

# Structured Products Weekly

October 27, 2010

By Prospect News

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## Volume declines to \$271 million; stock, autocallable deals preferred

By Emma Trincal

New York, Oct. 27 – Agents sold \$271 million last week in 45 deals in a week dominated by stock deals and autocallable structures.

Issuance in the week ended Friday declined from the week before both in volume – \$450 million of non-exchange-traded notes priced during the prior week – and in number of deals – 88 deals versus 45, according to data compiled by *Prospect News*.

Unlike the week before, which saw six ETNs sold for a total of \$1.65 billion total, the ETN supply was negligible last week with only \$18 million sold in eight small deals.

Deals in the \$10 million to \$50 million category dominated last week with 10 offerings priced in this category.

### Calm waters

As volatility was flat, investors looked for yield in single-stock deals rather than equity index-linked offerings.

Stock-linked notes saw their share as a percentage of total issuance increase to 42.5% from 8% week over week.

“It’s a calm market. People are looking for volatility in stock deals,” a New York sellsider said.

“They want some juice tapping into stocks that have been hit.”

This sellsider said that the overall market has turned more bullish since September. The S&P 500 index has moved up by almost 9% since Sept. 1 but was flat last week.

“It’s not as if you had a rally with stocks up 30%. Ain’t the emerging markets.”

“People feel better after the decent earnings. The global economy is not in a recession. But there’s nothing to be cheerful

about.”

Reflecting investors’ skepticism, equity index-linked notes lost their appeal, this sellsider said.

Their share dropped in absolute terms to \$30 million from \$323 million, according to data compiled by *Prospect News*.

### Stocks first

**“It’s a calm market. People are looking for volatility in stock deals.”**

**– A New York sellsider**

“Investors have an incentive to do some stock-picking because the indexes are flat,” the sellsider said.

“Volatility is very low, and that’s a huge variable to build those structures,” said Eric Greschner, portfolio manager at Regatta Research & Money Management.

“The implied volatility of indexes tends to be lower for obvious reasons. Investors have to go to individual stocks to get attractive coupons,” he added.

Autocallables led as the top structure with \$50 million sold in two deals, which represented 18.5% of the total volume,

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## PROSPECT NEWS

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### Structured Products Data

Current Year	Previous Year
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#### ALL U.S. STRUCTURED PRODUCTS

##### Year to Date:

\$5.283 billion in 5214 deals      \$29.324 billion in 3470 deals

##### Quarter to Date:

\$5.447 billion in 213 deals      \$2.140 billion in 409 deals

##### Month to Date:

\$5.447 billion in 213 deals      \$2.140 billion in 409 deals

##### Week to Date:

\$2.504 billion in 3 deals

#### BREAKDOWN OF YEAR-TO-DATE DEALS

##### EXCHANGE-TRADED NOTES

\$22.242 billion in 143 deals      \$7.092 billion in 117 deals

##### ALL U.S. STOCK AND EQUITY INDEX DEALS

\$20.345 billion in 3816 deals      \$14.072 billion in 2535 deals

##### SINGLE STOCK U.S. STRUCTURED PRODUCTS

\$7.659 billion in 2717 deals      \$4.282 billion in 1613 deals

##### STOCK INDEX U.S. STRUCTURED PRODUCTS

\$12.424 billion in 1061 deals      \$9.570 billion in 898 deals

##### FX U.S. STRUCTURED PRODUCTS

\$1.294 billion in 140 deals      \$1.727 billion in 112 deals

##### COMMODITY U.S. STRUCTURED PRODUCTS

\$4.399 billion in 353 deals      \$6.888 billion in 327 deals

##### INTEREST RATE STRUCTURED PRODUCTS

\$4.771 billion in 264 deals      \$2.681 billion in 184 deals

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according to data compiled by *Prospect News*.

UBS was the leader in this category, selling the two products, one on the behalf of **Deutsche Bank AG, London Branch** and the other for itself.

The \$27.21 million autocallable notes issued by Deutsche Bank offered on a one-year term a 21.39% call premium for a 70% trigger price. It was the top deal of the week, and the underlying stock was **Anadarko Petroleum Corp.**

**UBS AG, London Branch** priced a \$23 million offering of autocallable securities linked to **Apple Inc.** with an annualized call premium of 16.5% and a trigger price of 80% of the initial price. It was the fourth-largest offering of the week.

The picture for reverse convertible was more of a mixed bag. The structure was the second most employed during the week with \$44 million sold in 15 deals, but the volume plummeted compared to the \$114 million sold the week before.

In market share, reverse convertibles held a good position with nearly 17% of the market.

### Commodities exposure

Commodities amounted to 10% of the total, or \$29 million, with one major deal prevailing in this asset class: **Morgan Stanley**'s \$18.88 million of 0% Commodity Leading Stockmarket Return Securities due Oct. 26, 2012 linked to the price of **gold**.

Additionally, investors looked for commodity exposure through stock plays. The top deal of the week – Deutsche Bank's \$27.21 million autocallables linked to Anadarko Petroleum – is an example. While not classified as commodities-linked notes per se, those deals, which give investors access to commodities via a stock, suggest an unabated appetite for the asset class.

However, investors concentrated their picks on narrow themes, the sellside noted.

