



HELLENIC REPUBLIC
CAPITAL MARKET COMMISSION

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A NOTE FROM THE CHAIRMAN

The Greek economy will continue to materialise, until the middle of 2018, a demanding adjustment programme that defines to a great extent the economic policy regime implemented in the country. Major fluctuations in GDP growth rate appeared in 2016, being negative in the first and fourth quarters and positive in the second and third ones, meaning that, overall, the GDP remained unchanged during the year. Fiscal aggregates evolved in a positive way, generating a primary surplus of more than 2%, mainly as a result of the broadening of the tax base through the extensive use of electronic transactions. The unemployment rate fell to 23%, a very high percentage, if qualitative criteria, such as the type of employment, are taken into account. The painful deflationary cycle seems to come to an end. Greece's export performance, excluding oil products, was substantially improved, while there was also a slight increase in fixed capital formation (investments in fixed income), which still accounts for 11% of GDP, much lower than its pre-crisis level of 24%.

The global economy showed slower growth, according to reports by major international organisations. Both developing and emerging economies recorded lower growth rates. Growth continued to slowdown in China, while Russia showed a slight recession, and Latin American countries also showed negative growth rates, with Brazil registering the greatest GDP loss (-3.5% of GDP).

Signs of fatigue are also visible in the weak performance of other major economies, such as the USA, Japan, as well as the United Kingdom, mainly owing to the political uncertainty caused by the political change in the USA and the UK's decision to leave the EU (the so-called "Brexit"). This great political uncertainty, combined with the challenges anticipated in 2017, affected economic development in Europe, where economic recovery was sustained, albeit at a slower pace. It is worth noting that fixed capital formation was lower than in 2015, indicating that business expectations for the future are negative, as it is estimated that, despite zero lending rates, economic development will not be favourable.

In such a troubled international environment, the Greek economy is called to implement a new growth model, mainly based on external transactions and partnerships. Given that consumer spending remains stagnant and public investment is constrained by the obligations imposed by the Memorandum and the Stability Pact, the contribution of exports, as well as the increase of investment as a percentage of GDP are crucial for the future.

The significant, and quite often painful, adjustments of the past few years, which eliminated fiscal and current account imbalances, brought attention to another pair of deficits: the growth deficit and jobs deficit. Dealing with both said deficits depends on the mobilisation of large-scale investments. There is no doubt that Greece meets all the necessary preconditions for attracting investment funds from abroad, and for ensuring the active participation of national entrepreneurship.

The upgrading of infrastructure through the completion of the main road axes, the existence of a properly educated and trained workforce, the improvement of labour cost competitiveness, as well as the reforms in the labour and product markets, are starting to bear fruit. Efforts have still to be made in order to abolish any

bureaucratic obstacles, establish a stable tax system, and fully restore the smooth operation of the Greek banking system. Sound firms need easy and lower-cost access to liquidity in order to operate.

Banks remain the main source of funding for the real economy. However, the experience of the past few years has shown that there is a need to look for, and regulate, alternative sources of funding, which are successfully applied in most developed countries.

The Hellenic Capital Market Commission, fully aware of its role as not only the regulator responsible for ensuring both the smooth operation of the capital market and investor protection, which are prerequisites for growth, has been working, since the beginning of 2016, on drafting an institutional framework for the introduction of alternative financing tools, which was forwarded to the competent ministries in order to be approved by the Hellenic Parliament. Thus, Law 4443/2016 solved the problems pertaining to the issuance of corporate bonds that are subsequently traded in the Athens Exchange. This led to the creation of another channel for distributing liquidity directly from investors to sound productive enterprises. The same law also introduced the concept of crowdfunding, which enables start-ups, as well as existing small and medium-sized enterprises, to seek funding. Both markets are in full development.

Special reference should be made to the new Greek market for corporate bonds, which in 2017 is expected to become a major source of funding for Greek firms. The first signs regarding security issuance and offerings, as well as investor acceptance of a means that ensures satisfactory returns even for retail investors, are very encouraging. The bond market will also play a major role in normalising the spreads in interest rates, since companies with good credit ratings will be able to draw funds at a reasonable interest rate (cost), compared to that of both government bonds and bank loans. Therefore, this development is expected to have a direct positive effect on the competitiveness of Greek enterprises.

In 2016, the Hellenic Capital Market Commission participated once again in all standing committees of the European Securities and Markets Authority (ESMA), which work towards the joint formation of a European Framework, promoting and accommodating the particular features of the Greek market.

As part of its regulatory role, the HCMC was heavily involved in the momentous work of the committee that prepares the transposition of the new, demanding regulatory framework of MiFID II, ~~which~~ the drafting of which is expected to be ready in the first half of 2017, in order to initiate the procedures for its implementation as of 1.1.2018. It is also worth noting the full implementation, within 2016, of the new regime for Market Abuse, through the adoption of Regulation EU 596/2014 and the enactment of Law 4443 on sanctions. Finally, it should be noted that, from 2016 onwards, listed companies, excluding credit institutions, are not required to prepare interim financial statements for the first and third quarters of their fiscal year.

As an Independent Competent Authority, in 2016, the Hellenic Capital Market Commission processed 227 cases of infringements and levied administrative fines of 2.6 million euros, which are paid to the State Budget. The contribution of the HCMC staff, fulfilling high professional standards, to its regulatory, as well as supervisory work, has been invaluable. I would like to thank them from the bottom of my heart for their work.

