



HELLENIC REPUBLIC
CAPITAL MARKET COMMISSION

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"Investor protection - Market efficiency - Contribution to the country's growth"

In 2017, the Greek economy displayed great progress, which, at the same time, created the conditions for us to look forward with optimism to the completion of the third financial assistance programme in the middle of August and the country's return to normality. Following many years of recession, the economy recovered, since, according to provisional data by the Hellenic Statistical Authority (ELSTAT), GDP growth reached 1.4% in 2017, with even more sanguine forecasts of 2.4% and 2.5% for 2018 and 2019 respectively. All GDP components, excluding private consumption, have contributed to this positive outcome. It is worth noting the contribution of tourism and exports, resulting from a change in the orientation of Greek enterprises, which now seek to penetrate overseas markets, on one hand in order to make up for lost domestic demand, and on the other hand, to stand up to global competition.

The favourable conjuncture in Europe has also contributed to the progress of the Greek economy, which, following many years of stagnation and feeble growth, registered record growth rates of almost 2.5% on both the euro zone, and European Union, levels.

Domestic developments were decisively improved by both the successful completion of the 2nd review of the adjustment programme in June, as well as the swift completion of the 3d review, which were instrumental to the restoration of confidence in the Greek economy and the return to the markets through two successful issues of government bonds at reasonable interest rates. The positive outlook of the economy, which is also reflected in successive upgrades by credit rating agencies, improved the economic environment and led to the reduction of Greek government bond yields to January 2006 levels. There was also a drop in the yields of Greek corporate bonds mainly issued in London and Luxembourg, preceded by a decrease in the interest rates of major corporate bond issues in the Athens Exchange. Subsequently, the torch was passed to the banks, which issued covered bonds, thus improving their liquidity.

However, the return to normality and maintainance of strong and sustainable growth rates, requires the preparation and implementation of a long-term growth plan, which will include the main options for tomorrow's Greece in the context of the European family. It is necessary to sustain the reform efforts, aiming at unleashing creative forces that demand equivalent treatment under the applicable regulatory framework, free from all kinds of selective state protection, which quite often annuls the efforts of both Greek and foreign entrepreneurs. Despite the great progress that has been made, it is necessary to sustain the efforts for improving the operation of the tax, and especially the tax collection, system, through the establishment of a stable tax regime, a more efficient organisation of the public sector, a faster dispensation of justice, the completion of the land use plan, as well as the elevation of science and research to top priorities, which guarantee Greece's equal participation to the future international division of labour. Under these conditions, Greece can become a hub attracting investments, productivity and production can be enhanced, incomes can be improved, tax revenues and social security contributions can be increased, and, most importantly, new jobs can be created for Greece's young population.

It is also important to create a friendly investment climate, combined with the expansion of available sources of financing. Actually, the fact that the Greek economy was almost exclusively financed in the past by the banking system, had been an impediment to the uninterrupted funding of even healthy businesses, especially as a result of the banks' massive de-leveraging requirements during the crisis. Moreover, despite any major improvements

in relation to both the sources of funding, and the inflow of deposits, as well as the slight reduction of the volume of non-performing loans, the banks are still unable to respond to the financing needs of a growing economy.

The Hellenic Capital Market Commission, in its effort to contribute to the creation of alternative forms of financing, has established the institutional regulatory framework for the organisation of the corporate bond market in the Athens Exchange, which provides a reliable source of funding, both for large, and smaller enterprises. Major issues have already taken place, while a further series of companies are preparing to address to the market in order to cover their investment needs. Startups, as well as small dynamic enterprises, can already use the current national regime on Crowdfunding, a tool that is available to firms that, for various reasons, cannot obtain funding from other sources. Our plans for the immediate future also include the creation of new instruments, as well as the improvement of existing ones with the aim of enhancing their efficiency.

In 2017, the Hellenic Capital Market Commission participated in and contributed to important international summits, conferences and meetings, while it also participated actively in all standing committees of the European Securities and Markets Authority (ESMA), which work towards the joint formation of a European Framework, often trying to accommodate the particular features of the Greek market.

As part of its regulatory role, the HCMC successfully completed the work for the transposition of the new regulatory framework on markets in financial instruments (MiFID II/MiFIR) into Greek legislation through Law 4514/2018, thus contributing to a series of initiatives aiming at modernising the existing legal framework for capital markets, including the adoption of Regulation EU 596/2014 through Law 4443/2016 on Market Abuse.

These basic acts have reinforced the regulatory framework for the operation of the Capital Market, aiming at better investor protection, more efficient operation of markets, and enhanced transparency of transactions.

As an Independent Regulator, in 2017 the Hellenic Capital Market Commission processed 248 cases/breaches of rules, and levied administrative fines of 3.4 million euros, which are paid to the Government Budget. The contribution of the HCMC staff, with its considerable professionalism, to the Authority's regulatory, as well as supervisory role, has been invaluable. For this contribution, I owe them a great thank you.

Charalampos Gotsis

Chairman of the Hellenic Capital Market Commission

PART ONE
THE HELLENIC CAPITAL MARKET COMMISSION

BOARD OF DIRECTORS



CHARALAMPOS GOTSIS
Chairman, Economics Professor



NIKOLAOS TROULINOS
First Vice-Chair, Economist



XENOPHON AVLONITIS
Second Vice-Chair, Economist



SOCRATES LAZARIDIS
Member, Economist, CEO of the Athens Exchange



DIMITRIOS AVGITIDIS
Member, Law School Professor



IOANNA SELINIOTAKI
Member, Bank of Greece representative



PETROS ZENELIS (until 16.08.2017)
Member, Economist



ADAM KARAGLANIS (from 23.11.2017)
Member, Lawyer

The Board of Directors of the Hellenic Capital Market Commission consists of seven members: the Chairman, two Vice-Chairmen and four members. The Chairman of the Board is appointed by the Minister of Finance, and

approved by the competent committee of the Greek Parliament. The two Vice Chairmen, as well as the other four members are appointed by decision of the Minister of Finance.

The members of the Board are prominent and prestigious persons, with expertise and experience on capital market issues. They exercise their duties under conditions of total personal and operational independence, are only bound by the law and their conscience. The Chairman and the two Vice-Chairmen are employed full time. The Board is appointed for a five-year period.

The Board of Directors of the HCMC is entrusted, among others, with the following tasks: general policy-making, the introduction of rules and regulations, the granting and revoking of licenses, the imposition of sanctions, and drafting the annual budget.

The Board of Directors is convened by its Chairman and meets at least twice a month, provided that at least four (4) of its members are present.

OBJECTIVES AND TASKS

The Hellenic Capital Market Commission was established by Law 1969/1991 and Law 2324/1995, with the purpose of protecting investors and ensuring the smooth operation of the Greek capital market, which is one of the Greek economy's major growth drivers. Both the management and staff of the HCMC are provided, by virtue of European and Greek legislation, with functional and personal independence guarantees in regard to accomplishing their mission.

According to the law, the HCMC has its own exclusive resources and is not financed by the State Budget. The Commission's annual budget is drafted by its Board of Directors and approved by the Minister of Finance.

The Hellenic Capital Market Commission submits its annual report to the Speaker of the Hellenic Parliament and the Minister of Finance. The Chairman of the Hellenic Capital Market Commission is summoned by the competent Commission of the Parliament, to provide updates on capital market issues.

The Hellenic Capital Market Commission is a member of the European Securities and Markets Authority (ESMA). The Chairman of the Hellenic Capital Market Commission is a member of the senior administrative body of ESMA, the Board of Supervisors.

Furthermore, the Commission is also a member of International Organization of Securities Commissions (IOSCO). It also concludes agreements and memoranda of understanding with other countries' regulatory authorities for the exchange of confidential information, and co-operation on issues that fall under its competence.

The Hellenic Capital Market Commission is responsible for monitoring compliance with the provisions of capital market law. It is decisively involved in the formation of the capital market regulatory framework, on a national, European and international level, actively contributing to the operations of the Council of the European Union, as well as ESMA and IOSCO. Among others, it supervises Greek and foreign firms offering investment services, undertakings of collective and alternative investments, their Managers, new investment undertakings,

occupational insurance funds, listed companies in regard to transparency obligations including their financial statements, as well as listed company shareholders in regard to their obligations to disclose major holdings, approves takeover bids and the prospectuses for share capital increase. It also monitors and supervises transactions in regard to market abuse and inside information issues. Finally, it supervises the compliance of supervised persons with money laundering legislation.

The entities supervised by the Hellenic Capital Market Commission also include trading venues, clearing houses, the Central Securities Depository, as well as investor indemnity and transaction security schemes, such as the Common Guarantee Fund. It is also following domestic and international developments, conducting research whenever deemed necessary, and provides professional certification to capital market participants. The HCMC also receives and investigates investor complaints.

The Hellenic Capital Market Commission has the authority to impose administrative sanctions and measures (reprimands, fines, trading and license suspension) on supervised natural and legal persons that violate capital market legislation, as well as to submit indictments in cases where there are serious indications of criminal offenses in relation to the capital market.

EXECUTIVE COMMITTEE

The Executive Committee consists of the Chairman and the two Vice-Chairmen and is entrusted with the execution of the decisions made by the Board of Directors. The Executive Committee is convened by the Chairman and meets at least once a week, provided that at least two of its members are present. It is responsible for the Commission's daily management and the supervision of its operations. It is also responsible for the judicial representation of the Hellenic Capital Market Commission in front of Greek and foreign courts.

ORGANISATIONAL STRUCTURE

The organisation structure (Figure 1) and the responsibilities of the departments of the HCMC are specified by Presidential Decree 65/2009 (Government Gazette 88/9.6.2009).

FIGURE 1. The Organisation Chart of the Hellenic Capital Market Commission (PD 65/2009)

BOARD OF DIRECTORS		
FIRST VICE-CHAIRMAN	CHAIRMAN	SECOND VICE-CHAIRMAN
MEMBERS		
CHAIRMAN AND VICE CHAIRMENS' OFFICE		DIRECTORATE OF INTERNAL AUDIT
INVESTMENT FIRM RESOLUTION UNIT		
GENERAL DIRECTOR		
SECRETARIAT OF THE BOARD OF DIRECTORS, THE EXECUTIVE COMMITTEE AND THE GENERAL DIRECTOR		
SPECIAL UNIT FOR THE PREVENTION OF MONEY		THESALLONIKI REGIONAL OFFICE

LAUNDERING			
DIRECTORATE OF CAPITAL MARKET INTERMEDIARIES		DIRECTORATE OF LISTED COMPANIES	
Department of Licensing of Investment Firms	Department of Licensing of Collective Investment Schemes	Public Offerings Department	Department of Continuous Information
Department of Supervision of Investment Firms	Department of Supervision of Collective Investment Schemes	Department of Periodic Information	Department of Supervision of Listed Companies
Department of Markets and Information Systems			
DIRECTORATE OF MARKETS SUPERVISION		DIRECTORATE OF INTERNATIONAL RELATIONS	
Department of Monitoring	Department of Transactions Auditing	Department of International Relations	Department of European Affairs
Department of Citizen Information			
DIRECTORATE OF RESEARCH		DIRECTORATE OF ADMINISTRATION	
Department of Research	Training Department	Department of Protocol	Department of Information Systems
Human Resources Department			
DIRECTORATE OF ACCOUNTING		DIRECTORATE OF LEGAL SERVICES	
Accounting Department	Procurement Department		

Pursuant to article 78^A of Law 1969/1991, an eight-member Advisory Committee has also been established, its task being to present the Board of the Hellenic Capital Market Commission with opinions on new regulatory proposals. *The Advisory Committee submits proposals for improving the operation of the markets and issues an opinion whenever the HCMC officially presents the competent Ministry with proposals for the adoption of legislation.*

The members of the Advisory Committee are appointed by the Minister of Finance and presently represent the Union of Listed Companies (ENEISET), the Association of Members of the Athens Exchanges (SMEXA), the Hellenic Bank Association (EET), the Hellenic Fund and Asset Management Association (ETHE), the Association of Companies on Investment Services in Securities (SEDYKA), the Hellenic Investors Association (SED), and the Hellenic Venture Capital Association. Chairman of the Committee, without the right to vote, is the Chairman of the HCMC. The term of the Advisory Committee's members is three years.

Finally, the Resolution Measures Committee was established at the HCMC in 2015; this committee is responsible for the implementation of resolution measures and for exercising the powers provided for by Law 4335/2015 in regard to investment firms.

PART TWO

MARKET DEVELOPMENTS

MACROECONOMIC DEVELOPMENTS

The Greek economy

The implementation of the programme for the support of the Greek economy through the European Stability Mechanism (ESM), and the creation of primary fiscal surpluses, continued in 2017. Moreover, the Greek economy recovered, at an estimated growth rate of 1.4%. Based on the most recent estimates, GDP was positively affected by fixed investment expenditure (especially in the first and fourth quarters of the year), private consumption (in the first two quarters of the year), the enhancement of the exports of goods and services, and, in general, the more favourable macroeconomic developments in the international and European environment. Retail trade indicators showed mixed trends, while industrial production increased. Changes in the labour market also had a positive effect, as unemployment fell to 20.8% and the volume of paid employment in the private sector continued to rise. Total construction activity, as well as tourism revenues and, in general, the country's export dynamism, were increased in 2017. That said, the high level of public debt and non-performing loans still cause uncertainty, which impedes the country's steady and dynamic growth.

The economic sentiment indicator in Greece, which is compiled by the European Commission, was on the rise since May 2017, reaching 101 points in December 2017 (95.1 in January 2017). Similarly, the corresponding indicators for the euro zone and the EU as a whole were on the rise during 2017.

As regards the Greek economy's growth rates, the most recent quarterly national account estimates by ELSTAT indicate that non-seasonally adjusted GDP showed an increase of 1.4% in 2017 in terms of volume, along with an increase of 1.85% in nominal terms. More specifically, based on seasonally-adjusted ELSTAT data, the quarterly change of the Gross Domestic Product in terms of volume stood at 0.6%, 0.7%, 0.4%, and 0.1% in the 1st, 2nd, 3rd, and 4th quarters of 2017 respectively, while GDP change on a year-on-year basis (i.e. as compared to the corresponding quarter of 2016) stood at 0.4%, 1.5%, 1.4%, and 1.9% in the 1st, 2nd, 3rd, and 4th quarters of 2017 respectively. As far as the year-on-year percentage change in GDP components is concerned, gross fixed capital formation showed significant growth in 2017, while private consumption showed a marginal increase, similar to that of the previous year. General government spending was marginally reduced, as in 2016. Imports and exports were substantially increased by 7.5% (as compared to +1.3% in 2016) and 7% (as compared to -1.9% in 2016) respectively.

In 2017, unemployment continued to decrease at a faster year-on-year rate (a reduction of almost 10% in 2017), remaining, however, the highest among EU member states. Based on seasonally adjusted results, it stood at 20.8% in December 2017, against an average of 21.5% for the first eleven months of 2017, as compared to 23.1% at the end of 2016, against an average of 23.5% for the entire year. More specifically, total employment (including paid employment) increased by 3% in 2017. According to December 2017 data from the "ERGANI" IT system of the Ministry of Labour, Social Insurance & Social Solidarity, paid employment in the private sector showed a cumulative increase of 143,545 persons during 2017 (as compared to an increase of 136,260 persons in 2015 and 99,700 persons in 2015). Labour productivity was reduced by 0.7% in 2017,

registering the same change as in 2016. In 2018, minimum monthly wages of white-collar workers, based on the national collective labour agreement, remained at 586.08 euros, while the minimum daily wages paid to blue-collar workers remained at 26.18 euros, the levels applicable since the end of 2012. Unit labour cost in the entire economy is estimated to have decreased by 0.3% y-o-y in 2017, as compared to a 0.2% y-o-y decrease in 2016 and -1.3% in 2015.

The Harmonised Index of Consumer Prices (HICP) for December 2017 registered a positive average annual change of 1.1 %, as compared to zero change at the end of 2016.

The data from the General Accounting Office concerning the execution of the State Budget, show that the State Budget deficit (on a cash basis), excluding the effects of the settlement of prior year obligations and pending pension applications, almost doubled in 2017 (from 2,810 million euros in 2016 to 4,267 million euros in 2017), as compared to a 68% reduction in the corresponding period of the previous year. The primary surplus of the state budget stood at 1,941 million euros (1.08% of GDP), as compared to 2,778 million euros in 2016 (1.6% of GDP in 2016), 1,064 million euros higher than the initial State Budget estimate.

The net revenues of the State Budget stood at 51,423 million euros on an annual basis, reduced by 5% as compared to 2016, of which 48,973 million euros are revenues of the Ordinary Budget (reduced by 2% as compared to 2016) and 2,449 million euros are revenues of the Public Investment Budget (PIB, reduced by 41% as compared to 2016). Total State Budget expenditure stood at 55,690 million euros (against an estimated 57,265 million euros), reduced by 2.2% year-on-year. Primary expenditure stood at 43,532 million euros, reduced by 3.5% year-on-year. As in 2016, expenditure of guarantees called (especially regarding General Government agencies) were substantially reduced by 46.3 %, to 886 million euros. PIB expenditure stood at 5,950 million euros, reduced by 5.4% year-on-year; the co-financed part of the PIB accounted for 78% of this amount. Public debt interest expenditure stood at 6,208 million euros, as compared to 5,588 million euros in 2016.

According to monthly data by the General Accounting Office, the General Government shows a primary surplus of 5,933 million euros, i.e. 3.3% of GDP in 2017, as compared to 4,864 million euros in 2016 (2.8% of GDP). Similarly, the General Government balance showed a surplus of 285 million euros in 2017 (0.16% of GDP), as compared to a deficit of 396 million euros in 2016 (0.23% of GDP).

According to data from the State Budget Proposal for 2018, the General Government debt stood at 318,000 million euros in 2017, as compared to 319,133 million euros in 2016, marginally increased by 1%. As a percentage of national output, it stood at 178.2% at the end of 2017, as compared to 180.8% at the end of 2016. There was also a marginal (1.6%) increase in Central Government debt (from 326,358 million euros in 2016 to 332,800 million euros at the end of 2016), which as a percentage of GDP fell to 186.4% in 2017 from 187.3% in 2016. The above calculations have been based on a nominal GDP of 178,579 million euros for 2017 and 174,199 million euros for 2016.

According to Bank of Greece data for the year 2017, the current account showed a deficit of 1.5 billion euros, reduced by 418 million as compared to 2016, a development that is primarily due to the increase of the services-balance surplus by 2 billion euros (mainly because of the improvement of the travel balance) and secondarily to the improvement of the primary and secondary incomes balance, which more-than-offset the 1.8 billion euro

increase in the balance-of-goods deficit (where imports and exports grew by 12.7% and 14% respectively). The capital account showed a surplus of 915 million euros in 2017, as compared to a 1 billion euro surplus in the previous year. The financial account (direct investment, portfolio investment, and other investments) was reduced by 655 million euros in 2017, as compared to a 891 million euros reduction in 2016. Greece's foreign exchange reserves stood at 6.5 billion euros in December 2017, almost at the same level as at the end of the previous year.

As regards the evolution of deposits held with the Greek banking system, in 2017 there was a positive year-on-year change of 4.5% across the entire economy. As far as the private sector is concerned, there was a 12.6% increase in the deposits of non-financial undertakings (as compared to +11.3 % at the end of 2016), and a 6.8% decrease (as compared to -4.6% at the end of 2016) in the deposits of insurance companies and other financial institutions. Household deposits increased by 3.6% year-on-year, reaching an end-of-year balance of 104 billion euros. Of these, 40.6% represented term deposits, 48.7% represented savings deposits, and 10.6% represented sight deposits in December 2017.

The annual change of total financing provided to the Greek economy stood at -1.6% at the end of 2017. The annual growth of Greek bank lending to the domestic private sector stood at -1.5%, as compared to -2% at the end of 2016. The annual growth of bank financing to (non-financial) undertakings rose to +0.4% at the end of 2017 from 0% at the end of the previous year, while the annual growth of bank financing to individuals stood at -2.3% at the end of 2017, as compared to -2.8% at the end of the previous year.

TABLE 1. Macroeconomic indicators of Greece, 2015-2017

Indicators	2017	2016	2015
GDP and its components (ESA 2010, Δ%)(y-o-y changes, %) (at market prices, seasonally adjusted data, volume changes)			
GDP (seasonally adj. data 2015-16)	1.4	-0.3	-0.3
Private consumption	0.1	0.1	-0.5
Public consumption	-1.2	-1.4	1.1
Gross fixed capital formation	9.7	1.5	-0.2
Exports of goods & services	7	-1.9	2.9
Imports of goods & services	7.5	1.3	0.4
Employment and unemployment			
Employment (total, average % change from previous year)	3	2.1	2
Unemployment rate (Annual averages, %)	21.5	23.5	25
Prices and wages			
Harmonised Index of Consumer Prices – average y-o-y change, %)	1.1	0.0	-1.1
Minimum monthly wage (€)	586.08	586.08	586.08
Unit Labour Cost (average y-o-y change, %)	-0.3	-0.2	-1.3
Public finances			
General Government Balance (% of GDP)	0.16%	0.23%	-3.5%
General Government primary balance (% of GDP)	3.3%	2.8	-3.9

Indicators	2017	2016	2015
Primary balance State Budget (real. million €) [(-) deficit]	1,941	2,778	2,270
State budget balance (cash basis. million €) [(-) deficit]	-4,267	-2,810	-3,530
Central Government Debt (€ million)	332,800	326,358	321,332
(% of GDP)	(186.4)	(187.3)	(182.3)
General Government Debt (€ million)	318,300	315,036	311,763
(% of GDP)	(178.2%)	(180.8)	(176.8)
Balance of payments (€ million)			
Current account	-1,454.2	-1,872	-404
Capital account	914.5	1,035.7	1,988.6
Financial account	-655.2	-891.9	2,820
Monetary conditions			
Private sector deposits with dom. fin. institutions (annual % change, end of period)	4.01	-1.6	-23
Domestic private sector financing (% y-o-y change, end of period)	-0.8	-1.5	-2

Source: ELSTAT, Ministry of Finance, Bank of Greece

Notes

The annual change in labour costs for 2017 is a Bank of Greece estimate.

Data on the General Government Balance for 2017 and 2016 concern the estimate of the State Budget Proposal for 2018 and the realised amount, respectively. Data on the General Government Balance for 2015 (on a national accounting basis) do not include support to financial institutions.

Government Debt data for 2017 refer to estimates (State Budget Proposal for 2018).

The International Economy

According to the relevant reports by the International Monetary Fund (IMF, World Economic Outlook Update, October 2017), the World Bank (World Bank, Global Economic Prospects, January 2018), the Organisation for Economic Cooperation and Development (OECD, Economic Outlook, November 2017), and the European Commission (European Economic Forecast, Winter 2018), in the first half of 2017 the global economy showed signs of breaking out of its low-growth spiral. In the second half of the year, economic growth showed a positive trend, which is more strongly reflected on the current horizon, without any key challenges being eliminated and against a background of pursuing long-term dynamic sustainable growth.

The signs of recovery are, overall, stronger and more synchronised worldwide, and positively affected by economic policy, but there is scope for further improvement in private investment and world trade. The prices of key commodities, especially oil, as well as expectations were increased in 2017. On the other hand, the productivity of all factors of production remained low, inflation and the improvement of labour market fundamentals remained at lower-than-expected levels, while public finances improved. Negative effects stemmed from geopolitical tensions, the reshuffling of the post-Brexit era, and financial risks that originated, among other things, in the levels of, mostly private, borrowing, the threat of portfolio revaluations because of future yield increases, and the new trends prevailing in the sector, including digitisation and technological developments in finance. At the same time, risk-taking was encouraged, owing to the persistence of low interest rates and the relatively limited volatility of financial instrument prices. The consolidation of the global economy's recovery also depends on the capabilities to utilise economic policy as a whole, and not only monetary policy, the capacity of which is gradually being depleted. If the rise of expectations that occurred in

2017 were transformed into growth of investment in the private sector worldwide, it would become a key driver of stable growth for the years to come.

The annual global growth rate for the year 2017, on the basis of the most recent, upwards-revised estimates by the IMF and the OECD, is around 3.6%, as compared to 3.2% for 2016, and for the first time since 2010 the situation is simultaneously improved in the US, Europe, Japan, and China. The World Bank estimates that the global growth rate stood at 3%, revising its previous forecast upwards.

Real GDP growth in the US stood at approximately 2.2% in 2017 (against a growth rate of 1.5% in 2016), on the back of domestic consumption and business investment. Employment growth was also high, albeit without any significant rise in wage levels. The continuation of the favourable climate will depend on the success of expansionary fiscal policy and other institutional changes, while monetary policy intensified the reversal of the previous quantitative easing, bringing target base rates to 1.25-1.50 by the end of 2017.

In the United Kingdom, in 2017, given the overall sentiment and the country's decision to exit the EU, as well as the ensuing instability, there was a drop in consumption and private investment, mainly because of pressures on disposable incomes, leading to a stagnant growth rate without any obvious dynamism (estimated at 1.8%, as compared to 1.9% in 2016). Unemployment showed downward tendencies (at approximately 4.2%), albeit productivity and real wages did not show any significant improvement. Exports benefited less than expected from the drop of the British pound, which, on the other hand, enhanced inflation (at 3% in December 2017) and intensified pressures on private consumption.

Japan's growth rate rose to 1.5% in 2017, from 1% in the previous year, as a result of the recovery of exports to Asian countries and the enhancement of public investment. However, higher corporate profitability was not translated into wage increases, despite the conditions prevailing in the labour market, where the jobless rate has fallen to the lowest level of the past 22 years (2.7% in November 2017).

Canada's economic growth rate continued to improve, rising to 3%-3.6% in 2017 from 1.5% in the previous year, while there are signs that exports are growing stronger, along with private consumption and employment, in conjunction with an expansionary fiscal policy and a favourable monetary policy, amidst an environment of decreased key commodity prices.

In 2017, developing economies showed stronger growth (4.6% as compared to 4.3% in the previous year). Lower-income emerging economies showed growth of almost 4.6% in 2017, higher than that of the previous year (3.6%). In China, the growth rate remained stable at 2016 levels, i.e. at about 6.8%, while growth slowed down in India (to 6.7% from 7.1% in 2016). Positive factors included the enhancement of government investment in China and, in general, the improved terms for raw material producers. The growth rates of Russia and Brazil, as well as many other raw material-exporting countries also showed substantial recovery. More specifically, in 2017 the economy grew by 1.9% in Russia (after shrinking by 0.2% in 2016) amidst an environment of higher petroleum product prices, increasing wages, and lower interest rates, and grew by 0.7% in Brazil, mainly as a result of supportive monetary policy, after shrinking by 3.6% in the previous year.

Economic recovery was sustained in Europe, the key drivers being private consumption and positive economic expectations, global economic growth, employment growth, the continuation of supportive monetary policy,

and the moderation of political risk. Growth estimates for 2017 were revised upwards, reaching 2.4% for the euro zone and 2.6% for the EU27 (as compared to 1.8% and 2% respectively).

Based on European Commission data, all EU member states showed positive growth rates, the highest being those of Ireland and Romania (estimated at 7.3% and 6.7% respectively) and the lowest being those of Italy and Greece (estimated at 1.5% and 1.3% respectively).

As regards fiscal developments, the majority of EU member states saw an improvement in their public finances. Overall, the restrictive fiscal policies of 2015 have been replaced by a more neutral stance, where primary spending decisions on one hand, and new tax measures on the other, do not have any actual effect on private sector fundamentals. However, individual countries showed the first signs of adopting expansionary fiscal policy elements.

The General government debt-to-GDP ratio for the third quarter of 2017 stood at 82.5% for the EU28 (83.2% at the end of 2016) and 88.1% for the euro zone (88.9% at the end of 2016). The seasonally adjusted General Government balance-to-GDP ratio for the euro zone stood at -0.3% in the third quarter of 2017, significantly reduced as compared to the previous quarter (-1%) and the end of 2016, when it stood at -1.1%. The corresponding figure for the EU28 also fell to -0.6% in the third quarter of 2017 (-1.2% at the end of 2016).

In 2017, the Economic Sentiment Indicator, which is published by the European Commission for the euro zone and the entire EU, sustained its strong growth momentum, which had been first recorded in the autumn of 2016. By the end of 2017, the indicator registered a significant increase of 1.4 points in the euro zone (to 116) and 1.6 points in EU countries (to 115.9), reaching levels higher than those of the year 2000.

The unemployment rate in the euro zone and the EU fell to 8.6% and 7.3% respectively at the end of 2017, from 9.6% and 8.2% respectively in December 2016; these percentages are lower than those of the year 2009 and represent an improvement for all member states. The highest unemployment rates are recorded in Greece, Spain, and Italy, while the lowest ones were recorded in the Czech Republic, Malta, and Germany.

In 2017, the Consumer Price Index in the euro zone is estimated to have increased by 1.5% y-o-y (1.4% in December 2017, as compared to 1.5% in 2016), the highest rate of the past five years. However, this increase is mostly attributed to energy price hikes during the first months of the year, without any clear improvement in the most general elements of its core.

Inflation rates in the EU were mostly driven by the highly supportive monetary policy implemented in the Eurosystem, which seeks to enhance inflation. Therefore, the rate in main refinancing operations, the interest rate on the marginal lending facility, and the interest rate on the deposit facility remained unchanged at 0%, 0.25%, and 0.40% respectively since March 2016. Moreover, the ECB continued to implement its expanded corporate bond purchase programme and its targeted longer-term refinancing operations.

The US Fed showed signs of pursuing a less supportive monetary policy, as it increased its base rates three times in 2017 and reduced its security portfolio. Finally, the Bank of Japan retained its base rates at the same level in 2017, and sought to purchase bonds with the aim of bringing long term yields to zero.

As far as exchange rates are concerned, in 2017 the average value of the euro increased by 2% year-on-year relative the US dollar (an average annual exchange rate of 1.13) and the Swiss franc (an average annual exchange rate of 1.11), and by 5.4% relative to the Japanese yen (an average annual exchange rate of 126.7). It also rose by 7% relative to the British pound (an average annual exchange rate of 0.87).

The following table presents individual key macroeconomic aggregates regarding the countries of the EU for the past three years.

TABLE 2. Macroeconomic indicators of the EU, 2015-2017

Country	Gross domestic product (% change y-o-y)			Unemployment rate (average change y-o-y, %)			Inflation (Harmonised Index of Consumer Prices - HICP, average change y-o-y)			Deficit (-)/ Surplus (+) of the General government (% of GDP)		
	2017	2016	2015	2017	2016	2015	2017	2016	2015	2017	2016	2015
Austria	3.1	1.5	1.1	5.5	6	6	2.2	1	0.8	-1	-1.4	-1.6
Belgium	1.7	1.5	1.4	6.6	8	8.3	2.2	1.8	0.6	-1.5	-2.9	-2.9
France	1.8	1.2	1.1	9	10	10.5	1.2	0.3	0.1	-2.9	-3.3	-3.7
Germany	2.2	1.9	1.7	3.6	4.1	4.8	1.7	0.4	0.1	0.9	0.6	0.5
Greece	1.4	-0.3	-0.3	20.8	23.5	25	1.1	0	-1.1	-0.6	-2.1	-7.5
Estonia	4.3	2.1	1.7	5.5	6.9	6.3	3.7	0.8	0.1	-0.2	0.1	0.3
Ireland	7.3	5.1	6.9	6.2	8	9.4	0.3	-0.2	0.0	-0.4	-0.9	-1.8
Spain	3.1	3.3	3.4	16.4	19.6	22.3	2	-0.3	-0.6	-3.1	-4.7	-4.8
Italy	1.5	0.9	1	10.9	11.7	11.9	1.3	-0.1	0.1	-2.1	-2.3	-2.6
Cyprus	3.8	3	2	10.3	13.3	15.5	0.7	-1.2	-1.6	1.1	0.0	-1
Latvia	4.5	2.1	2.8	8.3	9.7	9.9	2.9	0.1	0.2	-0.9	0.0	-1.3
Luxembourg	3.4	3.1	2.9	5.4	6.3	6.1	2.1	0	0.1	0.5	1.6	0.2
Malta	6.9	5.5	7.2	3.6	4.8	5.4	1.3	0.9	1.2	0.9	-0.7	-1.6
Netherlands	3.2	2.2	2.3	4.4	6	6.9	1.3	0.1	0.2	0.7	-0.1	-2.2
Portugal	2.7	1.5	1.8	8	11.2	12.6	1.6	0.6	0.5	-1.4	-2.3	-4.2
Slovakia	3.4	3.3	3.9	7.5	9.7	11.5	1.4	-0.5	-0.3	-1.6	-2.2	-2.7
Slovenia	4.9	3.1	2.3	6.2	7.9	9.1	1.6	-0.2	-0.8	-0.8	-2	-2.9
Finland	3.3	1.9	0.0	8.6	8.8	9.5	0.8	0.4	-0.2	-1.4	-2.2	-3.2
UK	1.8	1.9	2.3	4.3	4.9	5.2	2.7	0.7	0.0	-2.1	-3.4	-4.4
Bulgaria	3.8	3.9	3.6	6.1	7.7	10.1	1.2	-1.3	-1.1	4.2	-0.4	-2.5
Czech Republic	4.5	2.6	5.3	2.3	4	5.1	2.4	0.6	0.3	1.6	0.3	-1.6
Croatia	3.2	3.2	2.3	10	12.8	16.2	1.3	-0.6	-0.3	-0.9	-1.8	-4.2
Lithuania	3.8	2.3	2	6.8	8	9	3.7	0.7	-0.7	0.1	-0.5	-0.9
Hungary	3.8	2.2	3.4	3.8	5.2	6.7	2.4	0.4	0.1	-2.1	-1.8	-2.1
Poland	4.6	2.9	3.8	4.5	6.3	7.5	1.6	-0.2	-0.7	-1.7	-2.3	-3
Romania	6.7	4.8	4	4.6	6	6.7	1.1	-1.1	-0.4	-3	-2.8	-1.1
Sweden	2.7	3.2	4.5	6.5	6.9	7.4	1.9	1.1	0.7	0.9	0.5	-1
Denmark	2.1	2	1.6	5.3	6.2	6	1.1	0	0.2	-0.4	-1.6	-2

Source: European Commission and Eurostat; ELSTAT.

Notes: GDP and HCPI data for 2017 are estimates concerning the EU (European Economy, Winter 2018, Greece, latest ELSTAT estimates). The unemployment rate for 2017 refers to December data (November 2017 data in the case of the UK).

The estimates regarding the General Government deficit in Greece for the year 2017 have been based on data from the GAO and the Budget Proposal for 2018. The figure for the year 2015 is the General Government balance non-adjusted for state support to financial institutions. The estimates regarding Greece's GDP have been based on provisional ELSTAT data up to the third quarter of 2017. Fiscal data regarding EU countries are based on Autumn 2017 EU estimates (European Economy, Autumn 2017).

OVERVIEW OF THE CAPITAL MARKET

International Capital Markets

In 2017, the global capital market was mostly affected, as it did in 2016, by sluggish growth in developed economies and reduced growth rates in developing economies, persistently low interest rates and commodity prices, increased uncertainty in regard to policy and policy-related economic developments, and the persistence of high geopolitical instability. According to Eurostat, however, the total output (GDP) of the euro zone increased by 0.6% between the 3rd and 4th quarters of 2017. The annual growth rate stood at 2.5% in 2017, and was higher than in 2007, i.e. was the highest of the past decade and 1.8% higher than in 2016.

In such an environment, capital market developments were marked by the contraction of trading and issuing activity in equity markets; reduced issuing activity in bond markets; reduced volume of trading in the derivatives market; the variations of stock valuations worldwide per geographical region and per market; increased price volatility in both securities and currency markets, especially in certain periods of intense political developments (referendum concerning the UK's exit from the European Union, the incipient change in US trade and foreign policy); and finally the reversal of the growth of inflows into (regulated) investment funds during the past few years, albeit with fluctuations throughout the year and variations across various types of investment funds.