"What's getting done in commodities right now is gold and oil," the sellside

said. "There's no agriculture, no other precious metals. No copper."

Deals linked to interest rates grew as a percentage of issuance compared to last week, but their volume remained stable at \$25 million in one deal versus \$24 million in also one offering during the prior week, according to data compiled by *Prospect News*.

The \$25 million deal, ranked No. 3 in size, was brought to market by **Freddie Mac**. The variable-rate medium-term notes due Oct. 21, 2025 were based on **six-month Libor**.

### Hybrid range accrual

Issuers' tendency to use the range accrual structure mixing rates and equity continued to be noticeable, confirming the recent appeal of those hybrid products among investors.

**Citigroup Funding, Inc.** priced

**"We get a lot of calls for hybrid range accruals, especially when equity markets accelerate. People don't want to miss out."**

**– Eric Greschner, portfolio manager at Regatta Research & Money Management**

\$15.67 million of **Libor** and **S&P 500 index**-linked range accrual notes due Oct. 25, 2025. The coupon varies based on predefined levels of the S&P 500 and Libor. The notes are callable after one year.

"Some banks have lost money in those structures, and they're doing less of it. But others are jumping in. Looks like

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### Volume declines to \$271 million; stock, autocallable deals preferred

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Citi is getting pretty involved," the sellside said.

"When a bank's funding rates are not so great, they can offer attractive coupons.

"But it's not easy to hedge those hybrid deals. If Libor goes up, the bank can't pay the coupon and has to call the notes. They then need to un-hedge at levels that may not be attractive.

"That's how an issuer can lose money.

"It's not a bad bet for the investor though. He expects to get a 10% coupon on year one, a 7% on year two and a call after that."

Greschner said that the popularity of those structures grows when the stock market rallies.

"The equity component is very compelling. We get a lot of calls for hybrid range accruals, especially when equity markets accelerate. People don't want to miss out. They tell us: Hey, I want to be more aggressive, I want equity exposure.

"The need to participate in the equity rally completely explains why retail investors, financial advisers like those deals."

However, Greschner said that hybrid

range accrual notes should be carefully analyzed prior to investing because a set of conditions pertaining to two different underliers makes the payout outcome more difficult to predict.

"The more variables you introduce, the more you reduce the odds of getting your payout," he said.

"You need to see how those deals are structured and what the probabilities are.

"There's risk. People don't understand probabilities and decision trees.

"What you really want is a structure as simple as possible."

#### Complex alpha

Simplicity is often preferred among advisers, but last week saw a couple of complex, algorithmic-based notes for investors seeking absolute returns.

This quest for alpha was reflected in two large deals.

**JPMorgan Chase & Co.** priced the second-largest deal of the week with \$26.44 million of 0% return enhanced notes due Oct. 24, 2013 linked to the **J.P. Morgan Alternative Index Multi-Strategy 5 (USD)**.

The underlying index provides exposure to a portfolio of absolute return strategies

and aims to generate consistent positive returns with low correlation to traditional asset classes.

The second of these deals came from Deutsche Bank, which priced \$18.97 million of 0% S&P plus tracker notes due Nov. 22, 2011 linked to a basket of indexes that includes the **S&P 500 Total Return index** and the **Deutsche Bank Equity Mean Reversion Alpha index**, also known as the Emerald index.

#### UBS No. 1

UBS topped the league tables last week, pricing \$76 million in six deals totaling 28% of the volume.

"UBS is the first private bank in the world. They've maintained a strong image despite the tax evasion headline. The fact is, everybody has money at UBS," the sellside said.

The second agent was Morgan Stanley with \$49 million in three deals, or 18% of the total.

JPMorgan was next, pricing nine offerings amounting to \$43 million, or 16%.

The week before, Barclays was first, followed by JPMorgan and UBS.

## Barclays' S&P 500 VIX Short-Term Futures remains most-traded iPath ETN

By Angela McDaniels

Tacoma, Wash., Oct. 27 – **Barclays**

**Bank plc**'s iPath S&P 500 VIX Short-Term Futures exchange-traded notes were the bank's most-traded iPath ETNs in August, according to a trading strategy report filed in an FWP with the Securities and Exchange Commission.

In August, an average of 21.92 million of these notes changed hands each day, and they had an average daily trading volume of \$487.3 million. These figures dwarf those recorded for the remaining iPath ETNs during the month.

The notes closed the month at \$21.96 (NYSE Arca: VXX) versus a par amount of \$100.00. The company plans to implement a one-for-four reverse split of these notes on Nov. 9.

The S&P 500 VIX Short-Term Futures

ETNs have maintained the top spot since September 2009, when they took over the reins from the S&P GSCI Crude Oil Total Return index ETNs.

The iPath S&P VIX Mid-Term Futures ETNs moved up to second place in August from third place in July. An average of 359,000 of these notes traded daily during the month, and the average daily trading volume was \$31.8 million.

These notes closed out the month at \$92.35 (NYSE Arca: VXZ) versus a par amount of \$50.00.

The iPath MSCI India index ETNs moved into third place in August from fourth place in July. An average of 261,000 of the notes changed hands each day, and they recorded an average daily trading volume of \$16.9 million.

These notes finished the month at

\$64.42 (NYSE Arca: INP) and have a par amount of \$50.00.