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, Chairman of the Athens Exchange



DIMITRIOS AVGITIDIS
Member, Law School Professor



IOANNA SELINIOTAKI
Member, Bank of Greece representative



PETROS ZENELIS
Member, Economist

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 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 LAUNDERING		THESALLONIKI REGIONAL OFFICE	
DIRECTORATE OF CAPITAL MARKET INTERMEDIARIES		DIRECTORATE OF LISTED COMPANIES	
Department of Licensing	Department of	Public Offerings	Department of

of Investment Firms	Licensing of Collective Investment Schemes	Department	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 Law 3756/2009, a seven-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, 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 Greek economy remained weak and fragile in 2016, amidst a climate of uncertainty that increased in certain periods, as it was affected not only by the progress of the Greek economic adjustment programme and Greece's domestic vulnerabilities, but also by the instability prevailing in the international economic and political environment. During the year, the most prominent characteristics of the Greek economy included: a. the year-on-year stagnation of GDP growth, despite its recovery during the third quarter, which was mainly supported by private consumption; b. the larger-than-expected reduction of the budget deficit and the increase of the primary surplus, as part of the ongoing fiscal adjustment, which is mainly driven by the increase of tax revenues under conditions of economic stagnation; c. the improvement of liquidity conditions through the reversal of the outflow of deposits during the second half of the year; and d. the slow reduction of unemployment, which, nonetheless, remains at very high levels. It is also worth mentioning the emergence of a current account deficit (instead of a surplus for the previous year) mainly because of the reduction of the services surplus as a result of the drop in tourist revenues and service revenues, as well as the marginal increase of the public debt, both in absolute terms and as a percentage of GDP.

The economic sentiment indicator in Greece, which is compiled by the European Commission, recovered on a year-on-year basis (to 95.1 in December 2016 from 87.6 in December 2015); this recovery mostly occurred during the second half of the year. The corresponding indicator for the euro zone and the countries of the EU was marginally improved in 2016, as the fall recorded throughout most of the year was reversed since September 2016.

As regards the Greek economy's growth rates, the most recent quarterly national account estimates by ELSTAT indicate that GDP in terms of volume (seasonally adjusted data) showed a marginal decrease of -0.05% in 2016, and a marginal increase by 0.08% in nominal terms (seasonally adjusted data).

More specifically, based on seasonally-adjusted ELSTAT estimated data, the quarterly change of the Gross Domestic Product in terms of volume stood at -0.7%, 0.3%, 0.6%, and -1.2% in the 1st, 2nd, 3rd, and 4th quarters of 2016 respectively, while GDP change on a year-on-year basis (i.e. as compared to the corresponding quarter of 2015) stood at -0.7%, -0.4%, 2%, -1.1% in the 1st, 2nd, 3rd, and 4th quarters of 2016 respectively.

Based on more analytical ELSTAT data on the effects on the year-on-year percentage change of GDP, private consumption had a positive effect on GDP in the third and fourth quarters of 2016 and a negative effect in the first two quarters of the year, when retail trade indices came under strong pressure. In contrast, public consumption expenditure had a negative effect on GDP in all quarters of 2016. Gross fixed capital formation had a negative effect in the first and fourth quarters, and a positive effect in the second and third quarters of the year as a result of growth in the construction sector (excluding home construction) and in fixed asset investment. Net exports had a negative effect on GDP in all quarters of the year, as a result, among other

things, of the impact of capital controls. In the year as a whole, private consumption expenditure increased by 1.4%, public consumption expenditure decreased by 2.1%, and gross fixed capital formation remained unchanged at the previous year's levels.

Based on ELSTAT data, unemployment continued to decrease during the year, albeit at a slower year-on-year rate (a y-o-y change of -4.1% in 2016, as compared to -6.6% in 2015); however, Greece once again registered the highest unemployment rate in the euro zone. Based on seasonally adjusted results, it stood at 23.1% in December 2016 (unchanged since September), against an average of 23.5% for the entire year, as compared to 24.1% at the end of 2015, against an average of 25%. More specifically, total employment (including paid employment) increased by 2.1% in 2016, to 3.66 million persons. According to 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 136,260 during 2016 (as compared to an increase of 99,700 in 2015).

Throughout 2016, minimum monthly salary of white-collar workers, based on the national collective labour agreement, remained at 586.08 euros, while the minimum daily wages of 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 increased by 1.2% y-o-y in 2016, as compared to a 2.2% y-o-y decrease in the previous year.

The Harmonised Index of Consumer Prices (HICP) for December 2016 increased by 0.3% year-on-year, following a similar 0.4% increase in December 2015. The average HICP for the twelve-month period from January 2016 to December 2016 showed no year-on-year change, as compared to a 1.1% year-on-year drop in the previous twelve months.

The data from the General Accounting Office concerning the execution of the State Budget, show that the State Budget deficit was substantially reduced (on a cash basis) from 3,530 million euros in 2015 to 1,140 million euros in 2016, against an estimated deficit of 3,617 million euros. The net revenues of the State Budget stood at 54,038 million euros on an annual basis, increased by 5% as compared to 2015 (against an estimate of 52,352 million euros), of which 49,860 million euros are revenues of the Ordinary Budget (increased by 7% as compared to 2015) and 4,178 million euros are revenues from the Public Investment Budget (reduced by 13.5% as compared to 2015). More specifically, net tax revenues rose to 46,597 million euros in 2016 from 43,667 million euros in 2015, while privatisation revenues fell to 106 million euros from 254 million euros in 2015. Direct taxes accounted for 46% of total tax revenues for 2016 (increased by 46% in absolute terms as compared to 2015), while indirect taxes accounted for 54% (increased by 8% in absolute terms as compared to 2015). Inflows from the EU stood at 3,861 million euros in 2016, reduced by 1% year-on-year, and accounted for 92.4% of PIB revenues, as compared to 80.7% in 2015.

Total State Budget expenditure stood at 55,179 million euros (against an estimated 55,970 million euros), increased by 0.4% year-on-year. Primary expenditure stood at 42,253 million euros, increased by 2.3% year-on-year. Expenditure for guarantees called was reduced by 41.4% in 2016, to 412 million euros. PIB expenditure stood at 6,288 million euros, reduced by 1.8% year-on-year; 86.7% of this amount concerned the self-financed part of the PIB. Public debt interest expenditure stood at 5,577 million euros, as compared to 5,800 million euros in 2015.