In Europe, in particular, the most important developments for the year 2017 include, on one hand, the rise of political uncertainty regarding the terms of Great Britain's exit from the European Unions ("hard"/"soft" Brexit) and its consequences, as well as the rising concern about the prospects of the banking sector, mainly as a result of its persistently low profitability, the persistence of high non-performing loan rates, and the difficulty to sustain its profitability, amidst an environment of increasing provision of financial intermediation services by non-financial institutions and increasing use of financial technologies (Fin-tech). Special mention should be made to the apparently significant effect of the increased use of new technologies, especially in a highly interconnected financial system, on the operational risk and operating costs of the firms that provide financial intermediation services.

As regards bond markets, and based on data by the World Federation of Exchanges (WFE), 174,206 bonds were listed on exchanges internationally at the end of 2017, reduced by 5.1% year-on-year.¹ This decrease is mainly due to the 13.4% decrease in the number of listed bonds in the markets of the Europe-Africa-Middle East

¹ Previous year data, and the corresponding changes have been adapted to the data recorded in the relevant database of the WFE as per December 2017.

region. It is worth noting that out of all bonds listed on exchanges internationally in December 2017, 69.69% are bonds listed on the markets of Europe-Africa-Middle East (as compared to 69.5% in December 2016) and 25.48% are listed on the markets of Asia-Pacific (as compared to 26.6% in December 2016). In 2017, there was a total of 38,647 new bond listings, increased by 13.91%, whose majority took place in the exchanges of the Europe-Africa-Middle East (71.71%) and Asia-Pacific (24.54%) regions. The total funds raised in 2017 through the issuance of bonds listed on exchanges of the World Federation rose to US\$4.28 trillion from US\$3.59 trillion in 2016, with 59.9% of the total value realised in the exchanges of Europe-Africa-Middle East, 36.8% in the exchanges of Asia-Pacific, and the remaining 3.1% in the exchanges of the Americas. The total value of bond trading in these exchanges stood at US\$18.4 trillion, increased by 2.9% year-on-year. Of these trades, 84.3% were carried out in the exchanges of the Europe-Africa-Middle East region, 12.66% in the exchanges of the Asia-Pacific region, and 2.9% in the Americas.

According to data from the European Securities and Markets Authority (ESMA), share issuance in the EU rose to 73 billion euros in the second half of 2017, from almost 50 billion euros in the same period of 2016. For 2017 as a whole, it stood at 166 billion euros. The financial sector accounted for a large share of issues, which in 2017 rose to 70 billion euros from 31 billion euros in 2016. Securities lending was also increased in 2017, as the value of stock lending stood at 179 billion euros in the second half of the year (up by 3% compared to the first half) while the total value of securities (shares, corporate and government bonds) lending stood at 500 billion euros.

There was a decrease in the value of issues in European government bond markets, a trend that was first observed in the first half of 2016. Government bond issues stood at 270 billion euros in the 2nd half of 2017, reduced by 16% year-on-year. It is worth noting that the number of net issues of government bonds (issues of new securities for the period minus maturities of securities for the period) was negative for the EU as a whole.

Corporate bond issues in Europe were significantly reduced in the second half of 2017, as they stood at 391 billion euros, down by 122 billion euros year-on-year. A large part of this decrease is attributed to the decrease in the number of investment grade issues, mainly because of the preference shown by banks to share capital increases instead of corporate bond lending. In contrast, there was an increase in the number of high-yield bond issues in the second half of 2017, which stood at 112 billion euros at the end of the year. In 2017, the issues of hybrid securities (which combine the characteristics of bonds and shares) decreased during the first three quarters of the year, albeit increased in the fourth quarter of 2017, reaching an underlying value of almost 900 billion euros by the end of the year, increased by 100 billion euros year-on-year.

In 2017 there was an increase in the value of shadow banking liabilities on the European level (such as money market funds, repos and reverse repos, covered securities), which exceeded 9 trillion euros at the end of 2017, increased by almost 1 trillion euros year-on-year. In contrast, the total underlying value of structured retail products continued to decrease in 2017, despite the fact that the number of these products has been steadily increasing during the past five years. More specifically, their total value stood at 500 billion euros at the end of 2017, reduced by almost 100 billion euros as compared to 2016, while in 2012 it had almost reached 800 billion euros. In contrast, the number of products exceeded 5 million, as compared to fewer than 2 million in 2012.

It should be noted that the provision of financing by non-financial organisations of the EU through the capital markets (issues of equity and debt securities and shares in investment funds) registered a 18% y-o-y increase in 2017. This indicator has been on the rise since the second half of 2016.

In 2017, according to data from the World Federation of Exchanges (WFE), the dollar value of equity trades in stock exchanges internationally that concerned order book transactions, fell by 6% to 81.4 trillion. The largest decrease in the value of trading was recorded in the exchanges of the Americas (-10.6%), followed by the exchanges the Europe-Middle East-Africa region (-6.0%) and the Asia-Pacific region (-1.9%). Consequently, the market share of the stock exchanges of the Americas on total trades fell to 48% (from 56.6% in 2016), while the market share of the stock exchanges of the Asia-Pacific region rose to 37.2% (from 26.9% in 2016).

It should be noted that trading (in dollar terms) both decreased and increased on an annual basis in major stock exchanges internationally. More specifically, it is worth noting the decrease in the value of trading by -20.5% in the Shenzhen Stock Exchange, by -17.3% in BATS Global Markets, by -16.1% in the NYSE, by -7.9% in the London Stock Exchange–LSE Group, and by -2.1% in the Australian Securities Exchange. There was no change in the BME Spanish Exchanges. Increases were recorded in Euronext (6.6%), Deutsche Börse (9.8%), Korea Exchange (11.3%), Nasdaq Nordic Exchanges (9.4%), and NASDAQ US (2.4%). Trading value also increased in the BM&FBOVESPA (16.6%), the Japan Exchange Group (6.4%), and the National Stock Exchange of India (41.8%). As a result, the top five exchanges for 2016 in terms of trading values were the NYSE with 14.535 trillion, the NASDAQ US with 11.336 trillion, the BATS Global Markets exchange with 11.313 trillion, the Shenzhen Stock Exchange with 9.11 trillion, the Shanghai Stock Exchange with 7.563 trillion, the Japan Exchange Group with 5.812 trillion, the BATS Chi-x Europe with 2.245 trillion and, finally, the London Stock Exchange–LSE Group with 2.157 trillion.

The total market capitalisation of listed companies worldwide, denominated in US dollars (WFE data), showed a year-on-year increase (15.2%) to US\$80.69 trillion at the end of 2017 from US\$70.08 trillion in 2016. The highest value for the year was recorded in November (US\$83.457 trillion) and the lowest in January (US\$71.671 trillion). More specifically, market capitalisation followed an upward trend in the stock exchanges of the Americas (7.5%), while a small decrease was recorded in the stock exchanges of the Europe-Africa-Middle East region (-4.1%%)

By the end of 2017, the total number of companies whose shares are listed on a stock exchange stood at 47,292, registering a y-o-y decrease (-8.4%). Companies whose shares are listed on the exchanges of the Asia-Pacific region accounted for 54.16% of the total, while the corresponding percentages for Europe-Africa-Middle East and the Americas stood at 25.44% and 20.40% respectively. In 2017, 1,875 companies listed their shares for trading in the markets of the World Federation of Exchanges (WFE) through an Initial Public Offering (IPO), as compared to 1,295 companies in 2016. Moreover, 1,233 already listed companies sold new or existing shares through public offerings, as compared to 689 companies in 2016. In regard to new company listings, activity was strongest in the markets of the Asia-Pacific region, where a total of 1,233 companies were listed, accounting for 65.76% of new listings, the corresponding percentages being respectively 21.23% and 13.1% for Europe-Africa-Middle East and the Americas. Trading activity in the global exchange traded fund (ETF) market (WFE data) fell below 2016 levels (-9.29%), as the total value of trades stood to US\$14.37 trillion. The number of ETFs traded in exchanges internationally rose to 9,346 ETFs in December 2017 from 9,922 ETFs in 2016, the majority being traded, as in 2016, in the exchanges of the Europe-Africa-Middle East region (54%).

As regards individual derivative categories on an underlying asset basis the following has to be noted: the volume of trading in stock index derivatives stood at 5.76 billion contracts, of which 3.35 billion were stock index

options (as compared to 2.73 billion in 2016) and 2.40 billion were stock index futures (as compared to 2.55 in 2014). The markets of the Asia-Pacific region accounted for the largest share of this category of derivatives (50.56%), followed by the Americas and the Europe-Africa-Middle East region, with 28.45% and 20.90% respectively.

In single stock derivatives the volume of trading in international exchanges in 2017 stood at 4.37 billion contracts, of which 3.44 billion contracts were single stock options and 927 million contracts were single stock futures, while the corresponding figures for 2016 stood at 4.02 billion and 806 million contracts. The exchanges of the Americas accounted for the largest share of trading in this category of derivatives (62%).

The number of ETF futures and options traded in all exchanges internationally stood at 1.59 billion contracts in 2017 (as compared to 1.44 billion in 2016), the majority of which were ETF options (99.8%) almost exclusively traded in the exchanges of the Americas (99.68%).

Trading in interest rate derivatives in exchanges internationally fell to 3.2 billion contracts in 2017 from 2.85 billion contracts in 2016, the majority of which were interest rate futures (2.57 billion contracts). Seventy-two point fourty nine percent of interest rate future trades were carried out in the exchanges of the Americas, while the Europe-Africa-Middle East region accounted for 18.73 % and Asia-Pacific accounted for a mere 8.4%. The exchanges of the Americas accounted for 87.19% of the total volume of trading in interest rate options, which stood at 616 million contracts in 2017 (as compared to 511.4 million in 2016), while the Europe-Africa-Middle East region accounted for 12.51%.

The volume of trading in currency derivatives stood at 2.76 billion contracts traded in exchanges in 2017, of which 1.95 billion were currency futures and 814.3 million were currency options, as compared to 2.84 billion contracts in 2016 (2.19 billion futures and 647.2 million options). In 2017, the exchanges of the Asia-Pacific region accounted for the largest share of trading in currency derivatives (50.78%), followed by the exchanges of the Europe-Africa-Middle East region (31.8%) and the exchanges of the Americas (17.37%).

In 2017, the collective investment industry continued to grow, especially when taking into account the volatile conditions in the market. Moreover, concerns persisted regarding the liquidity of the institutional investment industry, especially its ability to respond to the redemption of shares against less liquid placements in certain periods of turbulence.

As regards Europe, in particular, based on annual data by the European Fund and Asset Management Association (EFAMA) the total assets of European investment funds (UCITS and AIFs) increased by 2.1% year-on-year and stood at 15.65 trillion euros as per the end of October 2017, sustaining their momentum, a fact that becomes immediately obvious when taking into account that this figure stood at 14.14 trillion euros as per the end of 2016, registering a new ten-year high.

The Greek Capital market

The course of the Greek capital market in 2017 was marked by a) a significant increase in the total market capitalisation of ATHEX-listed shares, with the returns of all the main and most of the sectoral indices of the

Athens Exchange moving strongly upwards; b) the recovery of issuing and trading activity in both corporate, and Greek government bonds; c) a slight drop of trading activity in shares; d) the further drop in Greek Government bond yields; and e) the persistence of year-on-year outflows for mutual funds as a whole, despite the positive returns registered by most individual types.

In the market for Greek Government bonds, yields across all maturities were lower at the end of 2017 than they were at the end of 2016, with the (average monthly) yield on the 10-year benchmark bond falling to 4.44% in December 2017 from 6.94% in December 2016. Based on statistics from the BoG's System for Monitoring Transactions in Book-entry Securities, the nominal value of secondary market trading on Greek Government bonds was substantially increased year-on-year (63.84%) to 1,532.78 billion euros, returning to 2014 levels. The average monthly nominal value of trading stood at 127.73 billion euros, with the highest value of transactions being recorded in May (180.82 billion euros) and the lowest being recorded in October (75.37 billion euros). More specifically, the value of transactions in the Electronic Secondary Government Bonds Market (HDAT) remained at historically low levels, despite registering a small y-o-y increase to 555 million euros from 519 million euros in 2016. Primary market activity recovered through the issuance of long-term debt securities, following two years when it had been limited to the issuance of treasury bills. More specifically, in July 2017 the Greek Government issued a new five-year bond with a total value of 3 billion euros, part of which (1.57 billion euros) was used to replace another bond, maturing in April 2019. Moreover, in December 2017 five new Greek Government bonds were issued, with maturities ranging from 2023 to 2042 and a total value of 25.82 billion euros; these were used to replace twenty bonds that had been issued as part of the Private Sector Involvement (PSI) scheme for the restructuring of Greek debt in 2012. As regards the issuance of 13-week and 26-week Treasury bills, the total amount raised in 2017 stood at 41.14 billion euros as compared to 41 billion euros in 2016, with the average cost of borrowing decreasing year-on-year to 2.5% from 2.9% in 2016.

Based on Bank of Greece data, the yields of bonds issued by non-financial Greek corporations and traded in capital markets internationally continued to fall in 2017, hitting historic lows, as is, after all, the case with the yields of corporate bonds from other euro zone member states, which, nonetheless, did not show any significant change during the year.

In 2017, the total market capitalisation of shares listed on the securities market of the Athens Exchange registered a significant year-on-year increase of 19.85% and stood at 54,055.32 million euros in December, as compared to 45,101.80 million euros at the end of 2016. Its highest value (monthly data) was recorded at the end of August (55,132.84 million euros) and its lowest value at the end of January (42,330.19 million euros). The ratio of the total market capitalisation to Greece's GDP stood at 30.3% at the end of 2017, as compared to 25.6% in 2016 and 26.6% in 2015. The ATHEX Composite Share Price Index closed at the year's end at 802.37 units, registering a year-on-year gain of 24.7%. The index moved up on a monthly basis, excluding the months of January, July, September, and November, the largest fluctuations being recorded in May (+8.86%), December (+8.40%), and September (-8.46%). All main stock market indices registered year-on-year gains. The largest y-o-y gains were registered by the ATHEX Mid & SmallCap Price Index (+106.59%), followed by the FTSE/ATHEX Mid Cap Index (+58.98%) and the FTSE/ATHEX Global Traders Plus Index (+54.58%), while the smallest gains were those of the FTSE/ATHEX Large Cap Index (+19.67%). During the course of the year, the lowest end-of-month values were recorded in January, and the highest in August and December. In the case of most main stock market indices the largest gains were recorded in May and December, and the greatest losses were recorded in

September. Among sectoral indices, the largest gains were registered by the FTSE/Athex Health Care Index (75.86%), followed by the FTSE/ATHEX Industrial Goods-Services index (+54.38%) and the FTSE/Athex Oil - Gas Index (+51.06%), while the only index to sustain losses was the FTSE/Athex Retail index (-0.99%).

Overall, average monthly share price volatility remained almost unchanged and stood at an average of 14.29% in 2017, as compared to 14.37% in 2016 and 17.32% in 2015. The highest values for the year were recorded in July (17.03%) and March (15.01%), while the lowest values were recorded in April (12.38%) and December (12.50%).

Trading activity in the securities market of the Athens Exchange was slightly reduced in 2017. More specifically, the annual value of trading in all stocks amounted to 14.76 billion euros, reduced by 1.95% year-on-year. In particular, the annual value of trading in all equity instruments fell to 14.62 billion euros from 15.05 billion euros in 2016, down by -2.82% y-o-y, while the value of trading in bonds soared to 135.22 million euros from 4.36 million euros in 2016. The average monthly value of equity trading fell to 1.22 billion euros from 1.25 billion euros in 2016, its highest value occurring in May (2.22 billion euros) and the lowest in April (798.28 million euros). More specifically, the value of share trading in all trading categories stood at 14.61 billion euros, reduced by 2.85% year-on-year. The value of trading in exchange traded funds registered a significant increase (+169.39%) and stood at 9.24 million euros, while the value of trading in warrants plummeted (-62.70%) to 940 thousand euros. Finally, the value of trading in the Alternative Market of the Athens Exchange stood at 1.42 million euros in 2017, reduced by 25.65% year-on-year.

As regards liquidity, the relevant indicators of the Athens Exchange paint a mixed picture for the year 2017. More specifically, the (value-weighted) monthly average bid-ask spread remained at the previous year's levels, despite its fall during the five-months May-September, and stood at 4.56% in 2017, as compared to 4.57% in 2016 and 4.10% in 2015. In contrast, the average monthly turnover velocity for all stocks declined further and stood at 0.100% in 2017, as compared to 0.127% in 2016 and 0.171% in 2015. Its values showed fluctuations during the year, with the highest being recorded in May (0.178%) and the lowest in August (0.066%).

Based on ATHEX data, there was a slight increase in the participation of foreign investors to the market capitalisation of the securities market of the ATHEX in 2017, which rose to 63.55% from 61.40% in 2016, the largest increases concerning the participation of non-financial firms and portfolio and real estate investment companies. In 2017, foreign investors were net buyers, with inflows of 286.03 million euros, as compared to inflows of 913 million euros in 2016. Domestic investor participation (including the Hellenic Financial Stability Fund – HFSF) fell to 36.40% from 38.56% in 2016, with the participation of the HFSF to the total capitalisation of the securities market of the Athens Exchange being marginally reduced to 4.32% from 4.46% in 2016. More specifically, the largest drop in participation concerned domestic portfolio and real estate investment companies, while domestic private investors increased their participation in the total capitalisation of the securities market of the Athens Exchange. Domestic investors were net sellers in 2017, with outflows of 286.26 million euros, as compared to outflows of 913.29 million euros in 2016. It is worth noting the significant increase in the monthly average number of active investor shares, which rose to 18,331 shares in 2017 from 16,039 shares in 2016.

In 2017, issuing activity in the Greek equity market remained once again sluggish, especially when compared to that of previous years, when bank recapitalisations abounded. More specifically, there were seven share capital

increases by ATHEX-listed companies, as compared to eight in 2016 and seven in 2015, and one share capital increase due to merger as compared to two in 2016, while there were no initial public offerings of stock with listing. Total funds raised through the aforementioned capital increases fell to 135.58 million euros from 216.05 million euros in 2016, both amounts being significantly lower than the 10.19 billion euros raised through the offering of shares, with or without listing in ATHEX, in 2015. Moreover, in 2017 there was one public offering of securities without listing for trading in the Athens Exchange, raising total funds of 3.06 million euros, while there were no initial public offerings. Finally, in 2017, as in the previous year, there were four issues of corporate bonds. All four issues, as compared to only two in 2016, concerned common bond loans, which were listed for trading in the Debt segment of the Securities Market of the Athens Exchange. The total amount of funds raised through corporate bond issues stood at 610 million euros, significantly increased as compared to 2016, when had reached 115.46 million euros.

In 2017, trading in the derivatives market of the Athens Stock Exchange was substantially improved. The average daily volume of trading in stock and index futures and options stood at 77,479 contracts in 2017, as compared to 62,131 contracts in 2016 and 65,709 contracts in 2015, increased by 24.70% year-on-year, as compared to a 5.45% decrease in 2016. During the year, the average daily volume of trading fluctuated on a monthly basis, registering its highest value in May (117,678 contracts) and its lowest value in August (34,202). More specifically, an increase in trading activity was observed for stock futures, the average daily volume of trading of which rose by 27.96%, increasing their share in the average daily volume of trading on all derivative products to 96.15% in 2017 from 93.70% in 2016. In contrast, there was a further decrease in the average daily volume of trading in futures on the FTSE/ATHEX Large Cap index, which amounted to -30.26%. The average monthly number of accounts that performed trades in 2017 rose to 1,861 from 1,794 in 2016, with the respective share on the total number of end investor-client accounts rising to 4.9% from 4.7% in 2016. The ratio of ATHEX member to client transaction value for all the products traded in the derivatives market increased for a third consecutive year and stood at approximately 54:46 in 2017, as compared to 52:48 in 2016 and 47:53 in 2015. The ratio of the value of transactions in the derivatives market to the value of transactions in the underlying transferable securities market of the Athens Stock Exchange was substantially increased, albeit with strong monthly fluctuations throughout the year. The average value of the ratio of the total value of derivative products to the total value of stock trading stood at 33% in 2017 as compared to 20% in 2016. Finally, the call:put ratio concerning trading in options on the FTSE/ATHEX Large Cap index was more in favour of call options on an annual basis for an eighth consecutive year, with its value, nonetheless, reaching much lower as compared to the previous year (1.81 in 2017, as compared to 3.60 in 2016).

In 2017, fifty seven (57) investment firms were operating in the Greek capital market, as compared to sixty one (61) in 2016. The share of the five investment firms-ATHEX members with the largest value of transactions as a percentage of the total value of transactions stood at 59.48% in 2017, as compared to 56.68% in the previous year.

The Greek mutual fund market once again failed to follow the high annual returns recorded in most individual categories, as well as the progress in the field of collective investments on the European level. The total net assets of mutual funds increased by 3.67% year-on-year and stood at 6.66 billion euros in 2017, as compared to 6.42 billion euros in 2016 and 7.24 billion euros in 2015. In individual mutual fund categories, there was a decrease in the net assets of specialist mutual funds (-47.42%) and money market mutual funds (-24.43%),

while the net assets of all other categories were increased: Bond mutual funds (26.68%), balanced mutual funds (22.91%), equity funds (10.88%), and Funds of Funds (7.55%). As a result, at the end of the year there was an increase in the market share of bond mutual funds (to 27.89% from 22.82% in 2016), balanced mutual funds (to 20.44% from 17.24% in 2016), and equity mutual funds (to 16.33% from 15.26% in 2016). The market share of money market mutual funds and specialist mutual funds was significantly reduced (to 17.67% from 24.24% in 2016, and to 3.37% from 6.64% in 2016, respectively). Finally, the market share of funds of funds rose to 14.31% from 13.79% in 2016.

All mutual funds suffered net year-on-year outflows, which amounted to 474.81 million euros, as compared to outflows of 1.05 billion euros in 2016. The largest part of these outflows concerned money market mutual funds (-380.24 billion euros) and specialist mutual funds (-216.14 million euros), while inflows were recorded by bond mutual funds (165.94 million euros) and Funds of Funds (39.21 million euros).

Excluding bond Funds of Funds and short-term money market funds, all mutual fund categories offered positive annual returns. More specifically, the breakdown of returns per category is the following: balanced mutual funds 16.85%, equity mutual funds 12.14%, bond mutual funds 9.53%, specialist mutual funds 6.10%, equity funds of funds 4.95%, balanced funds of funds 1.59%, money market mutual funds 0.14%, short term money market funds -0.08% and, finally, bond funds of funds -1.85%.

In 2017, the total number of mutual fund management companies (MFMCs) rose to 15 with 286 mutual funds under management, from 14 companies with 268 mutual funds in 2016, and 15 companies with 270 mutual funds in 2015. Finally, concentration in the Greek mutual fund market remained high, with the five largest MFMCs having funds under management of 5.86 billion euros, which accounted for 87.96% of the total net assets of mutual funds, as compared to 89.11% in 2016.

European and national regulatory framework

European regulatory framework

- **The main reforms brought about by Directive 2014/65/EU (MiFID II) and Regulation (EU) 600/2014 (MiFIR)**

In 2017, national competent authorities and ESMA prepared themselves for the implementation of the new regulatory framework that is governed by the provisions of Directive 2014/65/EU (**MiFID II**) and Regulation (EU) 600/2014 (**MiFIR**), and is supplemented by 38 delegated regulations, 1 delegated directive, and 12 Implementing regulations.

MiFID II and MiFIR are European Acts that regulate issues pertaining to investment firms, the way these firms deal with their clients, and the operation of trading venues (markets, multilateral trading facilities [MTFs], and organised trading facilities for non-equity instruments [OTFs]).

These acts affect all firms engaged in investment activities: organised trading venues (including exchanges), investment banks, brokers, investment managers, financial advisers, research firms, and data reporting services providers, all fall under the scope of the new legislation. It should be noted that programmes for the implementation of MiFID II/MiFIR are being realised all over Europe.

MiFID I has been in force since 2007, and there was always the intention of carefully reviewing and, possibly, revising it. Following the financial crisis and, in particular, following certain serious commitments by G20 leaders for changes in the global regulation of the financial system, the scope of the revision of MiFID I was much greater.

The new acts aim at remedying the following weaknesses:

- 1. Ensure that trading takes place in regulated trading platforms;*
- 2. Introduce rules for algorithmic trading or high frequency algorithmic trading;*
- 3. Improve the transparency and supervision of financial markets –including derivatives markets– and deal with price volatility in commodity derivatives markets;*
- 4. Improve the terms of competition during the trading and the clearing of financial instruments;*
- 5. Enhance investor protection through the introduction of organisational requirements and conduct requirements.*

The ultimate objective is to make markets in financial instruments more efficient, resilient, and transparent, and create a more stable environment for capital markets, intermediaries, and trading venues in the EU.

The amended Directive and the new Regulation were approved in early 2014. The new acts will affect stock, derivatives and bond markets, as well as investment management and financial advice services. These new rules will go together with a new revised framework on market abuse, as set out by the Regulation on Market Abuse (MAR).

These new acts will be of equal importance for regulators and firms, by providing a single rulebook for capital markets in Europe.

The revised MiFID II was due to come into force in January 2017, albeit because of exceptional technical implementation challenges faced by regulators and the market, one additional year was granted for regulatory compliance, and the new deadline is January 03, 2018.

The authorisation of firms is one of the areas that will be affected, as the new Directive creates a new type of trading venues, the organised trading facilities, which will have to be authorised, and introduces the concept of data reporting service providers. For the first time, companies that conduct proprietary algorithmic trading or high frequency algorithmic trading or provide direct electronic access to the market and act as clearing members, will have to be authorised.

Moreover, companies dealing in commodity derivatives and trading within financial markets may go through a new authorisation process. For example, such companies may include companies extracting or selling oil, or companies buying and re-selling oil.

There are also increased IT support requirements pertaining to the upgrade of market monitoring systems in order to include the new financial instruments introduced by the new acts.

The objectives of the new legislation are consistent with all the statutory objectives of the Hellenic Capital Market Commission:

Consumers who purchase investment services and products will be able to enjoy better protection in Europe, thanks to the rules on the management and prevention of conflicts of interest, transparency, and best execution requirements.

Market integrity is expected to be enhanced thanks to the rules on systems and audits, the new transparency and governance requirements, and the changes in market microstructures.

Finally, competition is promoted through rules aimed at the separation of investment research fees from trading commissions, as well as through the enactment of rules securing open access between trading venues and central counterparties that offer clearing services in the markets.

The time remaining for the implementation of the new regulatory framework is a major challenge for both regulators and supervised entities (companies and markets). As mentioned above, level I legislation (MiFID II and MiFIR) was approved in 2014. Moreover, on March 31, 2017, 29 new implementing acts, also known as level II acts (28 delegated regulations and 1 delegated directive), were published in the Official Journal of the European Union, supplementing the regulatory framework set by MiFID II/MiFIR.

It should be noted that delegated acts are drafted by the European Commission on the basis of technical advice by ESMA, while the regulatory technical standards or implementing technical standards are drafted by ESMA and approved by the Commission.

Moreover, ESMA is collecting data from about 300 trading venues on about 15 million financial instruments by working closely with national competent authorities and the trading venues themselves.

- **European Commission proposal for the amendment of the Regulations regarding ESAs, EuVECA, EuSEF, MiFIR, ELTIFs, Benchmarks, and Prospectuses**

A major institutional development in 2017 was the effort of the European Commission to establish a stronger and more integrated and coordinated approach for financial market supervision in the EU, by adopting, on September 20, 2017, a legislative proposal amending the Regulations governing the three European Supervisory Authorities (ESAs) (ESMA, EBA, EIOPA), as well as the Regulations on EuVECA, EuSEF, MiFIR, ELTIFs, Benchmarks, and Prospectuses.

Based on this proposal, direct supervision on the European level is extended to a series of issues, and the provisions pertaining to the governance and funding of ESAs (ESMA, EBA, EIOPA) are amended.

This proposal of the European Commission builds on six years of operational experience with the ESAs, and was based on almost 300 responses to the Commission's public consultations of spring 2017. In March 2014, the European Parliament also had submitted its recommendations on the same issue, which were taken into account by the European Commission.

In regard to supervisory convergence, ESMA will collect data on transactions in financial instruments directly from market participants, and will also be able to ask for information from market participants (as a last resort), and impose sanctions in case of non-compliance. This will allow ESMA to build market supervision expertise, better use its supervisory powers, and ensure a level playing field in the EU. ESMA will be called to play a stronger coordination role in investigations of market abuse cases with a cross-border dimension, and will also be able to recommend that competent authorities investigate market abuse cases in specific circumstances.

Based on the proposals, ESMA's direct supervision is extended to fields which are highly integrated and have important cross-border activities, such as:

- **Critical benchmarks:** ESMA will supervise benchmarks that are deemed to be critical (see EURIBOR and EIONIA) and will give endorsement to all non-EU benchmarks used in the EU.
- **Data reporting service providers:** the authorisation and supervision of these operators, which is provided for by MiFID II/MiFIR, will be centralised, and this will reduce fragmentation and costs, and ensure the same quality and reliability of data across the EU.
- **Market abuse:** ESMA will have a greater coordinating role in market abuse cases. It will be able to act in specific cases, where certain orders, transactions or behaviours give rise to well-founded suspicion, and have cross-border implications for the integrity of financial markets or financial stability in the EU. It will also be able to recommend that national competent authorities initiate an investigation and exchange information with other national authorities and with ESMA.
- **Prospectuses:** The supervision of certain prospectuses will be transferred from national regulators to ESMA if these prospectuses have a cross-border dimension and potential risks of supervisory arbitrage, such as prospectuses for non-equities and asset-backed securities as part of securitisations or prospectuses by specialist issuers, such as property companies, mineral companies, shipping companies, or prospectuses by non-EU country issuers. Moreover, ESMA will control advertisements for offers of securities or requests for admission to trading, for which it has approved the corresponding prospectuses.
- **EuVECA, EuSEF, ELTIFs:** ESMA will be responsible for the direct supervision of these funds, ensuring a uniform application of the rules, which will allow managers to lower transaction and operational costs for the benefit of investors, also achieving economies of scale.
- **Product Intervention:** The existing powers set out in MiFIR are extended to cover fund managers (UCITS, AIFs), in order to ensure that intervention powers exist, and are applied and interpreted consistently by national supervisors and ESMA.

The proposal of the European Commission also introduces a new funding system for ESAs, including a detailed calculation of what is needed for stronger and more effective supervision. The proposal introduces contributions by directly supervised EU and non-EU companies. It also introduces annual contributions by other market participants, which will be collected by national competent authorities on behalf of the ESAs, while the contributions of national authorities, which are also funded by the financial sector, will be reduced. ESAs will also be funded by the EU Budget.

Moreover, ESAs will have a revised governance structure which will allow decisions “to be taken quickly in the European interest”. National supervisors will continue to set overall directions and decide on regulatory matters within the Boards of Supervisors in each ESA, however independent Executive Boards, replacing the existing Management Boards, similar to the boards of the European Central Bank (ECB) and the Single Resolution Board (SRB), will be in charge of case-by-case decisions and certain supervisory matters. The Executive Board of each ESA (ESMA, EBA, EIOPA) will prepare its work programme and budget, and its members will participate in the meetings of the BoS as non-voting members. It will also have decision-making powers vis-à-vis individuals and competent authorities on matters pertaining to dispute settlements, breach of Union law, reviews of competent authorities (by groups consisting solely by ESA personnel), and convergence activities. It will prepare decisions

for adoption by the Board of Supervisors. The Executive Board of ESMA will consist of a Chairperson and 5 full-time members (3 for EBA and EIOPA).

According to the legislative proposal of the European Commission, national authorities continue to play a strong role in many areas of supervision, and maintain their experience and know-how in the ESAs governance. Moreover, ESAs will help national authorities promote sustainable finance and stay up to speed with FinTech.

Finally, the role of the Stakeholder Group for each ESA is upgraded, since if two thirds of the members of a stakeholder group deem that the relevant ESA (ESMA, EBA, EIOPA) has exceeded its competence by issuing certain guidelines or recommendations, they may send a reasoned opinion to the European Commission. After having given the ESA the opportunity to state its views, the Commission may adopt a decision requiring the ESA to withdraw the guidelines or recommendations concerned.

Discussions on this legislative proposal began in the final quarter of 2017. ESMA's extended powers will be exercised within 3 years after the new Regulation has been put into force.

- **Other European legislative developments**

In 2017, the European Commission continued to implement its institutional initiative for the **Capital Markets Union**. On June 8, 2017, it published its CMU Mid-Term Review, the result of a previous consultation that was launched in early January 2017. The Review reports on the actions taken during the two-years since the initiative was launched, as well as the updating of priorities, such as sustainable growth, the Pan-European Personal Pension Product, the enhancement of European supervision structures in the financial sector, the widening of financing options for small and medium sized enterprises, as well as issues pertaining to technological developments in finance. In regard to the latter, in March 2017 the European Commission published a consultation paper with the aim of forming a single competitive and innovative approach on **Fintech** issues.

A key action concerning the Capital Markets Union was the adaptation of the regulatory framework on prospectuses, which began in 2015 and showed rapid progress, with the issuance of Regulation EU 2017/1129 of June 14 2017 ("**PD3**"), which will come into effect on July 21, 2019.

As regards the package of measures on Securitisations (draft Regulation ("**Sec Reg**") and amendment of the Capital Requirements Regulation (CRR)), a first political agreement was reached among the Council of the EU, the European Parliament, and the European Commission in May 2017, and a second on September 26 2017, amending the proposed legislation on the basis of the points of agreement among the three institutions. Afterward, Regulation (EU) 2017/2402 of the European Parliament and of the Council ("**Sec Reg**"), as well as Regulation 2401/2017 amending Capital Requirements Regulation (EU) No 575/2013, were voted and published on December 12, 2017.

In 2017, the updated institutional framework regarding the improved operation of European Venture Capital Funds (**EuVECA**) and European Social Entrepreneurship Funds (**EuSEF**) was completed through the intensive process that was launched in the middle of the previous year. The new Regulation 2017/1991/EU, which shall apply from March 1, 2018, aims at using investment funds to expand financing options, especially for small and growing enterprises. In the same spirit of establishing a more effective framework regarding financing resources, Regulation (EU) 2017/1131 on **money market funds** (MMFs) was issued in 2017, with the date of

effect being set for July 21, 2018. As regards the Regulation on European long-term investment funds (2015/760 **ELTIFs**), a relevant delegated Directive was issued by the European Commission on December 4, 2017.

As regards the Regulation on financial **Benchmarks**, i.e. the indexes or indicators used to price financial instruments and financial contracts in the European Union (Regulation 2016/2016/EU), the regulatory technical standards were published in 2017, completing the procedure in view of the application of all provisions of this regulation on January 1st, 2018.

Aiming at the targeted modification of Regulation 648/2012 **EMIR** (on the clearing obligation, reporting requirements, risk mitigation techniques for OTC derivatives contracts, and trade repositories), on May 4, 2017, the European Commission published a proposal for a Regulation amending EMIR, with a view to simplifying the applicable rules and eliminating disproportionate burdens. It also issued a Communication on responding to challenges for critical financial market infrastructures and further developing the Capital Markets Union, stressing the need for further changes in EMIR in order to improve the current framework, and ensure financial stability and the deepening of the Capital Markets Union (CMU). Then, on June 13, 2017, it published a second proposal for a Regulation amending Regulation (EU) No 1095/2010 establishing a European Supervisory Authority (European Securities and Markets Authority) and amending EMIR in regard to the authorisation of central counterparties and the recognition of central counterparties of third countries. This new proposal provides for certain modifications of the EMIR and ESMA regulations, especially in regard to the establishment of clear and coherent regulations on central counterparties, both from the EU, and from third countries, thus enhancing ESMA's ability to ensure further supervisory convergence in regard to central counterparties. Overall, it is consistent with the initiatives taken by the EU to: i) deal with the systemic importance of central counterparties; ii) promote the use of central clearing; and iii) improve the efficiency and effectiveness of supervision on the EU level, both in and out of the EU. In the same vein, consultations in the Council of the EU continued in 2017 regarding a proposal for a Regulation on **central counterparty (CCP) Recovery and Resolution**, which had been submitted by the European Commission in November 2016. The aim of the proposal is to ensure that the authorities are duly prepared to deal with a problematic central counterparty, maintaining financial stability, and reducing the cost for the taxpayer.

