

Vontobel issues first bitcoin open end tracker on NGM Sweden

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Vontobel is the first issuer to offer an open end tracker certificate on bitcoin cryptocurrency on Swedish NGM Exchange. The tracker certificate enables investors to participate in the bitcoin price performance without buying and storing bitcoins digitally. In addition, the tracker makes bitcoin to a securitized financial instrument which can be traded simply and transparently on the Swedish NGM Exchange.

The Vontobel certificate on Bitcoin in SEK is an open end tracker certificate that offers investors a simple tradable market access to invest in bitcoin. Having issued the first bitcoin tracker certificate in Switzerland and Germany as well as Mini Futures Short in Switzerland, which enable investors to trade on a falling Bitcoin price, the listing of the Bitcoin tracker certificate at NGM marks a Vontobel premiere in Sweden, since local investors will now be able to trade Vontobel high market making quality in the dedicated retail investor segment of NGM.. The tracker certificate is an attractive alternative to the direct investment in the cryptocurrency and provides various advantages: the tracker certificate is tradable like a stock on NGM, i.e. trading hours, market making quality as well as liquidity and settlement quality from a proven regulated exchange will be claimed. Investors do not have to get access to unregulated Bitcoin exchanges and intransparent settlement processes as well as to take care of digital storage on their private wallets. All this is provided by Vontobel as the issuer of the certificate. However, investors have to take into account the issuer risk of Vontobel as well as the market risk of Bitcoin as the respective underlying.

The certificate has an open end structure and a yearly management fee of 1,5% p.a. A listing application has been submitted for admission to NGM. The first day of trading will be 16 January 2018. Starting on the launch day, investors will be able to trade the Vontobel open end tracker certificate on the secondary market, i.e. buying or selling at the applicable bid/offer prices.

“The new bitcoin certificate will give investors a simple and transparent instrument of investing in Bitcoin on NGM. Vontobel is thus once again demonstrating its capacity for innovation as one of Sweden’s leading providers of structured products,” said Heiko Geiger, Head of Public Distribution Europe at Vontobel Investment Banking.

“It is our pleasure to announce that Vontobel is the first issuer to offer an open end tracker certificate on bitcoin cryptocurrency. This will further strengthen our position on the Nordic derivatives market” says Tommy Fransson, deputy CEO of NGM.

Vontobel was the first to launch an investment product on bitcoin in Switzerland in July 2016 and in Germany in November 2016. The trackers on bitcoin launched in Switzerland proved to be a large success. In 2017, both Bitcoin tracker certificates aggregated to a total volume of more than 500 Mio CHF on the Swiss Exchange SWX and range together on No. 2 based on turnover. Concerning transactions, both tracker certificates generated by far the most transactions and ranged as No. 1 and No. 2 in the statistics. Bitcoin was the second most traded instrument by turnover as well as by transactions in Germany.

Vontobel Investment Banking

Vontobel Investment Banking creates specialized investment solutions for private and institutional clients. We follow a customer-centered digital business model, manage risks carefully, and build compelling service packages to get our clients ahead. We emphasize on truly understanding our clients' needs. We use our expertise to anticipate trend reversals, risks as well as opportunities, in order to successfully exploit them for you. We only do, what we master and develop solutions we believe in. We take clear decisions and act with determination. We are proud of our specialized offering, which includes structured products, transaction banking, corporate finance, brokerage, as well as solutions for External Investment Advisors, and digital platforms. For our competence in Research, we regularly get awarded. This is how we create added value for you.

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