The primary surplus for 2016 stood at 4,437 million euros (or 2.5% of GDP), double than the corresponding surplus for 2015 (which accounted for 1.3% of GDP) and 2,454 million euros higher than the initial estimate.

According to estimates of ELSTAT and of the State Budget Proposal for 2017, the General Government deficit, compiled on an ESA basis, was reduced to 3.78 billion euros in 2016 (from 13.23 billion euros in 2015) and accounted for 2.1% of GDP. In 2015, it accounted for 7.5% of GDP, and when adjusted for state support to financial institutions it stood at 3.5% of GDP. The estimates of the General Government primary balance for 2016, compiled on an ESA basis, point to a 2.25 billion euro surplus, as compared to a 6.91 billion euro deficit in 2015, which represent +1.3% and -3.9% of GDP respectively.

According to data from the State Budget Proposal for 2017, the General Government debt is estimated at 318,000 million euros in 2016, as compared to 319,133 million euros in 2015, marginally increased by 1.2%. As a percentage of national output, it stood at 179.3% at the end of 2016, as compared to 177.4% at the end of 2015. There was also a marginal (1.6%) increase in Central Government debt (from 321,332 million euros in 2015 to 326,570 million euros at the end of 2015), which as a percentage of GDP rose to 185.7% in 2016 from 182.9% in 2015. The above calculations have been based on a nominal GDP of 175,888 million euros for 2016 and 175,697 million euros for 2016.

According to provisional data from the Bank of Greece, the current account deteriorated in 2016, showing a deficit of 1.1 billion euros, as compared to a surplus of 206 million euros in 2015. This is mainly due to the substantial reduction of the services-balance surplus (to 15.3 billion euros in 2016 from 16.9 billion euros in 2015), which exceeded the reduction of the balance-of-goods deficit (to 16.6 billion euros in 2016 from 17.2 billion euros in 2015). Moreover, the current account balance was negatively affected by both the primary income surplus (which fell to 750 million euros from 1 billion euros in 2015), and the secondary income deficit (which increased by 13.5% year-on-year). More specifically, the balance of goods was improved, as exports were reduced by 1.2%, while imports were reduced by 2.2%, leading to an improvement of 649 million euros. It is also worth noting that travel revenues were reduced (by 6.4%) despite the increase in the number of non-residents' arrivals, and together with the decrease in transport revenues (-21.6%) led to the reduction of the services surplus. Finally, the balance of goods and services deteriorated, showing a total deficit of 1.2 billion euros, much higher than that of 2015 (298.8 million euros).

The capital account balance showed a surplus of 1 billion euros, reduced almost by half year-on-year, as a result of a 46% decrease in receipts, while payments were reduced by 36.2%. Overall, the current account and capital balance showed a relatively small deficit of 68.2 million euros, as compared to a 2.2 billion euro surplus in 2015.

The financial account showed an increase in total net assets of residents vis-a-vis non residents, amounting to 76.5 million euros as compared to 3.4 billion euros in 2015, since the reduction of net assets in the direct, and other investment, categories was less than the increase of net assets in the portfolio investment category. More specifically, the net assets of residents from direct investments abroad were reduced by 622 million euros, while the corresponding obligations, which represent direct investments by non-residents in Greece, increased by 2.8 billion euros, as compared to an increase of 1.0 billion euros in 2015. In the portfolio investment category, the increase of net assets of residents vis-a-vis non residents by 9.8 billion euros is mainly due to the increase in resident holdings of bonds and treasury bills issued by non-residents, and the decrease of non-resident holdings of Greek Government bonds and treasury bills. In the other investments category, the reduction of net assets of

residents vis-a-vis non residents reflects the reduction of domestic credit institution and institutional investor holdings of deposits and repos abroad, the reduction of non-resident holdings of deposits and repos in Greece, and the increase of public and private sector debt obligations to non-residents. At the end of 2016, Greece's foreign exchange reserves stood at 6.5 billion euros, as compared to 5.5 billion euros at the end of 2015.

Within the year, and most specifically since May 2016, the outflow of deposits from the Greek banking system was reversed, because of factors such as the recapitalisation of Greek banks (December 2015), the completion of the first evaluation of the New Financial Assistance Facility Agreement in June 2016, and the decision of the ECB in June 2016 to reinstate the waiver affecting the eligibility of Greek bonds used as collateral in Eurosystem monetary policy operations.

In this context, after registering markedly negative rates during the second half of 2015, the growth of Greece's contribution to money supply (M3) in the euro zone (apart from currency in circulation) remained negative, albeit much at lower levels, in the beginning of 2016, and turned positive from June till the end of the year. More specifically, overnight deposits kept falling until April 2016 (to 76.5 billion euros), and subsequently started to recover, reaching 82.1 billion euros by the end of December. Time deposits of up to 2 years continued to fall until the end of May 2016, and recovered afterwards, reaching their highest level for the year in November (49.5 billion euros). In December, they fell back to December 2015 levels (47.5 billion euros in 2016 as compared to 47.7 billion in 2015). Total deposits showed a marginal year-on-year increase of 1.4%, to 131.8 billion euros at the end of 2016. Finally, time deposits as a percentage of total deposits showed a marginal year-on-year reduction at the end of 2016 (to 37.7% from 38.7% in December 2015), and remained much lower than in December 2014 (58.1%).

At the end of 2016, the annual growth of Greek bank lending to the domestic private sector stood at -1.5%, as compared to -2% at the end of the previous year, having remained negative throughout the entire year, as well as in the previous five years. Annual bank financing growth at the end of 2016 remained negative in regard to both businesses (-0.1%) and households (-2.8%), albeit lower as compared to 2015, when the relevant growth rates stood at -0.9% and -3.1% respectively.