In 2017, delegated European acts were issued regarding the application of Regulation 1286/2014/EU "on key information documents for packaged retail and insurance-based investment products (**PRIIPs**)". This framework will apply from January 1st, 2018.

As regards Regulation (EU) No 909/2014 on securities settlement and on central securities depositories (**CSDR**), in 2017 the European Commission issued Delegated Directive 2017/389 and Implementing Regulation 2017/394, while ESMA continued to update the relevant FAQ.

In October 2017, the European Parliament, the Council, and the European Commission agreed on completing the reform package aimed at further strengthening the resilience of financial institutions, as well as supporting the objectives of the Capital Markets Union. The proposals amend the Capital Requirements Regulation and the Capital Requirements Directive (Regulation EU/575/2013 - **CRR**, and Directive 2013/36/EU - **CRDIV**, respectively), as well as the Bank Recovery and Resolution Directive (2014/59/EU - **BRRD**).

In 2017, Directive 2017/828/EU was issued, amending Directive 2007/36/EU as regards the encouragement of long-term shareholder engagement and Directive 2013/34/EU as regards certain elements of the corporate

governance statement (**Shareholders Rights Directive- SRD**). These proposals aim, among other things, at enhancing corporate governance regulations in EU-listed companies and long-term shareholder engagement, including cross-border situations. The new requirements apply in relation to the remuneration of directors, the identification of shareholders, the facilitation of the exercise of shareholder rights, the transmission of information, and the transparency of institutional investors.

In December 2017, an agreement was reached between the European Parliament and the Council on the amendment of the 4th Anti- Money Laundering Directive, (**AMLD**) (the amended 4th Directive is considered to be the 5th).

Finally, the partial application of Regulation EU 2015/2365 on transparency of securities financing transactions and of reuse (**SFTR**), which had began in 2016, was continued, and the relevant regulatory technical standards (RTS) were issued. This Regulation established rules for the efficient reporting of SFTs to central depositories, the obligation of Undertakings for Collective Investments to disclose information about SFTs and total return swaps to investors, as well as rules concerning the reuse of financial instruments received as collateral.

National regulatory framework

During the course of the year, the regulatory framework of the Greek capital market was substantially improved through the introduction of legislation on the special liquidation of investment firms and benchmark administrators.

More specifically, the following laws and ministerial decision came into force:

- **Law 4474/2017** “Adjustment of the Hellenic legislation to the provisions of the Directive (EU) 2015/2376 and other provisions” (Gov. Gaz. A 80/7.6.2017)

Article 20 amends article 22 of Law 3606/2007 concerning the procedure for the special liquidation of investment firms, the authorisation of which has been revoked by the Hellenic Capital Market Commission.

- **Law 4484/2017** “Adjustment of the Hellenic legislation to the provisions of the Directive (EU) 2016/881 and other provisions” (Gov. Gaz. A 110/1.8.2017).

By means of Articles 20-24 of this law the Hellenic Capital Market Commission is appointed as the competent authority for monitoring the compliance of benchmark administrators, pursuant to Regulation (EU) 2016/1011 of the European Parliament and of the Council, and of the supervised entities. Moreover, these articles specify the supervisory and auditing powers of the Hellenic Capital Market Commission within its competencies, pursuant to the above Regulation, as well as the administrative sanctions and other measures the HCMC is authorised to impose in case of breaches.

The Hellenic Capital Market Commission participates, through its executives, in the law-drafting committees for the incorporation into national law of European Directives and Regulations pertaining to capital market legislation. In 2017, for example, the HCMC participated in the law-drafting committee for the incorporation of the provisions of Directive 2014/65/EU and Regulation (EU) No. 600/2014 on markets in financial instruments, as well as the law-drafting committee for the adaptation of Greek legislation to the provisions of Regulation (EU) No 909/2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012, which

completed their work within the year, the law-drafting committee for the incorporation of the provisions of Directive 2015/849/EU on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and the law-drafting committee for the harmonisation of Greek legislation with Directive 2016/67/EU on insurance distribution and the codification of Law 1569/1985 (A 183) and P.D. 190/2006 (A 196).

DEVELOPMENTS IN THE GREEK CAPITAL MARKET

Equity and equity-like markets

Market capitalisation, returns and other characteristics of the markets of the Athens Exchange

By the end of 2017, the market capitalisation of shares listed on the Securities Market of the Athens Exchange stood at 54,055.32 million euros, increased by 19.85% as compared to 2016, when it stood at 45,101.80 million euros. The market capitalisation of shares listed on the Main Market category amounted to 53,786.95 million as per 29.12.2017, as compared to 42,061.11 million in 2016, accounting for 99.50% of the total market capitalisation of ATHEX-listed stocks. The market capitalisation of the low dispersion and under surveillance category fell to 268.37 million euros at the end of 2017 from 3,034.25 million euros at the end of 2016, and accounted for 0.50% of total market capitalisation, as compared to 6.73% in 2016. The ratio of the total market capitalisation to Greece's GDP rose to 30.27% from 25.6% in 2016.

The top ten shares in terms of market capitalisation at the end of 2017 were the following (their share in total market capitalisation is shown in brackets): Coca Cola HBC AG (18.50%), Hellenic Telecommunication Organization (OTE) (10.40%), Greek Organization of Football Prognostics (OPAP SA) (6.18%), National Bank (5.39%), ALPHA Bank (5.09%), Hellenic Petroleum (4.29%), Motor Oil (Hellas) Corinth Refineries SA (3.84%), Jumbo SA (3.74%), Titan Cement Company (3.48%), and EUROBANK (3.43%). The market capitalisation of these ten companies' shares stood at 34.86 billion euros as per the end of 2017 and accounted for 64.34% of the total market capitalisation of shares listed in the Athens Exchange. Similarly, at the end of 2016, the ten largest companies in terms of market capitalisation had a market cap of 28.36 billion euros and accounted for 62.69% of the total market capitalisation of companies listed in the Athens Exchange.

The market capitalisation of shares listed in the Alternative Market of the Athens Exchange stood at 100.67 million euros at the end of 2017, increased by 5.83% year-on-year.

TABLE 3. Market Capitalisation of shares traded in the Securities Market and the Alternative Market of the Athens Exchange (€ million), 2017

Month	Securities Market				Total	Alternative market
	Main Market	Low Dispersion	Surveillance	To be de-listed		
Jan.	39,085.72	3,117.85	120.72	5.90	42,330.19	97.81
Feb.	41,248.16	3,002.64	114.74	6.41	44,371.95	100.77
Mar.	42,595.70	3,140.54	111.91	6.36	45,854.51	101.59
Apr.	44,948.77	2,700.25	146.69	6.53	47,802.24	100.83
May	48,769.38	2,848.36	160.80	12.63	51,791.17	102.15
Jun.	51,478.03	2,679.82	169.72	11.17	54,338.74	102.62
Jul.	50,662.27	2,868.48	172.02	11.32	53,714.09	105.15
Aug.	51,943.55	3,007.52	170.72	11.05	55,132.84	102.89
Sep.	48,191.38	2,957.26	236.06	10.36	51,395.06	105.12
Oct.	48,780.71	2,847.76	204.82	9.37	51,842.66	100.78
Nov.	47,372.52	2,810.02	216.57	10.56	50,409.67	99.90
Dec.	53,786.95	0.00	268.37	0.00	54,055.32	100.67

Source: ATHEX.

Note: The point of reference is market capitalisation on the last trading day of each month.

TABLE 4. ATHEX Securities Market cumulative data, 2008-2017

End of year	Market Capitalisation (€ million)	ATHEX Composite Share Price Index	No. of Listed Companies	Market Capitalisation (% of GDP)
2017	54,055.32	802.37	191	30.27%
2016	45,101.80	643.64	207	25.6%
2015	46,717.67	631.35	229	26.6%
2014	52,916.45	826.18	233	29.7%
2013	66,514.89	1162.68	251	36.8%
2012	33,766.01	907.9	265	17.7%
2011	26,783.43	680.42	242	12.9%
2010	53,958.39	1413.94	258	23.9%
2009	83,447.43	2196.16	270	35.1%
2008	68,121.25	1786.51	280	28.2%

Source: ATHEX, HCMC

Note: GDP is calculated at current market prices

At the end of 2017, the ATHEX Composite Share Price Index closed at 802.37 units, registering a year-on-year gain of 24.66% (643.64 units in 2016). During 2017, the Index rose by 28% in the first half of 2017, was stabilised in the third quarter of 2017, and registered a loss of -10.49% in the period Sept.-Nov. 2017, which was

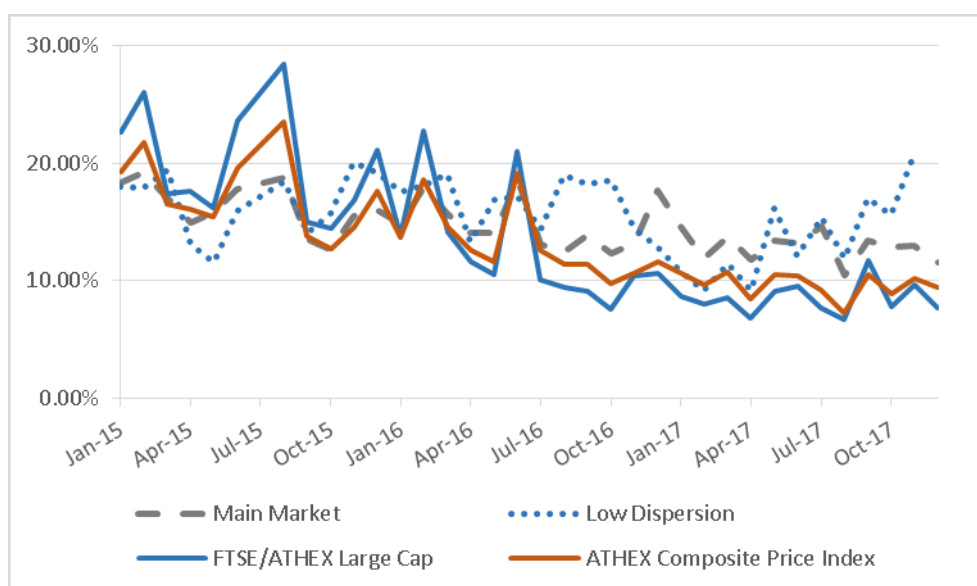
to a great extent (+8.40%) covered in December. The index registered its low for the year in January (611.75); this value was higher than the corresponding low for the year 2016 (420.82). The index reached its high for the year in August (825.48); this value was higher than the corresponding highest value for the year 2016 (658.99).

The cumulative return of the ATHEX Composite Share Price Index for the period 2007-2017 is shown on Table 5. The volatility of the ATHEX Composite Share Price Index, the FTSE/ATHEX Large Cap index, the Main Market and Low Dispersion categories in the Athens Exchange for each month of the period 2015-2017 is illustrated in Figure 2.

TABLE 5. Cumulative Return (%) of the ATHEX Composite Share Price Index, 2007-2017

Base year	Return year											
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	
2016	24.66%											
2015	27.09%	1.95%										
2014	-2.88%	-22.09%	-23.58%									
2013	-30.99%	-44.64%	-45.70%	-28.94%								
2012	-11.62%	-29.11%	-30.46%	-9.00%	28.06%							
2011	17.92%	-5.41%	-7.21%	21.42%	70.88%	33.43%						
2010	-43.25%	-54.48%	-55.35%	-41.57%	-17.77%	-35.79%	-51.88%					
2009	-63.46%	-70.69%	-71.25%	-62.38%	-47.06%	-58.66%	-69.02%	-35.62%				
2008	-55.09%	-63.97%	-64.66%	-53.75%	-34.92%	-49.18%	-61.91%	-20.85%	22.93%			
2007	-84.51%	-87.57%	-87.81%	-84.05%	-77.55%	-82.47%	-86.86%	-72.70%	-57.59%	-65.50%		

FIGURE 2. Monthly volatility in the Athens Exchange, 20115-2017



Source: ATHEX

Note: Monthly volatility is derived from the change of closing prices for each trading day of the month

In 2017, all main indices of the ATHEX registered gains. The ATHEX Mid & SmallCap Price Index registered the largest gains (106.59%), followed by the FTSE/ATHEX Mid Cap Index (+58.98%), the FTSE/ATHEX Global Traders Plus Index (+54.58%), the FTSE/ATHEX MID& SMALL CAP Factor-Weighted index (+45.72%), the FTSE/ATHEX Global Traders Index (+32.53%) and the Hellenic Mid & Small Cap Index (+31.18%).

The sectoral indices also registered gains in 2017, with the exclusion of the FTSE/Athex Retail index, which sustained a loss (-0.99%). More specifically, the FTSE/Athex Health Care Index registered the largest gains (+75.86%), followed by the FTSE/ATHEX Industrial Goods-Services index (+54.38%), the FTSE/Athex Oil - Gas Index (+51.06%), the FTSE/ATHEX Basic Resources index (+49.05%) and the FTSE/ATHEX Technology Index (+42.51%). Table 6 presents the closing values and the percentage year-on-year changes for main indices of the Athens Exchange as per 29.12.2017. Table 7 presents ATHEX sectoral index data per month and for the entire year 2017.

TABLE 6. ATHEX Main Indices, 2016-2017

Athens Exchange Indices	Closing price 29.12.2017	Closing price 31.12.2016	Annual change (%)
Composite Share Price Index	802.37	643.64	24.66%
FTSE/ATHEX Large Cap	2083.22	1740.86	19.67%
FTSE/Athex MID cap	1198.22	753.69	58.98%
FTSE/ATHEX Global Traders Index Plus	2339.63	1513.50	54.58%
FTSE/ATHEX MID&SMALL CAP Factor-Weighted	1953.64	1340.71	45.72%
FTSE/ATHEX Market index	514.92	427.09	20.56%
Hellenic Mid & Small Cap Index	1032.05	786.74	31.18%

Source: ATHEX

TABLE 7. Sectoral Share-price Indices in the ATHENS EXCHANGE, FTSE/ATHEX, 2017

Month	Banks	Fin. Services	Ind. Goods	Retail	Constr. & materials	U tilities	Real Estate
Jan.	728.67	978.25	1473.68	2589.14	2136.98	1421.26	2588.86
Feb.	775.95	1023.04	1637.83	2703.11	2278.03	1486.58	2643.55
Mar.	748.17	1022.34	1664.12	2622.75	2447.66	1570.69	2730.62
Apr.	888.53	1084.82	1656.15	2855.07	2542.43	1765.17	2796.73
May	970.84	1153.51	1826.19	2907.67	2785.72	2249.47	2868.39
Jun.	1040.23	1193.66	2144.68	3127.63	2843.91	2283.56	3345.95

Month	Banks	Fin. Services	Ind. Goods	Retail	Constr. & materials	Utilities	Real Estate
Jul.	1021.54	1152.80	2051.88	2960.84	2769.90	2208.45	3343.73
Aug.	1036.09	1103.02	2279.91	3057.61	2809.07	2225.11	3299.25
Sep.	804.26	1011.58	2117.67	2694.72	2594.14	1977.89	3290.13
Oct.	781.05	995.85	2112.07	2637.12	2612.34	1923.88	3265.43
Nov.	739.52	966.41	2127.38	2280.72	2602.30	2007.54	3051.47
Dec.	876.19	1125.44	2246.15	2782.06	2818.18	1992.30	3408.70
Annual % change	4.56%	6.51%	54.38%	-0.99%	24.98%	31.35%	28.97%
Max	1146.11	1294.25	2385.78	3212.65	3016.71	2554.99	3545.33
Min.	604.79	888.97	1432.54	2110.99	2130.43	1380.52	2518.43

Source: ATHEX

Note: The closing price refers to the last trading day of each month.

Value of Trading

In 2017, the value of equity trading in the Securities Market of the Athens Exchange stood at 14.62 billion euros, reduced by 1.92% year-on-year. Its average monthly value stood at 1.21 billion euros, while the highest value for the year (2.21 billion euros) was recorded in May. The value of equity trading in all trading categories stood at 14.61 billion euros, reduced by 2.86% year-on-year. The value of trading in exchange traded funds stood at 9.24 million euros, down by 2.22% from 2016, while the value of trading in warrants stood at 0.92 million euros, reduced by 63.78% year-on-year. The value of trading in the Alternative Market of the Athens Exchange stood at 1.42 million euros, reduced by 25.65% year-on-year.

TABLE 8. Value of equity trading in the Securities Market and the Alternative Market of the Athens Exchange (€ million), 2017

Month	Securities Market					Total	Alternative Market
	Equities			Exchange Traded Funds	Warrants		
	Main market	Low Dispersion	Surveillance				
Jan.	807.19	29.62	0.39	0.10	0.05	837.35	0.11
Feb.	821.13	3.10	0.27	0.36	0.12	824.98	0.04
Mar.	937.36	1.74	0.29	0.05	0.14	939.58	0.14
Apr.	794.57	2.32	0.22	1.14	0.03	798.28	0.16
May	2,212.99	2.37	0.42	3.75	0.19	2,219.72	0.07
Jun.	1,629.78	0.43	0.22	1.82	0.05	1,632.30	0.11
Jul.	1,627.63	0.72	0.34	0.25	0.26	1,629.20	0.06
Aug.	892.39	0.48	0.15	0.42	0.03	893.47	0.11
Sep.	1,511.22	0.34	0.16	0.14	0.01	1,511.87	0.15
Oct.	888.61	0.29	0.28	0.80	0.03	890.01	0.12

Nov.	1,101.03	0.28	1.27	0.41	0.00	1,102.99	0.15
Dec.	1,339.84	-	1.43	0.21	0.01	1,341.49	0.20
Total 2017	14,563.74	41.69	5.44	9.24	0.94	14,621.05	1.42

Source: ATHEX

Average turnover velocity for all stocks decreased in 2017 (average for the year: 0.100%) as compared to 2016 (average for the year: 0.127%), reaching its highest value in May (0.178%).

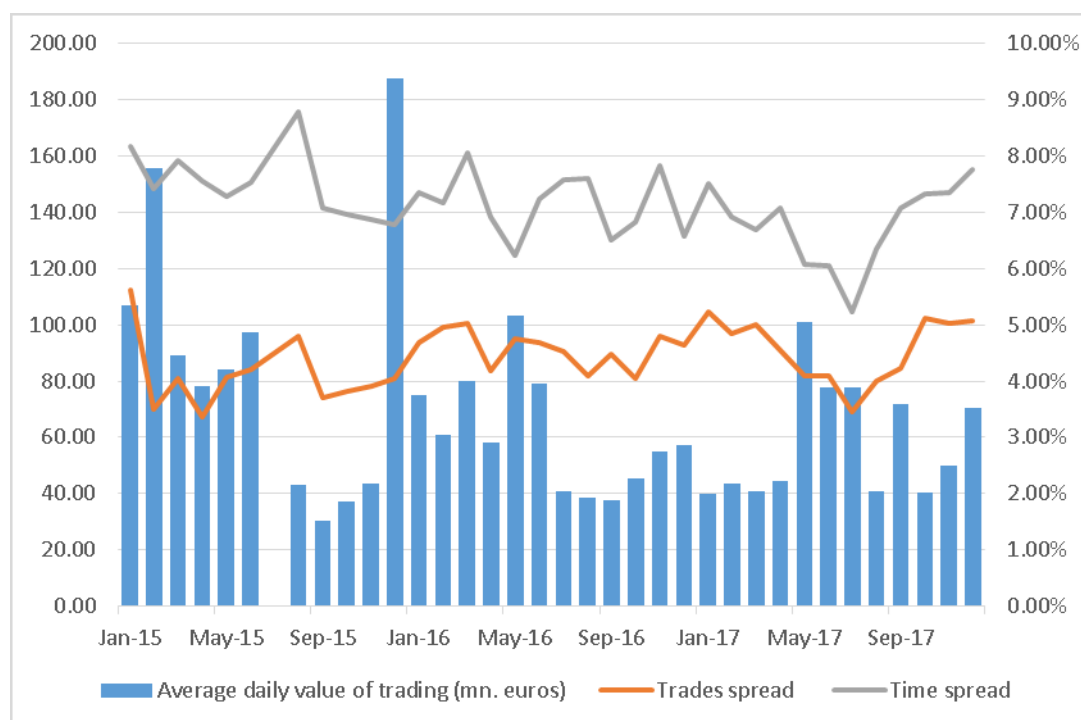
TABLE 9. Average turnover velocity, per month, 2017

Month	Main market	Low Dispersion	Surveillance	Total markets
Jan.	0.083%	0.048%	0.015%	0.080%
Feb.	0.099%	0.005%	0.012%	0.092%
Mar.	0.089%	0.013%	0.011%	0.084%
Apr.	0.093%	0.004%	0.011%	0.086%
May	0.192%	0.002%	0.013%	0.178%
Jun.	0.135%	0.001%	0.006%	0.126%
Jul.	0.114%	0.001%	0.009%	0.107%
Aug.	0.071%	0.001%	0.004%	0.066%
Sep.	0.133%	0.001%	0.004%	0.124%
Oct.	0.074%	0.000%	0.006%	0.069%
Nov.	0.093%	0.000%	0.028%	0.087%
Dec.	0.101%		0.031%	0.100%

Source: ATHEX

The bid-ask spread in relation to the value of trading for the period 2015-2017 is presented in Figure 3.

FIGURE 3. Average monthly bid-ask spread and average daily value of trading, 2015-2017



Source: ATHEX

Note: Spread: The difference between the best bid and the best ask prices divided by the average of these prices.

Trades spread: The average of the spreads corresponding to certain trades, weighted by the percentage value of transactions for these trades. The spread that corresponds to the value of transactions for a trade, is the one observed immediately prior to the execution of the trade.

Time spread: The average of the spreads observed during the trading session, weighted by the percentage time duration.

New DSS Accounts and Investor Participation in the Athens Exchange

In 2017, 10,885 new accounts were opened in the Dematerialized Securities System (DSS), as compared to 7,341 in 2016, and 18,508 in 2015, representing a 48.28% year-on-year increase, while 4,000 accounts were deactivated, as compared to 316,966² in 2016 and 6,345 in 2015. The number of active accounts in December 2017 stood at 16,965, as compared to 16,464 and 26,322 in December 2016 and 2015 respectively, with the average number of active accounts for 2017 standing at 18,331 as compared to 16,039 in 2016 and 26,248 in 2015.

TABLE 10. Number of new Investor Shares in the DSS by month, 2015-2017

Month / Year	2017		2016		2015	
	Active accounts	New accounts	Active accounts	New accounts	Active accounts	New accounts

² The increased number of deactivations is due to the implementation of the rulebook of the DSS, which stipulates that an investor account is deactivated by ELKAT in case the Securities Account and the Special Account remain inactive for a period of five years.

Month / Year	2017		2016		2015	
	Active accounts	New accounts	Active accounts	New accounts	Active accounts	New accounts
January	16,869	584	17,556	708	28,532	1,659
February	15,858	543	21,159	978	38,527	2,313
March	23,159	2,543	17,253	759	32,776	1,399
April	13,967	522	15,739	502	24,127	1,130
May	22,181	735	19,777	636	24,581	1,137
June	28,186	2,200	20,360	648	33,912	1,485
July	21,612	840	13,398	626		289
August	13,742	579	10,078	431	21,016	979
September	17,524	590	12,844	487	17,074	804
October	14,351	566	12,217	489	16,715	677
November	15,556	595	15,623	529	25,151	3,112
December	16,965	588	16,464	548	26,322	3,524
Average active accounts	18,331		16,039		26,248	
Total new investor shares		10,885		7,341		18,508
Account deactivations	4,000		316,966		6,345	

Source: Hellenic Exchanges

In 2017, domestic investor participation (including the Hellenic Financial Stability Fund – HFSF) to the market capitalisation of the Athens Exchange was slightly reduced year-on-year (to 36.40%, from 38.56% in 2016), since, according to trading data by the Athens Exchange, they were net sellers, i.e. the value of their sales exceeded the value of their purchases by 286.26 million euros. The participation of private domestic investors rose to 15.59% (6,788.22 million euros) of the total market capitalisation in the Athens Exchange from 14.84% (5,831.38 million euros) in 2016, while the participation of the HFSF fell to 4.32% (1,879.39 million euros) from 4.46% (1,753.58 million euros) in 2016. The participation of foreign investors increased marginally, and accounted for 63.55% of total market capitalisation in the ATHEX, as compared to 61.40% in 2016. In 2017,

foreign investors were net buyers (the value of their purchases exceeded the value of their sales by 286.03 million euros).

TABLE 11. Investor participation in the total capitalisation of the Athens Exchange, 29.12.2017

	Investor Accounts with balances		Capitalisation	
	Number	Percentage (%)	Value (€ million)	Percentage (%)
I. Domestic Investors	672,071	98.25%	15,850.17	36.40%
Private	666,161	97.39%	6,788.22	15.59%
Private financial undertakings	368	0.05%	2,581.59	5.93%
.Private non-profit institutions	627	0.09%	289.06	0.66%
Non-financial undertakings	2,222	0.32%	3,365.13	7.73%
Public Sector	152	0.02%	941.71	2.16%
Other Investors	2,540	0.37%	5.07	0.01%
.Hellenic Financial Stability Fund	1	0.00%	1,879.39	4.32%
II. Foreign Investors	11,667	1.71%	27,670.54	63.55%
Private	8,229	1.20%	817.41	1.88%
Private financial undertakings	2,649	0.39%	18,872.61	43.34%
.Private non-profit institutions	26	0.00%	48.57	0.11%
Non-financial undertakings	664	0.10%	6,884.17	15.81%
Public Sector & Organisations	78	0.01%	1,047.34	2.41%
Other Investors	21	0.00%	0.44	0.00%
III. Other Investors	272	0.04%	21.75	0.05%
Total I +II + III	684,010	100	43,542.46	100

Source: ATHEX

Note: Private financial undertakings include insurance companies and private occupational insurance funds, mutual funds, portfolio and real estate investment companies, banks and multilateral development banks, and other financial institutions. Non-financial undertakings include private and public companies the main activity of which is the production of goods and the provision of non-financial services. The public sector includes central government, local government organisations, and social security organisations. Organisations (foreign investors) include organisations of the European Union (EU) and non-EU international organisations.

Net profits and Dividends of ATHEX -Listed Companies

In December 2017, the weighted with the sector's market capitalisation price to (after-tax) earnings ratio (P/E) for the entire market was equal to 16.7. P/E data concern the following three sectors: Specialty Retailers, Toys, and Computer Hardware. The sector capitalisation-weighted dividend yield (D.Y.) of all companies listed in the ATHEX stood at 2.6% in December 2017, up from the corresponding value of December 2016 (0.9%) and December 2015 (1%). The highest dividend yield was that of the Business Support Services sector (9.2%).

TABLE 12. Price to Earnings (P/E) ratio and listed company dividend yields, 2009-2017

End of year	Weighted P/E (after taxes)	Weighted Dividend yield %
2017	16.7	2.6
2016	6.7	0.9
2015	6.9	1.0
2014	9.3	3.2
2013	23.3	2.4
2012	17.5	6.3
2011	14.7	9.2
2010	21.4	5.4
2009	21.7	5.4

Source: ATHEX.

Note: P/E and dividend yield weighting takes into account the market capitalisation of listed companies on the basis of the closing price at the end of the year in relation to the sum of the sector's capitalisation. Weighted P/E calculations do not take into account companies that registered losses or had P/E ratios larger than or equal to 100. Weighted dividend yield calculations do not take into account companies that did not pay out any dividends for the previous fiscal year.

The Fixed-income securities market

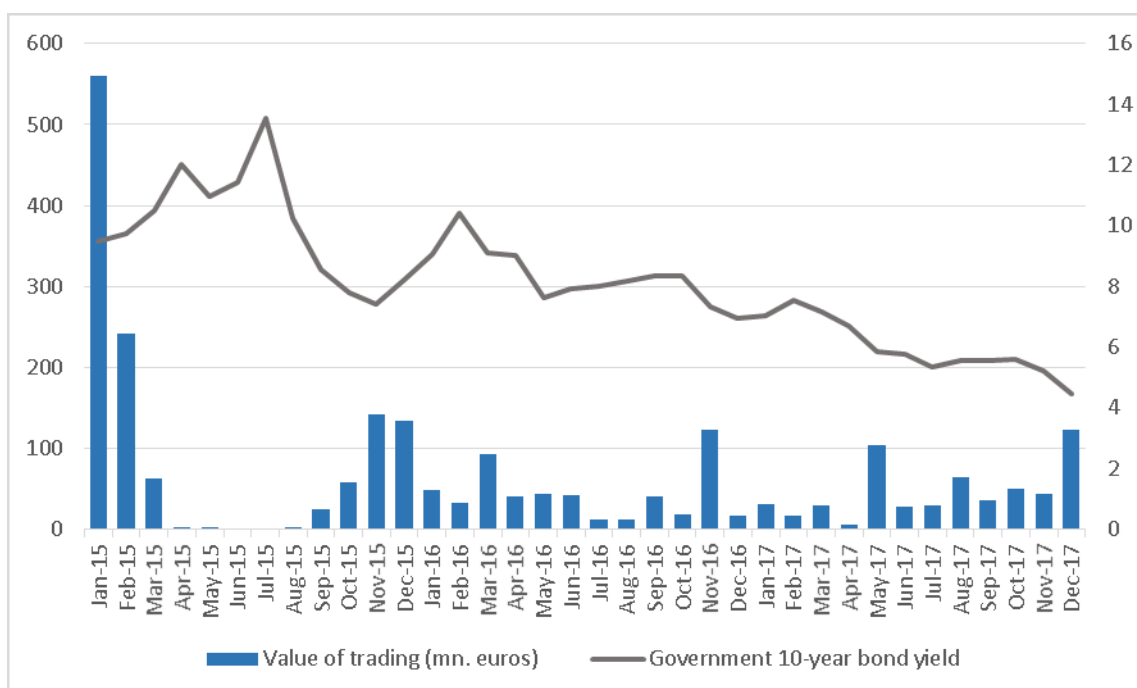
In 2017, trading activity in the Greek Government bond market increased, putting a halt to a three-year drop. Based on data from the System for Monitoring Transactions in Book-entry Securities of the Bank of Greece (BoG), the nominal value of secondary market trading on Greek Government bonds stood at 1,532.78 billion euros, as compared to 935.53 billion euros in 2016, increased by 63.84% year-on-year. The average monthly value of trades stood at 127.73 billion euros. The highest value of trading was recorded in May (180.82 billion euros), followed by March (178.37 billion euros), while the lowest value was recorded in October (75.37 billion euros), followed by September (78.95 billion euros). There was also a y-o-y increase in the number of trades, which rose to 90,200 from 63,285 in 2016 and 83,893 trades in 2015.

The annual value of trading in the Electronic Secondary Government Bonds Market (HDAT) amounted to 555 million euros, as compared to 519 million euros in 2016, and 1.23 billion euros in 2015. This is the second lowest value of the last fifteen years, the next lower (680 million euros) being recorded in 2012. The highest value of trading for the year was observed in December (122 million euros).

Reflecting the trends concerning the composition of Central Government debt, at the end of 2017 the ratio of negotiable debt (bonds and T-bills) to total debt stood at 19.9%, as compared to 21.9% at the end of 2016 and 23.25% at the end of 2015.

In December 2017, the average yield of the ten-year benchmark bond stood at 4.44%, significantly reduced as compared to December 2016 (6.94%), and was the lowest for the year, while the highest average yield was recorded in February 2017 (7.52%). As regards three-year bonds, the average yield fell to 2.69% in December 2017 (from 7.82% in December 2016), while the average yield of twenty-year bonds fell to 5.02% (from 7.53% in December 2016).

FIGURE 4. Government 10-year Bond yield and Value of trading in HDAT, 2015-2017



Source: Bank of Greece

Finally, there was a spectacular increase in trading activity in the corporate bond market of the ATHEX. The value of trading rose to 135.24 million euros from 4.40 million euros in 2016, and 0.06 million euros in 2015. This increase is mainly due to the increased number and large volume of corporate bond issues during 2017 and, more specifically, to the trading activity of Mytilineos SA and OPAP SA.

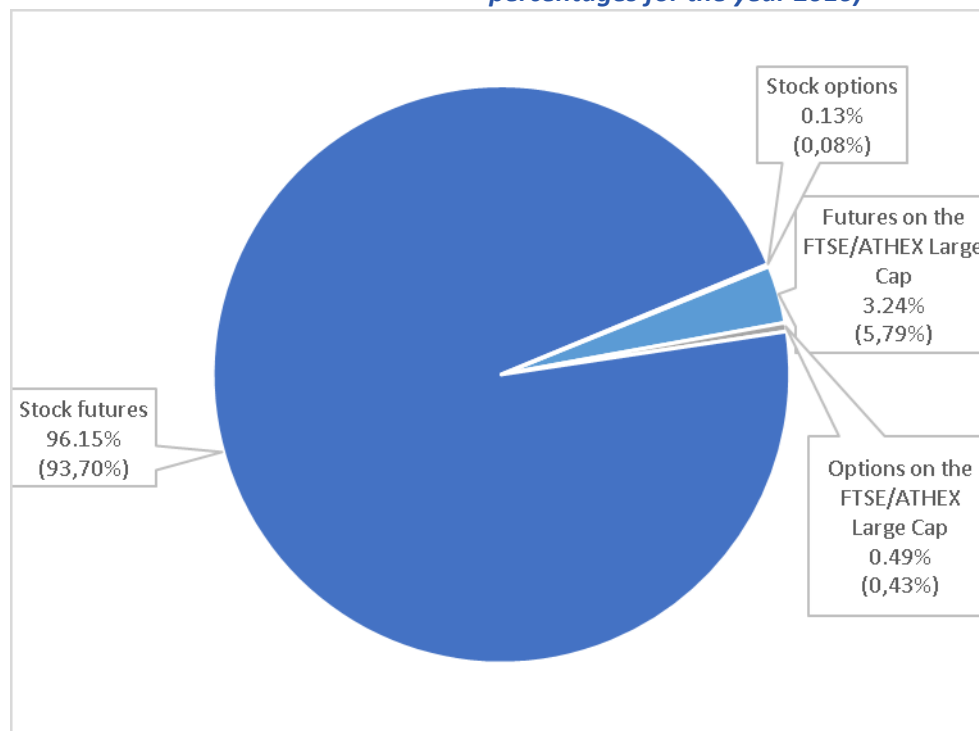
The Derivatives Market

In 2017, the derivatives market of the Athens Exchange was marked by an increase in trading activity, an increase in the number of accounts that performed trades, the further increase of the share of stock futures in the total derivatives market, as well as the further increase of the ratio of ATHEX member to client transaction value for all products traded in the derivatives market.

The average daily volume of trading in stock and index futures and options stood at 77,479 contracts in 2017, as compared to 62,131 contracts in 2016 and 65,709 contracts in 2015, increased by 24.70% year-on-year. The

average daily volume of trading showed monthly fluctuations throughout the year, registering its highest value in May (117,678 contracts) and its lowest value in August (34,202 contracts). The share of stock futures in the average daily volume of trading in all derivative products increased to 96.15% from 93.70% in 2016, while the corresponding share of futures on the FTSE/ATHEX Large Cap index fell to 3.24% from 5.79% in 2016 (Figure 5).

