4	3	3	BGC
4		Goldman Sachs	8.1			
5	4	Bank of America	6.7			

**Euro**
*17 banks cited*

2007	2006	Banks	%	2007	2006	Brokers
1	5=	JP Morgan	13.9	1	1	Icap
2	1	Deutsche Bank	11.3	2	2	Tullett Prebon
3	2	Barclays Capital	7.8	3		Tradition
4		Goldman Sachs	7.0			
5	5=	Royal Bank of Scotland	6.6			

**Yen**
*14 banks cited*

2007	2006	Banks	%	2007	2006	Brokers
1	1	Deutsche Bank	16.0	1	2	Tradition
2	2	UBS	15.1	2	1	Icap
3	3	Mizuho Bank	12.3	3		Tullett Prebon
4		Merrill Lynch	9.4			
5=	4	Barclays Capital	7.5			
5=		JP Morgan	7.5			

**Sterling**
*15 banks cited*

2007	2006	Banks	%	2007	2006	Brokers
1	1	Royal Bank of Scotland	20.3	1	1	Icap
2	2	Barclays Capital	19.1	2		Tradition
3	3	Deutsche Bank	11.2	3	2	Tullett Prebon
4	4	UBS	9.6			
5		Merrill Lynch	6.4			

**Swiss franc**
*15 banks cited*

2007	2006	Banks	%	2007	2006	Brokers
1	1	Credit Suisse	24.3	1		Velcor
2	2	UBS	21.5	2	1	Gottex
3	5	JP Morgan	16.1	3	2	Icap
4	3	Royal Bank of Scotland	7.6			
5		Citi	5.2			

## REPURCHASE AGREEMENTS

### US dollar

19 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	3	Credit Suisse	14.5	1	2=	Icap
2		Deutsche Bank	12.0	2	1	BGC
3	1	Goldman Sachs	10.2	3		Tradition
4	4=	UBS	9.4			
5	4=	Lehman Brothers	8.5			

### Euro

21 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	2	Société Générale	15.5	1	2	Icap
2	1	Credit Suisse	13.4	2=	3	BGC
3	3=	Barclays Capital	10.6	2=	1	Tullett Prebon
4	3=	Deutsche Bank	7.7			
5	3=	UBS	7.0			

### Yen

15 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	2	Mizuho Bank	17.7	1	1=	Icap
2	1	Credit Suisse	14.5	2	3	BGC
3		Barclays Capital	11.3	3		Tradition
4		Deutsche Bank	9.7			
5	5	Goldman Sachs	6.5			

### Sterling

14 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Credit Suisse	15.9	1	1	Tullett Prebon
2	4=	Barclays Capital	14.3	2	2=	Icap
3	3	Royal Bank of Scotland	13.1	3	2=	BGC
4	5	Société Générale	9.8			
5	2	UBS	8.2			

## FORWARD RATE AGREEMENTS

### US dollar

20 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Royal Bank of Scotland	14.9	1	2	Tullett Prebon
2	4	Deutsche Bank	12.9	2	1	Icap
3	2	JP Morgan	10.8	3	3	BGC
4		Société Générale	10.1			
5		Goldman Sachs	7.2			

### Euro

21 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Royal Bank of Scotland	16.3	1	1	Icap
2	5	JP Morgan	11.7	2	2	Tullett Prebon
3	3	Deutsche Bank	10.7	3	3	Tradition
4	2	Barclays Capital	10.2			
5	4	Société Générale	8.3			

### Yen

16 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Deutsche Bank	18.2	1	1	Tullett Prebon
2	2	JP Morgan	15.6	2	2	Icap
3	4	Mitsubishi UFJ Securities	10.2	3	3	Tradition
4		UBS	7.4			
5		Morgan Stanley	6.5			

**FORWARD RATE AGREEMENTS**
**Sterling**

18 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Royal Bank of Scotland	23.9	1	1	Tullett Prebon
2	2	Barclays Capital	19.6	2	3	Tradition
3	3	Deutsche Bank	13.4	3	2	Icap
4		Merrill Lynch	8.2			
5		Goldman Sachs	7.7			