The iPath S&P GSCI Crude Oil Total Return index ETNs fell to fourth place in August from second place in July. They had an average daily trading volume of 694,000 by number of notes and \$15.5 million by dollar amount.

These notes finished at \$20.71 (NYSE Arca: OIL). Their par amount is \$50.00.

Again holding on to fifth place were the iPath Dow Jones – UBS Commodity Index Total Return ETNs with an average of 334,9000 notes changing hands each day and an average daily trading volume of \$13.4 million.

The commodity index-linked notes finished the month at \$39.36 (NYSE Arca: DJP). Their par amount is \$50.00.

## Barclays to reverse split iPath S&P 500 VIX Short-Term Futures ETNs

By Angela McDaniels

Tacoma, Wash., Oct. 26 – **Barclays**

**Bank plc** will implement a one-for-four reverse split of its iPath S&P 500 VIX Short-Term Futures exchange-traded notes effective Nov. 9, according to a bank news release.

The notes trade on the NYSE Arca under the ticker symbol "VXX" and on the Toronto Stock Exchange under the ticker symbols "VXX" and "VXX.U."

Barclays can initiate a reverse split if the closing indicative value of the notes is less than \$25.00. On Monday, the closing indicative value of the notes was \$12.68.

The record date for the reverse split is Nov. 8. The closing indicative value of the notes on that date will be multiplied by four to determine the reverse-split-adjusted value of the notes.

Barclays noted that the reverse-split

adjusted notes will have a new Cusip but will retain the same ticker symbols.

Investors who hold a number of notes that is not divisible by four will receive one reverse-split-adjusted note for every four notes held and a cash payment for the remaining odd notes. The cash amount will be determined based on the closing indicative value of the reverse-split adjusted notes on Nov. 16 and will be paid on Nov. 19.

### Top Trades: The Biggest Deals of the Past 10 Days

Priced	Issuer	Issue	Manager	Amount (\$mln)	Coupon	Underlying	Maturity
10/25/2010	Barclays Bank plc	iPath S&P 500 VIX Short-Term Futures exchange-traded notes (S&P 500 VIX Short-Term	Barclays	\$2500	0.000%	S&P 500 VIX Short-Term Futures Index Total Return	1/30/2019
10/22/2010	Deutsche Bank AG, London Branch	callable optimization securities with contingent protection (Anadarko Petroleum	UBS	\$27.212	0.000%	Anadarko Petroleum Corp.	10/28/2011
10/19/2010	JPMorgan Chase & Co.	return enhanced notes (J.P. Morgan Alternative Index Multi-Strategy 5)	JPMorgan	\$26.44	0.000%	J.P. Morgan Alternative Index Multi-Strategy 5	10/24/2013
---	Freddie Mac	variable rate medium-term notes	Morgan Stanley	\$25	Formula	6-month Libor	10/21/2025
10/22/2010	UBS AG, London Branch	callable optimization securities with contingent protection (Apple Inc.)	UBS	\$23.003	0.000%	Apple Inc.	10/28/2011
10/19/2010	Deutsche Bank AG, London Branch	S&P plus tracker notes (S&P 500 Total Return index and Deutsche Bank Equity Mean Reversion	Deutsche Bank	\$18.965	0.000%	S&P 500 Total Return index and Deutsche Bank Equity Mean Reversion Alpha index	11/22/2011
10/21/2010	Morgan Stanley	Commodity Leading Stockmarket Return Securities (Gold)	Morgan Stanley	\$18.88	0.000%	Gold	10/26/2012
10/20/2010	UBS AG, London Branch	yield optimization notes with contingent protection (United States Steel Corp.)	UBS	\$18.477	11.950%	United States Steel Corp.	10/26/2011
10/20/2010	Citigroup Funding, Inc.	range accrual notes (Libor and S&P 500)	Citigroup	\$15.665	Formula	Libor and S&P 500	10/25/2025
10/19/2010	AB Svensk Exportkredit	STEP Income Securities (Cisco Systems, Inc.)	Merrill Lynch	\$13.406	8.000%	Cisco Systems, Inc.	11/4/2011
10/18/2010	Royal Bank of Canada	leveraged buffered equity index-linked notes (S&P 500)	Goldman Sachs	\$12.623	0.000%	S&P 500	2/10/2012
10/19/2010	JPMorgan Chase & Co.	daily observation knock-out notes (Pfizer Inc.)	JPMorgan	\$8.4	0.000%	Pfizer Inc.	4/24/2012
10/20/2010	UBS AG, London Branch	yield optimization notes with contingent protection (Adobe Systems Inc.)	UBS	\$6.101	9.650%	Adobe Systems Inc.	10/26/2011
10/21/2010	Morgan Stanley	Callable Sifma Municipal Swap index and Libor accrual notes	Morgan Stanley	\$5.362	Formula	Callable Sifma Municipal Swap index and Libor	10/26/2025
10/20/2010	Barclays Bank plc	reverse convertible notes (Bank of America Corp.)	Barclays	\$5	12.000%	Bank of America Corp.	9/30/2011
---	AB Svensk Exportkredit	Elements (Rogers International Commodity Index -Total Return)	Nuveen	\$4.17	0.000%	Rogers International Commodity Index -Total Return	10/24/2022
10/18/2010	Barclays Bank plc	reverse convertible notes (JPMorgan Chase & Co.)	Barclays	\$5	9.250%	JPMorgan Chase & Co.	9/30/2011
---	AB Svensk Exportkredit	Elements (Rogers International Commodity Index -Total Return)	Nuveen	\$3.311	0.000%	Rogers International Commodity Index -Total Return	10/24/2022
10/22/2010	Credit Suisse AG, Nassau Branch	exchange-traded notes (Credit Suisse Merger Arbitrage Liquid Index)	Credit Suisse	\$3.813	0.000%	Credit Suisse Merger Arbitrage Liquid Index	10/6/2020