FIGURE 5. Distribution of the Volume of Trading in the derivatives market per product, 2017 (in brackets the percentages for the year 2016)



Source: ATHEX, HCMC

The largest average daily trading volume was, since the beginning of the year, that of the stock futures for the National Bank of Greece (29,009 contracts), followed by stock futures for Piraeus Bank (18,572 contracts) and for Eurobank Ergasias (9,622 contracts). The largest percentage increase of average daily trading volume (December 2017, compared with data for the three-months September-November 2017) was that of stock futures for ATTICA BANK SA (809.81%), followed by stock futures for ADMIE (IPTO) HOLDING S.A. (342.63%). Finally, in June 2017 the Athens Exchange decided to de-list the stock futures for METKA SA.

The number of end investor-client accounts fell to 37,189 at the end of December 2017 from 38,321 at the end of December 2016 and 38,257 in December 2015 (Table 13). Moreover, the average monthly number of accounts that performed trades rose to 1,861 in 2017, as compared to 1,794 in 2016 and 2,171 in 2015. The share of active accounts on the total number of end investor-client accounts rose to 5.90% in December 2017 from 5.2% in December 2016 and 5% in 2015.

TABLE 13. Derivatives market data, 2015-2017

	Dec. 2017	Dec. 2016	Dec. 2015
Trading Members	32	33	35
Clearing Members	19	20	21
- Direct Clearing Members	12	12	13
- General Clearing Members	7	8	8
Client Accounts	37,189	38,321	38,257
Products (Index & Equity)	37	33	35

Source: ATHEX.

The ratio of ATHEX member to client transaction value for all products traded in the derivatives market was slightly increased and stood at approximately 54:46 in 2017, as compared to 52:48 in 2016 and 47:53 in 2015. A remarkable year-on-year change of this ratio was recorded in regard to futures on the FTSE/ATHEX Large Cap index, at 70:30 as compared to 64:36 in 2016 (Table 14).

TABLE 14. Distribution of Contracts in the Derivatives market, 2015-2017

Derivative products	Distribution of trades					
	Average 2017		Average 2016		Average 2015	
	Members	Clients	Members	Clients	Members	Clients
Futures on the FTSE/ATHEX LARGE CAP index	58.80%	41.20%	56.80%	43.20%	46.06%	53.94%
Options on the FTSE/ATHEX LARGE CAP index	69.71%	30.29%	63.87%	36.13%	63.52%	36.48%
Stock futures	43.43%	56.57%	42.66%	57.34%	38.80%	61.20%
Stock options	44.57%	55.43%	45.61%	54.39%	40.17%	59.83%
TOTAL PRODUCTS	54.13%	45.87%	52.24%	47.76%	47.14%	52.86%

Source: ATHEX

The ratio of the value of transactions in the derivatives market to the value of transactions in the underlying transferable securities market of the Athens Stock Exchange was increased year-on-year, with strong monthly fluctuations. More specifically, the average value of the ratio of the total value of derivative products to the total value of stock trading stood at 33%, as compared to 20% in 2016 and 22% in 2015. The lowest value of this ratio was 23% and was recorded in July 2017, while the highest value was 47% and was recorded in March 2017. More specifically, the average ratio of the value of transactions on futures and options on the FTSE/ATHEX Large Cap index to the total value of stock trading stood at 22% in 2017, as compared to 13% in 2016 and 14% in 2015, while the average ratio of transactions on stock futures and options to the total value of stock trading rose to 11% in 2017, from 8% in 2016 and 7% in 2015 (Table 15).

TABLE 15. Value of trading in the derivatives market and the underlying transferable securities market, 2017

Month / Year	Value of trading on stocks constituents of indices underlying futures to value of trading on all stocks (%)	Value of trading on derivative products to value of trading on stocks (%)	FTSE/Athex Large Cap: value of trading on futures and options to the value of trading on stocks (%)	Value of trading on stock futures and options to value of transactions on stocks (%)
Jan. 2017	87	29	23	8
Feb. 2017	95	40	29	10
Mar. 2017	92	47	33	15
Apr. 2017	94	33	24	8
May 2017	95	26	17	8
Jun. 2017	92	30	18	13
Jul. 2017	94	23	17	7
Aug. 2017	94	29	21	9
Sep. 2017	96	34	16	18
Oct. 2017	95	34	24	11
Nov. 2017	95	35	24	12
Dec. 2017	95	33	15	18
Avg. 2017	94	33	22	11
Avg. 2016	92	20	13	8
Avg. 2015	95	22	14	7

Source: ATHEX.

The call:put ratio concerning trading in options on the FTSE/ATHEX Large Cap index was more in favour of call options on an annual basis (i.e. total volume of call options to total volume of put options for 2017), and stood at 1.81, as compared to 3.60 in 2016 and 3.85 in 2015. The ratio showed fluctuations on a monthly basis (maximum value: 3.76 in May; minimum value: 0.84 in December), with the average value of the ratio standing at 2.24, as compared to 4.11 in 2016 and 5.93 in 2015.

SECURITY ISSUANCE

Greek Government security issuance

In 2017, the Greek Government issued Treasury bills (13 and 26 weeks), of a total value of 41.14 billion euros as compared to 41 billion euros in 2016. The average weighted interest rate on Treasury bills issues during 2017 stood at 2.52%, as compared to 2.9% in 2016. Moreover, special issues of long-term Greek Government bonds were carried out in August and December, raising 3 billion euros and 25.82 billion euros respectively, in order to replace bonds maturing in 2019 and 2023-2042.

In 2017, new Greek Government debt originated by 55% from the issuance of Treasury bills, while the remainder is distributed as follows: 31.3% from loans extended by the European Stability Mechanism (ESM), 2.6% from

loans extended by the European Investment Bank (EIB), and 11.1% from fixed rate bond issues. Moreover, the average-weighted maturity of central government debt was increased in 2017: 18.32 years, from 16.6 years at the end of 2016.

Corporate Security Issuance

In 2017, there were eight share capital increases and one share capital increase due to merger. Moreover, there were four corporate bond issues. Total funds raised through the issuance of shares and bonds stood at 135.58 billion euros and 610 billion euros respectively.

Share issuance

During the year, there were seven share capital increases by ATHEX-listed companies, as compared to eight in 2016 and seven in 2015. The funds raised amounted to 132.53 million euros, as compared to 201.56 million euros in 2016 and 10.19 billion euros in 2015. Out of the aforementioned share capital increases, one was performed without admission to trading, as in 2016, while no such issue had taken place in 2015. Moreover, one share capital increase was performed through the conversion of convertible bonds. In addition, no share capital increases with initial public offering of stock was performed, as compared to one in 2016 and none in 2015. Table 16 presents the funds raised per company through the issuance of shares in 2017.

TABLE 16. Funds raised through share issuances, 2017

Company	Trading category	Total Funds Raised
<i>(A) Share capital increase with admission to trading</i>		
P.G. NIKAS S.A.	Surveillance	23,272,106.40
ATHENA SA	Low Dispersion	30,000,000.00
FRIGOGLASS SA	Surveillance	63,459,341.82
INTRACOM CONSTRUCTIONS S.A TECHN & STEEL CONSTR. (INKAT)	Main market	10,159,052.00
KEKROPS S.A.	Main market	4,885,019.72
EUROCONSULTANTS SA	Main market	750,565.50
FRIGOGLASS SA	Surveillance	-
Total funds raised with listing of shares		132,526,085.44
<i>(B) Share capital increase without admission to trading</i>		
SOUROTI MINERAL WATER BOTTLING & TRADING COMPANY	Non-negotiable	3,057,032.76
Total funds raised without listing of shares		3,057,032.76
Grand Total of Funds Raised (A) + (B)		135,583,118.20

Source: HCMC

Table 17 presents data on the number of share capital increases by ATHEX-listed companies during 2011-2017, as well as the corresponding amount of funds raised.

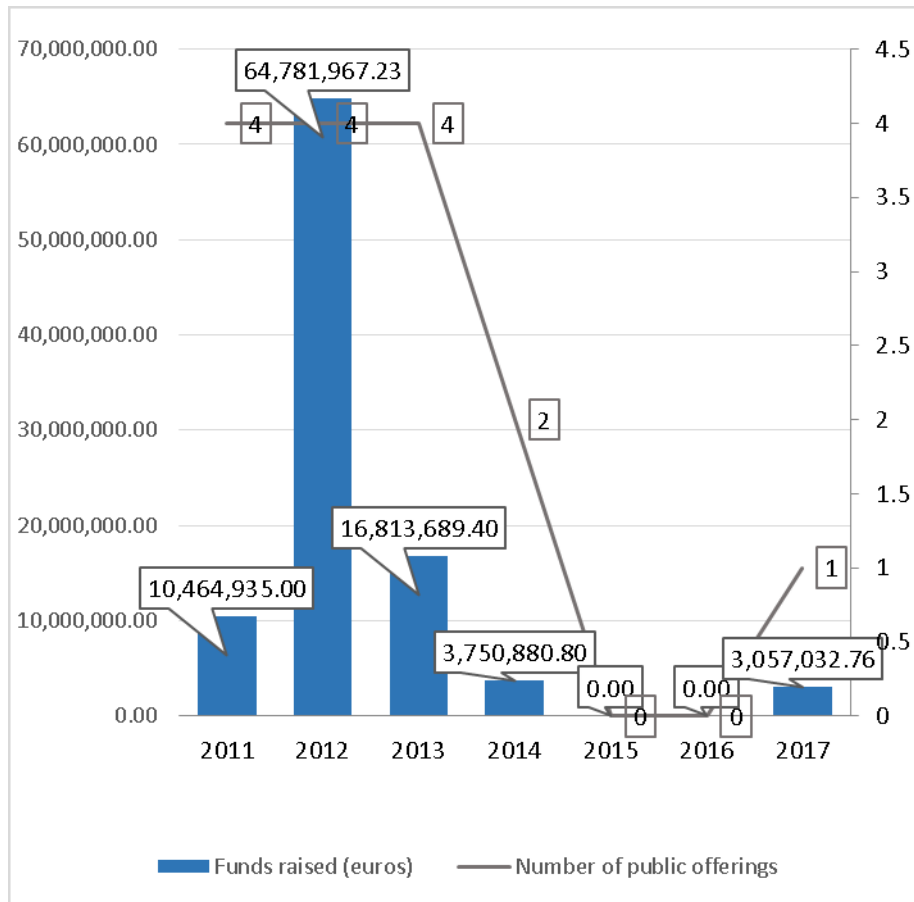
TABLE 17. Share Capital Increases by ATHEX-listed companies, 2011-2017.

Year	Number of Share Capital Increases	Total Funds Raised (€ million)
2017	7	132.53
2016	8	201.56
2015	7	10,185.95
2014	11	8,720.85
2013	21	29,999.39
2012	5	38.2
2011	14	2,984.00

Source: HCMC

Figure 6 presents data on the public offering of shares without admission to trading in ATHEX during the period 2011-2017. More specifically, it presents the total number of public offerings per year, as well as the amount of funds raised.

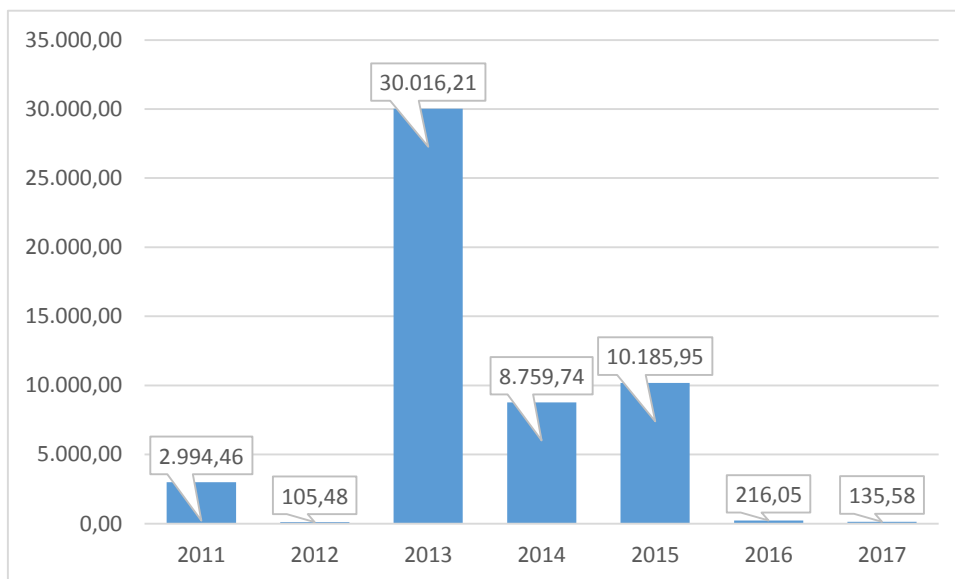
FIGURE 6. Public offering of shares without admission to trading, 2011-2017



Source: HCMC

Figure 7 presents the total amount of funds raised per year through share issuance during 2011-2017.

FIGURE 7. Total funds raised through share issuance (€ mn), 2011-2017



Source: HCMC

The quarterly distribution of share capital increases by ATHEX-listed companies in the period 2015-2017, based on the date of the approval of the relevant prospectuses by the Hellenic Capital Market Commission, is presented in Table 18. Whenever the approval was given in dates belonging to two different quarters, the reference period is that of the first approval. Moreover, wherever the approval of a Prospectus by the Hellenic Capital Market Commission is not required, the date used is the date of listing in the Athens Exchange.

TABLE 18. Quarterly distribution of share capital Increases by ATHEX Listed Companies, 2015-2017

Quarter	Number of issues			Total Funds Raised (€ mn)		
	2017	2016	2015	2017	2016	2015
1st	-	3	-	-	56.08	-
2nd	1	1	1	23.27	5.06	50.4
3rd	2	1	-	33.6	0.73	-
4th	5	3	6	79.25	139.68	10,135.55
Total	8	8	7	132.53	210.56	10,185.95

Source: HCMC

Bond Issuance

In 2017, there were four corporate bond issues, as in 2016, as compared to two in 2015. The aforementioned issues concerned five-year ordinary bond loans. Two of the issues were performed by companies with shares listed in the Main Market category of the Securities Market of the Athens Exchange, and the funds raised amounted to 500 million euros (as compared to 71.46 million euros in 2016 and 4,069 million euros in 2015). The bonds issued as part of the other two issues were admitted for trading in the Debt Segment of the Securities Market of the ATHEX, and the funds raised amounted to 110 million euros, as compared to 44 million euros in 2016.

TABLE 19. Funds raised through corporate bond issuances, 2017

Company	Market or Trading Category	Total Funds Raised
GREEK ORGANIZATION OF FOOTBALL PROGNOSTICS (OPAP)	Main Market/Debt Segment	200,000,000.00
SUNLIGHT SYSTEMS SA	Fixed-income securities	50,000,000.00
MYTILINEOS SA	Main Market/Debt Segment	300,000,000.00
TERNA ENERGY SA FINANCE	Fixed-income securities	60,000,000.00
Total		610,000,000.00

Source: HCMC

Corporate restructuring in the capital market

In 2017, the corporate restructuring of companies listed in the Athens Exchange through mergers remained at 2016 levels. More specifically, 9 listed companies absorbed 11 non-listed and 1 listed company in 2017 (Table 20 & Figure 8), while 9 listed companies had absorbed 10 non-listed and 3 ATHEX-listed companies in 2016. Of the acquirer listed companies, 2 came from the Construction and Materials sector, 2 from the Basic Resources sector, 2 from the Industrial Goods-Services sector, 2 from the Personal & Household goods sector, and one from the Real Estate sector. Moreover, the 1 listed target company, the shares of which were de-listed from the Athens Exchange as a result of the merger, came from the Industrial Goods-Services sector.

Moreover, it should be noted that in 2017 there was a decrease in corporate restructuring through spin-offs and acquisitions of business sectors. More specifically, in 2017, 2 business sectors were spun-off from 2 ATHEX-listed companies and were acquired by 2 non-listed companies (Table 21), as compared to 3 spin-offs by 3 ATHEX-listed companies in 2016. The spin-offs that took place in 2017 concerned companies from the Chemicals and Personal & Household goods sectors.

Finally, on 31.12.2017, out of a total of 169 companies with shares listed in the Athens Exchange, 133 companies (78.7%) comprised groups and prepared consolidated financial statements, as compared to 141 companies comprising groups (78.3%) out of a total of 180 as per 31.12.2016 (Figure 9).

TABLE 20. Mergers among companies listed and non-listed in the ATHEX, 2017

No	Acquirer	Industry	Target Company
1	E. PAIRIS PLASTICS SA	Industrial Goods & Services	POLYPACK SA
2	MYTILINEOS SA - GROUP OF COMPANIES	Basic Resources	- METKA SA (listed) - ALUMINUM OF GREECE SA - PROTERGIA SA ENERGY GENERATION AND TRADING - PROTERGIA THERMOELETRIC AGHIOU NIKOLAOU S.A
3	IDISEOFONIKI HELLAS SA	Industrial Goods & Services	NOETRON SA
4	ELVE SA	Personal & Household goods	PINIAS ENERGY SA
5	CHALKOR SA	Basic Resources	- ELVAL HELLENIC ALUMINUM INDUSTRY SA
6	J & P-AVAX SA	Construction & Materials	- E-CONSTRUCTION SA - PROET TECHNICAL SA
7	INTRACOM CONSTRUCTION SA	Construction & Materials	EUROKAT SA
8	TRASTOR REIC	Real Estate	REMBO SA
9	GR. SARANTIS SA	Personal & Household goods	ARPINA SA

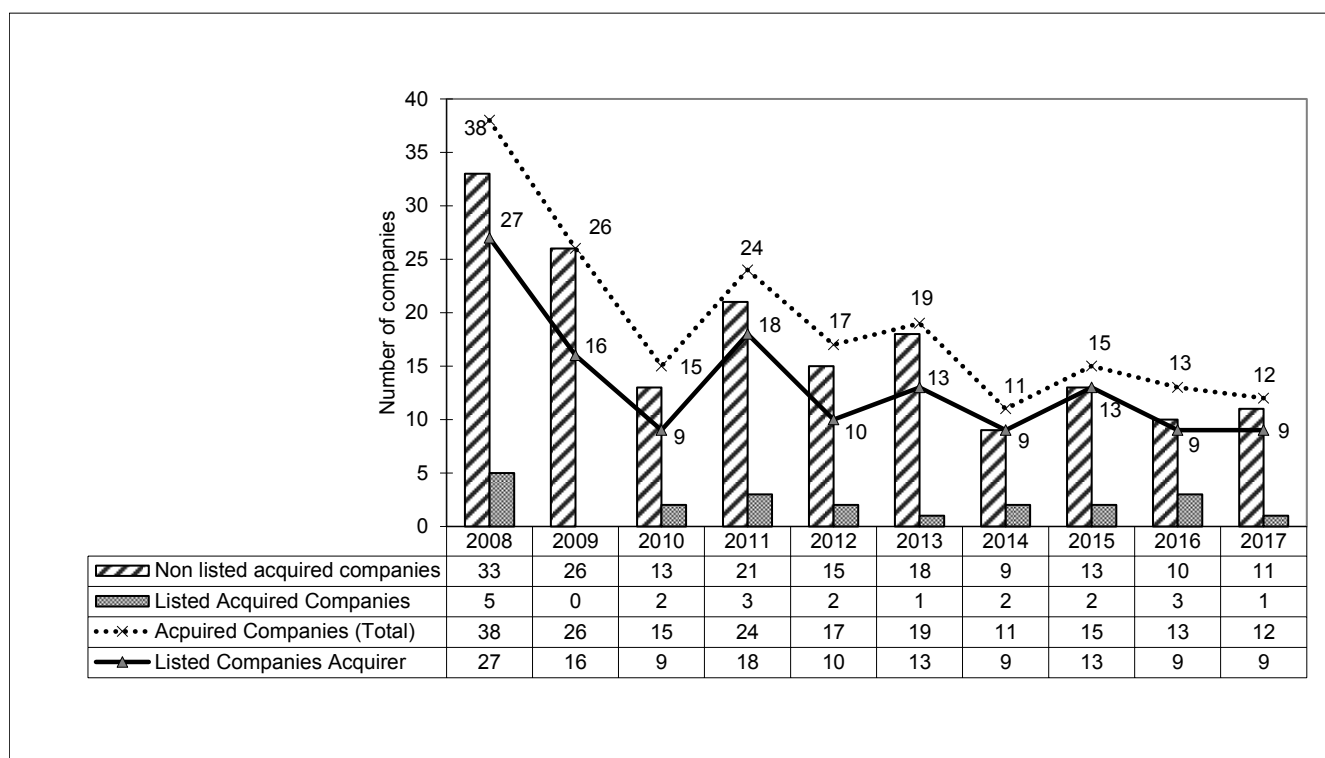
Source: HCMC

TABLE 21. Listed company business sector spin-offs and acquisitions by companies non-listed in the Athens Exchange, 2017

No	Listed Company	Industry	Company to which the business sector is transferred
1	GE DIMITRIOU SA	Personal & Household goods	DELTA DOMESTIC APPLIANCES SA (trading and technical support sector)
2	THRACE PLASTIC SA	Chemicals	THRACE POLYFILMS SA (production and trading of industrial packaging products sector)

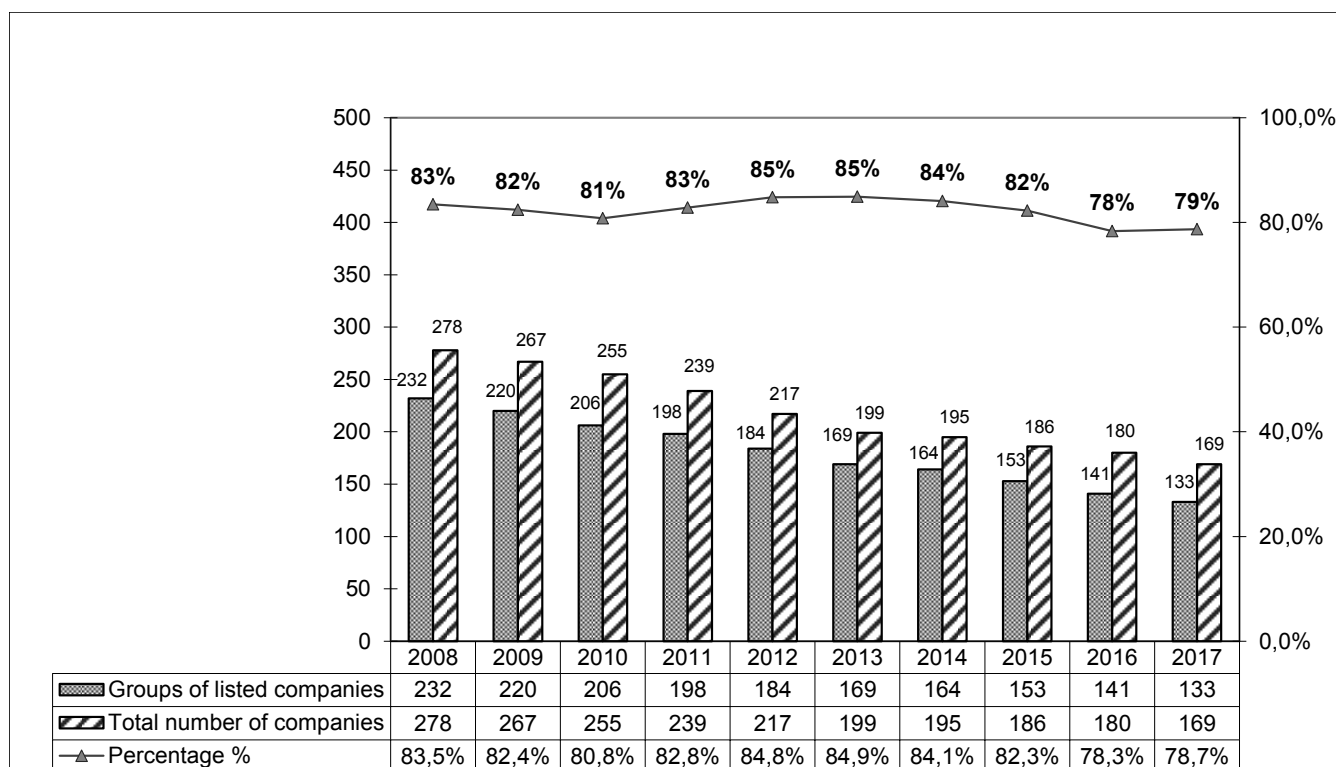
Source: HCMC

FIGURE 8. Mergers of ATHEX-listed Companies, 2008-2017



Source: HCMC

FIGURE 9. Listed companies and groups of listed companies traded in the Athens Exchange, 2008-2017



Source: HCMC

PART THREE CAPITAL MARKET INTERMEDIARIES

INVESTMENT FIRMS AND FINANCIAL INTERMEDIATION FIRMS

Trading activity

In 2017, sixty one (61) investment firms licenced by the HCMC were operating in the Greek capital market, the same number as in 2016, as compared to sixty three (63) in 2015. Moreover, thirty four (34) Financial Intermediation Firms (FIFs) licenced by the HCMC were operating in 2017.

Trading activity of the aforementioned investment firms in equity instruments listed in the Athens Exchange stood at 21.03 billion euros in 2017, as compared to 21.40 billion euros in 2016, reduced by 1.73%. Their share in the total value of trading of all companies-members of the ATHEX (Investment Firms, Credit Institutions, and remote members) rose to 72.00% from 71.15% in 2016. The share of the five ATHEX members with the largest value of trading as a percentage of the total value of trading (the first four of which are Investment Firms) rose

to 59.48% from 56.68% in 2016 and 54.90% in 2015, while the corresponding share of the ten-largest, in terms of trading activity, members of the Athens Exchange remained close to 2016 levels, i.e. 80.66% as compared to 79.02% in 2016 and 79.27% in 2015.

TABLE 22. Trading by firms-members of the Athens Exchange, 2013-2017.

Trading by ATHEX members (€ mn)	2017	2016	2015	2014	2013
Value of Equity Trading	29,212.62	30,072.16	38,169.40	63,020.06	42,618.14
Value of Bond Trading	276.82	13.37	0.08	0.56	1.04
Total Trading Value	29,489.44	30,085.53	38,169.48	63,020.63	42,619.19
Share (%) of top-5 ATHEX members	59.48	56.68	54.90	52.84	54.66
Share (%) of top-10 ATHEX members	80.66	79.02	79.27	75.85	74.82

Source: ATHEX

Margin Account Trading

Table 23 presents the development of margin account trading for the year 2017, according to data submitted by investment firms to the Hellenic Capital Market Commission on the last trading day of each month. The average (monthly) number of firms actually active in this field stood at 30, while 36 firms submitted the relevant notification. The average number of active open-end contracts rose to 11,545 from 6,225 in 2016 and 6,943 in 2015 (8,666 in 2014 and 10,853 in 2013). Total average debit balances in margin accounts rose to 42.12 million euros from 19.67 in 2016 and 36.32 million euros in 2015 (57.1 million euros in 2014 and 50.4 million euros in 2013), while the average value of security portfolios stood at 599.85 million euros, as compared to 453.66 million euros in 2016 and 668.25 million euros in 2015 (559.9 million euros in 2014 and 410.9 million euros in 2013).

TABLE 23. Margin Account Trading, 2017

Month	Number of margin account trading notifications by Investment Firms	Number of Investment Firms actually providing margin account trading	Number of active open-end margin agreements	Number of active short term margin agreements	Debit balances (in € thousands)	Security Portfolio Valuation (in € thousands)
2017						
Dec.	33	27	11,542	54,995	52,775.80	643,345.51
Nov.	34	29	11,575	55,647	49,361.07	586,078.37
Oct.	36	31	11,560	55,622	47,031.60	583,525.09
Sep.	36	30	11,561	55,603	47,543.58	598,978.72
Aug.	36	30	11,568	55,453	43,075.14	655,223.51
Jul.	36	31	11,551	55,415	39,597.91	638,698.30

Month	Number of margin account trading notifications by Investment Firms	Number of Investment Firms actually providing margin account trading	Number of active open-end margin agreements	Number of active short term margin agreements	Debit balances (in € thousands)	Security Portfolio Valuation (in € thousands)
2017						
Jun.	36	31	11,544	55,191	38,097.84	654,582.58
May	36	31	11,540	55,132	34,321.70	596,844.18
Apr.	36	31	11,520	55,040	42,007.55	611,103.23
Mar.	36	29	11,537	57,178	42,546.99	574,710.14
Feb.	36	29	11,525	54,384	37,593.22	542,019.11
Jan.	36	28	11,516	54,707	31,586.54	513,083.63
Mean	36	30	11,545	55,364	42,128.25	599,849.36

Source: HCMC

COLLECTIVE INVESTMENT MANAGEMENT FIRMS

Collective Investments in Transferable Securities (UCITS)

In 2017, the total number of mutual fund management companies (MFMCs) increased to 15. The total number of mutual funds under management at the end of the year stood at 286, of which 132 were licenced by the Hellenic Capital Market Commission, as compared to 268 in 2016, and 270 in 2015.

At the end of the year, the total net assets of mutual funds increased by 3.67% year-on-year and stood at 6.66 billion euros, as compared to 6.42 billion euros in 2016 and 7.24 billion euros in 2015. According to the classification of mutual funds, MFMCs managed 74 equity mutual funds, 58 bond mutual funds, 33 balanced mutual funds, 7 short-term money market funds, 25 money market funds, 33 equity funds of funds, 38 balanced funds of funds, 4 bond funds of funds, and 14 Specialist mutual funds.

The three largest mutual fund management companies had funds under management of 4.41 billion euros, which accounted for 66.33% of total mutual fund assets, as compared to assets of 4.50 billion euros and a corresponding market share of 70.07% in 2016, and 5.31 billion and 73.31% in 2015. Similarly, the five largest MFMCs had funds under management of 5.85 billion euros that accounted for 87.96% of total mutual fund assets, as compared to 89.11 % in 2016 and 90.30% in 2015.

TABLE 24. Net assets and Number of Mutual Funds, 2015-2017.

MF Classification	31.12.2017		31.12.2016		31.12.2015	
	Value (€ million)	No. of M/F	Value (€ million)	No of M/F	Value (€ million)	No. of M/F
Money market	1,176.35	32	1,556.62	26	2,103.81	26
Bond	1,856.39	58	1,465.47	49	1,419.10	48

MF Classification	31.12.2017		31.12.2016		31.12.2015	
	Value (€ million)	No. of M/F	Value (€ million)	No of M/F	Value (€ million)	No. of M/F
Equity	1,086.74	74	980.10	74	1,040.00	72
Balanced	1,360.72	33	1,107.07	33	1,104.70	32
Funds of Funds	952.48	75	885.59	64	1,020.94	63
Specialist	224.21	14	426.44	22	550.07	29
Total	6,656.89	286	6,421.29	268	7,238.62	270

Source: Hellenic Fund & Asset Management Association

TABLE 25. Net Mutual Funds Assets and macroeconomic aggregates, 2008-2017

Date	Resident deposits and repurchase agreements of non MFIs to other MFIs in Greece (€ million) ¹	ATHEX Market Capitalisation (Total number of shares) (€ million)	Net Mutual Funds Assets (€ million)
Dec. 2017	-	54,055.35	6,656.9
Nov. 2017	146,261	50,409.68	6,523.8
Dec. 2016	140,213	45,101.80	6,421.3
Dec. 2015	140,212	46,717.67	7,238.6
Dec. 2014	186,631	52,916.45	6,047.3
Dec. 2013	190,457	66,514.89	6,252.5
Dec. 2012	191,198	33,739.32	5,947.7
Dec. 2011	202,193	26,783.43	5,229.1
Dec. 2010	247,188	53,958.38	8,015.6
Dec. 2009	279,543	83,447.47	10,680.5
Dec. 2008	280,388	68,121.25	10,420.3

Source: Bank of Greece, ATHEX, Hellenic Fund & Asset Management Association

Note 1. Securitisation obligations are not included

As far as individual mutual fund categories are concerned, the net assets of short term money market mutual funds stood at 464.39 million euros, decreased by 51.01% year-on-year, while their annual returns were marginally negative at 0.08%, as compared to a y-o-y value decrease of 38.27% and a positive return of 0.02% in 2016. The changes in the net assets of this mutual fund category both in 2016, and in 2017, were largely driven by the inflows and outflows recorded respectively in the largest, in terms of market share, mutual fund of this category. The net assets of money market mutual funds increased by 16.97% y-o-y, to 711.96 million euros, with a positive annual return of 0.14%, as compared to a 7.15% increase in asset value and a positive return of 3.00% respectively in 2016. The total market share of the overall money market category as per 31.12.2017 accounted for 17.67% of the total mutual fund market, as compared to 24.24% in 2016 and 29.06% in 2015.

The net assets of bond mutual funds stood at 1,856.39 million euros, registering a y-o-y increase of 26.68%, as compared to a 3.27% increase in 2016. Their market share rose to 27.89% of the total mutual fund market at the end of the year, from 22.82% in 2016 and 19.60% in 2015, while their annual return was positive at 9.53%, as compared to 5.62% in 2016.

The net assets of equity mutual funds stood at 1,086.74 million euros, increased by 10.88% year-on-year, and registering a positive y-o-y return of 12.14%, as compared to a decrease in net assets by 5.76% and a positive

annual return of 4.95% in 2016. The market share of equity mutual funds stood at 16.32% as per 31.12.2017, as compared to 15.26% in 2016 and 14.37% in 2015. It should be noted that the ATHEX Composite Share Price Index gained 24.66% y-o-y, the FTSE/ATHEX Large Cap Index gained 19.67% and the FTSE/ATHEX Market Index gained 20.56%.

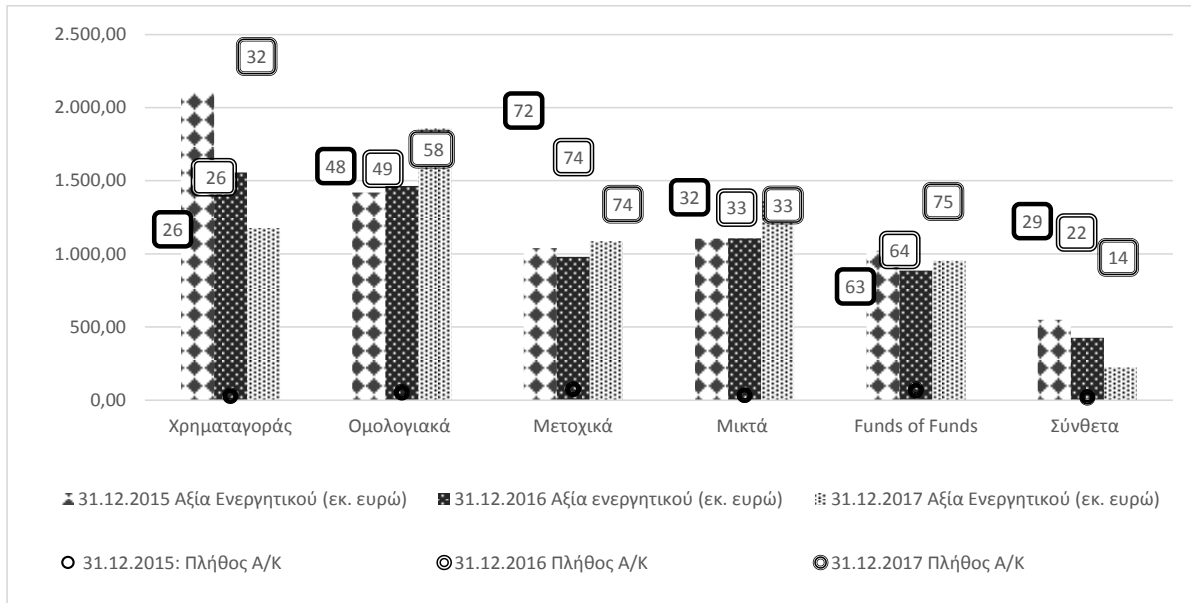
The net assets of balanced mutual funds increased by 22.91% year-on-year to 1,360.72 million euros, as compared to a 0.21% increase in 2016, while their market share as per 31.12.2017 accounted for 20.44% of the total mutual fund market, as compared to 17.24% in 2016 and 15.26% in 2015. Their annual returns were positive, at 16.85%, as compared to positive annual returns of 3.99% in 2016.