**Swiss franc**

16 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Credit Suisse	28.5	1		Velcor
2	2	UBS	23.7	2	1	Tullett Prebon
3		JP Morgan	15.6	3	3	Gottex
4		Goldman Sachs	8.9			
5	4	Royal Bank of Scotland	6.7			

**CROSS-CURRENCY SWAPS**
**US dollar/euro**

22 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Deutsche Bank	15.1	1	2	Tullett Prebon
2	2	UBS	12.0	2	1	Icap
3	5	Barclays Capital	9.0	3	3	GFI
4	4	Citi	7.8			
5		Credit Suisse	7.2			

**US dollar/yen**

18 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	2	Deutsche Bank	13.3	1	1	Tradition
2	1	JP Morgan	12.5	2	2	Icap
3	5	Citi	9.6	3	3	Tullett Prebon
4	4	Mizuho Bank	8.7			
5		Goldman Sachs	5.7			

**US dollar/sterling**

17 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	3=	Deutsche Bank	14.6	1	1	Icap
2=	2	Barclays Capital	11.6	2	2=	Tullett Prebon
2=	1	Royal Bank of Scotland	11.6	3	2=	GFI
4	3=	UBS	8.7			
5	5	JP Morgan	7.8			

**US dollar/Swiss franc**

15 banks cited

2007	2006	Banks	%	2007	2006	broker
1	2	Credit Suisse	23.7	1=	1	Icap
2	1	UBS	20.3	1=	2	Tullett Prebon
3=	4	JP Morgan	7.6	3	3	Gottex
3=	3	Deutsche Bank	7.6			
5		Royal Bank of Scotland	5.9			

**Euro/sterling**

16 banks cited

2007	2006	Banks	%	2007	2006	broker
1	1	Barclays Capital	18.9	1	1	Icap
2	2	Deutsche Bank	14.9	2	2=	Tullett Prebon
3	3	Royal Bank of Scotland	9.5	3		Tradition
4	4	UBS	8.1			
5		Goldman Sachs	6.8			

**CROSS-CURRENCY SWAPS**
**Euro/yen**

17 banks cited

2007	2006	Banks	%	2007	2006	broker
1	1	JP Morgan	16.1	1	1	Icap
2	3	Deutsche Bank	15.1	2	2	Tradition
3		Barclays Capital	14.3	3	3	Tullett Prebon
4	2	UBS	8.9			
5		Royal Bank of Scotland	7.1			

**VANILLA CURRENCY OPTIONS**
**US dollar/euro**

19 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Royal Bank of Scotland	15.6	1	1	TFS-Icap
2	5	Barclays Capital	13.6	2	2	Tullett Prebon
3	3	UBS	10.4	3	3	GFI
4	2	Goldman Sachs	9.6			
5		Citi	7.2			

**US dollar/yen**

18 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Royal Bank of Scotland	14.9	1	1	Tullett Prebon
2	5=	Barclays Capital	12.3	2	2	TFS-Icap
3	4	Deutsche Bank	11.4	3		GFI
4	2	UBS	9.6			
5	5=	Goldman Sachs	8.8			

**US dollar/sterling**

17 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Royal Bank of Scotland	19.4	1	2=	TFS-Icap
2	2	Barclays Capital	16.8	2	1	Tullett Prebon
3	3	Goldman Sachs	10.3	3	2=	BGC
4	4	UBS	7.5			
5	5	Deutsche Bank	6.5			

**US dollar/Swiss franc**

18 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	UBS	17.5	1	1	TFS-Icap
2	2	Credit Suisse	14.6	2		GFI
3	3	Deutsche Bank	10.8	3	3	Gottex
4	4	Citi	7.5			
5		Goldman Sachs	6.4			

**Euro/sterling**

17 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Royal Bank of Scotland	22.4	1	1	TFS-Icap
2	3	Barclays Capital	16.5	2	2	GFI
3	2	UBS	14.1	3		Tullett Prebon
4	4	Goldman Sachs	11.8			
5		Citi	9.4			

**Euro/yen**

16 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	4	UBS	17.5	1	3	GFI
2	3	Deutsche Bank	14.5	2	1	Tullett Prebon
3	2	Goldman Sachs	12.4	3	2	TFS-Icap
4	5	Royal Bank of Scotland	10.3			
5		Barclays Capital	9.3			

