Return to Profits: Next Generation Structured Derivatives

July 10, 2014

Executive Summary:

Understanding how new regulations impact all derivatives and securitized products, not just swaps, and how cleared and bilateral markets interact in the new world is crucial for investors.

The economics of using any products within the derivatives spectrum have changed in some ways, but determining whether that change is positive or negative for different end-users is a matter requiring deeper examination.

Both global economics and regulatory change will drive product selection in the coming years, as institutional investors continue their search for yield while battling an increased cost of capital and a more complex, albeit safer, derivatives marketplace.

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