The net assets of funds of funds as a whole stood at 952.48 million euros at the end of the year, increased by 7.55% year-on-year, as compared to a 13.26% decrease in 2016. Funds of funds as a whole accounted for 14.31% of the total mutual fund market as per 31.12.2017, as compared to a market share of 13.79% in 2016, and 14.10% in 2015. Equity funds of funds saw their net assets increase by 1.86%, while their annual returns were positive at 4.94%, as compared to a net asset decrease of 15.49% and a positive annual return of 5.63% in 2016. Balanced funds of funds saw their net assets increase by 14.21%, while their annual returns were positive at 1.59%, as compared to a 13.02% decrease in net assets and a positive annual return of 3.04% in 2016. Bond funds of funds saw their net assets decrease by 23.11%, while their annual returns were negative at 1.85%, as compared to a net asset decrease of 6.14% and a positive annual return of 2.87% in 2016.

The net assets of specialist mutual funds decreased by 47.42% year-on-year to 224.21 million euros, as compared to a 22.48% decrease in 2016, while their market share as per 31.12.2017 accounted for 3.37% of the total mutual fund market, as compared to 6.64% in 2016 and 7.60% in 2015. Their annual returns were positive, at 6.10%, as compared to positive annual returns of 5.87% in 2016.

In 2017, most mutual fund categories suffered net outflows, which amounted to a total of 0.47 billion euros, as compared to net outflows of 1.05 billion euros in 2016. The largest part of these outflows concerned money market mutual funds (-380 million euros), with the outflows from the mutual fund with the largest market share in this category reaching 456 million euros, followed by specialist mutual funds (-216.1 million euros), equity mutual funds (-71.6 million euros), and balanced mutual funds (-12 million euros), while inflows were recorded in the case of bond mutual funds (165.9 million euros), and Funds of Funds (39.2 million euros).

FIGURE 10. Net assets and Number of Mutual Funds per MF classification, 2015-2017



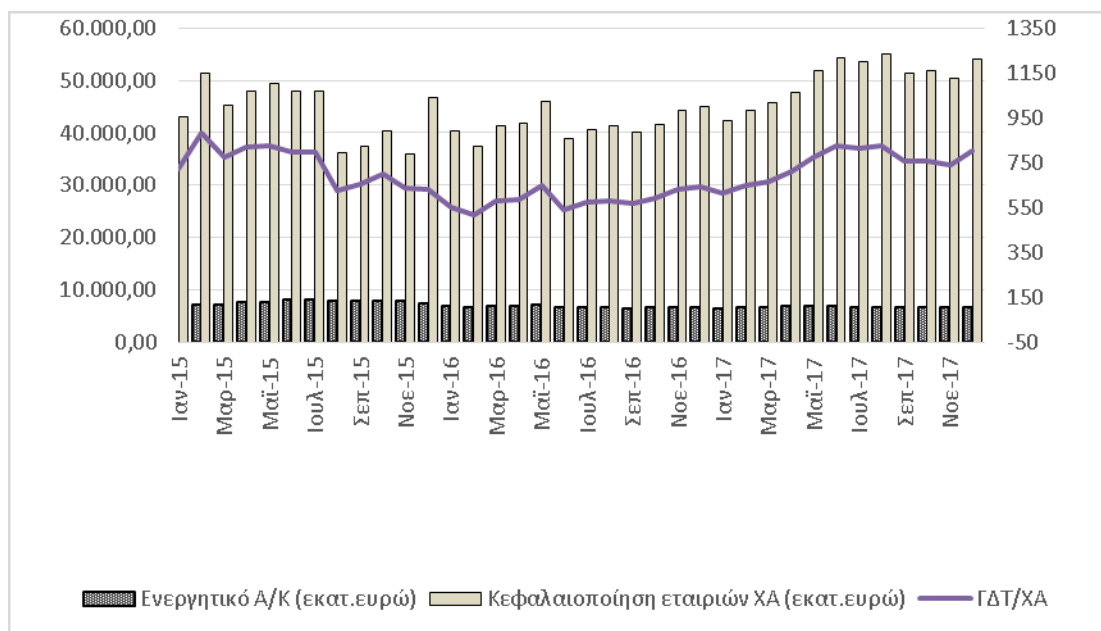
Source: Hellenic Fund & Asset Management Association

TABLE 26. Net Assets and Number of Shares/Units of Mutual Funds, 31.12.2017

MF Classification	Net Assets 31.12.2017 (€)	Change y-o-y (%)	No. of shares/units 31.12.2017	Change y-o-y (%)
Money Market	711,960,782.25	16.97	221,578,196.72	25.14
Short Term Money Market	464,388,013.11	-51.01	46,887,198.31	-50.57
Bond	1,856,394,674.54	26.68	272,996,540.54	8.42
Equity	1,086,736,120.77	10.88	330,016,991.42	-6.94
Balanced	1,360,722,246.35	22.91	205,173,584.15	-0.80
Bond Funds of Funds	54,691,421.86	-23.11	5,272,298.32	-33.26
Equity Funds of Funds	267,346,228.28	1.86	62,547,894.80	-17.96
Balanced Funds of Funds	630,445,347.16	14.21	123,230,581.09	4.32
Specialist	224,210,768.64	-47.42	70,401,797.20	-19.09

Source: Hellenic Fund & Asset Management Association

FIGURE 11. ATHEX Market Capitalisation - mutual fund assets and the ATHEX Composite Index, 2015-2017



Source: Athens Stock Exchange, Hellenic Fund & Asset Management Association.

In 2017, foreign Undertakings for Collective Investments in Transferable Securities (UCITS), notified the HCMC about their intention to sell mutual fund units in the Greek market in ninety one (91) cases, while eleven (11) new foreign UCITS offered notification concerning the sale of mutual fund units.

TABLE 27. Authorised foreign Undertakings for Collective Investments, 2003-2017

Year	UCITS (covered by Directive 85/611/EEC)		UCITS (not covered by Directive 85/611/EEC)	
	Number of UCITS	Number of Funds	Number of UCIs	Number of Funds
2017	11	91	0	0
2016	21	100	0	0
2015	2	109	0	0
2014	7	116	0	0
2013	1	115	0	0
2012	2	75	0	0
2011	4	121	0	0
2010	10	98	0	0
2009	10	168	0	0
2008	9	369	0	0
2007	9	206	0	0
2006	6	328	0	0
2005	5	159	0	0
2004	12	92	0	0
2003	4	115	2	2

Source: HCMC

Alternative Investments (PICs, AIFMs, REICs)

At the end of 2017, there were two (2) active Portfolio Investment Companies (PICs), whose shares were traded in the Securities Market of the Athens Exchange, with net assets of 12,504,707.59 euros, as compared to 17,995,396.23 euros at the end of 2016.

Moreover, there were six (6) Real Estate Investment Companies (REICs), one of which was formed and was granted an operating license during the year, with an initial share capital of 25.00 million euros. The shares of the other five (5) are traded in the Securities market of the Athens Exchange. At the end of 2017, the total value of the investment portfolio of these five companies stood at 2,750.17 million euros, as compared to 2,501.10 million euros at the end of 2016, while the value of properties under management stood at 2,304.96 million euros as compared to 2,079.50 million euros at the end of 2016.

Moreover, five (5) alternative investment fund managers were operating at the end of the year.

PART FOUR

ACTIVITIES OF THE HELLENIC CAPITAL MARKET COMMISSION

RULES AND REGULATIONS

In 2017, the Board of Directors of the Hellenic Capital Market Commission, having obtained the necessary authorisation, issued the following Decisions, which were directed towards improving the services provided and investor protection, ensuring the orderly functioning of the markets, ensuring market transparency, and ensuring the proper conduct of capital market participants.

Collective Investments (Investment Funds, Management Companies, PIFs)

18/775/31.1.2017 Amendment of HCMC Decision 17/633/20.12.2012 “Prospectus, annual and half-yearly reports of UCITS”.

18/789/3.7.2017 Amendment of HCMC Decision 17/633/20.12.2012 “Prospectus, annual and half-yearly reports of UCITS”.

3/791/12.7.2017 Amendment of HCMC Decision 15/633/20.12.2012, “Organisational requirements for the operation of Mutual Funds Management Companies, conflict of interest, code of conduct, risk management and content of the agreement between the depositary and the management company”.

Trading, Clearing, Settlement

16/774/13.1.2017 Amendment of HCMC Decision 8/773/20.12.2016 (Gov. Gaz. 4325/30.12.2016) “Amendment to the Regulation for the Clearing of Transactions in Book-Entry Securities”.

1/804/21.12.2017 Amendment of HCMC Decision 3/304/10.06.2004 (Gov. Gaz. 901 B/16.6.2004) on the “Regulation for the Operation of the Dematerialized Securities System”

Market integrity

1/798/12.10.2017 Adaptation to Commission Implementing Directive (EU) 2015/2392 of 17 December 2015 on Regulation (EU) No 596/2014 of the European Parliament and of the Council as regards reporting to competent authorities of actual or potential infringements of that Regulation.

Issuer obligations

19/776/13.2.2017 Determination of the price, the yield, and the nominal interest rate of bonds, when these are distributed to investors through public offering.

LICENSING

The work of the Hellenic Capital Market Commission in the field of licensing during 2017 includes the following:

Investment Firms

- Authorisation of the operation of Investment Firms in three (3) cases.
- Authorisation of the extension of Investment Firm operations in six (6) cases.
- Assessment of the suitability of new Investment Firm board members in twenty two (22) cases.
- Assessment of the suitability of fifteen (15) Investment Firm managers.
- Approval of the acquisition of qualified holdings in Investment Firms in twelve (12) cases.
- Approval of the sale of qualified holdings in Investment Firms in eight (8) cases.
- Approval of share capital decreases of Investment Firms in four (4) firms.

Financial Intermediation Firms

- Authorisation of the operation of one (1) Financial Intermediation Firm.
- Assessment of the suitability of new Financial Intermediation Firm board members in seven (7) cases.

- Assessment of the suitability of a shareholder who acquired a qualified holding in a FIF in two (2) cases.
- Approved the sale of qualified holdings in FIFs in two (2) cases.

Mutual Fund Management Companies

- *Authorisation of the operation of one (1) Mutual Fund Management Company.*
- *Authorisation of extension of operations to one (1) Mutual Fund Management Company.*
- *Approval of the regulation and the formation of mutual funds in six (6) cases.*
- *Approval of the modification of mutual fund internal regulation in ninety six (96) cases.*
- *Granting of license for merger between mutual funds in eight (8) cases.*
- *Approval of charter modification in two (2) cases.*
- *Approval of share capital modification in one (1) case.*
- *Approval of the new composition of the board of directors in five (5) cases*

Portfolio Investment Companies

- *Approval of share capital modification in one (1) case.*

Real Estate Investment Companies

- *Authorisation of the operation of one (1) REIC.*
- *Approval of the new composition of the board of directors in four (4) cases*
- *Approval of charter modification in two (2) cases.*

Alternative Investment Fund Managers

- *Authorised the operation of Alternative Investment Fund Managers in two (2) cases.*
- *Authorisation of extension of operations to one (1) AIFM.*
- *Approval of charter modification in two (2) cases.*

Foreign UCITS

- Receipt of notification concerning the sale of shares in new foreign UCITS in eleven (11) cases.
- Receipt of notification concerning the sale of new funds by foreign UCITS (compartments) in ninety one (91) cases.

Trading venues and clearing and settlement systems

- 17/774/13.1.2017 Approval of amendment to the Rulebook of the Athens Exchange regarding the date of the technical implementation of individual provisions of this Decision.
- 16/774/13.1.2017 Approval of the “Regulation for the Clearing of Transactions in Book-Entry Securities” regarding the date of the technical implementation of individual provisions of this Decision.
- 5/802/8.12.2017 Approval of amendment to the Rulebook of the Athens Stock Exchange, as decided at meeting No. 161 of the Stock Markets Steering Committee, held on December 6, 2017, in order to adapt the Rulebook to the requirements of Directive 2014/65/EU.
- 4/804/21.12.2017 Approval of amendments to the Rulebook for the Electronic Secondary Securities Market, as decided at meeting No. 82/12.12.2017 of the Management Board of IDAT, in order to adapt the Rulebook to the requirements of Directive 2014/65/EU.
- 3/804/21.12.2017 Approval of amendment to the “Regulation for the Clearing of Transactions in Book-Entry Securities” as laid out in the minutes to meeting No. 137 of the Board of the “Athens Exchange Clearing House SA” of 29/8/2016, regarding the capability of ETEK to proceed to the forced sale of transferable securities it has received as collateral and over-the-counter.
- 2/804/21.12.2017 Approval of amendment to the “Regulation for the Clearing of Transactions in Book-Entry Securities” as laid out in the minutes to meeting No. 153 of the Board of the “Athens Exchange Clearing House SA” 27/11/2017, in order to adapt the Regulation to the provisions of Commission Delegated Regulation (EU) 2017/2154.

Approval of Prospectuses for the Public Offering of Transferable Securities and other corporate actions.

Listed Company Prospectuses for Public Offerings and/or listing of transferable securities

- Approval of the prospectus of six (6) companies, concerning the public offering of shares aimed at share capital increases in favour of existing shareholders by payment of cash, and their admission to trading in the securities market of ATHEX.
- Approval of the prospectuses of two (2) companies, concerning the admission of their stock to trading in the securities markets of the ATHEX.

Prospectuses for the initial public offering and/or listing of transferable securities (L. 3371/2005 and L. 3401/2005).

- Approval of the Prospectus and the public offering of bonds of four (4) companies in the Securities Market of the Athens Stock Exchange.
- Approval of the Prospectuses of two (2) companies for the admission of their shares for trading in the Securities Market of the Athens Stock Exchange.

Information Document for the public offering of transferable securities without listing.

- *Approved the information document of one (1) company, concerning the public offering of shares aimed at share capital increases, without admission for trading in the securities market of the ATHEX.*

Corporate actions of listed companies (article 4, Law 3401/2005)

- *Briefing of the Board of the Hellenic Capital Market Commission on the content of the document provided for by article 4, Law 3401/2005 in the case of one (1) company intending to increase its share capital due to the absorption of other companies.*
- *Receipt of Notification of nine (9) forms provided for by article 4 of Law 3401/2005 concerning share capital increases and/or the conversion to shares of stock options offered to company employees.*
- *Receipt of Notification of two (2) forms provided for by article 4 of Law 3401/2005 concerning a share capital increase through the distribution of free shares to existing shareholders.*

Cross-border public offerings (articles 17 & 18, Law 3401/2005)

- *Receipt of Notification of seventeen (17) prospectuses, ninety four (94) addendums to prospectuses, and seventy five (75) final terms, in implementation of the community framework regarding cross-border public offerings, in accordance with articles 17 and 18 of Law 3401/2005, concerning the approval certificates issued by the competent authorities of the home member-state.*

ENFORCEMENT AND COMPLIANCE

During 2017, the Hellenic Capital Market Commission continued its supervisory work in all areas. The audits that were performed covered all capital market entities. There were multiple audits on investment firms, mutual fund management firms, financial intermediation firms, listed companies, and stock exchange transactions. The audits detected violations of capital market regulations, which led the Hellenic Capital Market Commission to the imposition of administrative sanctions.

Revoking of License

- *Revoking of the license of four (4) investment firms, in implementation of article 21 of the Administrative Procedure Code (L. 2690/1999).*
- *Revoking of the license of one (1) investment firm, in implementation of article 21 of the Administrative Procedure Code (L. 2690/1999), concerning the investment service of para. 1 item (d) of article 4 of Law 3606/2007.*
- *Revoking of the license of one (1) investment firm, in implementation of article 21 of the Administrative Procedure Code (L. 2690/1999), concerning the investment services of para. 1, items (b), (d), (g) of article 4 of Law 3606/2007 and the ancillary services of para. 2, items (a), (b), (d) of article 4 of Law 3606/2007.*
- *Revoking of the license of one (1) investment firm, in implementation of article 21 of the Administrative Procedure Code (L. 2690/1999), concerning the investment services of para. 1, items (c), (d), (f) of article 4 of Law 3606/2007.*
- *Revoking of the license of four (4) Financial Intermediation Firms in implementation of article 21 of Law 2690/1999.*
- *Revoking of the license of one (1) Financial Intermediation Firm in implementation of article 39 of Law 3606/2007.*

Supervision & Monitoring of the Behaviour of Listed Companies

In 2016 and, specifically, on July 3, the following came into force: i) Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse; and ii) Commission Implementing Regulation (EU) 2016/1055 of 29 June 2016 laying down implementing technical standards with regard to the technical means for appropriate public disclosure of inside information and for delaying the public disclosure of inside information in accordance with Regulation (EU) No 596/2014. In addition, the harmonisation of Greek legislation with the provisions of articles 22, 23, 30, 31 paragraphs 1, 32 and 34 of the aforementioned Regulation (EU) No 596/2014 was carried out by means of Law 4443/2016. The law came into force after its publication in the Government Gazette (232/A/9.12.2016), excluding the provisions of articles 35 to 39 and 46, the application date of which is the same with the application date of Regulation (EU) No 596/2014, ie. July 3rd, 2016.

According to article 10 of the previously applicable (up to July 3, 2016) Law 3340/2005, the issuers of shares listed in the ATHEX were obliged to disclose, without any delay, any privileged information (as specified in HCMC Decision 3/347/2005) related to them. As of July 3, 2016, in accordance with article 17, para. 1 of Regulation (EU) 596/2014, an issuer shall inform the public as soon as possible of inside information which directly concerns that issuer, as specified in article 7 of Regulation (EU) 596/2014 and article 27. para. 8 of Law 4443/2016.

As part of the prudential supervision of company compliance with the aforementioned provisions, the Hellenic Capital Market Commission, aiming to protect investors, sends letters to supervised companies, requiring them to immediately disclose all information deemed as “privileged” and concerning the said companies, in order to provide investors with accurate, adequate, and clear information.

Pursuant to the provisions of article 2 para. 1 of HCMC Rule 5/204/14.11.2000, all companies whose shares are listed in the Athens Exchange must immediately confirm, or deny, any unverified information that might materially affect the price of their shares, clarifying at the same time the current stage of the events to which the relevant information refers to.

Pursuant to its duties concerning the prudential supervision of company compliance with the aforementioned provisions, in 2017 the HCMC sent 35 letters to companies. The review of announcements and the investigation of unverified rumours or information, which is performed daily, showed that a large number of listed companies has complied, without any interference from the HCMC, with the aforementioned regulations. In case no timely or reliable information has been provided, the appropriate investigations are carried out.

In 2017, the Hellenic Capital Market Commission, pursuant to article 10, para. 1 of Law 3340/2005, levied fines worth a total of 650,000 euros, for failure to disclose, and delays in the disclosure of, privileged information.

Moreover, as part of the monitoring of compliance with the provisions of article 12 para. 1 of Regulation (EU) 596/2014, as well as the pre-existing legal framework (Law 3340/2005) by the issuers of transferable securities in regard to their financial data, the HCMC monitors issues related to the compliance of companies with the rules that prohibit market abuse through the dissemination, over the Media or any other means of communication, of information that imparts, or may possibly impart, false or misleading indications regarding the financial instruments, or rumours, or misleading information. Pursuant to the provisions of Law 3340/2005, the Hellenic Capital Market Commission levied fines worth a total of 410,000 euros in 2017 for market abuse through financial statements.

Pursuant to articles 4 and 5 of law 3556/2007, the issuers of transferable securities listed in ATHEX are obliged to publish annual and semi-annual financial reports, while, pursuant to article 5b of the same law, banks with transferable securities listed in the ATHEX are also obliged to publish quarterly financial statements (for the 1st and 3rd quarter of each fiscal year) in accordance with the International Financial Reporting Standards (IFRS).

In 2017, as part of the supervision of company compliance with the provisions of Law 3556/2007, which include the verification of the companies’ compliance with the IFRS as presented in their financial statements, the Hellenic Capital Market Commission performed sample audits to 28 published financial statements of 24 issuers. More specifically, it audited 15 annual and 10 interim financial statements and reviewed certain issues related to 4 annual financial statements.

In the context of the above audits, the HCMC called 2 issuers to publish their financial statements again, and called 11 issuers to make certain corrections, or add notifications to forthcoming financial statements.

It should be noted that the above audit identified deviations mainly from the following IAS/IFRS:

IAS 1 – Presentation of Financial Statements

IAS 2 – Inventories

IAS 8 – Accounting Policies, Changes in Accounting, Estimates and Errors

IAS 12 – Income taxes

IAS 24 – Related Party Disclosures

IAS 36 – Impairment of assets

IAS 39 – Financial Instruments: Recognition and measurement

IAS 40 – Investment property

IFRS 7 – Financial Instruments: Disclosures

IFRS 8 – Operating Segments

IFRS 11 – Joint Arrangements

In 2017, the HCMC levied total fines of 269,000 euros for the non-compliance of financial statements with the IFRS, and 53,000 euros for the non-timely disclosure of financial reports/financial statements and the data and information stemming from them. Moreover, focusing on investor protection and the orderly functioning of the market, in 2 cases of non-compliant preparation of financial statements in accordance with the IFRS, and in 7 cases of non-timely disclosure of the financial report, the HCMC requested the ATHEX to place the shares of these companies under suspension.

Moreover, in the context of ESMA Guidelines on Alternative Performance Measures (APMs), which are used by issuers or persons responsible for the prospectus when publishing regulated information and prospectuses (and supplements), the Hellenic Capital Market Commission, following a review of the Board of Directors reports included in the financial statements, as well as announcements commenting on issuer performance for a sample of issuers, by means of its Announcement, dated 07.03.2017, stressed the importance of implementing the APM Guidelines in order to enhance transparency and promote the provision of investors with proper and complete information about the issuer's financial performance and position.

In particular, the following key points of the Guidelines were underlined: disclosures and presentation of APMs; the reconciliations of APMs with the most pertinent items, sub-totals, or totals of the financial statements; the explanation of the use of APMs; the importance of APMs in relation to financial statement information; comparative data regarding APMs; and the consistent use of APMs over time.

Pursuant to the provisions of Law 3556/2007 on the obligations concerning the announcement and disclosure of major holdings, shareholders and other responsible persons submitted approximately 360 announcements to the Hellenic Capital Market Commission. In the context of prudential supervision for the proper implementation of Law 3556/2007, the Hellenic Capital Market Commission is in direct communication, to the extend possible, both with issuers, and shareholders, in order to clarify issues mostly pertaining to the existence, takeover, or cession of control over legal entities, the chain of companies through which voting rights are possessed, the proper presentation of changes in voting rights, and other ad hoc issues. Moreover, in the above context, the Hellenic Capital Market Commission sent 28 letters. The above actions are aimed at the provision of investors with proper and complete information.

Moreover, the HCMC reviewed and evaluated the compliance of the use of the funds raised by listed companies with the provisions of capital market law, regarding, in particular, the information provided, in 14 cases.

In addition, as part of the supervision of compliance with the provisions of Law 3016/2002, the Hellenic Capital Market Commission evaluated issues pertaining to the corporate governance of listed companies and imposed sanctions on 63 individuals, including total fines of 35,000 euros to members of the Board of Directors of one listed company.

Finally, in the context of the supervision of compliance with the provisions of Law 4449/2017 concerning the new rules for the establishment, structure, and staffing of an audit committee with increased powers and responsibilities, and appointing the Hellenic Capital Market Commission as the authority responsible for the supervision of companies with transferable securities listed in the Athens Exchange, the former issued an announcement, dated 28.4.2017, stressing the importance of implementing the aforementioned provisions and offering guidance on the formation and the powers of the audit committee.

Supervision & Monitoring of Takeover Bids

In 2017, seven (7) requests regarding takeover bids for securities traded in the ATHEX were submitted to, and approved by, the Hellenic Capital Market Commission in accordance with Law 3461/2006. Moreover, two (2) takeover bids that had been submitted in 2016 were approved (Table 28).

In addition, the Hellenic Capital Market Commission received five (5) requests for the execution of squeeze-out rights, i.e. the right of the Bidder that, after the end of the bid, possesses transferable securities representing at least ninety percent (90%) of the Target Company's voting rights to demand the transfer of all the remaining transferable securities of the Target Company. More specifically, in 2017 the following requests were submitted to, and approved by, the Board of the Hellenic Capital Market Commission: (i) a request by "MCA ORBITAL GLOBAL HOLDINGS LTD" for the execution of its squeeze-out right on the shares of "KLEEMANN HELLAS SA" (approved on 4.4.2017); (ii) a request by "APOLLO INVESTMENT HOLDCO SARL" for the execution of its squeeze-out right on the shares of "ASTIR PALACE VOULIAGMENI SA" (approved on 4.4.2017); (iii) a request by "HOME HOLDINGS SA" for the execution of its squeeze-out right on the shares of "IONIKI SA" (approved on 8.6.2017); (iv) a request by "ANTIOCHOS HOLDINGS SA" for the execution of its squeeze-out right on the shares of "FHL YRIAKIDIS MARBLES - GRANITES SA" (approved on 8.6.2017); and (v) a request by "ANEMOKAMPI HOLDINGS SA" for the execution of its squeeze-out right on the shares of "GALAXIDI FISH FARMING S.A." (approved on 18.9.2017).

TABLE 28. Take-over bids in the capital market, 2017

No	Date of submission	Type of bid	Bidder	Target company	Date of Approval	Acceptance period	% of shares prior to the bid	% of shares after the bid
1	16/11/2016	MANDATORY	APOLLO INVESTMENT HOLDCO SARL	ASTIR PALACE VOULIAGMENI SA	13/1/2017	18/1/2017 - 22/2/2017	88.46%	98.42%
2	22/12/2016	MANDATORY	HOME HOLDINGS SA	IONIKI SA	4/4/2017	7/4/2017 - 5/5/2017	97.28%	98.99%
3	10/2/2017	MANDATORY	WERT RED S.A.R.L	TRASTOR REIC	4/4/2017	7/4/2017 - 5/5/2017	54.03%	55.99%
4	13/2/2017	VOLUNTARY	ANTIOCHOS HOLDING SA	FHL KYRIAKIDIS MARBLES - GRANITES SA	4/4/2017	7/4/2017 - 5/5/2017	80.21%	95.46%
5	25/5/2017	VOLUNTARY	ANEMOKAMPI HOLDING SA	GALAXIDI FISH FARMING S.A.	3/7/2017	6/7/2017 - 3/8/2017	78.86%	93.87%
6	8/6/2017	MANDATORY	GIVENRISE INVESTMENTS LIMITED	P.G. NIKAS SA	20/7/2017	25/7/2017 - 22/8/2017	89.74%	90.01%
7	20/7/2017	MANDATORY	FAIRFAX FINANCIAL HOLDINGS LTD	GRIVALIA PROPERTIES REIC	3/8/2017	7/8/2017 - 4/9/2017	51.37%	51.43%
8	13/11/2017	VOLUNTARY	J & P AVAX SA	ATHENA SA	8/12/2017	13/12/2017 - 10/1/2018	99.16%	99.21%
9	23/11/2017	VOLUNTARY	G. APOSTOLOPOULOS HOLDING SA	HYGEIA SA	15/12/2017	20/12/2017 - 17/1/2018	0%	PENDING

Source: HCMC

De-listing of shares from the Athens Exchange

In accordance with the provisions of article 17 para. 5 of Law 3371/2005, as currently in force, and after requests of the companies themselves, the Board of the HCMC decided to de-list the shares of five (5) companies. More specifically, (i) "KLEEMANN HELLAS SA" submitted a request to the HCMC, concerning the de-listing of its shares from the Athens Exchange, which was approved by the Board of the Hellenic Capital Market Commission on 8.6.2017; (ii) "ASTIR PALACE VOULIAGMENI SA" submitted a request to the HCMC, concerning the de-listing of its shares from the Athens Exchange, which was approved by the Board of the Hellenic Capital Market Commission on 3.7.2017; (iii) "IONIKI SA" submitted a request to the HCMC, concerning the de-listing of its shares from the Athens Exchange, which was approved by the Board of the Hellenic Capital Market Commission on 20.7.2017; (iv) "FHL KYRIAKIDIS MARBLES - GRANITES SA" submitted a request to the HCMC,

concerning the de-listing of its shares from the Athens Exchange, which was approved by the Board of the Hellenic Capital Market Commission on 20.7.2017; and (v) "GALAXIDI FISH FARMING SA" submitted a request to the HCMC, concerning the de-listing of its shares from the Athens Exchange, which was approved by the Board of the Hellenic Capital Market Commission on 28.11.2017.

Fines

INVESTMENT FIRMS AND BANKS

- Fines were levied on five (5) firms for violating article 18 of Law 3340/2005, concerning the obligation of persons professionally arranging transactions in financial instruments to record and file all orders received by their clients in a manner that ensures the reliability and completeness of the recorded data.
- A fine was levied on one (1) firm for violating article 17 of Law 3340/2005, concerning the obligation of persons professionally arranging transactions in financial instruments to notify the Hellenic Capital Market Commission whenever there is reasonable suspicion that the executed transactions might constitute market abuse.
- Fines were levied on three (3) firms for violating article 7 of Law 3340/2005 that prohibits market manipulation.
- A fine was levied on one (1) firm for violating article 2 of Law 2843/2000 concerning the provision of credit by ATHEX members.
- Fines were levied on two (2) firms for violating article 12 of Law 3606/2007 concerning the organisational requirements of investment firms.
- Fines were levied on twenty four (24) firms for violating article 25 of Law 3606/2007 on the obligation of investment firms to provide clear, accurate and non-misleading information to clients.
- A fine was levied on one (1) firm for violating article 27 of Law 3606/2007 on the obligation to execute orders on terms most favourable to the client.
- A fine was levied on one (1) firm for violating paragraph 2 of article 29 of Law 3606/2007 on the operation of tied agents.
- A fine was levied on one (1) firm for violating article 15 of Law 3283/2004 on the sale of mutual fund shares/units.
- Fines were levied on two (2) firms for violating article 8 of Law 4141/2013 concerning the obligation of investment firms or banks, in case of the non-timely settlement of the entire price by the investor within the set deadline, and provided that there is no agreement for margin account trading, to proceed, on the next working day after the expiration of the deadline, to the direct sale of transferable securities for the purchase of which the investor has failed to pay the price.

- *Fines were levied on twenty nine (29) firms for violating HCMC Decision 1/452/1.11.2007 on the code of conduct for investment firms.*
- *Fines were levied on seven (7) firms for violating HCMC Decision 2/452/1.11.2007 on the mandatory disclosure of transactions and information by Investment Firms.*
- *A fine was levied on one (1) firm for violating HCMC Decision 6/675/28.3.2014 concerning margin account trading.*
- *A fine was levied on one (1) firm for violating HCMC Decision 4/129/1998 concerning the sale and advertisement of shares/units in UCITS from EU member states.*
- *A fine was levied on one (1) firm for violating HCMC Rule 2/132/1998 regarding the obligation of MFMCs to ensure the organisation of the network for the sale of MF units under their management in a manner that always guarantees the protection of unitholder interests.*
- *A fine was levied on one (1) firm for violating HCMC Decision 2/363/30.11.2005 concerning the obligation to prepare a special written agreement for the provision of credit by an ATHEX member to a client.*
- *A fine was levied on one (1) Investment Firm for violating the Code of Conduct for Investment Firms*

Listed Companies

- *Fines were levied on three (3) listed companies for violating art. 76 of Law 1969/1991 concerning the non-submission to the Hellenic Capital Market Commission of documents and other evidence in their possession.*
- *Fines were levied on six (6) listed companies for violating article 4 of Law 3556/2007 on the issuers' obligation to publish annual financial reports.*
- *Fines were levied on nine (9) listed companies for violating article 5 of Law 3556/2007 on the issuers' obligation to publish semi-annual financial reports.*
- *Fines were levied on two (2) listed companies for violating article 6 of Law 3556/2007 on the issuers' obligation to publish quarterly financial reports.*
- *Fines were levied on seven (7) listed companies for violating article 21 of Law 3556/2007 regarding issuer access to regulated information.*
- *Fines were levied on seven (7) listed companies for violating article 19 of Law 3556/2007 regarding the submission of information about the listing of transferable securities.*
- *Fines were levied on ten (10) listed companies for violating art. 10 of Law 3340/2005 on the obligation of issuers to disclose, without any delay, any privileged information directly related to them.*
- *A fine was levied on one (1) listed company for violating article 7 of Law 3340/2005 that prohibits market manipulation.*

- A fine was levied on one (1) listed company for violating HCMC Decision 7/448/2007 on the additional information and data contained in the annual and semi-annual financial report and the report of the board of directors.
- Fines were levied on two (2) listed companies for violating HCMC Decision 8/754/30.11.2005 concerning Special Periodic Reporting Matters pursuant to Law 3556/2007.

• Legal Entities

- Fines were levied on two (2) legal entities for violating article 36, paragraph 2 of Law 3283/2004 concerning the sale of units or shares of collective investments in Greece, which requires authorisation by the Hellenic Capital Market Commission.
- Fines were levied on five (5) legal entities for violating article 25, paragraphs 5 & 6 of Law 3606/2007 on investor protection upon the provision of investment services.
- A fine was levied on one (1) legal entity for violating article 9, paragraph 1 of Law 4099/2012 on the sale of shares/units in other member-state UCITS in Greece.
- Fines were levied on twenty three (23) legal entities for violating Regulation 236/2012/EC.
- A fine was levied on one (1) legal entity for violating article 7 of Law 3340/2005 that prohibits market manipulation.
- Fines were levied on twenty seven (27) firms for violating HCMC Decision 1/452/1.11.2007 on the code of conduct for investment firms.

Individuals

- Fines were levied on five (5) individuals for violating article 3 of Law 3016/2002, concerning the composition of the Board of Directors of corporations with shares listed in a regulated market in Greece in executive, non-executive, and independent directors.
- Fines were levied on four (4) individuals for violating article 36, paragraph 2 of Law 3283/2004 concerning the sale of units or shares of collective investments in Greece, which requires authorisation by the Hellenic Capital Market Commission.
- Fines were levied on thirty four (34) individuals for violating article 7 of Law 3340/2005 that prohibits market manipulation.
- A fine was levied on one (1) individual for violating article 91 of Law 4099/2012, concerning the obligation of UCITS offering units in other member states and third states to submit a notification beforehand to the Hellenic Capital Market Commission.
- Fines were levied on two (2) individuals for violating article 8 of Law 3606/2007 on the provision of investment services and the carrying out of investment activities.

- A fine was levied on one (1) individual for violating HCMC Decision 1/637/28.1.2013 on short selling.

The total fines levied by the Hellenic Capital Market Commission in 2017 stood at 3,364,000.00 euros. The allocation of fines among supervised entities is presented in Table 29.

TABLE 29. Number and value of fines, 2017.

Number of cases	Entity	Fines (€)
82	Investment Firms and Banks	379,000
48	Listed Companies	970,000
59	Other legal entities	870,000
47	Individuals	1,170,000
Total: 236		Total: 3,364,000

Source: HCMC

OTHER ACTIVITIES

Tackling Money Laundering and Terrorist Financing

The Special Anti-Money Laundering and Terrorist Financing Unit, which operates pursuant to art. 6, paragraph 6 of Law 3691/2008, aims at monitoring the compliance of supervised entities with their obligations regarding the prevention and suppression of money laundering and terrorist financing. In this context, the Special Unit performs audits on the supervised entities and, at the same time, submits reports to the Anti-Money Laundering, Counter-Terrorist Financing and Source of Funds Investigation Authority in regard to any suspicious transactions possibly detected.