### EXOTIC CURRENCY OPTIONS

#### US dollar/euro barrier

16 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	UBS	15.8	1		Tullett Prebon
2	2	Royal Bank of Scotland	14.5	2	1	TFS-Icap
3	4	Barclays Capital	11.6	3		GFI
4		Deutsche Bank	10.5			
5	3	Goldman Sachs	7.7			

#### US dollar/yen barrier

16 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	2	Deutsche Bank	18.9	1	1	TFS-Icap
2	1	UBS	15.1	2	2	BGC
3=	3=	Goldman Sachs	13.2	3		GFI
3=	3=	Royal Bank of Scotland	13.2			
5		JP Morgan	10.6			

#### Euro/yen barrier

13 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	JP Morgan	16.9	1	2	TFS-Icap
2	2	Royal Bank of Scotland	16.4	2	1	Tullett Prebon
3	4	UBS	14.5	3		GFI
4=		Goldman Sachs	9.1			
4=		BNP Paribas	9.1			

#### Long-dated

13 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	JP Morgan	16.6	1	1	TFS-Icap
2=	4	Deutsche Bank	14.7	2	2=	Tullett Prebon
2=	2	Goldman Sachs	14.7	3	2=	BGC
4		Royal Bank of Scotland	13.2			
5	3	UBS	10.3			

#### Basket options

13 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1		Goldman Sachs	19.8	1	1=	GFI
2	1	Barclays Capital	16.2	2		BGC
3	5	Deutsche Bank	10.8			
4=	2	BNP Paribas	8.1			
4=		UBS	8.1			

### CURRENCY FORWARDS

#### US dollar/euro

21 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	UBS	14.0	1	1=	Tullett Prebon
2	4	Deutsche Bank	12.5	2	1=	Icap
3		Royal Bank of Scotland	10.5	3		BGC
4		Barclays Capital	8.8			
5	2	Citi	7.9			

#### US dollar/yen

17 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	UBS	13.7	1	1	Tullett Prebon
2	4	JP Morgan	11.2	2		GFI
3=	3	Deutsche Bank	7.6	3	2	Tradition
3=		Merrill Lynch	7.6			
5	2	Credit Suisse	6.8			

## CURRENCY FORWARDS

### US dollar/sterling

16 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Royal Bank of Scotland	14.8	1	1	Tullett Prebon
2	2=	Barclays Capital	12.3	2	2	Icap
3	2=	UBS	9.6	3		GFI
4	4	Credit Suisse	9.2			
5		Deutsche Bank	8.5			

### US dollar/Swiss franc

14 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	UBS	24.7	1	1=	Tullett Prebon
2	2	Credit Suisse	23.5	2	1=	Gottex
3		JP Morgan	7.9	3		GFI
4	4	Zürcher Kantonalbank	6.7			
5	3	Deutsche Bank	5.7			

### Euro/sterling

17 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	2	Royal Bank of Scotland	13.8	1	1	Tullett Prebon
2	1	UBS	12.1	2	2	Icap
3=		Barclays Capital	10.3	3		GFI
3=	5	Deutsche Bank	10.3			
5	3=	Société Générale	8.7			

### Euro/yen

15 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	2	UBS	14.9	1		Icap
2	4	Deutsche Bank	13.4	2	1	Tullett Prebon
3	1	Credit Suisse	13.0	3	2	Tradition
4	5	Société Générale	11.9			

## OTC SINGLE-STOCK EQUITY OPTIONS

### US

22 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	JP Morgan	17.8	1	1	GFI
2	2	Société Générale	14.1	2	3	Sunrise
3=	4	Goldman Sachs	10.4	3	2	Tullett Prebon
3=		Lehman Brothers	8.4			
5	5	Deutsche Bank	7.9			

### Europe

26 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Société Générale	19.4	1	1	GFI
2	4	BNP Paribas	18.0	2	2	Sunrise
3	3	JP Morgan	13.6	3		Tradition
4	2	Deutsche Bank	9.4			
5		Credit Suisse	6.5			