## **Barclays' 15% reverse convertibles linked to MGM Resorts show high underlying volatility, risk**

"Reverse convertibles are a relatively simple structure and are therefore fairly transparent. Looking at the coupon and the barrier gives you a good indicator of the risk of the underlying. A high coupon and a deep barrier suggest a volatile underlying, as in this case."

– Structured products analyst  
Suzi Hampson of Future Value Consultants

**Barclays Bank plc** plans to price 15% reverse convertible notes due Jan. 31, 2011 linked to the common stock of **MGM Resorts International**, according to an FWP filing with the Securities and Exchange Commission.

Interest will be payable monthly. The payout at maturity will be par in cash unless MGM Resorts shares fall below 70% of the initial price during the life of the notes and finish below the initial price, in which case the payout will be a number

of MGM Resorts shares equal to \$1,000 divided by the initial price.

The notes (Cusip 06740PSV9) are expected to price Oct. 26 and settle Oct. 29.

Barclays Capital Inc. is the agent.

## **Credit Suisse's notes on Russell 2000 have high coupon, short term, but knock-in is a risk**

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**"I wouldn't want to use this strategy.  
I just don't think the 1.75% for three months  
is that good of a return for the downside risk.  
I think the notes follow a market-neutral strategy.  
You get a good protection if there is no knock-in.  
But if there is a knock-in and your underlying drops by  
more than 20%, you can lose a substantial amount."**

**- A financial adviser**

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**Credit Suisse AG, Nassau Branch** plans to price callable yield notes due Feb. 3, 2011 linked to the Russell 2000 index, according to an FWP filing with the Securities and Exchange Commission.

The three-month notes will carry an annualized coupon of 7%. Interest will be payable monthly.

If the index closes at or below the knock-in level – 80% of its

initial level – during the life of the notes, the payout at maturity will be par plus the index return, subject to a maximum payout of par. Otherwise, the payout will be par.

The notes will be callable on any interest payment date.

The notes (Cusip 22546ED50) are expected to price Oct. 29 and settle Nov. 3.

Credit Suisse Securities (USA) LLC is the underwriter.

## Deutsche Bank's notes tied to currency basket make leveraged, unprotected bet against dollar

"There's not a ton of vehicles out there that give you that type of exposure."

And none of these instruments offer downside protection ... If you're a sophisticated investor, and if you're willing to ride through it, if you have the ability to hedge it, it's not a bad investment."

– Eric Greschner,  
portfolio manager at  
Regatta Research & Money Management

"I like the underlying bet, but it's still a very risky bet as we can get a global crisis within that timeframe [18 months] ... In addition, the risk/return profile is asymmetrical because your return is capped and you don't have downside protection. You have to be a sophisticated investor who understands leverage to use that type of instrument."

– A market participant who specializes in currencies

"If you believe emerging-markets countries have a strong economic outlook going forward, I would see why this product makes sense."

– Win Thin, senior currency strategist at Brown Brothers Harriman & Co.

**Deutsche Bank AG, London Branch** plans to price 0% return enhanced notes due May 3, 2012 linked to the performance of four currencies relative to the U.S. dollar, according to an FWP filing with the Securities and Exchange Commission.

The basket includes equal weights of the **Indian rupee, Indonesian rupiah, Korean won and Singapore dollar**.

The payout at maturity will be par plus at least 4.1 times any appreciation of the basket relative to the U.S. dollar, subject to

a maximum return of at least 20.5%. The exact upside leverage factor and cap will be set at pricing.

If the basket depreciates relative to the U.S. dollar, investors will be exposed to the decline.

The notes (Cusip 2515A1AV3) are expected to price Oct. 29 and settle Nov. 3.

JPMorgan Chase Bank, NA and J.P. Morgan Securities LLC are the agents.

## Merrill Lynch's 8% STEP Income notes tied to Boeing for Svensk attract bulls, income-seekers

"We're bullish on the stock. There's a six-year backlog, and Boeing has increased its production. The company will see its revenues increase for at least three years. It's one of the best growth stocks."

— Rick Whittington,  
analyst at JSA Research,  
a research firm covering aerospace  
and defense stocks

"It's basically similar to a reverse convertible. A reverse convertible would have a slightly different make-up. But the reality is that people like reverse convertibles. They're looking for sources of yield."