In 2017, the Special Unit continued its work, performing audits on eleven (11) supervised companies, of which six (6) were performed on Investment Firms, three (3) on Mutual Fund Management Companies, one (1) on a Financial Intermediation Firm, and one (1) on a Tied Agent of an Investment Firm. These audits revealed omissions in the procedures followed by one (1) firm, on which corrective measures were imposed. Moreover, in 2017 corrective measures were imposed on one (1) Investment Firm that had been audited in the previous year.

As part of remote supervision, through the scrutiny of the Annual Reports of companies in accordance with para. 2 of article 10 of HCMC Decision 1/506/2009, the data submitted by thirteen (13) companies showed evidence of non-compliance with Circular 49/28-11-2012 of the Hellenic Capital Market Commission concerning business relationships with increased risk of tax evasion. The said companies were informed, by means of a letter, to implement specific directions.

Moreover, information about developments concerning country compliance or non-compliance with EU legislation, directives for the implementation of due diligence, FATF recommendations, as well as information about new money laundering methods and practices that have been identified, continued to be provided to the companies via the relevant web page of the Hellenic Capital Market Commission ([http://www.hcmc.gr/el GR/web/portal/mlaundering1](http://www.hcmc.gr/el_GR/web/portal/mlaundering1)).

Finally, executives of the Special Unit participated in:

- the working groups for the drafting of the National Assessment of the Risk of Money Laundering and Terrorist Financing, and the relevant workshops of the World Bank, being responsible for the capital market sector;
- the law-drafting committee for the incorporation of the 4th Directive on money laundering into Greek legislation;
- the working group on the practical implementation of the agreement between Greece and the US on Foreign Account Tax Compliance Act (FATCA) and the Common Reporting Standard (CRS); and
- the OECD anti-corruption and whistleblower protection programme concerning Greece.

Professional certification of capital market agents

The current regime for the professional certification of persons providing services in accordance with article 14 of Law 3606/2007 is regulated by means of HCMC Decision 11/720/16.7.2015 (Gov. Gaz. B 1780/19.8.2015), in implementation of article 14 of Law 3606/2007 (Gov. Gaz. A 175). This article establishes the obligation of Investment Firms, Financial Intermediation Firms, Mutual Fund Management Companies, Portfolio Investment Companies and Alternative Investment Fund Managers, to employ holders of the Certificates of Suitability for the provision of investment and other services.

The Certificate of Suitability refers to eight specific types of services: (α1): Receipt, transmission and execution, on behalf of third parties, of orders on transferable securities, shares/units in collective investment undertakings, and money market instruments; (α2): Receipt, transmission and execution, on behalf of third parties, of orders on derivative products; (β): Provision of investment advice concerning transferable securities, shares/units in collective investment undertakings, money market instruments, derivative products, and structured financial products; (β1): Provision of investment advice concerning transferable securities, shares in collective investment undertakings, and money market instruments; (γ): Client asset management; (δ): Preparation of analyses on financial instruments or issuers; (ε) Sale of shares/units in UCITS or other undertakings for collective investment; (σ1): Clearing of transactions on transferable securities; and (σ2): Clearing of transactions on derivatives.

The Certificate is bestowed by the HCMC if the applicant has successfully sat in certification exams (both on special subjects and on the legislative framework) or having worked as a trainee has successfully attended certification seminars and sat in the relevant exams for certificates (α1), (ε), (σ1) and (σ2), or is the holder of equivalent certificates issued or recognised by the competent capital market regulators of IOSCO member and has passed the exam on the “Capital Market Regulatory Framework” module.

Moreover, certification is also conditional to the fulfillment of additional suitability criteria, such as the fulfillment of minimum personal reliability requirements and, depending on the certificate, of specific minimum qualifications.

The certificated bestowed by the Hellenic Capital Market Commission is valid for five years, renewable either via attendance to a training seminar on developments in the regulatory framework of the capital market if the certified individual has specific previous experience, or via successful participation in the examination on the regulatory framework module.

In implementation of the above, 554 applications for participation in the exams or the seminars that were organised during the year (March, May, September, November) were submitted in 2017, and 226 certificates of suitability were granted, of which 50 were renewals, as compared to 321 applications submitted and 152 certificates granted in 2016. More specifically, 47 certificates were granted in specialty (α1), 32 certificates in specialty (α2), 32 certificates in specialty (β1), 33 certificates in specialty (β), 31 certificates in specialty (γ), 26 certificates in specialty (δ), 7 certificates in specialty (σ1), 4 certificates in specialty (σ2) and 4 certificates in specialty (ε). Moreover, 282 certificates of suitability were granted in 2017 without participation in the exams, in implementation of transitional provisions, while 6 certificates were granted following the submission of requests for exception due to equivalence and participation in the exams on the “Capital Market Regulatory Framework” module. More specifically, 22 certificates concerned specialty (α2), 2 certificates specialty (β), 3 certificates specialty (γ), 3 certificates specialty (δ), 206 certificates specialty (σ1) and 52 certificates specialty (σ2).

Finally, the first round of renewals for existing certifications ended in 2017, and 2264 certificates were granted as a result of participation in training seminars, as compared to 167 in 2016.

The total number of persons certified by the Hellenic Capital Market Commission as per the end of 2017 stood at 3258.

Investigation of complaints/reports

As part of the active supervision of the capital market, the Hellenic Capital Market Commission receives and investigates complaints and reports by investors or other persons (legal and natural) concerning possible violations of capital market legislation by supervised entities, in collaboration, wherever required, with the Hellenic Ombudsman for Banking-Investment Services. The procedure for processing these reports is the following:

- Letters of inquiry are sent to the respondent.*
- The submitted information is evaluated.*
- If no violation of capital market legislation is ascertained, the case is closed, and the person submitting the complaint or the report is duly notified.*
- If a violation of capital market legislation is ascertained, the applicable procedure for the imposition of administrative sanctions is triggered. The person submitting the complaint is informed in writing after the complaint has been processed.*

In 2017, 280 complaints/reports were submitted to the Hellenic Capital Market Commission as compared to 225 complaints in 2016 and 197 in 2015, while 212 complaints were processed as compared to 116 complaints in 2016 and 90 in 2015. During the year, the Board of the Hellenic Capital Market Commission imposed, following the review of the relevant complaints by its competent Department, total fines of €309,000 due to violations of

capital market legislation Moreover, the Board of the Hellenic Capital Market Commission imposed disciplinary measures in the form of a reprimand in three (3) cases concerning the examination of the relevant complaints.

Sales of listed company shares

Forced sales of shares

In 2017, eleven (11) requests were submitted for the granting of licenses and/or the appointment of ATHEX-members for the forced sale of pledged or seized shares and four (4) sales were completed, as compared to four (4) requests and four (4) sales in 2016, and four (4) requests and one (1) sale in 2015. The total number of shares sold stood at 5,340,488 shares, as compared to 32,691 in 2016 and 43,685,197 in 2015, while the total value of shares sold amounted to 5,093,174.53 euros, as compared to 52,291.34 euros in 2016 and 3,494,815.76 euros in 2015. Since the transfer of competence concerning the forced sale of shares to the HCMC (2003), and till the end of 2017, the HCMC has received a total of 199 requests for the forced sale of pledged or seized shares.

Sale of Non-Dematerialised shares or shares resulting from fractional balances

In 2017, no requests were submitted to the HCMC for the granting of license and/or the appointment of ATHEX members for the sale of shares that result from fractional balances resulting from the share capital increase of a listed company, while one (1) sale of fractional balances was completed. Eight (8) requests had been submitted in 2016 as compared to three (3) in 2015, and eight (8) sales had been completed as compared to one (1) in 2015.

ACTIVITIES OF THE DIRECTORATE OF LEGAL SERVICES

In 2017, the Directorate of Legal Services (DLS) of the Hellenic Capital Market Commission (HCMC) handled a large number of legal cases, offered in many instances legal advice and opinions to the competent departments of the HCMC, and was actively involved in the legislative and regulatory work of the HCMC, both on the national and EU levels. More specifically, the Directorate was active in the following areas:

1. Litigation

In 2017, the DLS had to deal with the following court cases:

a. DLS attorneys were present at the administrative courts (Council of State, Administrative Appellate Court of Athens, and Administrative Courts of First Instance) during the hearings of 92 cases. These include 6 applications for the stay of execution, which were heard and rebutted in front of the aforementioned courts.

They also include 3 cases that were heard in administrative courts in the presence of external attorneys.

b. Fourteen cases were heard in criminal courts. DLS attorneys were present in two of these cases. The remaining cases were heard without the presence of DLS attorneys, since the HCMC was not eligible for joining criminal proceedings as a civil party.

c. DLS attorneys were present at civil courts during the hearings of 4 cases.

d. The attorneys of the DLS prepared and filed written arguments or memoranda with the administrative courts in another 17 cases, not adjudicated nevertheless during 2017, as a result of adjournment due to the abstention or because of other reasons.

e. A further 19 criminal cases were prepared by the DLS and are pending in front of the investigating authorities.

f. Finally, in the case of 4 questions entered to European Courts, the respective memoranda have been prepared.

2. Proposal for, and application of, remedies

a. Attorneys of the DLS advised the Executive Committee the non-submission of 18 petitions for negation, owing to the legal provision requiring that the dispute at hand exceeded the sum of 40,000 euros as a prerequisite for the submission of such petitions.

b. Moreover, 5 requests for criminal indictments were submitted, concerning various violations of penal and capital market law.

3. Provision of legal support

The DLS provided legal aid to the competent departments of the HCMC in 295 cases. More specifically, DLS attorneys:

- Drafted 15 legal opinions on various serious legal issues.
- Prepared 47 notes answering various legal questions.
- Prepared 148 notes making comments on issues arising during the preparation of correspondence concerning the execution of the right to be heard, during the drafting of proposals to the Board and the Executive Committee, during the preparation of individual decisions of the Board and the EC, circulars, during the cancellation or re-confirmation of fines following the issuance of court orders, and so forth.
- They also offered legal advice in 85 cases in the form of comments or corrections (without drafting a note or an opinion), during the preparation of correspondence concerning the execution of the right to be heard, during the drafting of proposals to the Board and the Executive Committee, during the preparation of individual decisions of the Board and the EC, during the drafting of announcements and contracts, and so forth.

4. Involvement in the legislative and regulatory work

Attorneys of the DLS participated in the Commission's legislative and regulatory work, and more specifically in the preparation of draft laws and amendments to laws (11 cases) and regulations (7 cases).

5. Court rulings delivered to the HCMC during 2017

In 2017, 100 court rulings were delivered to the Hellenic Capital Market Commission. Of these:

- 66 rulings were in favour of the Hellenic Capital Market Commission, rejecting appeals, caveats or actions against it or approving requests for rescission, appeal or motions submitted by the HCMC.
- 22 rulings were partly in favour of the HCMC, partly approving appeals and caveats against it, mainly by reducing the fines imposed.
- 8 rulings were against the HCMC, approving appeals, caveats or actions against it or rejecting requests for rescission, appeal or motions submitted by the HCMC.

- 4 rulings led to the postponement or the recommittal or the annulment of the trial.

6. Out-of-court settlement

Apart from the above rulings, there were also 34 cases of out-of-court settlement, pursuant to Article 41, para. 3, of Law 3943/2010, following a discount of 20% on the fines imposed.

7. Major court rulings

The major court rulings delivered to the HCMC during 2017 were the following:

1. Ruling 2929/2017 of the Council of the State. Concerns an application for annulment against the Minister of Finance and his decision, which specifies the resources of the Hellenic Capital Market Commission. In its intervention, the HCMC claimed that the Ministerial Decision should remain in force. The court accepted the application for annulment, and repealed case c of paragraph 3 of article 17 of the relevant decision of the Minister of Finance, which specified the resources of the Hellenic Capital Market Commission as regards listed companies of the low dispersion segment. The said ruling of the Council of the State states that the periodic contributions paid to the HCMC by companies, the shares of which are listed in the stock exchange, aim, first and foremost, at serving the public interest, albeit at the same time represent the provision of a special public service to these companies, which benefit from the audits of their operations, and, therefore, are reciprocal and their imposition by means of a Ministerial Decision is not contrary to article 78, para. 1 and 4 of the Constitution, since they do not constitute a tax. Moreover, the imposition of higher contributions on companies with low dispersion of shares, as compared to other listed companies, is justified, because the cost of prudential supervision, as well as the cost of control and sanctions, is higher in the case of these companies than in the case of other listed companies, because of the increased risk they pose for the smooth operation of the market.

Given, however, that neither the text of the MD nor the information accompanying it indicate that the cost of supervision of companies with shares listed in the stock exchange had been taken into account, since no financial data are presented regarding the supervision services rendered by the HCMC, the said MD is not legitimate, since it is not supported by the authorising provision of article 26, para. 2 of Law 3371/2005.

2. Ruling 8701/2017 of the Administrative Court of First Instance of Athens. Dismissal of civil liability proceedings for the allegedly illegal failure to supervise a company non-authorized by the HCMC. It is based on case law of the Council of the State (1607/2016) concerning the interpretation and application of the provisions of articles 105-106 of the Introductory Law of the Civil Code in the case of civil liability proceedings against the HSMC for actions and omissions in exercising its duties (i.e., elimination of any HCMC liability, if the services rendered to the investor-plaintiff are covered by the Common Guarantee Fund, commensurate application of the above provisions in other cases, in the sense that no liability to indemnify can be generated because of illegal acts of the Administration, albeit only in the case of obvious and serious breach of the law by supervisory bodies, and only with fair, instead of full, indemnification of the affected investors). The court ruled that in this case there was no illegal action or omission of the HCMC; that the HCMC took immediate action by performing all relevant audits; that prior to the time the HCMC took action there was no evidence suggesting that the HCMC had been notified by means of information, news items, complaints, etc. that an investment firm had been formed, and was distributing an investment product, without any authorisation. That the actions of the HCMC, also taking into account the fact that the audit requires complicated trade-offs of an economic-technical nature, do not give rise to any suspicions of failure to act.

FINANCIAL POSITION

According to the Public Accounting system, in 2017 there was a significant increase in revenues, which, in conjunction with the reduction of expenses, helped the Hellenic Capital Market Commission present a surplus of 1,627,807.24 euros, as compared to a deficit of 1,354,397.29 euros in 2016 and a surplus of 2,072,571.30 euros in 2015.

More specifically, the revenues of the Hellenic Capital Market Commission rose to 10,487 thousand euros in 2017 from 8,150 thousand euros in 2016, registering an increase of 28.67%. This increase is attributed to the significant improvement of revenues from prior year contributions and fees receivable, as well as other types of revenue.

Similarly, expenses were reduced by 6.74%, or by 641 thousand euros in absolute terms, and this reduction is mainly due to the decrease in the cost of fixed equipment by 460 thousand euros, as well as the decrease of operating and other expenses by 247 thousand euros.

TABLE 30. HCMC Financial position, 2015-2017

RESULTS	2017 <i>(Amounts in €)</i>	2016 <i>(Amounts in €)</i>	2015 <i>(Amounts in €)</i>	% change 2017-2016
<i>Total income</i>	10,487,310.62	8,150,545.75	10,752,661.19	28.67%
• <i>Contributions by supervised entities</i>	8,878,823.98	6,612,150.23	9,690,083.47	34.28%
• <i>Financial income</i>	1,321,381.71	1,363,554.10	768,568.09	-3.09%
• <i>Other income</i>	287,104.93	174,841.42	294,009.63	64.21%
<i>Total expenses</i>	8,859,503.38	9,500,047.97	7,905,118.52	-6.74%
• <i>Payroll and Staff Costs</i>	6,506,241.05	6,486,344.95	6,468,654.14	0.31%
• <i>Rents-public use expenses</i>	810,740.08	807,662.34	774,971.36.	0.38%
• <i>Capital expenditures</i>	12,303.67	473,862.00	38,452.30	-97.40%
• <i>Subscriptions to International Organisations</i>	630,461.18	584,863.88	423,854.77	7.80%
• <i>Operating and other expenses</i>	899,757.40	1,147,314.80	974,157.31	-21.58%
<i>Net Result</i>	1,627,807.24	-1,349,502.22	2,072,571.30	-220.62%

Source: HCMC

The Hellenic Capital Market Commission and the European Securities and Markets Authority (ESMA)

The European Securities and Markets Authority (ESMA) is an independent EU authority, whose purpose is to safeguard the stability of the European financial system, by ensuring the integrity and transparency of the market, as well as investor protection. It is part of the European System of Financial Supervision (ESFS), along with other two European Supervisory Authorities, the European Banking Authority (EBA) and the European Insurance and Occupational Pensions Authority (EIOPA), the European Systemic Risk Board (ESRB) and the national regulators.

The Hellenic Capital Market Commission, as is the case for the regulators of the other 28 member states and the 3 countries of the European Economic Area (EEA) that participate as members without voting rights, is represented at the Board of Supervisors of ESMA by its Chairman. The Board of Supervisors of ESMA is the chief ESMA body with decisive competences on major issues, including the issuance of technical standards and guidelines. Moreover, the Hellenic Capital Market Commission is actively involved, with its specialised and experienced executives, in the work of ESMA's standing and other committees.

Supervisory Convergence Standing Committee

As part of the implementation of ESMA's Strategic Orientation for 2016-2020, the Supervisory Convergence Standing Committee is responsible for promoting a common and consistent supervisory approach across ESMA members and develop a framework for the use of supervisory convergence tools. It also plays an important role as a forum for cooperation among national regulators.

In 2017, the Standing Committee focused on, and completed, two peer reviews, and ESMA published the final reports: the first review concerned the ESMA Guidelines on Enforcement of Financial Information (ESMA42-111-4138/18.7.2017), and the second review concerned the ESMA Guidelines on certain aspects of the regulatory compliance function under MiFID I (ESMA42-111-4285/29.11.2017). A representative from the Hellenic Capital Market Commission participated in the second peer review. Moreover, a new working group commenced operations, to be completed in 2018, with the aim of assessing compliance with the Guidelines on Exchange Traded Funds (ETFs) and, principally, efficient portfolio management techniques.

In addition, in 2017, in the context of the work of the Standing Committee, ESMA published the reports with the results of two follow-up peer reviews: the first follow-up report concerned the implementation of best execution provisions under MiFID I (ESMA42-1643088512-2962/11.1.2017), while the second follow-up report concerned the implementation of Business rules relating to fair, clear and not misleading information under MiFID I (ESMA42-113-627/18.5.2017).

In 2017, the Standing Committee was also involved in the preparation of the 2018 Supervisory Convergence Work Programme of ESMA, and monitored the progress of the implementation of the 2017 Supervisory Convergence Work Programme, which was published in February 2017 (ESMA42-397158525-448/9.2.2017).

Post-Trading Standing Committee

The Post-Trading Standing Committee addresses issues related to the clearing and settlement of transactions in financial instruments, including financial market infrastructures and other entities providing post-trading services. The Committee is responsible for addressing issues related to Regulation (EU) 648/2012 on OTC Derivatives, Central Counterparties and Trade Repositories (European Markets Infrastructure Regulation - EMIR). The Standing Committee is also responsible for developing ESMA's policy in regard to Regulation (EU) 909/2014 on central securities depositories (Central Securities Depositories Regulation-CSDR) and on the regulatory and supervisory implications of the TARGET2-Securities project.

In 2017, the Standing Committee focused on, and prepared, the following documents, which were published by ESMA:

- a methodological framework for the pan-EU stress test exercise on central counterparties (CCPs) (ESMA70-708036281-51/1.2.2017);*
- a final report on standards implementing Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse (Securities Financing Transaction Regulation SFTR) (ESMA70-708036281-82/31.3.2017);*
- an opinion on the European Commission's Proposal for the EU Regulation on CCP Recovery and Resolution (ESMA70-151-222/5.4.2017);*
- an opinion regarding the implementation on portfolio margining requirements in accordance with article 27 of Commission Delegated Regulation 153/2013 (ESMA70-708036281-18/10.4.2017);*
- final technical advice to the European Commission regarding supervisory fees for Trade Repositories (TRs) under the Securities Financing Transactions Regulation (SFTR) (ESMA70-151-223/21.4.2017);*
- a consultation paper on guidelines concerning the management of conflicts of interests by central counterparties (CCPs)(ESMA70-151-291/1.6.2017);*
- regulatory technical standards (RTS) regarding the aggregation and publication of derivatives data by trade repositories (TRs) in accordance with article 81 of EMIR (70-151-370/10.7.2017);*
- guidelines on data transfer between Trade Repositories (TRs) (ESMA70-151-552/24.8.2017);*
- a consultation paper on guidelines on the calculation of derivative positions under the European Market Infrastructure Regulation (EMIR) (ESMA70-151-189/17.11.2017);*
- an updated Q&A concerning the implementation of EMIR (70-1861941480-52/14.12.2017);*
- guidelines on CSD participants default rules and procedures, in accordance with CSDR (ESMA70-151-294/8.6.2017);*
- guidelines concerning access by a CSD to the transaction feeds of CCPs and trading venues, in accordance with CSDR (ESMA70-151-298/8.6.2017);*
- guidelines on the Process for the Calculation of the most relevant currencies in which settlement takes place (ESMA70-708036281-66/1.6.2017);*
- guidelines on the Process for the Calculation of the Indicators to Determine the Substantial Importance of a CSD for a Host Member State (ESMA70-708036281-67/1.6.2017);*
- a consultation paper on guidelines for internalised settlement reporting under article 9 of the Central Securities Depositories Regulation (CSDR) (ESMA70-151-457/10.7.2017);*
- guidelines regarding cooperation between authorities under articles 17 and 23 of the Central Securities Depositories Regulation (CSDR);*
- guidelines on the recognition of third country Central Securities Depositories by ESMA (ESMA70-153-3/26.9.2017);*
- a consultation paper on the calculation of derivative positions under the European Market Infrastructure Regulation (EMIR) (ESMA70-151-819/17.11.2017);*
- an updated Q&A concerning the implementation of EMIR (ESMA70-708036281-2/14.12.2017).*

Investor Protection & Intermediaries Standing Committee

The Investor Protection & Intermediaries Standing Committee addresses issues related to the protection of investors upon the provision of investment services to them in the context of MiFID/MiFID II/MiFIR. Its work is aimed at regulatory convergence on issues of organisational requirements, codes of conduct, and the cross-border provision of investment services by authorised providers, i.e. investment firms and credit institutions. Moreover, it aims at the completion of the single rulebook, through the provision of technical advice to the EU and the preparation of technical standards and recommendations, the protection of investors through the issuance of warnings and, under the new MiFID II/MiFIR legislative framework, the coordination and exercising of product intervention powers.

In 2017, the Standing Committee focused on, and prepared, the following documents, which were published by ESMA:

- an updated Q&A on the sale of CFDs and other speculative products to retail investors (ESMA35-36-794/31.3.2017);*
- guidelines on MiFID II product governance requirements (ESMA35-43-620/2.6.2017);*
- a statement on the use of product intervention powers (ESMA35-36-885/28.6.2017 and ESMA71-99-910/15.12.2017);*
- an opinion on regulatory convergence in the context of the UK withdrawing from the EU (ESMA35-43-762/13.7.2017);*
- a consultation paper on amending the guidelines concerning the suitability of financial instruments for investors (ESMA35-43-748/13.7.2017);*
- joint ESMA and EBA guidelines on the assessment of the suitability of members of the management body and key function holders of banks and investment firms (EBA/GL.2017/12/ESMA71-99-598/26.9.2017);*
- an updated Q&A on investor protection (ESMA35-43-349/18.12.2017); and*
- an updated Q&A on issues pertaining to market structure, and more specifically Q&A on issues pertaining to the cross border provision of investment services in cases of delayed incorporation of MiFID II (ESMA70-872942901-38/18.12.2017).*

Investment Management Standing Committee (IMSC)

The Investment Management Standing Committee is responsible for monitoring the regulatory framework and supervisory practices regarding collective investment management and harmonised and non-harmonised investment funds.

In 2017, the Standing Committee focused on, and prepared, the following documents, which were published by ESMA:

- a thematic study on the notification framework among national competent authorities in cases of cross-border activities by Undertakings for Collective Investment in Transferable Securities (UCITS) and Alternative Investment Fund Managers (AIFMs) (ESMA34-43-340/7.4.2017);*
- a final report on draft implementing technical standards and guidelines under the MMF Regulation (ESMA34-49-103/13.11.2017);*
- an opinion to support supervisory convergence in the area of investment management in the context of the United Kingdom withdrawing from the European Union (ESMA34-45-344/13.7.2017);*

-an opinion on asset segregation and the application of depositary delegation rules to Central Securities Depositories (ESMA34-45-277/20.7.2017);

-updated Q&As on the application of the AIMFD (ESMA34-32-352/5.10.2017) and UCITS (ESMA34-43-392/5.10.2017) directives.

Market Data Standing Committee

The Market Data Standing Committee contributes to the work of ESMA on issues relating to the reporting of transactions, investment positions, the record-keeping of orders, and financial instrument reference data.

In 2017, the Standing Committee focused on, and prepared, the following documents, which were published by ESMA:

-a final report on the technical standards on data to be made publicly available by trade repositories (TRs) under Article 81 of EMIR (ESMA 70-151-370/10.7.2017);

-guidelines on Transaction reporting, order record keeping and clock synchronisation under MiFID II (ESMA2016/1452/2.10.2017);

-an updated Q&A concerning transaction reporting under MiFIR (ESMA70-1861941480-56/14.11.2017);

-designed, monitored, assessed the data of, and drew conclusions from a Data Quality Review of the data submitted by responsible parties to Trade Repositories as part of EMIR, with the aim of improving the quality of the data and the reliability of the system.

Market Integrity Standing Committee

The purpose of the Market Integrity Standing Committee is to enhance the efficiency of the supervisory activities of national regulators in cases of market abuse.

In 2017, the work of the Standing Committee focused on the preparation of the following documents that were published by ESMA:

-an opinion on convergence in relation to MAR (Market Abuse Regulation (EU) 596/2014) accepted market practices on liquidity contracts (ESMA70-145-76/25.4.2017);

-a final report on the Technical Standards on forms and procedures for cooperation between competent authorities (ESMA70-145-100/30.5.2017);

-a briefing note on ESMA data systems for MiFID II/MiFIR and MAR (ESMA71-99-669/6.12.2017);

-an updated Q&A concerning the implementation of MAR (ESMA70-145-111/14.12.2017);

-a final report on the technical standards under the Benchmarks Regulation (Regulation EU 2016/1011) (ESMA70-145-48/30.3.2017);

-a methodological framework for the selection of supervised entities for mandatory contribution under Article 23(7) of BMR (ESMA70-143-5/2.6.2017);

-a final report on the regulatory technical standards on cooperation arrangements with third countries under the Benchmarks Regulation (ESMA70-145-81/1.6.2017);

-a consultation paper concerning guidelines on non-significant benchmarks (ESMA70-145-105/29.9.2017);

-an updated Q&A concerning the implementation of the BMR (ESMA70-145-11/14.12.2017).

Committee for Economic and Markets Analysis (CEMA)

The Committee for Economic and Markets Analysis (CEMA) assists ESMA in monitoring financial market developments. In this context, CEMA surveys its members and, based on more general analyses, processed the periodic Economic publications of ESMA. These texts are:

- the quarterly “Risk Dashboard”, which provides the institutional bodies of the EU, market participants, and the wider public with information about financial market risks, and
- the bi-annual “Trends, Risks and Vulnerabilities” report, on the trends, potential risks and vulnerabilities of the financial system across all markets.

Moreover, CEMA works on capital market studies prepared either by ESMA or by CEMA members.

In 2017, apart from working on the periodic publications mentioned above, CEMA focused on studies concerning issues such as measuring liquidity in European corporate bond markets, risk measurement in alternative investment funds, the review of trading volumes of exchange-traded derivatives in the EU, the effect of the disclosure of net equity positions in regard to trading halts, and operational risk assessment approaches. For example, CEMA studied charges in the collective investment market, the management of collective investments from the viewpoint of the European Fund and Asset Management Association (EFAMA), developments in European derivatives markets, high-frequency trading in relation to liquidity measurements, and changes in portfolio diversification trends.

Finally, CEMA's work takes into account the scientific approach of a special advisory group of external specialists, the term of which was renewed in 2016. This committee meets with CEMA twice a year and presents a series of specialised analyses prepared by its members.

Corporate Finance Standing Committee (CFSC)

The Corporate Finance Standing Committee is responsible for addressing all issues related to the Prospectus Directive and Regulation, as well as corporate governance. Its work also concerns major shareholding disclosures under the Transparency Directive. The Committee promotes greater efficiency in the day-to-day work of national supervisors; increases supervisory convergence and ensures the coherent application of rules across all member states.

In 2017, the Standing Committee focused on, and prepared, the following documents, which were published by ESMA in regard to prospectuses:

- a report containing statistical data on the number of prospectuses approved and passported in the EEA in 2016 (ESMA31-62-746/3.7.2017);
- a consultation paper on technical advice concerning the format and contents of prospectuses (ESMA31-62-632/6.7.2017);
- a consultation paper on technical advice concerning the scrutiny and approval of prospectuses (ESMA31-62-650/6.7.2017);
- a consultation paper on technical advice concerning the content and format of the EU Growth prospectus (ESMA31-62-649/6.7.2017);
- an updated Q&A on the prospectus (ESMA31-62-780/10.2017);
- a consultation paper on regulatory technical standards under the new Prospectus Regulation (Regulation (EU) 2017/1129) and repealing Directive 2003/71/EC (ESMA31-62-802/15.12.2017).

As regards the Transparency Directive, a practical guide was published, concerning the notifications of major holdings in companies listed in EU member states (ESMA31-67-535/3.2.2017).

In the field of corporate governance, a report was published on shareholder identification and communication systems, as a first step towards establishing common procedures and systems (ESMA31-54-435/5.4.2017).

Secondary Markets Standing Committee

The Secondary Markets Standing Committee works on the structure, transparency and efficiency of secondary markets for financial instruments, including trading platforms and OTC markets. More specifically, the Secondary Markets Standing Committee studies the impact of changes in the structure of markets on the transparency and efficiency of trading in all financial instruments, helps form ESMA policy, and promotes supervisory convergence amongst national regulators on issues that fall under its competence.

In 2017, the Standing Committee prepared the following documents, which were published by ESMA:

- a final report on the regulatory technical standards on package orders for which there is a liquid market (ESMA70-872942901-21/28.2.2017);*
- a final report relating to the regulatory technical standards of Directive 2014/65/EU (MiFID II) on the scope of the consolidated tape for non-equity financial instruments (ESMA70-8792942901-40/31.3.2017);*
- an opinion on OTC derivatives traded on a trading venue (ESMA70-156-117/22.5.2017);*
- a final report on regulatory technical standards on the trading obligation for derivatives under MiFIR (ESMA70-156-227/28.9.2017);*
- guidelines on the calibration of circuit breakers and publication of trading halts under MiFID II (ESMA70-872942901-63/27.6.2017);*
- an updated opinion on calculating the size of trading activity to determine whether an activity is ancillary (ESMA70-156-165/6.7.2017);*
- an opinion to support supervisory convergence in the area of secondary markets in the context of the United Kingdom withdrawing from the European Union (ESMA70-154-270/13.7.2017);*
- guidelines on the management body of market operators and data reporting services providers (ESMA70-154-271/28.9.2017);*
- a briefing on the importance of the Legal Entity Identifier (LEI) (ESMA70-145-238/9.10.2017);*
- an updated Q&A on MiFIR transparency topics (ESMA70-872942901-35/18.12.2017);*
- an updated Q&A on MiFIR data reporting (ESMA70-1861941480-56/18.12.2017);*
- an updated Q&A on post-trading topics (ESMA70-151-957/14.12.2017);*
- an updated Q&A on market structures topics (ESMA70-872942901-38/18.12.2017);*
- a consultation paper on amendments to Commission Delegated Regulation (EU) 2017/587 (ESMA70-156-275/9.11.2017);*
- an opinion on determining third-country trading venues for the purpose of transparency under MiFID II/MiFIR (ESMA70-154-467/15.12.2017);*
- an ESMA statement on the implementation of the LEI (70-145-401/20.12.2017).*

Financial Innovation Standing Committee (FISC)

This Standing Committee coordinates the national supervisory authorities' response to new or innovative financial activities and provides advice to ESMA on how to act in this sector, for example by issuing alerts and

warnings, or conducting any regulatory action needed to prevent financial innovation from causing customer detriment or threatening financial stability. As part of its activities, the Standing Committee also collects data, analyzes, and reports on, investor trends. Moreover, the Committee contributes to the Joint Committee of European Supervisory Authorities' work on financial activities, financial innovation and consumer-related issues.

In 2017, and in the context of product intervention, the new supervisory power provided for by MiFIR, the Standing Committee focused on, and prepared, the corresponding instructions to national regulators. Moreover, in 2017 ESMA issued statements alerting investors and supervised entities on the risks of initial coin offerings (ICOs) (ESMA50-157-828 and 829/13.11.2017).

Corporate Reporting Standing Committee

The Corporate Reporting Standing Committee works on issues related to accounting, the audit of financial statements, and periodic financial reporting, in the context of the Transparency Directive. More specifically, it monitors, and contributes to, regulatory developments in the area of accounting and auditing, including the EU endorsement process of International Financial Reporting Standards (IFRS), as well as the work of relevant EU accounting and/or auditing Committees. Moreover, the Standing Committee coordinates the activities of national regulators from the European Economic Area relating to compliance of issuers with the IFRS, in order to achieve convergence in decision-making in regard to IFRS implementation topics.

In 2017, the Standing Committee focused on the following activities:

-a statement on European common enforcement priorities for 2017 IFRS financial statements (ESMA32-63-340|27.10.2017);

-a report on the application of the fair value measurement and disclosure requirements in financial statements provided for by IFRS 13 (ESMA32-67-284|12.07.2017);

-the results of the fact-finding exercise on disclosure of the impact of IFRS 9 and 15 in the 2016 annual and interim IFRS financial statements for the period ending on 30.06.2017 (ESMA32-63-364|27.10.2017);

-a Q&A on the implementation of the Guidelines on Alternative Performance Measures (APMs) (ESMA32-51-370|30.10.2017);

-a final report on Regulatory Technical Standards on the European Single Electronic Format for the preparation of annual financial statements from 01.01.2020 (ESMA32-60-204|18.12.2017);

-guidance on the uniform preparation of Annual Financial Reports in Inline XBRL (ESMA32-60-254|18.12.2017);

-processing of letters sent by ESMA to the International Accounting Standards Board, the European Financial Reporting Advisory Group, and the IFRS Interpretation Committee, concerning the position of ESMA on the development of new, and the amendment of existing, financial reporting standards, their consistent implementation, and other supervisory issues;

-extracts from ESMA's confidential database of enforcement decisions on financial statements taken by national regulators in the period March 2014-February 2017 (ESMA 32-63-200|05.01.2017 & ESMA32-63-334|31.10.2017).

Technical Committee on Credit Ratings Agencies

The Technical Committee on Credit Rating Agencies (CRAs) is responsible for providing know-how on CRA-related policy issues, such as the assessment of the compliance of third country legislative and regulatory regimes with the requirements of Regulation (EU) 1060/2009, and the performance of credit rating activities by third-country CRAs.

In 2017, the Technical Committee prepared guidelines published by ESMA (ESMA1575/23.3.2017) on the validation and review of Credit Rating Agencies' methodologies, under articles 8(3) and 8(5) of the CRA Regulation.

Moreover, the Technical Committee prepared the update of the guidelines on the application of the endorsement regime under Article 4(3) of Regulation 1060/2009 (ESMA33-9-205/17.11.2017).

IT Management and Governance Group

The work of ESMA's IT Management and Governance Group (ITMG) contributes to the design, implementation, and operation of pan-European IT projects. The main objective of the projects is to ensure the compliance of national competent authorities with the obligations emanating from the relevant European legislation and ensure that the cost of the requisite data management shall be proportional to the corresponding benefit.