### Asia

19 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Société Générale	25.5	1		Sunrise
2	3	JP Morgan	14.3	2		Fimat
3	2	Deutsche Bank	13.0	3		GFI
4	4	BNP Paribas	10.6			
5	5	Barclays Capital	8.1			

**EQUITY INDEX OPTIONS**
**DJ Euro Stoxx 50**

18 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	JP Morgan	16.2	1	2	GFI
2	2	Société Générale	15.6	2	1	TFS
3	3	Deutsche Bank	15.2	3		Link
4		BNP Paribas	8.0			
5		Goldman Sachs	7.1			

**Nasdaq 100**

19 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Société Générale	16.3	1	1=	Sunrise
2	2	JP Morgan	13.5	2	3	TFS
3	4	BNP Paribas	10.5	3	1=	GFI
4=		Citi	6.8			
4=		Lehman Brothers	6.8			

**S&P 500**

19 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	JP Morgan	18.9	1	2=	TFS
2	3	Société Générale	15.2	2	2=	Sunrise
3	2	Deutsche Bank	11.4	3	1	Man Financial
4	5	Lehman Brothers	10.1			
5=		BNP Paribas	9.5			
5=		Goldman Sachs	9.5			

**FTSE 100**

20 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	2	Société Générale	16.9	1	2	Link
2	1	JP Morgan	14.1	2	1	GFI
3		BNP Paribas	11.9	3	3	TFS
4	3	Barclays Capital	8.3			
5		Goldman Sachs	7.5			

**Nikkei 225**

19 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Deutsche Bank	16.7	1	2=	Icap
2	3	JP Morgan	15.1	2	1	Fimat
3=	2	Société Générale	9.5	3	2=	GFI
3=	5	BNP Paribas	9.5			
5		Goldman Sachs	6.9			

**SMI**

18 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Société Générale	15.7	1	1	Link
2	4	BNP Paribas	13.8	2	2	GFI
3	2	JP Morgan	11.0	3=	3	Sunrise
4=	5	UBS	7.3	3=		TFS
4=		Goldman Sachs	7.3			

**Dax**

17 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Deutsche Bank	18.5	1	1	GFI
2	2	JP Morgan	16.4	2	2	Sunrise
3		BNP Paribas	15.5	3	3	TFS
4	3	Société Générale	15.1			
5		Citi	5.5			

**EQUITY INDEX OPTIONS**
**Cac 40**

17 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Société Générale	19.5	1=		Link
2	2	BNP Paribas	17.4	1=	2=	Sunrise
3	3	JP Morgan	14.8	3	2=	TFS
4		HSBC	8.4			
5	4	Deutsche Bank	7.3			

**Hang Seng**

15 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Société Générale	16.7	1	1	GFI
2	2	Deutsche Bank	15.7	2		TFS
3	4	BNP Paribas	12.8			
4=	5	Barclays Capital	11.2			
4=	3	JP Morgan	11.2			

**WARRANTS**
**Germany**

14 banks cited

2007	2006	Banks	%
1	2	Deutsche Bank	13.2
2	1	Société Générale	11.6
3		BNP Paribas	10.5
4	4	Citi	9.5
5	3	JP Morgan	8.7

**Italy**

12 banks cited

2007	2006	Banks	%
1		BNP Paribas	20.1
2	1	Société Générale	18.5
3	5	Deutsche Bank	14.3
4	3=	Unicredito Bank	11.1
5	3=	Citi	8.3

**France**

13 banks cited

2007	2006	Banks	%
1	1	Société Générale	20
2	2	BNP Paribas	18.6
3	4	Calyon	13.8
4	5	Citi	6.9
5		JP Morgan	5.2

**Spain**

12 banks cited

2007	2006	Banks	%
1	1	Société Générale	22.8
2	3	BBVA	21.6
3		BNP Paribas	15.5
4	5	Citi	12.8
5	4	JP Morgan	10.1

**Switzerland**

14 banks cited

2007	2006	Banks	%
1	1	Société Générale	23.5
2	2	UBS	20.8
3	5	Credit Suisse	15.8
4	4	BNP Paribas	10.6
5		Deutsche Bank	8.2