TABLE 1. Macroeconomic indicators of Greece, 2014-2016

Indicators	2016	2015	2014
GDP and its components (ESA 2010, Δ%)(y-o-y changes, %)			
GDP (at market price, seasonally adjusted data, volume changes)	-0.05	-0.3	0.4
Private consumption	1.4	-0.3	0.6
Public consumption	-2.1	0	-1.2
Gross fixed capital formation	-0.01	-0.1	-4.6
Exports of goods & services	-1.5	3.1	7.7
Imports of goods & services	0.5	0.3	7.6
Employment and unemployment			
Employment (total, average change from previous year %)	2.1	2	0.6
Unemployment rate (Annual averages, %)	23.5	25	26.5

Indicators	2016	2015	2014
Prices and wages			
Harmonized Index of Consumer Prices (change of of annual average, %)	0.0	-1.1	-1.4
Minimum monthly wage (€)	586.08	586.08	586.08
Unit Labour Cost (average y-o-y change, %)	1.2	-2.2	-2.4
Public finances			
General Government balance on a national accounting basis (ESA 2010) (% of GDP)	-2.1	-3.5	-3.6
General Government primary balance (ESA 2010) (% of GDP)	1.3	-3.9	0.4
Primary balance State Budget (real. million €) [(-) deficit]	4,437	2,270	1,872
State budget balance (cash basis. million €) [(-) deficit]	-1,140	-3,530	-3,697
Central Government Debt (€ million)	326,570	321,332	324,128
(% of GDP)	(185.7)	(182.9)	(182.2)
General Government Debt (€ million)	315,400	311,673	319,729
(% of GDP)	(189.3)	(177.4)	(179.7)
Balance of payments (€ million) (Jan- Dec)			
Current account	-1,103.9	205.8	-2,912.6
Capital account	1,035.7	1,988.6	2,510.6
Financial account	76.5	3,430.3	1,461.7
Monetary conditions			
M3 (excluding currency in circulation) (% y-o-y change, end of period)	+3.9	-22	-2.2
Domestic private sector financing (% y-o-y change, end of period)	-1.5	-2	-3.1

Source: ELSTAT, Eurostat, Ministry of Finance, Bank of Greece.

Notes

Unit labour costs measure the average cost of labour per unit of output and are calculated as the ratio of total labour costs to real output. The change in unit labour costs for 2016 is a Bank of Greece estimate.

Data on the General Government Balance for 2015 on a national accounting basis do not include support to financial institutions. Year 2016 data are estimates (State Budget Proposal for 2017).

Government Debt data for 2016 refer to estimates (State Budget Proposal for 2017).

Balance of Payments data for 2016 draw on provisional Bank of Greece data.

The International Economy

According to the relevant reports by the International Monetary Fund (IMF, World Economic Outlook Update, April 2016 and January 2017), the World Bank (World Bank, Global Economic Prospects, January 2017), the Organisation for Economic Cooperation and Development (OECD, Economic Outlook, November 2016), and the European Commission (European Economic Forecast, Winter 2017), in 2017 the global economy remained bogged down in a low growth spiral. Investment, both private and public, remained weak worldwide, amidst a climate of adverse demographic trends, sluggish international trade, and increasing geopolitical instability and risks, which reduced expectations, demand, and productivity. In 2016, commodity and oil product prices remained at relatively low levels, with serious redistributive consequences across industries and countries. Moreover, in November 2016 the meeting of OPEC oil ministers decided to cut production. This environment was combined with low interest rates, the persistence of financial sector vulnerabilities, and the proliferation of

risk sources, including those stemming from the rapid digitisation of the economy, as well as signs that there is no more room for monetary interventions.

The annual global growth rate for the year 2016 is estimated at 2.3% by the World Bank and at 3% by the EU (most recent estimates), as compared to 2.7% in 2015, always with marked differences per geographical region.

In 2016, major economies showed feeble growth rates, following the moderate growth rates of the previous year, amidst an environment of political change and increased uncertainty.

Real GDP growth in the US stood at approximately 1.6% in 2016 (against a growth rate of 2.5% in 2015). US growth was to a lesser extent supported by external demand, and mostly supported by domestic consumption and investment, especially in construction, which nonetheless stood at historically low levels. The main features of the economic environment for the year included an increase in inflation (to 2.1% in December), a neutral fiscal policy, and the continuation of supportive, albeit cautious, monetary policy, with persistently low interest rates, and a revaluation of the dollar. Pressures on the industrial and business sectors, as well as the energy sector because of reduced oil product prices, had an adverse effect. Moreover, wages continued to grow and unemployment continued to fall, reaching its lowest level for the past six years at the end of 2016, as it fell below 5% (to 4.9%)

In the United Kingdom, the most important development for 2016 was the country's decision to exit the EU, which was combined with strong pressures on the pound, significant uncertainty in regard to economic expectations, and slower growth (estimated at 2%, below the 2.3% growth recorded in 2015). The key stabilising factor was the implementation of a counterbalancing monetary policy, designed to smooth out pressure on financial markets and shore up consumer confidence. The resilience of the labour market and the increase in the scope of fiscal policy as a result of the reduction in public debt servicing cost, had a further positive effect.

In Japan, growth remained feeble in 2016, at about 0.9% (down from 1.2% in 2015), allowing for the major changes in GDP calculation methodology adopted by this country. The main features were weak private demand for consumer goods and fixed capital investment, reduced exports, and changes in the labour market, amidst an environment of revaluation for the Japanese currency, persistent deflationary trends, and shifts in domestic monetary and fiscal policy.