The work of the Group during 2017 mainly consisted in the following:

- multi-annual IT work programme, IT strategy and methodology, and technical guidance;*
- business requirements (in collaboration with the competent ESMA committee), functional and technical specifications, test specifications, and IT interfaces.*

Moreover, in 2017 ITMG prepared on behalf of ESMA and launched the Pan-European Financial Instruments Reference Data System (FIRDS). FIRDS collects, manages, and discloses financial instruments reference data and trading transparency data under MiFID II and the MiFIR and MAR regulations. The implementation and operation of this IT project was assigned to ESMA by 27 national regulators of the European Economic Area (EEA).

In the same year, and under the same procedure, ESMA was assigned with launching the TRACE system, which provides the national competent authorities of European Union member states with access to OTC derivatives transaction data held by Trade Repositories under EMIR legislation. The Hellenic Capital Market Commission participated in both projects mentioned above.

Other IT systems realised or upgraded and launched in 2017, as part of the Group's work, include:

- the Transaction Reporting Exchange Mechanism (TREM) that will permit national competent authorities of EU member states to exchange transaction data;*
- the Suspensions and Removals Information System (SARIS) for the management, on the European level, of suspensions and removals of financial instruments from trading;*
- the new ESMA Register.*

The Hellenic Capital Market Commission and IOSCO

The International Organization of Securities Commissions (IOSCO), is the main forum of international cooperation among capital market regulators and the international agency responsible for the establishment of standards for the financial markets. For the time being, IOSCO has 127 ordinary members from more than 100 countries. The Hellenic Capital Market Commission is represented by its Chairman in the proceedings of the European Regional Committee, as well as the Presidents Committee, which comprises all Presidents (Chairs) of IOSCO members. The Hellenic Capital Market Commission is also actively involved in the work of IOSCO Committee 4, whose work concerns the prevention and detection of capital market violations on the international level, mainly through the enhancement and encouragement of collaboration among regulators. Moreover, the Hellenic Capital Market Commission participates in the work of the IOSCO Screening Group,

which evaluates potential signatories of the IOSCO Multilateral Memorandum of Understanding (IOSCO MMoU), as well as the new Enhanced Multilateral Memorandum of Understanding (Enhanced MMoU – EMMoU), which was adopted by IOSCO in April 2017. The EMMoU extends the scope of mutual assistance among regulators, by adding, among other things, new types of confidential information regulators will be able to exchange. These new types of information and/or assistance are the following: information about persons owning or controlling other persons or assets; information about audits, especially the audits of financial statements; compelling physical attendance for testimony in front of the assisting authority; power to freeze assets, when allowed by the law; and data traffic records.

It should be noted that in 2017 the Hellenic Capital Market Commission participated in the evaluation of the application of a third country regulator to become a signatory of the MoU, and the application of a third party regulator to become a signatory of the E-MMoU.

The Hellenic Capital Market Commission and other international bodies

Mediterranean Partnership Of Securities Regulators

The Mediterranean Partnership Of Securities Regulators (MPSR) comprises France, Greece, Spain, Portugal, Egypt, Algeria, Morocco, Turkey, and Tunisia, and its purpose is to develop complementary actions and ensuring the implementation of IOSCO's principles by the securities regulators of this region.

European Systemic Risk Board

The aim of the European Systemic Risk Board is to prevent the systemic risks that threaten the stability of the financial system in the European Union and avert any serious adverse effects on the financial system and the economy at large. The Hellenic Capital Market Commission participates in the General Board and the Advisory Technical Committee.

European Council, European Commission

In 2017, the Hellenic Capital Market Commission monitored the following dossiers that were submitted to the European Council: the proposal for a directive on the encouragement of long-term shareholder involvement (shareholders' rights); the proposal for the revision of the regulation on money market funds; the proposal for a regulation on the establishment of common securitisation rules; the proposal for a regulation on the simplification of administrative requirements concerning prospectuses; the proposal for a regulation on the Pan-European Personal Pension Product; the proposal for the amendment of EMIR; the proposal for a regulation on central counterparty recovery and resolution; the proposal for the revision of the regulation on the prudential requirements for credit institutions and investment firms; the proposal for the amendment of the 4th Anti-Money Laundering Directive; and the proposal for the amendment of the founding legislation of the three European Supervisory Authorities (ESFS Review Package).

In addition, in 2017 the Hellenic Capital Market Commission participated in the work of the Expert Group of the European Securities Committee (EGESC), the Informal Company Law Expert Group, and the College for Critical Benchmarks.

Organisation of Economic Cooperation and Development

The Organisation for Economic Cooperation and Development (OECD) aims at promoting policies for the improvement of economic and social welfare. The Hellenic Capital Market Commission monitors the work of the Corporate Governance Committee and the Task Force on Financial Consumer Protection.

Bilateral Memoranda of Understanding

The purpose of Memoranda of Understanding (MoU) is to establish and implement a procedure for the provision of assistance among competent authorities for the supervision of the capital market, in order to help them perform their functions. Up to this date, the Hellenic Capital Market Commission has signed 26 bilateral and 2 multilateral Memoranda of Understanding for the exchange of information and, in general, the provision of assistance. In August 2017, the HCMC signed a bilateral Memorandum of Understanding with the China Securities Regulatory Commission. Moreover, in the context of Directive 2011/61/EC on Alternative Investment Fund Managers, the HCMC has signed 39 bilateral Memoranda of Understanding with non-EU third countries.

PASSPORTING

Provision of investment services as part of Directive 2004/39/EC on markets in financial instruments (MiFID)

At the end of 2017, 2,452 undertakings from EEA countries provided investment services in Greece, as compared to 2,406 at the end of 2016 (see Table 31).

As regards the distribution of undertakings per country, the United Kingdom is first with 1,836 firms, followed by Cyprus with 206, Germany with 55, Luxembourg with 49, and the Netherlands and France with 44 firms each.

Twenty one (21) investment firms have been authorised by the Hellenic Capital Market Commission to provide investment services in EEA countries.

TABLE 31. Provision of Investment Services (MiFID) in Greece, 2015-2017

Country	Total of Active Companies		
	2017	2016	2015
<i>Austria</i>	30	28	26
<i>Belgium</i>	9	10	10
<i>Bulgaria</i>	6	6	6
<i>France</i>	44	40	40
<i>Germany</i>	55	50	42
<i>Denmark</i>	9	9	9
<i>Estonia</i>	1	1	1

Country	Total of Active Companies		
	2017	2016	2015
United Kingdom	1,836	1,831	1,738
Ireland	38	39	38
Italy	16	16	14
Spain	13	11	10
Croatia	1	0	0
Cyprus	206	178	168
Latvia	2	1	1
Lithuania	1	1	1
Lichtenstein	13	12	7
Luxembourg	49	52	49
Malta	22	20	19
Norway	27	29	30
Netherlands	44	43	40
Hungary	1	1	0
Poland	1	2	2
Portugal	2	1	1
Romania	2	2	3
Slovakia	2	2	2
Slovenia	1	1	1
Sweden	8	8	5
Czech Republic	3	3	3
Finland	10	9	9

Country	Total of Active Companies		
	2017	2016	2015
Total	2,452	2,406	2,275

Source: HCMC

Provision of Investment Services (MiFID) under Directive 2011/61/EC on Alternative Investment Fund Managers (AIFMs)

At the end of 2017, 68 AIFMs from the EU offered investment services in Greece under Directive 2011/61/EC (MiFID), as compared to 62 in 2016 (see table 32).

As regards the distribution of AIFMs per country, the United Kingdom is ranked first with 61 AIFMs.

TABLE 32. Provision of Investment Services (MiFID) by EU AIFMs in Greece, 2015-2017

Country	Total EU AIFMs		
	2017	2016	2015
<i>France</i>	2	2	2
<i>Germany</i>	1	0	0
<i>United Kingdom</i>	61	56	46
<i>Malta</i>	2	2	1
<i>Netherlands</i>	2	2	2
Total	68	62	51

Source: HCMC

Marketing of shares in EU Alternative Investment Funds (AIFs) in Greece by EU Alternative Investment Fund Managers (AIFMs)

In 2017, 69 EU AIFMs marketed shares in 205 EU AIFs in Greece, as compared to 64 and 250 respectively in 2016 (see tables 33 and 34).

As regards the distribution of EU AIFMs per country, the United Kingdom is ranked first with 37 AIFMs.

As regards the distribution of EU AIFs per country, Luxembourg is ranked first with 92 AIFs.

Three (3) AIFMs that have been authorised by the Hellenic Capital Market Commission are marketing 4 EU AIFs in EU member states.

TABLE 33. EU AIFMs marketing shares in EU AIFs in Greece, 2015-2017

Country	Total EU AIFMs		
	2017	2016	2015
<i>France</i>	1	1	1
<i>Denmark</i>	1	0	0
<i>United Kingdom</i>	37	32	32
<i>Ireland</i>	6	6	5
<i>Italy</i>	0	1	1
<i>Cyprus</i>	4	3	1
<i>Luxembourg</i>	13	14	12
<i>Malta</i>	2	0	0
<i>Norway</i>	1	2	4
<i>Netherlands</i>	1	1	0
<i>Slovenia</i>	1	0	0
<i>Sweden</i>	2	4	5
Total	69	64	61

Source: HCMC

TABLE 34. EU AIFs marketed in Greece by EU AIFMs, 2015-2017

Country	Total EU AIFs		
	2017	2016	2015
<i>France</i>	1	1	1
<i>United Kingdom</i>	37	46	44
<i>Ireland</i>	65	113	93
<i>Italy</i>	0	1	1
<i>Cyprus</i>	3	2	0

Country	Total EU AIFs		
	2017	2016	2015
<i>Luxembourg</i>	92	76	49
<i>Malta</i>	3	3	2
<i>Norway</i>	0	1	0
<i>Netherlands</i>	2	3	2
<i>Slovenia</i>	1	0	0
<i>Sweden</i>	1	4	6
Total	205	250	198

Source: HCMC

Marketing of European Venture Capital Funds (EuVECA) in Greece by EU European Venture Capital Fund Managers (EuVECA Managers)

At the end of 2017, 20 EU EuVECA Managers marketed 26 EU EuVECA in Greece, as compared to 17 and 20 respectively in 2016 (see tables 35 and 36).

As regards the distribution of EuVECA Managers per country, the United Kingdom is ranked first with 8 EuVECA Managers.

As regards the distribution of EuVECA per country, the United Kingdom is also ranked first with 13 EuVECA.

TABLE 35. EU EuVECA Managers marketing EUVECA in Greece, 2015-2017

Country	Total EuVECA Managers		
	2017	2016	2015
<i>Austria</i>	1	0	0
<i>France</i>	1	1	1
<i>Germany</i>	2	3	2
<i>United Kingdom</i>	8	7	3
<i>Ireland</i>	2	2	1
<i>Latvia</i>	0	1	1

Country	Total EuVECA Managers		
	2017	2016	2015
<i>Luxembourg</i>	1	1	1
<i>Netherlands</i>	1	0	0
<i>Sweden</i>	4	2	0
Total	20	17	9

Source: HCMC

TABLE 36. EuVECA marketed in Greece by EU EuVECA Managers, 2015-2017

Country	Total EuVECAs		
	2017	2016	2015
<i>Austria</i>	1	0	0
<i>France</i>	1	1	1
<i>Germany</i>	2	3	2
<i>United Kingdom</i>	13	9	6
<i>Ireland</i>	2	2	1
<i>Latvia</i>	0	1	1
<i>Netherlands</i>	1	0	0
<i>Luxembourg</i>	3	2	1
<i>Sweden</i>	3	2	0
Total	26	20	12

Source: HCMC

APPENDIX 1. HCMC DECISIONS

No. Of Rule / Gazette	Title	Summary
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No. Of Rule / Gazette	Title	Summary
17/774/13.1.2017 (Gov. Gaz. B/243/2.2.2017)	Amendment of Decision 9/773/20.12.2016 (Gov. Gaz. B 4325/30.12.2016)	On the amendment of the Rulebook of the Athens Stock Exchange
16/774/13.1.2017 (Gov. Gaz. B/243/2.2.2017)	Amendment of Decision 8/773/20.12.2016 (Gov. Gaz. B 4325/30.12.2016)	On the Amendment of the Regulation for the Clearing of Transactions in Book-Entry Securities.
18/775/31.1.2017 (Gov. Gaz. B/393/10.2.2017)	Amendment of Decision 17/633/20.12.2016 (Gov. Gaz. B 12/10.1.2013)	On the prospectus, annual, and semi-annual reports of UCITS
19/776/13.2.2017 (Gov. Gaz. B/523/21.2.2017)	Determination of the price, the yield, and the nominal interest rate of bonds, when these are distributed to investors through public offering	On the determination of the price, the yield, and the nominal interest rate of bonds, when these are distributed to investors through public offering, excluding the case when there is a preemptive right in favour of existing shareholders, a) with parallel admission for trading in a regulated market, b) of shares already admitted for trading in a regulated market and c) without admission for trading in a regulated market.
24/779/21.3.2017 (Gov. Gaz. B 1665/15.5.2017)	Approval of the organisation of a training seminar by the Hellenic Exchanges Group on certificates (α 1) to(δ), (ϵ), (σ 1), and (σ 2) in the form of a webinar	On the approval of the organisation of a training seminar, for the renewal of certifications, by the Hellenic Exchanges Group on certificates (α 1) to(δ), (ϵ), (σ 1), and (σ 2) in the form of a webinar
18/789/3.7.2017 (Gov. Gaz. B 2423/14.7.2017)	Amendment of decision 17/633/20.12.2012 Prospectus, annual and half-yearly reports of UCITS (Gov. Gaz. B/12/10.1.2013)	On the amendment of decision 17/633/20.12.2012 Prospectus, annual and half-yearly reports of UCITS
3/791/12.7.2017 (Gov. Gaz. B 2758/8.8.2017)	Amendment of decision 15/633/20.12.2012 organisational requirements for the operation of investment firms, conflict of interest, code of conduct, risk management and content of the agreement between the depositary and the management company	On the amendment of decision 15/633/20.12.2012 organisational requirements for the operation of investment firms, conflict of interest, code of conduct, risk management and content of the agreement between the depositary and the management company
1/798/12.10.2017 (Gov. Gaz. B /3866/3.11.2017)	Adaptation to Commission Implementing Directive (EU) 2015/2392 of 17 December 2015 on Regulation (EU) No 596/2014 of the European Parliament and of the Council	On reporting to competent authorities of actual or potential infringements of that Regulation.

No. Of Rule / Gazette	Title	Summary
5/802/8.12.2017 (Gov. Gaz. B / 4714 /2017)	Approval of the amendment to the Rulebook of the Athens Exchange	On the approval of amendment to the Rulebook of the Athens Stock Exchange as decided in meeting no. 161 of the Stock Markets Steering Committee, held on December 6, 2017.
4/804/21.12.2017 (Gov. Gaz. B 4655 / 29.12.2017)	Approval of amendments to the Rulebook for the Electronic Secondary Securities Market	On the approval of amendments to the Rulebook for the Electronic Secondary Securities Market, as decided at meeting No. 82/12.12.2017 of the Management Board of IDAT
3/804/21.12.2017 (Gov. Gaz. B 4655 / 29.12.2017)	Amendment of the Regulation for the Clearing of Transactions in Book-Entry Securities.	On the approval of amendment to the "Regulation for the Clearing of Transactions in Book-Entry Securities" as laid out in the minutes to meeting No. 137 of the Board of the "Athens Exchange Clearing House SA" of 29/8/2016
2/804/21.12.2017 (Gov. Gaz. B 4655 / 29.12.2017)	Amendment of the Regulation for the Clearing of Transactions on Derivatives	On the approval of amendment to the "Regulation for the Clearing and Settlement of Transactions on Derivatives" as laid out in the minutes to meeting No. 153 of the Board of the "Athens Exchange Clearing House SA" of 27/11/2017
1/804/21.12.2017 (Gov. Gaz. B 4655 / 29.12.2017)	Amendment of HCMC Decision 3/304/10.06.2004 (Gov. Gaz. 901 B/16.6.2004) on the "Regulation for the Operation of the Dematerialized Securities System"	On the amendment to HCMC Rule 3/304/10.6.2004 "Rulebook of the Dematerialized Securities System".

APPENDIX 2. HCMC PARTICIPATION IN, AND CONTRIBUTION TO, INTERNATIONAL CONFERENCES AND MEETINGS

- January 12, 2017, Paris, Meeting of ESMA's Secondary Markets Standing Committee;
- January 17, 2017, Paris, Meeting of the Peer Review Group for certain ESMA Guidelines on certain aspects of the compliance function under MiFID I;
- January 24 to 25, 2017, Paris, Meeting of ESMA's Market Integrity Standing Committee;
- January 26, 2017, Paris, Meeting of the Board of Supervisors of ESMA;
- January 27, 2017, Paris, Conference of the European Regional Committee of IOSCO;
- February 1, 2017, Paris, Participation in ESMA's "Seminar in the area of major holdings, Life – cycle of a notification: Filing, publication and surveillance process";
- February 1, 2017, Paris, Meeting of ESMA's IT Management and Governance Group;
- February 2, 2017, Paris, Meeting of a sub-working group of ESMA's Investor Protection and Intermediaries Standing Committee;

- *February 8, 2017, Brussels, Meeting of the expert group on a proposal on the recovery and resolution of central counterparties;*
- *February 10, 2017, Paris, Participation in an ESMA seminar on “Financial Technology (FinTech) – Innovation, Infrastructure, Inclusion”;*
- *February 15, 2017, Paris, Meeting of the Peer Review Group for certain ESMA Guidelines on certain aspects of the compliance function under MiFID I;*
- *February 17, 2017, Brussels, Meeting of the expert group on the proposal for the amendment of Directive 2007/36/EC concerning the encouragement of long-term shareholder involvement and Directive 2013/34/EU concerning certain elements of the corporate governance report;*
- *February 20 to 21, 2015, Paris, Meeting of ESMA’s Investor Protection and Intermediaries Standing Committee;*
- *February 21, 2017, Frankfurt, Meeting of ESMA’s Corporate Reporting Standing Committee;*
- *February 22, 2017, Paris, Meeting of ESMA’s Technical Committee on Credit Rating Agencies;*
- *March 1, 2017, Paris, Meeting of ESMA’s Corporate Finance Standing Committee;*
- *March 2, 2017, Frankfurt, Meeting of the sub-committee on PRIIPS of the Committee of the European Supervisory Authorities (ESAs) on Investor Protection and Financial Innovation;*
- *March 3, 2015, Paris, Meeting of ESMA’s Investment Management Standing Committee;*
- *March 7, 2017, Paris, Meeting of a sub-working group of ESMA’s Investor Protection and Intermediaries Standing Committee;*
- *March 7 to 8, 2017, Paris, Meeting of ESMA’s Market Integrity Standing Committee;*
- *March 8, 2017, Paris, Meeting of ESMA’s Financial Innovation Standing Committee;*
- *March 8, 2015, Paris, Meeting of ESMA’s Market Data Standing Committee;*
- *March 9, 2017, Paris, Meeting of ESMA’s Committee of Economic and Markets’ Analysis;*
- *March 10, 2017, Paris, Meeting of ESMA’s Supervisory Convergence Standing Committee;*
- *March 21 to 22, 2017, Paris, Meeting of the “European Enforcers Coordination Sessions (EECS)” Sub-committee of ESMA’s Corporate Reporting Standing Committee;*
- *March 21 to 23, 2015, Madrid, Meetings of the IOSCO Screening Group and the IOSCO Policy Committee 4;*
- *March 24, 2017, Frankfurt, Meeting of the sub-committee of the European Supervisory Authorities (ESAs) on Investor Protection and Financial Innovation;*
- *March 27 to 28, 2017, Bratislava, Participation in an on-site visit of the Peer Review Group for certain ESMA Guidelines on certain aspects of the compliance function under MiFID I;*
- *March 29, 2017, Paris, Meeting of the Board of Supervisors of ESMA;*
- *March 30, 2017, Paris, Meeting of ESMA’s Investor Protection and Intermediaries Standing Committee;*
- *April 5 to 7, 2017, Valletta, Participation at the Eurofi High Level Seminar 2017;*
- *April 19 to 20, 2017, Paris, Meeting of ESMA’s Investment Management Standing Committee;*
- *April 25, 2017, Paris, Meeting of a sub-working group of ESMA’s Financial Innovation Standing Committee;*
- *April 26, 2017, Paris, Meeting of ESMA’s Supervisory Convergence Standing Committee;*
- *April 27, 2017, Paris, Meeting of ESMA’s Secondary Markets Standing Committee;*
- *May 3, 2017, Paris, Meeting of ESMA’s Investor Protection and Intermediaries Standing Committee;*
- *May 3 to 5, 2017, Madrid, Participation in an IOSCO seminar on “Protecting Investors through supervision, inspections and examinations”;*
- *May 4, 2017, Paris, Meeting of ESMA’s IT Management and Governance Group;*

- *May 8, 2017, Brussels, Meeting of the College of Supervisors for Euribor;*
- *May 14 to 18, Jamaica, IOSCO Annual Conference;*
- *May 18, 2017, Frankfurt, Participation in an EIOPA seminar on “2017 IORP Stress Test Launch Event”;*
- *May 23, 2017, Paris, Participation in ESMA’s “Reference Date User Acceptance Tests Workshop”;*
- *May 23 to 24, 2017, Valletta, Meeting of the Board of Supervisors of ESMA;*
- *May 31, 2017, Paris, Meeting of ESMA’s Financial Innovation Standing Committee;*
- *May 31 to June 1, 2017, Paris, Meeting of the “European Enforcers Coordination Sessions (EECS)” Sub-committee of ESMA’s Corporate Reporting Standing Committee;*
- *June 6 to 7, 2017, Frankfurt, Meeting of the sub-committee on PRIIPS of the Committee of the European Supervisory Authorities (ESAs) on Investor Protection and Financial Innovation;*
- *June 7, 2017, Paris, Meeting of ESMA’s Corporate Reporting Standing Committee;*
- *June 8, 2017, Paris, Meeting of ESMA’s Committee of Economic and Markets’ Analysis;*
- *June 8, 2017, Amsterdam, Meeting of ESMA’s Investor Protection and Intermediaries Standing Committee;*
- *June 8, 2017, Paris, Meeting of ESMA’s Post-Trading Standing Committee;*
- *June 9, 2017, Paris, Meeting of ESMA’s Market Integrity Standing Committee;*
- *June 9, 2017, Paris, Meeting of ESMA’s Investment Management Standing Committee;*
- *June 13, 2017, Paris, Meeting of ESMA’s Secondary Markets Standing Committee;*
- *June 13, 2017, Frankfurt, Meeting of ESMA’s Market Data Standing Committee;*
- *June 13, 2017, Paris, Meeting of ESMA’s Corporate Finance Standing Committee;*
- *June 15, 2017, Paris, Meeting of ESMA’s Supervisory Convergence Standing Committee;*
- *June 18 to 20, 2017, Washington, Participation in a conference titled “Select USA 2017 Investment Summit”;*
- *June 20, 2017, Paris, Meeting of ESMA’s Supervision Co-ordination Network;*
- *June 21 to 22, 2017, New York, Participation in the “6th Greek Investment Forum in New York”;*
- *June 23, 2017, Prague, Participation in a conference on “Joint ESAs Consumer Protection Day 2017”;*
- *June 26 to 27, 2017, Brussels, European Commission meetings of the EU Corporate Governance Working Group concerning the amendment of Directive 2007/36/EC, and the Company Law expert group;*
- *June 27, 2017, Copenhagen, Meeting of ESMA’s IT Management and Governance Group;*
- *June 28, 2017, Dublin, Meeting of the Peer Review Group for certain ESMA Guidelines on certain aspects of the compliance function under MiFID I;*
- *June 29 to 30, 2017, London, Participation in an EBA seminar on “EBA Training – Resolution Plans and Resolvability Assessment: current practices and challenges”;*
- *July 4 to 5, 2017, Riga, Meeting of the “European Enforcers Coordination Sessions (EECS)” Sub-committee of ESMA’s Corporate Reporting Standing Committee;*
- *July 5, 2017, Paris, Meeting of the Board of Supervisors of ESMA;*
- *July 13 to 15, 2017, St Petersburg, Meetings with executives from the Central Bank of the Russian Federation;*
- *July 25, 2017, Paris, Meeting of ESMA’s Secondary Markets Standing Committee;*
- *July 25 to 26, 2017, Meeting of ESMA’s Post-Trading Standing Committee;*
- *August 28 to September 1, 2017, Beijing, Meetings with executives from the China Securities Regulatory Commission and signing of a bilateral memorandum of understanding;*
- *August 30, 2017, Paris, Meeting of ESMA’s Investor Protection and Intermediaries Standing Committee;*
- *September 5 to 6, 2017, Paris, Meeting of the “European Enforcers Coordination Sessions (EECS)” Sub-committee of ESMA’s Corporate Reporting Standing Committee;*

- *September 5 to 7, 2017, Saint Peter Port, Meetings of the IOSCO Screening Group and the IOSCO Policy Committee 4;*
- *September 7, 2017, Paris, Meeting of ESMA's Market Data Standing Committee;*
- *September 8, 2017, Lisbon, Meeting of ESMA's Supervisory Convergence Standing Committee;*
- *September 12, 2017, Paris, Meeting of ESMA's Supervision Co-ordination Network;*
- *September 12, 2017, Paris, Meeting of ESMA's Committee of Economic and Markets' Analysis;*
- *September 13, 2017, Paris, Meeting of ESMA's Financial Innovation Standing Committee;*
- *September 13 to 15, 2017, Tallinn, Participation at the Eurofi High Level Seminar 2017;*
- *September 18 to 19, 2017, Zagreb, Participation in a Conference on "The impact of MiFID II on the institutional framework and investor protection";*
- *September 19, 2017, Paris, Meeting of the sub-committee of ESMA's Investor Protection and Intermediaries Standing Committee;*
- *September 20, 2017, Paris, Meeting of ESMA's Corporate Finance Standing Committee;*
- *September 20 to 21, 2017, London, Participation in the "12th Annual Greek Roadshow";*
- *September 26, 2017, Paris, Meeting of ESMA's Corporate Reporting Standing Committee;*
- *September 26, 2017, Brussels, Meeting of the expert group at the Council, concerning the proposal of the European Commission on the supervision of central counterparties and the recognition of third-country CCPs;*
- *September 27, 2017, Paris, Meeting of the Board of Supervisors of ESMA;*
- *September 28, 2017, Paris, Meeting of ESMA's Market Integrity Standing Committee;*
- *September 29, 2017, Paris, Meeting of ESMA's Post-Trading Standing Committee;*
- *October 3, 2017, Brussels, Meeting of the expert group at the Council, concerning the proposal on the Pan-European Personal Pension Product;*
- *October 4, 2017, Brussels, Meeting of the expert group at the Council, concerning the proposal to amend Regulation 648/2012, on the clearing obligation, reporting requirements etc.;*
- *October 4 to 5, 2017, Vienna, Meeting of the European Regional Committee of IOSCO;*
- *October 4 to 5, 2017, Paris, Meeting of the Peer Review Group for certain ESMA Guidelines on certain aspects of the compliance function under MiFID I;*
- *October 5, 2017, Paris, Meeting of ESMA's IT Management and Governance Group;*
- *October 5, 2017, Zagreb, Participation in a conference on "MAD II- Market Abuse Regulation and Directive on Criminal Sanctions for Market Abuse";*
- *October 6, 2017, Paris, Participation in a seminar on the implementation of the second stage of access to the trade repositories IT project (TRACE);*
- *October 11 to 12, 2017, Paris, Meeting of ESMA's Investment Management Standing Committee;*
- *October 13, 2017, Brussels, Meeting of the expert group at the Council, concerning the proposal of the European Commission on the supervision of central counterparties and the recognition of third-country CCPs;*
- *October 16, 2017, Brussels, Meeting of the Company Law Expert Group;*
- *October 17, 2017, Paris, Participation in the ESMA Conference 2017;*
- *October 18, 2017, Brussels, Meeting of the expert group at the Council, concerning the amendment of the founding legislation of the European Supervisory Authorities;*
- *October 18, 2017, Paris, Meeting of ESMA's Investor Protection and Intermediaries Standing Committee;*
- *October 25 to 26, 2017, Rabat, Annual Meeting of the national competent authorities participating in the Mediterranean Partnership of Securities Regulators;*

- *October 27, 2017, Brussels, Meeting of the expert group at the Council, concerning the proposal on the Pan-European Personal Pension Product;*
- *November 7 to 8, 2017, Paris, Meeting of the Board of Supervisors of ESMA, and Joint Meeting of the Board of Supervisors of ESMA and the Securities and Markets Stakeholders Group;*
- *November 8, 2017, Paris, Meeting of the ESMA Enforcement network;*
- *November 9, 2017, Paris, Meeting of ESMA's Market Integrity Standing Committee;*
- *November 13, 2017, Brussels, Meeting of ESMA's Financial Innovation Standing Committee;*
- *November 13, 2017, Brussels, Meeting of the expert group at the Council, concerning the amendment of the founding legislation of the European Supervisory Authorities;*
- *November 15, 2017, Paris, Meeting of ESMA's Corporate Reporting Standing Committee;*
- *November 15 to 16, 2017, Paris, Meeting of ESMA's Committee of Economic and Markets' Analysis;*
- *November 16 to 17, 2017, London, Participation in a seminar on Central Counterparty Supervision (BoE/FRB Quantitative Workshop on CCP Risk and Validation Models);*
- *November 21, 2017, Paris, Meeting of ESMA's Supervision Co-ordination Network;*
- *November 22, 2017, Paris, Meeting of ESMA's Supervisory Convergence Standing Committee;*
- *November 23, 2017, Brussels, Meeting of the expert group at the Council, concerning the proposal on the Pan-European Personal Pension Product;*
- *November 23, 2017, Paris, Meeting of ESMA's Corporate Finance Standing Committee;*
- *November 24 to 25, 2017, Meeting of ESMA's Post-Trading Standing Committee;*
- *November 27, 2017, Frankfurt, Participation in an EIOPA "Workshop on the requirements for a Key Information Document for Packaged Retail and Insurance-Based Investment Products";*
- *November 29, 2017, Paris, Meeting of ESMA's IT Management and Governance Group;*
- *November 29, 2017, London, Meeting of the sub-committee of the European Supervisory Authorities (ESAs) on the cross-border supervision of the provision of financial services to retail investors;*
- *December 5 to 6, 2017, Paris, Meeting of ESMA's Corporate Reporting Standing Committee;*
- *December 7, 2017, Frankfurt, 28th meeting of the European Systemic Risk Board;*
- *December 8, 2017, Paris, Participation in an ESMA seminar on "MiFID II – A focus on best execution requirements";*
- *December 11, 2017, Paris, Meeting of ESMA's Investment Management Standing Committee;*
- *December 12, 2017, Paris, Meeting of the sub-committee of the European Supervisory Authorities (ESAs) on Investor Protection and Financial Innovation;*
- *December 13, 2017, Paris, Meeting of ESMA's Market Integrity Standing Committee;*
- *December 14, 2017, Paris, Meeting of the Board of Supervisors of ESMA;*
- *December 18, 2017, Paris, Meeting of ESMA's Post-Trading Standing Committee.*

APPENDIX 3. TABLES

TABLE I. Fundamentals of the ATHEX and foreign Exchanges, 2017

Stock Exchange	Market Capitalisation		Value of Transactions on shares ¹		Turnover ratio ² (%)	No. of listed companies
	Amount (USD\$ mn)	Y-o-y % change	Amount (USD\$ mn)	Y-o-y % change		
NYSE (US)	22,081,367.0	12.8	14,535,339.3	-16.1	65.8	2,286
Nasdaq (US)	10,039,335.6	29.1	11,336,294.3	2.4	112.9	2,949
Japan Exchange Group	6,222,825.2	22.9	5,812,880.3	3.5	93.4	3,604
London Stock Exchange	5,089,631.3	24.0	7,563,355.4	0.9	148.1	1,396
Euronext ³	4,392,995.1	26.8	1,942,703.7	10.1	44.2	1,255
Hong-Kong Exchanges	4,350,514.6	36.2	1,957,328.7	45.0	44.9	2,118
LSE Group	4,570,000.0	30.7	2,157,199.7	-5.5	47.2	N/A
TMX Group	2,367,059.9	15.9	1,244,343.8	5.8	52.56	3,328
Shenzhen Stock Exchange	3,621,635.9	12.6	9,111,973.9	-21.5	251.6	2,089
Deutsche Boerse AG	2,262,222.6	31.7	1,481,702.9	13.5	65.5	499
SIX Swiss Exchange	1,686,497.1	19.2	942,872.9	9.3	55.9	263
Australian Securities	1,508,462.8	14.6	830,188.6	0.9	55.4	2,147
Korea Exchange	1,771,796.1	38.2	1,919,974.2	14.8	108.4	2,134
Nasdaq Nordic Exchanges ⁴	1,533,497.3	22.7	801,474.6	12.9	52.3	984
BME Spanish Exchanges	888,837.6	26.0	701,710.9	2.6	78.9	3,136
Athens Stock Exchange	50,605.1	36.0	13,096.7	-7.9	25.9	200

Source: World Federation of Exchanges, LSE Group: Bloomberg

Notes:

1. Because of differences in the presentation and estimation of transaction value, the figures are not totally comparable.
2. Tradability index: Value of trading in shares / market capitalisation.
3. Euronext comprises the markets of Belgium, the UK, France, the Netherlands, and Portugal.
4. Includes data from the stock exchanges of Stockholm, Copenhagen, Helsinki, Iceland, Tallinn, Riga, and Vilnius.

TABLE II. Market Share and Total Assets per MFMC, 2015-2017

MFMC	31.12.2017				31.12.2016				31.12.2015			
	Number of M/F	Assets (€ mil.)	Market share (%)	Change in Share	Number of M/F	Assets (€ mil.)	Market share (%)	Change in Share	Number of M/F	Assets (€ mil.)	Market share (%)	Change in Share
EUROBANK ASSET MANAGEMENT (EFG)	111	2,073.39	31.15	-7.17	119	2,460.85	38.32	-7.58	124	3,322.71	45.90	10.64
ALPHA ASSET MANAGEMENT	48	1,210.90	18.19	0.18	27	1,156.71	18.01	3.19	27	1,072.87	14.82	-4.87
NBG ASSET MANAGEMENT	24	882.60	13.26	-0.47	27	881.53	13.73	1.15	28	910.92	12.58	-1.46
HELLENIC PENSION FUND MANAGEMENT	2	1,131.14	16.99	3.39	2	873.20	13.60	2.61	2	795.71	10.99	-1.28
PIRAEUS ASSET MANAGEMENT	28	557.63	8.38	2.94	28	349.48	5.44	-0.55	22	429.07	5.93	0.02
ALPHA TRUST	13	225.42	3.39	0.49	13	186.13	2.90	0.59	12	167.20	2.31	-0.74
METLIFE (ALICO)	13	144.26	2.17	-0.29	14	158.17	2.46	0.25	15	164.85	2.28	-0.47
TRITON ASSET MANAGEMENT (HSBC)	6	129.59	1.95	0.39	6	99.85	1.56	0.23	6	96.47	1.33	-0.78
ATTICA WEALTH MANAGEMENT	6	40.94	0.62	-0.04	6	42.08	0.66	-0.16	7	59.31	0.82	-0.26
ALLIANZ	7	82.75	1.24	0.18	7	67.99	1.06	0.18	7	63.94	0.88	-0.18
3K INVESTMENT PARTNERS (ING)	9	59.18	0.89	0.11	5	49.98	0.78	0.00	4	56.44	0.78	-0.26
CPB ASSET MANAGEMENT (MARFIN GLOBAL)	5	35.44	0.53	-0.01	5	34.86	0.54	-0.02	6	40.77	0.56	-0.28
EUROPEAN RELIANCE ASSET MANAGEMENT	5	71.79	1.08	0.26	5	52.39	0.82	0.15	6	48.34	0.67	-0.14
THETIS (ex INTERNATIONAL)	4	9.34	0.14	0.01	4	8.06	0.13	-0.01	4	9.85	0.14	-0.04
ATHOS ASSET MANAGEMENT (started operating: 1.6.17)	5	2.51	0.04	0.00	-	-	-	-	-	-	-	-
TOTAL	286	6,656.89	100		268	6,421.29	100.00	-	270	7,238.62	100.00	-

Source: Hellenic Fund & Asset Management Association.