— A sellside

Issuer:	AB Svensk Exportkredit	level; exposure to any decline in final share price below threshold value
Issue:	STEP Income Securities	\$71.63
Underlying stock:	Boeing Co. (NYSE: BA)	\$77.36, 108% of initial price
Amount:	\$42,265,310	\$68.05, 95% of initial price
Maturity:	Oct. 21, 2011	Oct. 13
Coupon:	8%, payable quarterly	Oct. 18
Price:	Par of \$10	Merrill Lynch, Pierce, Fenner & Smith Inc.
Payout at maturity:	If final share price is greater than or equal to step level, par plus 3.3%; par if final share price is greater than or equal to threshold value but less than step	1.75% 01019M421

## **UBS' \$18.48 million issue tied to U.S. Steel among largest of recent reverse convertible deals**

**"It's a very good size.  
UBS is a big organization.  
They may have an analyst who has a very  
strong opinion on the stock.  
Or they may have had one or two big clients."**

**– Tom Livingston,  
director of structured products at  
Halliday Financial Group,  
a registered investment advisory firm and  
broker-dealer**

**"You basically sell a put option for less risk.  
It has the same effect as selling a put.  
You get your premium from the bank.  
The bank buys the put for 12%.  
And if the stock falls by 25% or more,  
you are forced to buy the stock."**

**– Ian Lowes,  
managing director at  
Lowes Financial Management**

Issuer:	UBS AG, London Branch	Initial share price:	than trigger price, one U.S. Steel share; otherwise, par
Issue:	Yield optimization notes with contingent protection	Trigger price	\$43.08
Underlying stock:	United States Steel Corp. (NYSE: X)	Pricing date:	\$32.31, or 75% of initial price
Amount:	\$18,477,443	Settlement date:	Oct. 20
Maturity:	Oct. 26, 2011	Underwriters:	Oct. 25
Coupon:	11.95%, payable monthly	Fees:	UBS Financial Services Inc. and UBS Investment Bank
Price:	Par of \$43.08	Cusip:	2%
Payout at maturity:	If final price of U.S. Steel stock is less		90267F196

## Structured Products Calendar

### BANK OF AMERICA CORP.

- Callable capped notes due Nov. 19, 2030 based on the 10-year Constant Maturity Swap rate and two-year CMS rate; via Merrill Lynch, Pierce, Fenner & Smith Inc.; settling Nov. 19; Cusip 06048WEJ5
- Step up callable notes due Nov. 23, 2035 with 5.05% initial rate; via Merrill Lynch, Pierce, Fenner & Smith Inc.; settlement Nov. 23; Cusip 06048WEK2
- Step-up callable notes due November 2025; via Merrill Lynch, Pierce, Fenner & Smith Inc.; pricing in November; Cusip: 06048WEH9

### BARCLAYS BANK PLC

- 7.5% to 10% annualized yield optimization notes with contingent protection due April 29, 2011 based on the common stock of Deere & Co.; 80% trigger; via UBS Financial Services Inc. and Barclays Capital Inc.; pricing Oct. 27; Cusip 06740P841
- 9.5% to 12% yield optimization notes with contingent protection due April 29, 2011 based on State Street Corp.; 80% trigger; via UBS Financial Services Inc. and Barclays Capital Inc.; pricing Oct. 27; Cusip 06740P858
- 0% buffered Super Track notes due May 14, 2013 linked to the Dow Jones – UBS Commodity index; via Barclays Capital Inc.; pricing Nov. 9; Cusip 06740P2Y1
- 0% buffered Super Track notes due Nov. 15, 2012 linked to the performance of a basket of commodities including gold, platinum and palladium; via Barclays Capital Inc.; pricing Nov. 9; Cusip 06740P2W5
- 0% buffered Super Track notes due May 14, 2012 linked to the iShares MSCI Brazil index fund; via Barclays Capital Inc.; pricing Nov. 9; Cusip 06740P2U9
- 0% buffered Super Track notes due Nov. 15, 2012 linked to the S&P 500 index; via Barclays Capital Inc.; pricing Nov. 9; Cusip 06740P2V7

### CITIGROUP FUNDING, INC.

- Callable notes due Oct. 29, 2025 with a contingent coupon based on S&P 500 index; via Citigroup Global Markets Inc.; settlement in October; Cusip 1730T0KS7

### CREDIT SUISSE AG, NASSAU BRANCH

- 7.75% callable yield notes due Nov. 3, 2011 linked to the Energy Select Sector SPDR fund and the Health Care Select Sector SPDR fund; via Credit Suisse Securities (USA) LLC; pricing Oct. 29; Cusip 22546EC77
- 7.5% callable yield notes due Nov. 3, 2011 linked to the iShares Silver trust and the iShares MSCI Australia index fund; via Credit Suisse Securities (USA) LLC; pricing Oct. 29; Cusip 22546EC51
- 7% callable yield notes due Feb. 3, 2011 linked to the Russell 2000 index; via Credit Suisse Securities (USA) LLC; pricing Oct. 29; Cusip 22546ED50
- 10%-12% annualized callable yield notes due May 3, 2011 linked to the Russell 2000 index and the Market Vectors Gold Miners exchange-traded fund; via Credit Suisse Securities (USA) LLC; pricing Oct. 29; Cusip 22546EZR8
- 8.5%-11% callable yield notes due Nov. 3, 2011 linked to the Russell 2000 index and the Market Vectors Gold Miners exchange-traded fund; via Credit Suisse Securities (USA) LLC; pricing Oct. 29; Cusip 22546EZU1
- High/low coupon notes due Nov. 3, 2011 linked to the Russell 2000 index and the Market Vectors Gold Miners exchange-traded fund; via Credit Suisse Securities (USA) LLC; pricing Oct. 29; Cusip 22546EZV9
- 9.5%-11.5% callable yield notes due Nov. 3, 2011 linked to the S&P 500 index and the Market Vectors Gold Miners exchange-traded fund; via Credit Suisse Securities (USA) LLC; pricing Oct. 29; Cusip 22546EZT4
- 9.5%-11.5% callable yield notes due Nov. 3, 2011 linked to the S&P 500 index and the Russell 2000 index; via Credit Suisse Securities (USA) LLC; pricing Oct. 29; Cusip 22546EZS6
- 9% callable yield notes due Nov. 3, 2011 linked to the Utilities Select Sector SPDR fund and the iShares Russell 2000 index fund; via Credit Suisse Securities (USA) LLC; pricing Oct. 29; Cusip 22546EC69