Canada showed marginally improved growth rates, at approximately 1.3% in 2016 from 1% in the previous year, with signs of steady recovery, driven by robust demand and strong economic activity, with the exception of the energy sector. The drop in energy prices was accompanied by a depreciating currency and low inflation, while the growth of economic activity was not translated into a drop of the unemployment rate, which remained unchanged at the levels of the past five years, at approximately 7%.

On the other hand, in 2016 developing economies sustained the, already reduced, growth rates of 2015 (4.1%), while the prospects for robust growth deteriorated mostly in the case of commodity-exporting countries, while commodity-importing economies suffered increased pressures, despite the rise in domestic demand. Lower-income emerging economies showed growth of almost 3.7% in 2016, lower than previous year levels.

The Chinese economy continued to grow at a slower pace, which nonetheless stood at a strong 6.5%, as compared to 6.9% growth in the previous year, reflecting both the changing patterns of international demand and the restructuring of the domestic economy, especially the rise in financial stability risks that result from the increasing over-indebtedness of the local business sector.

The Russian economy was once again affected by low oil prices, and remained in a recession that is estimated at -0.6% of GDP, albeit less steep than the -3.7% GDP contraction of 2015. This period was marked by the implementation of supportive fiscal policy and strict monetary policy, the stabilisation of the currency, as well as the decrease of inflation to 6% at the end of 2016, from 15% in the previous year. There was also recession in Brazil (estimated at -3.5% of GDP, as compared to a -3.8% contraction in 2015), as well as in Latin America as a whole (-0.7%).

Economic recovery was sustained in Europe, albeit at moderate rates, amidst strong international challenges and a substantial rise in uncertainty. The main factors that were conducive to this recovery included private consumption, low oil prices, the lower exchange rate of the euro mainly against the dollar, and the improvement of financing terms, as a result of the supportive policy pursued by the ECB. Fixed capital formation had a smaller effect on GDP growth, as it was reduced in 2016 despite showing signs of recovery during the previous year, while net exports had a negative effect on growth.

Based on European Commission data, most EU member-states are expected to show positive growth rates, bringing real GDP growth for the EU-28 to 1.9%, i.e. the same level as in 2015. Growth stood at about 4% in Malta (4%), Romania (4.9%), Ireland (4.3%), and Luxembourg (3.8%). In the euro zone, in particular, growth is estimated at 1.7%, as compared to 1.6% in the previous year.

As far as fiscal developments are concerned, the majority of the EU-28 saw a decrease in general government deficits, within a climate of neutral fiscal policy. General government deficit as a percentage of GDP for the entire EU is estimated at 1.9% in 2016, as compared to 2.5% in 2015. In the euro zone, it is estimated that the deficit fell to 1.7% in 2016 (from 2.2% in 2015). All EU countries, excluding Luxembourg (a 1.6% surplus), Germany (a 0.6% surplus), Sweden (a 0.5% surplus), the Czech Republic (a 0.3% surplus), and Estonia (a 0.1% surplus), showed general government deficits, the highest being those of Spain (4.7%), the United Kingdom (3.4%), and France (3.3%). The General government debt-to-GDP ratio for the year 2016 is estimated at 91.5% in the euro zone, lower than in 2015 (92.6%), mainly as a result of reduced debt servicing costs and increased primary surpluses. In 2016, this ratio stood at 85.1% for the entire EU, slightly lower than in 2015 (86.5%). In 2016, the General government debt-to-GDP ratio exceeded 100% in Greece, Italy, Portugal, Belgium, and Cyprus.

The Economic Sentiment Indicator published by the European Commission for the euro zone and the entire EU was marginally improved in 2016, as the fall recorded throughout most of the year was reversed in September 2016.

In December 2016, the Consumer Price Index in the euro zone registered a year-on-year increase of 1.1%, the highest of the last four years. In 2015, it had increased by a mere 0.2%. On the national level, average y-o-y increases of more than 1% were recorded in Belgium (1.8%), and Sweden (1.1%). In contrast, inflation was reduced year-on-year in 10 countries, most notably in Bulgaria (-1.3%) and Cyprus (-1.2%).

By the end of 2016, unemployment rates in the euro zone and the EU fell to 9.6% and 8.2% respectively, from 10.5% and 9% respectively in December 2015, with the lowest unemployment rates being recorded in the Czech Republic (3.5%) and Germany (3.9%), and the highest rates being recorded in Greece (23.5%) and Spain (18.4%). Unemployment fell in 25 of the 28 member states of the EU, excluding Estonia, Luxembourg, and Denmark. According to EU estimates, by the end of 2016 unemployment affected 20,065 million residents of the 28 member states, of which 15,571 million are residents of the euro zone.

As far as monetary developments are concerned, the year 2016 was marked by the continuation of the expansionary monetary policy pursued by the ECB, which in December 2016 announced that this policy would be extended at least until the end of the next year, beyond March 2017 as originally announced. At the end of 2016, the main refinancing rate of the ECB stood at 0.0%, after being reduced in March 2016 from 0.05% at the end of 2015. In the United Kingdom, the Bank of England pursued a supportive monetary policy amidst an environment marked, among other things, by increased volatility in regard to the exchange rate of the pound, and in August 2016 reduced its official policy rate at the historic low of 0.25% from 0.5%, the level applicable since March 2009. In the United States, the Fed pursued a cautious expansionary monetary policy, increasing its base rate by 25 basis points in December 2016, which now ranges between 0.5% and 0.75%. Finally, the Bank of Japan sustained its cautious expansionary monetary policy with an emphasis on qualitative intervention, in an effort to affect the yield curve. At the end of 2016, its official policy rate remained fixed at 0.1%.