**Hong Kong**

12 banks cited

2007	2006	Banks	%
1	1	Société Générale	19.4
2	2	Macquarie Bank	16.9
3		KBC	14.3
4	3	Citi	11.3
5		BNP Paribas	7.7

**EXOTIC EQUITY PRODUCTS**
**Binary/digital**

19 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	JP Morgan	15.4	1	1	GFI
2=	4	BNP Paribas	14.4	2	2	Sunrise
2=	2=	Société Générale	14.4	3	3	TFS
4		Goldman Sachs	7.6			
5	5	Deutsche Bank	5.3			

**Barrier**

18 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	3	Société Générale	18.6	1	1	TFS
2	1	BNP Paribas	15.5	2	2=	Sunrise
3	4	JP Morgan	10.9	3	2=	GFI
4		Credit Suisse	8.2			
5	5	Deutsche Bank	6.8			

## EXOTIC EQUITY PRODUCTS

### Cliquet/ratchet

17 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Société Générale	19.7	1	1	TFS
2	5	BNP Paribas	17.6	2	3	GFI
3		Credit Suisse	12.5	3	2	Sunrise
4	2	JP Morgan	10.4			
5	4	Barclays Capital	8.4			

### Ladder/lookback

15 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Société Générale	19.7	1	3	Sunrise
2	2=	BNP Paribas	17.6	2	1	TFS
3	2=	Barclays Capital	14.3	3	2	GFI
4	4	Deutsche Bank	10.3			
5	5	JP Morgan	8.0			

### Volatility/variance swaps

17 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	2	BNP Paribas	18.8	1	1	Sunrise
2	3	Société Générale	15.7	2	3	GFI
3	1	JP Morgan	12.1	3	2	Link
4	4	Morgan Stanley	8.1			
5	5	Deutsche Bank	5.6			

### Dividend swaps

16 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Société Générale	16.8	1	1	Sunrise
2	4	Barclays Capital	14.5	2	2=	GFI
3	3	BNP Paribas	13.8	3	2=	Link
4	2	JP Morgan	12.1			
5		Goldman Sachs	7.8			

### Best-of/worst-of options

15 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	2	Société Générale	17.5	1	1	Sunrise
2	5	BNP Paribas	15.5	2	2	TFS
3	1	JP Morgan	12.7	3	3	GFI
4	3	Barclays Capital	10.6			
5	4	Citi	9.6			

### OTC basket options (index baskets)

18 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	4=	BNP Paribas	15.9	1	1	Sunrise
2	3	Société Générale	14.8	2		Exane
3	1	JP Morgan	12.2	3	2	GFI
4=		Credit Suisse	8.5			
4=	4=	Deutsche Bank	8.5			

### OTC basket options (stock baskets)

18 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	JP Morgan	16.5	1	1	Sunrise
2	2	Société Générale	14.8	2		Exane
3	4	BNP Paribas	13.5	3	2	GFI
4	5	Barclays Capital	10.2			
5	3	Citi	8.8			

**EXOTIC EQUITY PRODUCTS**
**Hedge fund derivatives**

17 banks cited

2007	2006	Banks	%
1	1	Société Générale	17.8
2	5	BNP Paribas	14.5
3	2	Barclays Capital	10.8
4		Deutsche Bank	9.5
5	4	Credit Suisse	8.8

**CREDIT DEFAULT SWAPS**
**Investment-grade - Americas**

18 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1=	Morgan Stanley	17.5	1	1	GFI
2	4=	JP Morgan	14.2	2	2	Creditex
3	3	Deutsche Bank	11.8	3		Tradition
4	1=	Goldman Sachs	9.6			
5		Merrill Lynch	8.5			

**Investment-grade - Europe**

20 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	5	Goldman Sachs	14.3	1	1	GFI
2	4	Deutsche Bank	11.9	2	2	Creditex
3	3	JP Morgan	10.7	3		Tradition
4	1	BNP Paribas	9.5			
5	2	Morgan Stanley	8.3			

**Investment-grade - Asia**

16 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Deutsche Bank	14.7	1	2	GFI
2=	2	BNP Paribas	11.8	2		Tradition
2=	3	JP Morgan	11.8	3	3	BGC
4	5	Goldman Sachs	10.3			
5	4	Morgan Stanley	8.8			