### DEUTSCHE BANK AG, LONDON BRANCH

- 0% return enhanced notes due May 3, 2012 linked to the Indian rupee, Indonesian rupiah, Korean won and Singapore dollar; via JPMorgan Chase Bank, NA and J.P. Morgan Securities LLC; pricing Oct. 29; Cusip 2515A1AV3

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- 0% alpha overlay securities due Jan. 10, 2012 linked to a basket holding the Deutsche Bank Liquid Alpha USD 5 Total Return index and the Deutsche Bank Equity Mean Reversion Alpha index (Emerald); via Deutsche Bank Securities Inc.; pricing Nov. 5; Cusip: 2515A1AT8
- 0% capped Buffered Underlying Securities due Nov. 9, 2012 based on iShares MSCI Emerging Markets index fund; 85% trigger; via Deutsche Bank Securities Inc.; pricing Nov. 5; Cusip 2515A1AU5

### EKSPORTFINANS ASA

- 24- to 27-month 0% equity index-linked notes based on the MSCI EAFE index; 90% trigger; via Goldman, Sachs & Co.; pricing in October
- 24- to 27-month 0% leveraged buffered index-linked notes based on the S&P 500 index; 90% trigger; via Goldman, Sachs & Co.; pricing in October

### GOLDMAN SACHS GROUP, INC.

- Callable step-up fixed-rate notes due Oct. 29, 2025; via Goldman, Sachs & Co. and Incapital LLC; pricing Oct. 27; Cusip 38143UNR8
- Callable step-up fixed-rate notes due Oct. 29, 2018; via Goldman, Sachs & Co. and Incapital LLC; pricing Oct. 27; Cusip 38143UNS6
- 0% underlier-linked notes due Nov. 16, 2011 linked to the Euro Stoxx 50 index, FTSE 100 index and Topix index, each converted into dollars; via Goldman, Sachs & Co. and J.P. Morgan Securities LLC; pricing Oct. 29; Cusip 38143UPA3
- 0% index-linked trigger notes due May 11, 2012 linked to the S&P 500 index; via Goldman, Sachs & Co.; pricing Oct. 29; Cusip 38143UNZ0
- Seven-year fixed- and floating-rate notes linked to Libor; via Goldman, Sachs & Co.; settlement Nov. 1; Cusip 38143UNY3
- Fixed- and floating-rate notes due Nov. 5, 2015 linked to Libor; via Goldman, Sachs & Co.; settlement Nov. 5; Cusip 38143UNX5
- 13-month floating-rate index-linked notes tied to the Dow Jones – UBS Commodity Index Total Return; via Goldman, Sachs & Co.
- 0% commodity-linked trigger notes due Nov. 11, 2011 tied to the spot price of gold; via Goldman, Sachs & Co.; Cusip 38143UNW7
- Five-year fixed and floating-rate notes linked to Libor; via Goldman, Sachs & Co.; Cusip 38143UNV9

- Fixed- and floating-rate notes due 2020 linked to Libor; via Goldman, Sachs & Co.; Cusip 38143UNT4
- Fixed- and floating-rate notes due 2020 linked to Libor; via Goldman, Sachs & Co.; Cusip: 38143UNU1
- 24-month to 27-month 0% leveraged buffered index-linked notes tied to the S&P 500 index; via Goldman, Sachs & Co.

### HSBC USA INC.

- 10% callable yield notes due Nov. 1, 2011 linked to the Russell 2000 index, iShares FTSE/Xinhua China 25 index fund and iShares MSCI Brazil index fund; 50%-55% trigger; via HSBC Securities (USA) Inc.; pricing Oct. 27; Cusip 4042K07B5
- 7% callable yield notes due Nov. 1, 2011 linked to the Russell 2000 index and the S&P 500 index; 50%-55% trigger; via HSBC Securities (USA) Inc.; pricing Oct. 27; 4042K07C3
- 0% best-of performance notes due Nov. 1, 2012 linked to the iShares MSCI EAFE index fund; via HSBC Securities (USA) Inc.; pricing Oct. 29; Cusip 4042K06Y6
- 0% participation notes linked to gold; via HSBC Securities (USA) Inc.; Cusip 4042K07D1