TABLE III Distribution of mutual fund assets (%) per MFMC, 31.12.2017

MFMC	Money market			Bond	Balanced	Equity	Index	Funds of Funds	Specialist
	Short term	Money market	Total						
3K INVESTMENT PARTNERS	6.06	-	6.06	2.84	12.78	78.32	-	-	-
ALLIANZ	-	4.17	4.17	28.43	47.16	20.24	-	-	-
ALPHA ASSET MANAGEMENT	-	15.37	15.37	26.52	16.97	24.11	1.08	13.20	2.76
ALPHA TRUST	1.98	-	1.98	17.72	21.86	41.62	-	16.83	-
ATTICA WEALTH MANAGEMENT	-	-	-	39.43	33.75	18.80	-	8.02	-
ATHOS ASSET MANAGEMENT	-	17.01	17.01	63.95	-	19.04	-	-	-
CPB ASSET MANAGEMENT	-	30.02	30.02	7.08	-	39.04	-	23.87	-
EUROBANK EFG ASSET MANAGEMENT	20.69	16.80	37.49	17.65	1.19	10.05	-	24.41	9.20
THETIS (ex INTERNATIONAL)	-	9.39	9.39	41.55	22.41	26.64	-	-	-
METLIFE	-	6.07	6.07	45.14	10.18	25.14	6.20	7.28	-
TRITON ASSET MANAGEMENT	-	25.62	25.62	14.43	15.74	44.20	-	-	-
HELLENIC PENSION FUND MFMC	-	-	-	27.55	72.45	-	-	-	-
NBG ASSET MANAGEMENT	-	3.08	3.08	50.91	14.77	19.27	-	11.98	-
EUROPEAN RELIANCE ASSET MANAGEMENT	-	-	-	39.48	7.89	52.63	-	-	-
PIRAEUS ASSET MANAGEMENT	4.91	16.65	21.57	37.10	5.07	14.63	-	21.63	-
MARKET SHARES	6.98	10.70	17.67	27.89	20.44	16.00	0.33	14.31	3.37

Source: Hellenic Fund & Asset Management Association.

TABLE IV. Annual Returns of Mutual Funds, 2015-2017

<i>M/F Classification</i>	<i>Annual return (%)</i>		
	<i>2017</i>	<i>2016</i>	<i>2015</i>
<i>EQUITY</i>			
<i>Funds – North America</i>	1.76	7.07	9.18
<i>Equity Funds - Developed Countries</i>	6.53	7.55	7.18
<i>Equity Funds - Emerging Markets</i>	3.92	19.21	-9.55
<i>Index Equity Funds</i>	20.41	-2.49	-28.52
<i>Equity Funds - Global</i>	-1.48	4.79	-0.49
<i>Greek Equity M/Fs</i>	20.44	0.51	-17.01
<i>Euro zone Equity M/Fs</i>	6.25	-4.29	4.31
<i>International Bond M/Fs</i>	-0.29	3.39	6.31
<i>Bond Funds - Greece</i>	22.89	10.17	15.94
<i>Government Bond Funds – Developed Countries</i>	0.82	2.98	3.85
<i>Government Bond Funds – Emerging Countries</i>	5.31	3.63	-3.62
<i>Corporate Bond Funds - Investment Grade</i>	-1.03	1.93	0.38
<i>Corporate Bond Funds - High Yield</i>	4.83	4.83	4.79
<i>Balanced Mutual Funds</i>	16.85	3.99	0.21
<i>Short Term Money Market Funds</i>	-0.08	0.02	0.09
<i>Money Market Funds</i>	0.14	3.00	2.29
<i>Specialist Funds - Absolute Return</i>	1.67	0.57	1.43
<i>Specialist Funds</i>	7.31	6.71	-0.26
<i>Equity FoFs</i>	4.94	5.63	3.67
<i>Balanced FoFs</i>	1.59	3.04	3.77
<i>Bond FoFs</i>	-1.85	2.87	1.80

Source: Hellenic Fund & Asset Management Association.

TABLE V. M/F Net Assets, ATHEX listed company capitalisation and the ATHEX Composite Price Index, 2015-2017

Month / Year	M/F net assets (€ million)	Monthly Change (%)	Capitalisation of ATHEX Listed Companies (€ million)	ATHEX Composite Price Index	Monthly Change (%)
Dec.-17	6,656.89	2.04	54,055.32	802.37	8.40
Nov-17	6,523.77	-0.25	50,409.68	740.20	-2.52
Oct-17	6,540.03	0.33	51,842.66	759.30	0.49
Sep-17	6,518.24	-1.68	51,395.06	755.61	-8.46
Aug-17	6,629.88	-0.38	55,132.84	825.48	1.63
Jul-17	6,655.42	-1.44	53,714.09	812.21	-1.40
Jun-17	6,752.40	-0.67	54,338.74	823.74	6.26
May-17	6,798.11	0.70	51,791.16	775.24	8.86
Apr-17	6,750.76	2.17	47,802.24	712.17	6.92
Mar-17	6,607.07	1.10	45,854.51	666.06	3.12
Feb-17	6,534.93	3.23	44,371.94	645.88	5.58
Jan-17	6,330.51	-1.41	42,330.19	611.75	-4.95
Dec-16	6,421.29	-2.73	45,101.80	643.64	2.37
Nov-16	6,601.72	2.64	44,204.38	628.75	6.36
Oct-16	6,431.99	0.38	41,620.48	591.13	4.53
Sep-16	6,407.42	-1.87	40,186.46	565.53	-2.05
Aug-16	6,529.56	-0.22	41,253.94	577.39	1.06
Jul-16	6,543.96	0.32	40,562.76	571.33	5.39
Jun-16	6,523.28	-6.83	38,949.65	542.12	-16.21
May-16	7,001.38	3.10	46,109.85	646.97	10.85
Apr-16	6,791.07	0.22	41,843.34	583.65	1.13
Mar-16	6,775.89	2.33	41,239.27	577.12	11.69
Feb-16	6,621.91	-2.79	37,310.86	516.71	-6.53
Jan-16	6,812.04	-5.89	40,434.69	552.83	-12.44
Dec-15	7,238.47	-5.52	46,717.67	631.35	-0.55
Nov-15	7,661.24	-2.30	35,854.77	634.82	-9.47
Oct-15	7,841.60	1.53	40,433.18	701.22	7.19
Sep-15	7,723.12	-0.07	37,291.74	654.20	4.81
Aug-15	7,728.87	-3.21	36,086.56	624.20	-21.73
Jul-15	7,984.99	0.64	47,907.49	797.52	0.00
Jun-15	7,934.15	4.00	47,907.49	797.52	-3.38
May-15	7,629.16	2.19	49,316.29	825.38	0.30
Apr-15	7,465.57	5.30	48,005.98	822.88	6.12
Mar-15	7,090.08	-0.69	45,296.13	775.46	-11.93
Feb-15	7,139.04	11.81	51,465.30	880.48	21.96
Jan-15	6,385.17	5.59	43,152.03	721.93	-12.62

Source: Athens Stock Exchange, Hellenic Fund & Asset Management Association.

TABLE VI. Listed Portfolio Investment Companies (PIC) data, 31.12.2017

PIC	Share Price (€)	Book Value of Share (euros)	Premium / Discount (%)	Internal Rate of Return	Net Asset Value (€ million)
ALPHA TRUST ANDROMEDA	19.80	26.87	-26.31	25.07	11,219,475.96
AEOLIAN	0.45	0.57	-21.05	-11.79	1,285,231.63
TOTAL	-	-	-	-	12,504,707.59

Source: Hellenic Fund & Asset Management Association, HCMC.

TABLE VII. Net assets of investment funds in EU member-states, 2016-2017

Member state	Total Net Assets		UCITS market net assets		AIF market net assets	
	(€ million)		(€ million)		(€ million)	
	30.12.2017	31.12.2016	30.12.2017	31.12.2016	30.12.2017	31.12.2016
Austria	182,882	173,798	82,228	80,301	100,654	93,497
Belgium	156,232	126,876	105,241	81,124	50,991	45,752
Bulgaria	654	531	645	523	9	8
Croatia	2,966	2,824	2,487	2,439	480	385
Cyprus	2,748	2,177	167	108	2,581	2,069
Czech Republic	11,674	9,211	10,746	8,554	928	657
Denmark	300,824	275,968	129,153	117,455	171,671	158,514
Finland	116,254	106,395	102,932	86,180	13,323	20,215
France	1,929,115	1,798,644	873,868	795,696	1,055,247	1,002,948
Germany	2,038,192	1,888,296	371,779	329,709	1,666,413	1,558,587
Greece	7,834	7,112	4,928	4,347	2,906	2,765
Hungary	19,768	18,732	1,579	667	18,189	18,065

Member state	Total Net Assets		UCITS market net assets		AIF market net assets	
	(€ million)		(€ million)		(€ million)	
	30.12.2017	31.12.2016	30.12.2017	31.12.2016	30.12.2017	31.12.2016
Ireland	2,396,089	2,084,748	1,830,519	1,578,920	565,569	505,828
Italy	320,767	303,158	255,784	234,214	64,983	68,945
Lichtenstein	46,396	44,103	28,132	26,445	18,263	17,658
Luxembourg	4,159,614	3,701,076	3,486,445	3,116,104	673,169	584,972
Malta	10,490	9,810	2,722	2,240	7,768	7,569
Netherlands	843,488	801,412	37,153	37,642	806,335	763,770
Norway	115,682	108,026	115,682	108,026	-	-
Poland	66,786	58,709	25,847	21,073	40,939	37,635
Portugal	23,085	21,634	8,827	7,207	14,258	14,427
Romania	9,164	9,001	4,874	4,819	4,289	4,181
Slovakia	6,578	5,887	4,926	4,349	1,652	1,538
Slovenia	2,657	2,502	2,657	2,464	-	39
Spain	295,265	268,513	225,419	193,454	69,846	75,059
Sweden	335,421	303,874	312,505	283,468	22,916	20,407
Switzerland	550,799	537,771	451,486	437,886	99,313	99,885
Turkey	25,649	27,267	10,994	11,647	14,656	15,620
Un. Kingdom	1,646,058	1,492,127	1,224,737	1,097,157	421,321	394,970

Source: EFAMA

TABLE VIII. Structure of mutual fund assets in EU member-states, 2016-2017

Type of M/F	30.12.2017		31.12.2016	
	Total Assets (€ billion)	% of Total	Total Assets (€ billion)	% of Total
<i>Equity</i>	3,742	39	3,178	37
<i>Balanced</i>	1,748	18	1,459	17
<i>Bond</i>	2,625	27	2,326	27
<i>Money market</i>	1,190	12	1,179	14
<i>Guaranteed</i>	11	0.1	13	0.2
<i>Other</i>	398	4	503	6
TOTAL	9,714	100	8,658	100
<i>of which:</i>				
<i>ETFs</i>	613	6	498	6
<i>Funds of Funds</i>	384	4	331	4

Source: EFAMA

TABLE IX. Capital Increases through issuance of new shares, and issuance of bonds by ATHEX-listed companies, 2017

No	Company	Trading category	Date of approval by HCMC	Right Coupon Cut-off Date	SCI Period	Initial Trading Day for new transferable securities	Total Funds Raised (euros)	Initial Share Price (€)	Number of shares	Beneficiaries	Inv. Firm Advisor / Underwriter
1.	P.G. NIKAS S.A. ⁽¹⁾	Surveillance	24/4/2017 & 22/5/2017	27/4/2017	4-18/5/2017	31/5/2017	23,272,106.40	0.30	77,573,688	Public offering (38.3433646445 215N-1E) in favour of existing shareholders	-
2.	ATHENA SA ⁽²⁾	Low Dispersion	6/7/2017	-	-	18/7/2017	30,000,000.00	0.30	100,000,000	Elimination of preemptive right in favour of Creditor	-
3.	FRIGOGLASS SA ⁽³⁾	Surveillance	18/9/2017	21.9.2017	26.9-18/10/2017	30/10/2017	63,459,341.82	0.36348	174,588,263	Public offering (1N-22.466251754413 5E) in favour of existing shareholders	-
4.	INTRACOM CONSTRUCTION S.A TECHN & STEEL CONSTR.	Main market	12/10/2017 & 31/10/2017	17/10/2017	20/10-3/11/2017	13/11/2017	10,159,052.00	0.40	25,397,630	Public offering (5N-1E) in favour of existing shareholders	-

No	Company	Trading category	Date of approval by HCMC	Right Coupon Cut-off Date	SCI Period	Initial Trading Day for new transferable securities	Total Funds Raised (euros)	Initial Share Price (€)	Number of shares	Beneficiaries	Inv. Firm Advisor / Underwriter	
<i>(INKAT)</i> ⁽⁴⁾												
5.	KEKROPS SA ⁽⁵⁾	Main market	31/10/2017	6/11/2017	9-23/11/2017	4/12/2017	4,885,019.72	0.37	13,202,756	Public offering (2N-1E) in favour of existing shareholders	-	
6.	EUROCONSULTANTS SA ⁽⁶⁾	Main market	31/10/2017	6/11/2017	9-23/11/2017	19/12/2017	750,565.50	0.30	2,501,885	Public offering (1N-3E) in favour of existing shareholders	-	
7.	FRIGOGLASS SA ⁽⁷⁾	Surveillance	13/11/2017	-	-	16/11/2017	-	-	163,984,878	Conversion of creditor convertible bonds	-	
TOTAL OF FUNDS RAISED THROUGH THE LISTING OF TRANSFERABLE SECURITIES (€)							<u>132,526,085.44</u>					
8.	SOUROTI MINERAL WATER BOTTLING & TRADING COMPANY ⁽⁸⁾		6/7/2017	-	11-31/7/2017	-	3,057,032.76	0.62	4,930,698	Public offering (0.47490717N-1E) in favour of existing shareholders	INVESTMENT BANK OF GREECE	
TOTAL OF FUNDS RAISED WITHOUT LISTING OF TRANSFERABLE SECURITIES (€)							<u>3,057,032.76</u>					

No	Company	Trading category	Date of approval by HCMC	Right Coupon Cut-off Date	SCI Period	Initial Trading Day for new transferable securities	Total Funds Raised (euros)	Initial Share Price (€)	Number of shares	Beneficiaries	Inv. Firm Advisor / Underwriter
GRAND TOTAL OF FUNDS RAISED							<u>135,583,118.20</u>				

Source: HCMC

Notes:

1. The share capital increase through payment in cash and by way of preemptive rights in favour of the company's existing shareholders, as decided by the Extraordinary General Shareholders Meeting held on 2.2.2017, was subscribed 1,08326 times by shareholders who exercised their preemptive right and their oversubscription right paying €23,272,106.40, which corresponds to 77,573,688 new common registered shares. As a result of the above, the final subscription ratio of the share capital increase stood at 100% and the share capital increase of €23,272,106.40 was fully subscribed.
2. The share capital increase of 100,000,000 new, common, dematerialised, registered voting shares of the company, of a nominal value of €0.30 each, was carried out through the capitalisation of liabilities of an equal amount towards the principal shareholder and creditor "J&P Avax SA", and with elimination of the preemptive rights of existing shareholders, as decided by the Extraordinary General Shareholders Meeting held on 28.3.2016. The total liabilities that were capitalised amounted to €30,000,000.
3. The share capital increase through payment in cash and by way of preemptive rights in favour of the company's existing shareholders, as decided by the 1st Repetitive Annual General Meeting of the Shareholders of 27.6.2017, in conjunction with a resolution of the company's Board of Directors dated 27.7.2017, was subscribed by 46.08%, through the payment of a total amount of €63,459,341.82, which corresponds to 174,588,263 new common registered shares, at a nominal value of €0.36 each. The principal shareholder of the company, BOVAL SA, paid €60,000,001.62, while the remaining €3,459,340.20 was paid by the other existing shareholders. The resolution of the Board of Directors of the company, dated 19.10.2017, certified the partial subscription of the share capital increase up to the aforementioned amount without subscription for unsold shares, and the payment of the new share capital.
4. The share capital increase through payment in cash and by way of preemptive rights in favour of the company's existing shareholders, as decided on 7/7/2017 by the 1st Repetitive Meeting of the Annual General Shareholders Meeting held on 26/6/2017, was initially subscribed by 93.79% by shareholders who exercised their preemptive right paying €9,528,422, which corresponds to 23,821,055 new common registered shares. The 1,576,575 unsold shares were allocated at the discretion of the Board of Directors to eight of the company's existing shareholders. As a result of the above, the final subscription ratio of the share capital increase stood at 100% and the share capital increase of €7,619,289 was fully subscribed.
5. The share capital increase through payment in cash and by way of preemptive rights in favour of the company's existing shareholders, as decided by the Annual General Meeting of the Shareholders held on 24.5.2017, was subscribed almost 1,46 times by shareholders who exercised their preemptive right and their oversubscription right paying €4,885,019.72, which corresponds to 13,202,756 new common registered shares. As a result of the above, the final subscription ratio of the share capital increase stood at 100% and the rights issue of €3,960,826.80 was fully subscribed.
6. The share capital increase through payment in cash and by way of preemptive rights in favour of the company's existing shareholders, as decided by the Annual General Meeting of the Shareholders of 19.6.2017, in conjunction with a resolution of the company's Board of Directors dated 3.7.2017, was subscribed by 58.56%, by shareholders who exercised their preemptive right and their oversubscription right through the payment of a total amount of €504,965.70, which corresponds to 1,683,219 new common registered shares, at a nominal value of €0.30 each. Out of 1,191,189 unsold shares, 818,666 were allocated, at the discretion of the Board of Directors, to twenty one existing and new shareholders of the company. As a result of the above, the final subscription ratio of the share capital increase stood at 87.04%, i.e. €750,565.50, and the share capital increase of €862,322.40 was partially subscribed. The resolution of the Board of Directors of the company, dated 19.10.2017, certified the partial subscription of the share capital increase up to the aforementioned amount.
7. The Board of Directors of the company, at its 23.10.2017 meeting, ascertained the increase, pursuant to article 3a, para. 4 of CL 2190/1920, of the company's share capital by €59,034,556.08 following the conversion of 163,984,878 Convertible Bonds of a total nominal value of €59,605,223.45544 to 163,984,878 new common voting shares of the company, of a nominal value of thirty six cents (€0,36) each, following the exercising of a right to convert bonds into company shares, and revised the relevant article of its Articles of Association accordingly. The amount of

€570,667.37544, which represents the difference between the nominal value of the bonds and the nominal value of the new shares was credited to the company's share premium account. On 2.11.2017, with Protocol No. 1076951, the Ministry of Development approved the ascertainment of the share capital increase by €59,034,556.08.

8. The share capital increase through payment in cash and by way of preemptive rights in favour of the company's existing shareholders, as decided by the Annual General Meeting of the Shareholders of 15.6.2017, in conjunction with a resolution of the company's Board of Directors dated 1.8.2017, was subscribed by 66.46%, by existing shareholders who exercised their preemptive right. It was initially subscribed by 65.94% through the exercising of the preemptive right, and by payment of a total amount of 3,033,325.20 euros, which corresponds to 4,892,460 new common registered shares at a par value and an offer price of €0.62 each. The 2,526,895 unsold shares were proportionately allocated, by decision of the Board of Directors of the company, dated 1/8/2017, to the shareholders that exercised their preemptive right. Out of the unsold shares, 38,238 were finally sold through the payment of the corresponding 23,707.56 euros, which accounts for 0.52%, at the discretion of the Board of Directors, to thirty four existing and new shareholders of the company. As a result of the above, the final subscription ratio of the share capital increase stood at 66.46%, i.e. €3.057,032.76, and the share capital increase of €4,600,000.00 was partially subscribed.

TABLE X. Public offering and initial public offering of transferable securities in the ATHEX, 2017

No	Company	SCI Period	Initial Trading Day	Trading segment/Sector/Sub-sector	Initial Share Price Range (€) or Interest Rate Range	Sale price or initial trading price (€)	Number of new transferable securities with Pub. Offering and/or listing	Funds Raised (€)	Main Underwriter of the Pub. Offering	Advisors
1.	GREEK ORGANIZATION OF FOOTBALL PROGNOSTICS (OPAP) ⁽¹⁾	15-17/3/2017	22/3/2017	Fixed-income securities	3.40%-3.90%	1,000	200,000	200,000,000.00	Eurobank Ergasias SA & NBG	Eurobank Ergasias SA, NBG & NBG Securities
2.	SUNLIGHT SYSTEMS SA ⁽²⁾	14.6-16.6.2017	21.6.2017	Fixed-income securities	4.20%-4.70%	1,000	50,000	50,000,000.00	Alpha Bank SA, Eurobank Ergasias SA., Euroxx Securities SA	Euroxx Securities SA
3.	MYTILINEO S SA ⁽³⁾	21-23/6/2017	28/6/2017	Fixed-income securities	3.0%-3.5%	1,000	300,000	300,000,000.00	NBG, Eurobank Ergasias SA	NBG Securities
4.	TERNA ENERGY SA FINANCE ⁽⁴⁾	17-19.7.2017	24.7.2017	Fixed-income securities	3.75%-4.25%	1,000	60,000	60,000,000.00	Alpha Bank SA, Eurobank Ergasias SA	Euroxx Securities SA
TOTAL FUNDS RAISED (€)								<u>610,000,000.00</u>		

No	Allocation to Private Investors	Allocation to Qualified Investors	Total Demand from Private Investors (no.)	Total Demand from Qualified Investors (domestic and international)	Oversubscription by Private Investors	Oversubscription by Qualified Investors	Total oversubscription	Participating Capital (€)
1.	140,000	60,000	274,871	146,404	1.96	2.44	2.10	421,275,000.00
2.	35,000	15,000	78,773	45,643	2.25	3.04	2.49	124,416,000.00
3	185,000	115,000	409,819	331,018	2.22	2.88	2.47	740,837,000.00
4	42,000	18,000	102,890	51,531	2.45	2.86	2.57	154,421,000.00

Source: HCMC

Notes:

1. Public offering in Greece by payment in cash and admission for trading in the Debt Segment of the regulated market of the Athens Exchange of 200,000 common bonds of a par value of €1,000 each of the company "GREEK ORGANIZATION OF FOOTBALL PROGNOSTICS (OPAP)" and a total value of €200,000,000 through the issuance of a five-year common bond loan. The yield of the bonds upon maturity was set at 3.50%, the interest rate was set at 3.50%, and the sale price of the bonds was set at €1,000 each, i.e. 100% of its par value. The public offering was oversubscribed by almost 2.10 times and the total number of participating investors stood at 8,117.
2. Public offering in Greece by payment in cash and admission for trading in the Debt Segment of the regulated market of the Athens Exchange of 50,000 common bonds of a par value of €1,000 each of the company "SUNLIGHT SYSTEMS SA" and a total value of €50,000,000 through the issuance of a five-year common bond loan. The yield of the bonds upon maturity was set at 4.25%, the interest rate was set at 4.25%, and the sale price of the bonds was set at €1,000 each, i.e. 100% of its par value. The public offering was oversubscribed by 2.49 times and the total number of participating investors stood at 1,833.
3. Public offering in Greece by payment in cash and admission for trading in the Debt Segment of the regulated market of the Athens Exchange of 300,000 common bonds of of the company "MYTILINEOS SA - GROUP OF COMPANIES" through the issuance of a five-year common bond loan. The yield of the bonds upon maturity was set at 3.10%, the interest rate was set at 3.10%, and the sale price of the bonds was set at €1,000 each, i.e. 100% of its par value. The public offering was oversubscribed by 2.47 times and the total number of participating investors stood at 10,038.
4. Public offering in Greece by payment in cash and admission for trading in the Debt Segment of the regulated market of the Athens Exchange of 60,000 common bonds of a par value of €1,000 each of the company "TERNA ENERGY SA FINANCE " and a total value of €60,000,000 through the issuance of a five-year common bond loan, and TERNA ENERGY SA as the guarantor. The yield of the bonds upon maturity was set at 3.85%, the interest rate was set at 3.85%, and the sale price of the bonds was set at €1,000 each, i.e. 100% of its par value. The public offering was oversubscribed by 2.57 times and the total number of participating investors stood at 2,881.

TABLE XI. Share capital increases because of merger and listing of new shares for trading in the ATHEX, 2017

No	Company	Trading category	Date of HCMC notification	Right Coupon Cut-off Date	SCI Period	Initial Trading Day for new transferable securities	Total Funds Raised (euros)	Initial Share Price (€)	Number of shares	Beneficiaries	Inv. Firm Advisor / Underwriter
1.	"MYTILINEOS SA - GROUP OF COMPANIES", "METKA SA" (50% subsidiary), "ALUMINUM OF GREECE SA" (100% subsidiary), "PROTERGIA ENERGY GENERATION AND TRADING" (100% subsidiary), and "PROTERGIA THERMOELETRIC AGHIOU NIKOLAOU SA" (100% subsidiary).	Main market	6/7/2017	7/7/2017	-	12/7/2017	-	-	25,975,299	METKA Shareholders	-
GRAND TOTAL OF FUNDS RAISED											

Source: HCMC

Notes:

1. The company "MYTILINEOS SA - GROUP OF COMPANIES" decided to absorb its subsidiaries "METKA SA" (50% subsidiary), "ALUMINUM OF GREECE SA" (100% subsidiary), "PROTERGIA ENERGY GENERATION AND TRADING" (100% subsidiary), and "PROTERGIA THERMOELETRIC AGHIOU NIKOLAOU SA" (100% subsidiary), and distribute to the shareholders of "METKA SA" the 25,975,299 common, dematerialised, registered and voting shares they are entitled to as a result of the absorption, at a par value of ninety seven cents (€0.97), in accordance with the resolutions:

- a) of the Annual General Meeting of the Shareholders of "MYTILINEOS SA - GROUP OF COMPANIES" of 01.06. 2017;*
- b) of the Annual General Meeting of the Shareholders of "METKA SA" of 01.06.2017;*
- c) of the Annual General Meeting of the Shareholders of "ALUMINUM OF GREECE SA" of 06.06. 2017;*
- d) of the Annual General Meeting of the Shareholders of "PROTERGIA ENERGY GENERATION AND TRADING" of 06.06. 2017; and*
- e) of the Annual General Meeting of the Shareholders of "PROTERGIA THERMOELETRIC AGHIOU NIKOLAOU SA" of 06.06. 2017.*

The exchange ratio of METKA shares to the shares of the Bidder was agreed as follows: for each one (1) existing common, registered voting share of a par value of thirty two cents (€0.32) of METKA, its owner shall receive one (1) common, registered voting share of a par value of ninety seven cents (€0.97) on the equity of the Bidder, as it will stand following the stipulated share capital increase.

The shares on the equity of the other Target companies were not exchanged with shares on the equity of the Bidder, since they belong 100% to the latter.

TABLE XII. Initial public offering of transferable securities in the ATHEX with payment in kind, 2017

No	Company	Initial Trading Day	Trading segment/Sector/Sub-sector	Par value (€)	Number of new transferable securities listed	Funds raised (€)	Underwriter/Advisor to the Issue
1.	ADMIE HOLDING SA ⁽¹⁾	19/6/2017	Main market	€ 2.12	232,000,000	€491,840,000.00	NBG Securities
2.	BRIQ PROPERTIES REIC ⁽²⁾	31/7/2017	Main market	€2.33	11,921,531	27,419,521.30	Eurobank Ergasias SA

Source: HCMC

Notes:

1. Admission for trading, in the Main Market of the Athens Exchange, of two hundred and thirty two million (232,000,000) common registered shares of "ADMIE HOLDING SA" at a par value of €2.12 each, in accordance with article 146 of Law 4389/2016, in the context of the implementation of the full unbundling of the "Independent Power Transmission Operator (ADMIE) SA" from the Public Power Corporation (PPC), following the reduction of the share capital of PPC and the repayment of existing PPC shareholders in kind, in the form of shares of "ADMIE HOLDING SA", in proportion to their participation in the share capital of PPC, as decided by the Extraordinary General Meeting of PPC held on 17.1.2017.
2. Admission for trading, in the Main Market of the Athens Exchange, of eleven million nine hundred and twenty one thousand and five hundred and thirty one (11,921,531) common registered shares of "BRIQ PROPERTIES REIC" at a par value of €2.33 each, following the reduction of the share capital of "Quest Holdings" and the repayment of existing "Quest Holdings" shareholders in kind, in the form of shares of "BriQ Properties REIC", in proportion to their participation in the share capital of "Quest Holdings", as decided by the Extraordinary General Meeting of Quest Holdings" held on 7.4.2017.

TABLE XIII Trading Status of ASE-listed companies, 31.12.2017

Market	Under regular trading	Under suspension	Total
Main market	140		
Under surveillance	29		
Total number of companies with shares listed in the Securities Market	169	22	191
Total number of companies with bonds listed in the Debt Segment	7		7
Grand Total			198

Companies whose shares were listed in the ATHEX in 2017			
Company	Date	Company	Date
ADMIE HOLDING SA	12.6.2017	BRIQ PROPERTIES REIC	31/7/2017

Companies the common bonds of which were listed in the ATHEX in 2017			
Company	Date	Company	Date
SYSTEMS SUNLIGHT SA	8.06.2017	TERNA ENERGY SA FINANCE	5.07.2017
OPAP SA	13.03.2017	MYTILINEOS SA	12.6.2017

Companies the shares of which were de-listed from the ATHEX in 2017				
No	Company	Date	Reasoning	Previous status
1.	DIAS AQUA CULTURE SA	13.01.2017	Decision of the BoD/ATHEX (para. 3 art. 2.6.12 of the ATHEX Rulebook)	Under Suspension
2.	PARNASSOS ENTERPRISES SA	13.01.2017	Decision of the BoD/ATHEX (para. 3 art. 2.6.12 of the ATHEX Rulebook)	Under Suspension
3.	TECHNICAL PUBLICATIONS SA	13.01.2017	Decision of the BoD/ATHEX (para. 3 art. 2.6.12 of the ATHEX Rulebook)	Under Suspension
4.	HATZIOANNOU SA	13.01.2017	Decision of the BoD/ATHEX (para. 3 art. 2.6.12 of the ATHEX Rulebook)	Under Suspension
5.	ALSINCO SA	13.01.2017	Decision of the BoD/ATHEX (para. 3 art. 2.6.12 of the ATHEX Rulebook)	Under Suspension
6.	SPIDER MET. N. PETSIOS & SONS	13.01.2017	Decision of the BoD/ATHEX (para. 3 art. 2.6.12 of the ATHEX Rulebook)	Under Suspension
7.	BANK OF CYPRUS LTD	20.01.2017	Various bank resolutions to cancel all its ATHEX-listed shares	Under Suspension
8.	KLEEMAN HELLAS SA	12.6.2017	Par. 5 article 17 Law 3371/05	Under Suspension
9.	ASTIR PALACE VOULIAGMENI SA	5.07.2017	Par. 5 article 17 Law 3371/05	Under Suspension
10.	METKA SA	7.07.2017	Merger by absorption	Main market
11.	IONIKI SA	24.7.2017	Par. 5 article 17 Law 3371/05	Under Suspension

12.	FHL H. KYRIAKIDIS MARBLES - GRANITES S.A.	27.07.2017	Par. 5 article 17 Law 3371/05	Under Suspension
13.	GALAXIDI FISH FARMING S.A.	30.11.2017	Par. 5 article 17 Law 3371/05	Under Suspension
14.	MARAC ELECTRONICS SA	21.12.2017	Decision of the BoD/ATHEX (para. 3b art. 2.6.12 of the ATHEX Rulebook)	Under Suspension
15.	COMPUCON COMPUTER APPLICATIONS SA	21.12.2017	Decision of the BoD/ATHEX (para. 3b art. 2.6.12 of the ATHEX Rulebook)	Under Suspension
16.	MICROLAND COMPUTERS SA	21.12.2017	Decision of the BoD/ATHEX (para. 3a art. 2.6.12 of the ATHEX Rulebook)	Under Suspension
17.	HELLENIC FABRICS SA	21.12.2017	Decision of the BoD/ATHEX (para. 3a art. 2.6.12 of the ATHEX Rulebook)	Under Suspension
18.	PC SYSTEMS	21.12.2017	Decision of the BoD/ATHEX (para. 3a art. 2.6.12 of the ATHEX Rulebook)	Under Suspension

Companies under surveillance					
No	Company	Date	No	Company	Date
1.	EVLIEMEK	04.04.2006	16.	PASAL DEVELOPMENT SA	05.04.2013
2.	AEGEK SA	27.06.2008	17.	ANEK SA	05.04.2013
3.	VARVARESSOS SA	21.12.2009	18.	DOMIKI CRITIS SA	05.04.2013
4.	SATO SA	08.04.2011	19.	MEDICON HELLAS SA	05.04.2013
5.	YALCO - SD CONSTANTINOOU & SON SA	08.04.2011	20.	KRE.KA. SA	05.04.2013
6.	DOUROS SA	06.09.2011	21.	PIPE WORKS L. GIRAKIAN PROFIL S.A.	11.09.2013
7.	FORTHNET SA	25.11.2011	22.	DIONIC SA	10.04.2014
8.	J.BOUTARIS & SON HOLDING S.A.	29.12.2011	23.	G.E. DIMITRIOU SA	08.04.2015
9.	VIOTER SA	10.04.2012	24.	AKRITAS SA	08.04.2015
10.	P. G. NIKAS S.A.	10.04.2012	25.	AVEPE VARANGIS	15.04.2016
11.	SIDMA SA	10.04.2012	26.	LIVANIS PUBLISHING SA	15.04.2016
12.	SFAKIANAKIS SA	10.04.2012	27.	CHATZIKRANIOTIS AND SONS MILLS SA	15.04.2016
13.	EUROMEDICA SA	10.04.2012	28.	FRIGOGLASS SA	15.04.2016
14.	EUROBROKERS SA	10.04.2012	29.	BITROS HOLDING SA	10.05.2017
15.	LAVIPHARM SA	31.07.2012			

Companies under suspension					
No	Company	Date	No	Company	Date
1.	TEXAPRET SA	01.03.2011	12.	ATTIKAT SA	02.06.2015
2.	T BANK SA	30.11.2011	13.	HELLENIC FISHFARMING SA	03.06.2015
3.	BABIS VOVOS INTNL CONSTR CORP.	02.04.2012	14.	MARITIME COMPANY OF LESVOS (NEL)	01.09.2015
4.	TROPEA HOLDING SA	02.04.2012	15.	ALTEC SA	01.12.2015
5.	HELLENIC POSTBANK SA	30.08.2012	16.	HELLENIC SUGAR INDUSTRY SA	01.03.2016
6.	KERAMIA-ALLATINI S.A. REAL ESTATE MANAGEMENT & HOLDING COMPANY (ex KERAMIA-ALLATINI S.A.)	31.08.2012	17.	TELETYPOS SA	08.03.2016
7.	NEORION HOLDINGS S.A (ex NEORION SHIPYARDS)	31.08.2012	18.	ALPHA GRISSIN SA (ex ALPHA GRISSIN INFOTECH SA)	18.04.2017

8.	EDRASIS – C. PSALLIDAS SA	30.11.2012	19.	AXON SA	02.05.2017
9.	BALKAN REAL ESTATE SA	30.08.2013	20.	PROODEFTIKI SA	29.09.2017
10.	MICHANIKI SA	30.08.2013	21.	PEGASUS PUBLISHING SA	03.10.2017
11.	ALCO HELLAS SA	01.04.2015	22.	NAFTEMBORIKI P. ATHANASIADIS & CO SA	03.10.2017

Source: HCMC

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