**Investment-grade - sovereigns**

15 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1=	JP Morgan	16.4	1	1	Creditex
2		Morgan Stanley	12.3	2	2=	GFI
3	5	UBS	10.9	3	2=	Icap
4	1=	Merrill Lynch	8.2			
5		BNP Paribas	7.5			

**Emerging market - sovereigns**

15 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	2	JP Morgan	15.8	1	1	GFI
2=		Deutsche Bank	14.0	2	3	Creditex
2=	1	Morgan Stanley	14.0	3		Tradition
4	3	Credit Suisse	12.3			
5		Citi	10.5			

**High-yield - Americas**

21 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	JP Morgan	17.5	1	1	GFI
2	5=	Goldman Sachs	15.2	2	2	Creditex
3	2	Morgan Stanley	12.1	3		Tradition
4		Deutsche Bank	10.5			
5	5=	UBS	7.2			

**CREDIT DEFAULT SWAPS**
**High-yield - Europe**
*20 banks cited*

2007	2006	Banks	%	2007	2006	Brokers
1	4=	Morgan Stanley	18.5	1	2	GFI
2	1	JP Morgan	15.7	2		Tradition
3	2	Deutsche Bank	12.2	3	1	Creditex
4	4=	Goldman Sachs	9.6			
5	5=	UBS	8.4			

**High-yield - Asia**
*18 banks cited*

2007	2006	Banks	%	2007	2006	Brokers
1	3	JP Morgan	17.4	1	1	GFI
2	4	Goldman Sachs	16.7	2		Tradition
3=	1	Credit Suisse	14.3	3	3	Creditex
3=		Morgan Stanley	14.3			
5	5	BNP Paribas	9.5			

**STRUCTURED CREDIT**
**n-to-default baskets**
*15 banks cited*

2007	2006	Banks	%	2007	2006	Brokers
1	1	BNP Paribas	16.9	1	1	Creditex
2	5	ABN Amro	13.6	2	2	GFI
3	2	JP Morgan	11.8	3		Tradition
4	4	Merrill Lynch	10.5			
5		Calyon	8.5			

**Other bespoke baskets**
*17 banks cited*

2007	2006	Banks	%	2007	2006	Brokers
1	1	JP Morgan	16.9	1	n/a	GFI
2	2	BNP Paribas	13.8	2		BGC
3	4	Merrill Lynch	11.2	3		Tradition
4		Calyon	9.2			
5	3	Goldman Sachs	9.1			

**iTraxx Europe index**
*16 banks cited*

2007	2006	Banks	%	2007	2006	Brokers
1		Deutsche Bank	19.6	1		GFI
2		JP Morgan	15.5	2		Creditex
3=		BNP Paribas	12.2	3		Tradition
3=		Morgan Stanley	12.2			
5		Lehman Brothers	10.6			

**CDX index**
*15 banks cited*

2007	2006	Banks	%	2007	2006	Brokers
1	n/a	JP Morgan	19.3	1	n/a	GFI
2		Deutsche Bank	15.7	2		Creditex
3=		Morgan Stanley	15.2	3		Icap
3=		Goldman Sachs	15.2			
5		Merrill Lynch	9.1			

**iTraxx Europe tranches**
*9 banks cited*

2007	2006	Banks	%	2007	2006	Brokers
1=	2	JP Morgan	16.2	1	1	Creditex
1=	5	Morgan Stanley	16.2	2	2	GFI
3	3	BNP Paribas	14.4	3		BGC
4	1	Deutsche Bank	11.1			
5		Lehman Brothers	9.5			

## STRUCTURED CREDIT

### CDX index tranches

15 banks cited

2007	2006	Banks	%	2007	2006	Brokers
1	1	Deutsche Bank	18.2	1	2	GFI
2		JP Morgan	17.8	2	1	Creditex
3		Goldman Sachs	15.6	3		Icap
4	5	Morgan Stanley	11.7			
5	2=	Merrill Lynch	10.2			

#### | Derivatives

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Risk management  
Insurance

#### Structured products

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#### CDOs

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