### JPMORGAN CHASE & CO.

- 0% autocallable optimization securities with contingent protection due Nov. 1, 2011 linked to the common stock of Research In Motion Ltd.; via UBS Financial Services Inc. and J.P. Morgan Securities LLC; pricing Oct. 27; Cusip: 46634E148
- Callable fixed-rate step-up notes due Nov. 8, 2030; via J.P. Morgan Securities LLC; pricing Nov. 3; Cusip: 48124AU47
- Capped floating-rate notes due Nov. 9, 2020 linked to Libor; via J.P. Morgan Securities LLC; pricing Nov. 4; Cusip 48124AU96
- 0% buffered return enhanced notes due Nov. 15, 2012 linked to the Brazilian real, Chinese renminbi, Indian rupee and Russian ruble relative to the dollar; via J.P. Morgan Securities LLC; pricing Nov. 9; Cusip 48124AT49
- 0% Performance Leveraged Upside Securities due Dec. 28, 2011 based on iShares MSCI Emerging Markets index fund; via J.P. Morgan Securities Inc.; pricing Nov. 23; Cusip 46634X757

### MORGAN STANLEY

- 7.2%-9.2% annualized Equity LinKed Securities due April 2011

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### CONTINUED FROM PAGE 12

linked to Yahoo! Inc. shares; via Morgan Stanley & Co. Inc.; pricing in October; Cusip 61759G430

- 0% jump securities due Dec. 23, 2011 linked to the Philadelphia Oil Service Sector index; via Morgan Stanley & Co. Inc.; pricing Nov. 23; Cusip 61759G463

- Floating-rate notes due Nov. 9, 2018 linked to Libor; via Morgan Stanley & Co. Inc.; pricing in November; Cusip 61745ET76

### NOMURA AMERICA FINANCE, LLC

- Callable step-up notes due Oct. 29, 2025; via Nomura Securities International, Inc.; settlement Oct. 29; Cusip 65539AAC4

### ROYAL BANK OF CANADA

- 0% autocallable optimization securities with contingent protection due Nov. 1, 2011 linked to the common stock of Halliburton Co.; via UBS Financial Services Inc. and RBC Capital Markets Corp.; pricing Oct. 27; Cusip 78009C142

- Redeemable step up notes due Oct. 28, 2022; via RBC Capital Markets Corp.; settling Oct. 28; Cusip 78008KQY2

- 16%-21% reverse convertible notes due May 12, 2011 linked to Freeport-McMoRan Copper & Gold Inc. stock; via RBC Capital Markets Corp.; pricing Nov. 9; Cusip: 78008KPS6

### ROYAL BANK OF SCOTLAND NV

- 0% buffered bullish enhanced return notes due May 14, 2012 linked to the iShares MSCI EAFE index fund; via RBC Capital Markets Corp.; pricing Nov. 9; Cusip 78008KPR8

- Callable capped CMS steepener notes due Nov. 16, 2030 based on the 10-year Constant Maturity Swap rate and two-year CMS rate; via RBS Securities Inc.; pricing Nov. 10; Cusip 78009KNQ1

- 0% digital buffer securities due Nov. 16, 2012 based on S&P 500 index; 80% trigger; via RBS Securities Inc.; pricing Nov. 10; Cusip 78009KNP3

### AB SVENSK EXPORTKREDIT

- 0% enhanced growth securities due May 5, 2014 with leveraged upside and buffered downside linked to the iShares MSCI EAFE index fund, iShares Russell 2000 index fund, SPDR Trust, Series 1 and iShares MSCI Emerging Market index fund; via Wells Fargo Securities, LLC; pricing in October

### UBS AG, LONDON BRANCH

- 9.75% to 11.75% yield optimization notes with contingent protection due Oct. 31, 2011 linked to the common stock of Alpha Natural Resources, Inc.; via UBS Financial Services Inc. and UBS Investment Bank; pricing Oct. 27; Cusip: 90267F642