As far as exchange rates are concerned, the value of the euro fluctuated throughout the year, closing almost at end-of-2015 levels (at 1.1 US dollars on average) and hitting historic lows in November (1.05) and December (1.04). In 2016, the average exchange rate of the euro increased year-on-year relative to the British pound (12.5%) and fell relative to the Japanese yen (-10.5%). The US dollar-Japanese yen exchange rate fell by a dramatic 16% from January to September 2016, and rose afterwards, registering a -2.7% year-on-year drop. The British pound was significantly weakened against the US dollar from May 2016 and until the end of the year, when it closed at 1.233 US dollars, while in October 2016 it registered new seven-year historic lows. The British pound was also significantly weakened against the Japanese yen, especially during the period July-November 2016.

TABLE 2. Macroeconomic indicators of the EU, 2012-2016

Country	Gross domestic product (% change y-o-y)			Unemployment rate (average change y-o-y, %)			Inflation (Harmonized Index of Consumer Prices - HICP, average change y-o-y)			Deficit (-)/ Surplus (+) General Government (%)		
	2016	2015	2014	2016	2015	2014	2016	2015	2014	2016	2015	2014
Austria	1.5	0.7	0.2	6	6	5	1	0.8	1.5	-1.4	-1.6	-2.7
Belgium	1.2	1.3	1	8	8.3	8.5	1.8	0.6	0.5	-2.9	-2.9	-3.1
France	1.2	1.1	0.4	10	10.5	10.3	0.3	0.1	0.6	-3.3	-3.7	-3.9
Germany	1.9	1.7	1.5	4.1	4.8	5	0.4	0.1	0.8	0.6	0.5	0.3
Greece	-0.05	-0.3	0.4	23.5	25	26.6	0	-1.1	-1.4	-2.1	-7.5	-3.6
Estonia	1.1	0.9	1.9	6.9	6.3	7.4	0.8	0.1	0.5	0.1	0.3	0.7
Ireland	4.3	6.9	4.8	8	9.4	11.3	-0.2	0.0	0.3	-0.9	-1.8	-3.9

Spain	3.2	3.2	1.4	19.6	22.3	24.3	-0.3	-0.6	10.2	-4.7	-4.8	-5.9
Italy	0.9	0.8	-0.5	11.7	11.9	12.8	-0.1	0.1	0.2	-2.3	-2.6	-3
Cyprus	2.8	0.5	-2.8	13.3	15.5	16.2	-1.2	-1.6	-0.3	0.0	-1	-8.9
Latvia	1.6	2.7	2.6	9.7	9.9	11	0.1	0.2	0.7	0.0	-1.3	-1.6
Luxembourg	3.8	4.7	3	6.3	6.1	6.3	0	0.1	0.7	1.6	0.2	1.4
Malta	4	4.9	3.3	4.8	5.4	6	0.9	1.2	0.8	-0.7	-1.6	-2.1
Netherlands	2.1	2	0.7	6	6.9	6.9	0.1	0.2	0.3	-0.1	-2.2	-2.4
Portugal	1.3	1.5	1	11.2	12.6	14.2	0.6	0.5	-0.2	-2.3	-4.2	-7.2
Slovakia	3.3	3.5	2.4	9.7	11.5	13.4	-0.5	-0.3	-0.1	-2.2	-2.7	-2.8
Slovenia	2.5	2.5	2.6	7.9	9.1	9.8	-0.2	-0.8	0.4	-2	-2.9	-5
Finland	1.5	0.0	0.0	8.8	9.5	8.7	0.4	-0.2	1.2	-2.2	-3.2	-3.3
UK	2	2.3	2.6	4.9	5.2	6.3	0.7	0.0	1.5	-3.4	-4.4	-5.7
Bulgaria	3.3	2.2	1.4	7.7	10.1	11.7	-1.3	-1.1	-1.6	-0.4	-2.5	-5.8
Czech Republic	2.4	4.5	2.3	4	5.1	6.1	0.6	0.3	0.4	0.3	-1.6	-1.9
Croatia	2.8	1.8	-0.4	12.8	16.2	17	-0.6	-0.3	0.2	-1.8	-4.2	-5.6
Lithuania	2.2	1.6	3	8	9	9.5	0.7	-0.7	0.2	-0.5	-0.9	-0.7
Hungary	1.9	2.7	3.7	5.2	6.7	7.7	0.4	0.1	0.0	-1.8	-2.1	-2.5
Poland	2.8	3.5	3.3	6.3	7.5	9.1	-0.2	-0.7	0.1	-2.3	-3	-3.3
Romania	4.9	3.6	3	6	6.7	7	-1.1	-0.4	1.4	-2.8	-1.1	-1.4
Sweden	3.3	3.6	1.8	6.9	7.4	7.8	1.1	0.7	0.2	0.5	-1	-1.7
Denmark	1	1.2	0.8	6.2	6	6.6	0	0.2	0.3	-1.6	-2	1.5

Source: European Commission and Eurostat; ELSTAT.

GDP data refer to the year-on-year change of the Real Gross Domestic Product in terms of volume (European Economy, Winter 2017). The annual rates for 2016 are estimates (Greece: ELSTAT data).

The estimates regarding the General Government deficit in Greece for the year 2016 have been based on data from the GAO and the Budget Proposal for 2017. The figure for the year 2015 is the General Government balance non-adjusted for state support to financial institutions.

OVERVIEW OF THE CAPITAL MARKET

International Capital Markets

In 2016, the global capital market was mostly affected 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.