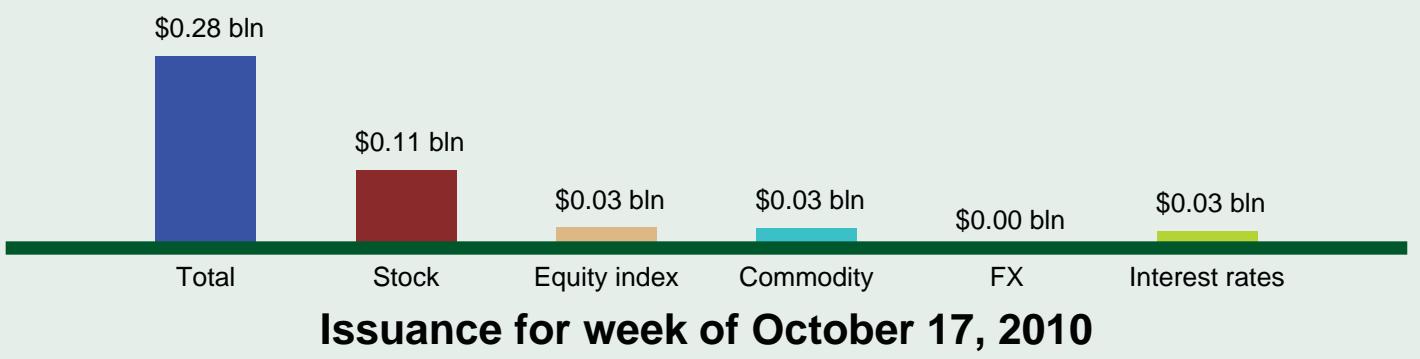
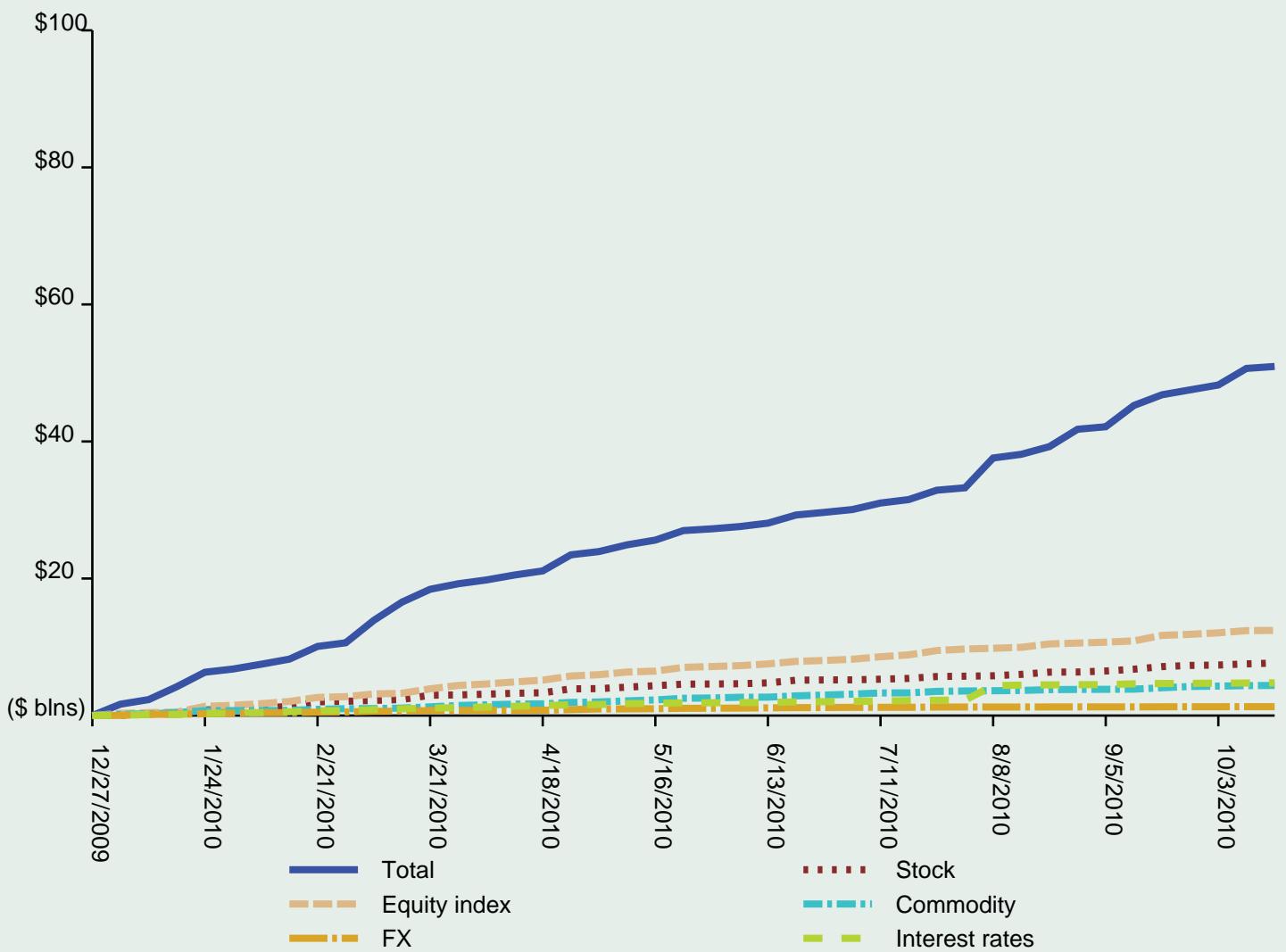
- 7.25% to 9.25% yield optimization notes with contingent protection due Oct. 31, 2011 linked to the common stock of Boeing Co.; via UBS Financial Services Inc. and UBS Investment Bank; pricing Oct. 27; Cusip: 90267F634

- 8.25% to 10.25% yield optimization notes with contingent protection due Oct. 31, 2011 linked to the common stock of Carnival Corp.; via UBS Financial Services Inc. and UBS Investment Bank; pricing Oct. 27; Cusip: 90267F667

- 8% to 10% yield optimization notes with contingent protection due Oct. 31, 2011 linked to the common stock of Citigroup Inc.; via UBS Financial Services Inc. and UBS Investment Bank; pricing Oct. 27; Cusip: 90267F659

- 7.25% to 9.25% yield optimization notes with contingent protection due Oct. 31, 2011 linked to the common stock of Gap, Inc.; via UBS Financial Services Inc. and UBS Investment Bank; pricing Oct. 27; Cusip: 90267F675

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