In such an environment, capital market developments were marked by the contraction of trading and issuing activity in equity markets; increased issuing activity in bond markets; reduced volume of trading in the derivatives market; the rise of stock valuations worldwide, albeit with variations 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, elections in the

US); 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 include, on one hand, the rise of political uncertainty regarding the result of the referendum for Great Britain's exit from the European Unions and its terms and consequences, as well as the upcoming elections in various European countries, and, on the other hand, the rising concern about the prospects of the banking sector, mainly as a result of its low profitability, the persistence of high non-performing loan rates, and the difficulty to sustain its profitability, amidst an environment of increased 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), 152,115 bonds were listed on exchanges internationally at the end of 2016, increased by 7.3% year-on-year.¹ This increase is mainly due to the increase in the number of listed bonds by 15.8% in the markets of Asia-Pacific, and by 5.2% in the markets of the Europe-Africa-Middle East region. It is worth noting that out of all bonds listed on exchanges internationally in December 2016, 69.5% are bonds listed on the markets of Europe-Africa-Middle East (as compared to 70.9% in December 2015) and 26.6% are listed on the markets of Asia-Pacific (as compared to 24.7% in December 2015). In 2016, there was a total of 33,269 new bond listings, increased by 4.8%, whose majority took place in the exchanges of the Europe-Africa-Middle East (64.6%) and Asia-Pacific (30.8%) regions. The total funds raised in 2016 through the issuance of bonds listed on exchanges of the World Federation rose to US\$3.59 trillion from US\$3.39 trillion in 2015, with 59.6% of the total value realised in the exchanges of Europe-Africa-Middle East, 37.3% 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, 76.3% were carried out in the exchanges of the Europe-Africa-Middle East region, 19.9% in the exchanges of the Asia-Pacific region, and 3.8% in the Americas.

According to data from the European Securities and Markets Authority (ESMA), the value of government bond issues in the European Union was reduced by 5.9% in 2016, to 998 billion euros, while the value of corporate bond issues rose to almost 979 billion euros from 856 billion euros in 2015. It is worth noting that the issuance of Investment-grade bonds issued by non-bank corporations that are eligible for regular purchases under the ECB's monetary policy, increased by 48% in 2016. In contrast, the value of new covered bond issues was reduced by 56%. In 2016, there was also an increase in the issuance of euro-denominated investment grade bonds by US non-bank corporations, while in the second half of the year European issuers carried out large issues of contingent convertible bonds (CoCos), leading to an increase in the value of issues in the hybrid securities category during the second semester, which brought the value of hybrid security issues for the entire year to 33 billion euros. In 2016, total securitisation value registered the largest increase of the last four years, almost reaching 96 billion euros, albeit remaining at historically low levels. Finally, the value of bond securities lending fell by 5% in the first half to 2016 as compared to the corresponding figure for 2015, and rose by 1% in the second half of the year compared with the first half.

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 2016.

The average monthly yield of long-term bonds in the US and the United Kingdom stood at 1.84% and 1.31% in 2016 respectively, as compared to 2.14% and 1.9% respectively in 2015, and stood at 2.49% and 1.43% in December 2016 in the US and the UK respectively. The average monthly yield of German and Japanese long-term securities stood at 0.09% and -0.07% in 2016 as compared to 0.5% and 0.35% respectively in 2015, and stood at 0.25% and 0.04% in December 2016 in Germany and Japan respectively. During the same period, the average monthly yield of ten-year Greek Government bonds stood at 8.36% in 2016, as compared to 8.21% in 2015, and stood at 6.94% in December 2016, as compared to 8.21% in December 2015. In the euro zone, the average long term interest rate stood at 0.93% in 2016, as compared to 1.27% in 2015, and stood at 1.29% in December 2016.

In 2016, according to data from the World Federation of Exchanges (WFE), the value of equity trades in stock exchanges internationally decreased by 18.9% to US\$118.77 trillion, of which US\$86.60 trillion concerned order book transactions. The largest decrease in the value of trading was recorded in the exchanges of the Asia-Pacific region (-41.6%), followed by the exchanges the Europe-Middle East-Africa region (-14.0%) and the Americas (-2.6%). As a consequence, the market share of the stock exchanges of the Americas on total trades was significantly increased (56.6% from 47.1% in 2015), while the market share of the stock exchanges of the Asia-Pacific region fell (to 26.9% from 37.4% in 2015).

More specifically, trading (in dollar terms) decreased on an annual basis in almost all major stock exchanges internationally. It is worth noting the decrease in the value of transactions by -64.8% in the Shanghai Stock Exchange, by -40.5% in the Shenzhen Stock Exchange, by -36.2% in the Hong Kong Exchanges, by -31.8% in the BME Spanish Exchanges, and by -22.4% in the London Stock Exchange-LSE Group. Trading volume also fell, albeit not as sharply, in the Euronext (-15.5%), Deutsche Börse (-15.5%), Korea Exchange (-13.6%), Swiss Exchange (-7.4%), Nasdaq Nordic Exchanges (-6.7%), BATS Global Markets (-3.8%), NASDAQ US (-3.2%), and NYSE (-1.3%) exchanges. The value of trading increased in the BM&FBOVESPA (7.4%), the Johannesburg Stock Exchange (3.9%), the Japan Exchange Group (3.2%), the National Stock Exchange of India (2.1%), and the Australian Securities Exchange (1.4%). As a result, the top five exchanges for 2016 in terms of trading values were the NASDAQ US exchange (a market share of 26.9%), the NYSE (16.6%), the BATS Global Markets exchange (11.5%), the Shenzhen Stock Exchange (9.8%), and the BATS Chi-x Europe exchange (6.5%).

The total market capitalisation of listed companies worldwide, denominated in US dollars (WFE data), showed a year-on-year increase (4.4%) to US\$70.08 trillion at the end of 2016 from US\$67.11 trillion in 2015. During the course of the year, total market capitalisation showed limited fluctuations on a monthly basis, with the exception of a decrease in January (-8.40%) and increases in the months of March (7.99%) and July (3.48%). The highest value for the year was recorded in December (US\$70.08 trillion) and the lowest in February (US\$61.17 trillion). More specifically, market capitalisation followed an upward trend in the stock exchanges of the Americas (10.8%), and showed no remarkable change in the stock exchanges of the Europe-Africa-Middle East (0.7%) and Asia-Pacific (-0.7%) regions.

As far as individual stock exchanges are concerned, market capitalisation in local currency showed mixed trends. In the Americas, in particular, market capitalisation in local currency increased in all stock exchanges, with that of the NASDAQ US increasing by 6.8%, the NYSE by 10.0%, the TMX exchange (Canada) by 21.4%, and the BM&FBOVESPA by 29%. In the Asia-Pacific region, market capitalisation in local currency increased in the

BSE India (5.8%) and the Hong-Kong Stock Exchange (0.3%), and decreased in the Shanghai Stock Exchange (-3.6%), the Shenzhen Stock Exchange (-5.5%), and the Japan Exchange Group (-1,7%).

In the Europe-Africa-Middle East region, market capitalisation in local currency increased in the Euronext stock exchange (8.6%), the Deutsche Boerse (3.8%), the Johannesburg stock exchange (15.0%), and the NASDAQ Nordic Exchanges (2.2%). In contrast, market capitalisation in local currency decreased in the LSE Group (-7.3%), the SIX Swiss Exchange (-5.1%), and the BME Spanish Exchanges (-7.1%).

As regards the performance of international stock market indices, the MSCI World (\$) index registered a gain of 7.5% as compared to marginal loss of -0.9% in 2015, the MSCI Europe (€) index registered an annual loss of -3.9% as compared to a 16.5% gain in 2015, and the MSCI Emerging markets index registered an annual gain of 11.2% as compared to -14.9% loss in 2015. The most important broad market indices that registered gains in 2015 included the Dow Jones Industrial Average with a 13.4% gain as compared to a -2.2% loss in 2015, the Standard & Poor's 500 with a 9.5% gain as compared to a -0.7% loss in 2015, the Nasdaq 100 with a 5.9% gain as compared to 8.4% in 2015, the Ibovespa-BM&FBOVESPA index with a 38.9% gain as compared to a -13.3% loss in 2015, the FTSE-100 with 14.4% as compared to a -4.9% loss in 2015, the DAX with 6.9% as compared to 9.6% in 2015, the CAC-40 with 4.9% as compared to 8.5% in 2015, the AEX 25 with 9.4% as compared to 4.1% in 2015, the ISE 30 Index-Borsa Istanbul with a 9.2% gain as compared to a -17.6% loss in 2015, the S&P BSE 500-India index with a 3.8% gain as compared to a -0.8% loss in 2015, the Nikkei 225 with 0.4% as compared to 9.1% in 2015, the Hangseng index with a 0.4% gain as compared to a -7.2% loss in 2015, and the Composite Index of the Athens Exchange with a 1.9% gain as compared to a -23.6% loss in 2015. In contrast, losses were sustained by the SZSE Composite Index-Shenzhen SE (-14.7% as compared to a 63.2% gain in 2015), the SE Composite Index-Shanghai SE (-12.3% as compared to a 9.4% gain in 2015), the PSI-20 index (-11.9% as compared to a 10.7% gain in 2015), the FTSE MIB (Italy) (-10.2% as compared to a 12.7% gain in 2015), the SMI-Swiss Exchanges index (-6.8% as compared to -1.8% in 2015), the BEL-20 index (-2,5% as compared to a 12.6% gain in 2015) and, finally, the IBEX-35 index (-2.0% as compared to -7.2% in 2015).

By the end of 2016, the total number of companies whose shares are listed on a stock exchange stood at 51,700, and remained unchanged at the previous year's levels. Companies whose shares are listed on the exchanges of the Asia-Pacific region accounted for 52% of the total, while the corresponding percentages for Europe-Africa-Middle East and the Americas stood at 28.4% and 19.5% respectively. In 2016, 1,295 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 1,591 companies in 2015. Moreover, 689 already listed companies sold new or existing shares through public offerings, as compared to 1,467 companies in 2015. In regard to new company listings, activity was strongest in the markets of the Asia-Pacific region, where a total of 902 companies were listed, accounting for 69.7% of new listings, the corresponding percentages being respectively 19.4% and 13.5% for Europe-Africa-Middle East and the Americas. The amount of capital raised through the listing of new shares and the offering of shares by listed companies stood at US\$889.2 billion, decreased by 24.2% as compared to the corresponding figure of 2015 (US\$1,172.4 billion), of which US\$133.4 billion was raised through the former and US\$755.8 billion through the latter. The largest amounts, in regard to both new listings (US\$78.4 billion), and the offering of shares by listed companies (US\$377.8 billion), were raised in the markets of the Asia-Pacific region.

Trading activity in the global exchange traded fund (ETF) market (WFE data) remained unchanged at 2015 levels (-0.71%), as the total value of trades stood to US\$15.83 trillion. More specifically, there was a steep decrease in the markets of the Asia-Pacific region (-30.27%), while the Americas registered an increase (3.01%) and remained at first place, with a market share of 86.4%. The number of ETFs traded in exchanges internationally rose to 9,922 ETFs in December 2016 from 9,144 ETFs in 2015, the majority being traded in the exchanges of the Europe-Africa-Middle East region (59.8%).

In regard to trading activity on derivative instruments in exchanges internationally, and based on WFE data, the volume of trading fell to 22.62 billion contracts in 2016 from 23.44 billion contracts in 2015, reduced by -3.5%. More specifically, a significant year-on-year decrease was recorded in option trading (volume) (-13.2%), compared to a slight increase of trading in futures (3.7%), with the market share of the former falling to 39% from 43% in 2015.

More specifically, the following has to be noted in regard to individual derivative categories on an underlying asset basis: the volume of trading in stock index derivatives fell by 21.04% to 5.28 billion contracts, of which 2.73 billion were stock index options (as compared to 3.89 billion in 2015) and 2.55 billion were stock index futures (as compared to 2.80 in 2015). The markets of the Asia-Pacific region accounted for the largest share of this category of derivatives (45%), followed by the Americas and the Europe-Africa-Middle East region, with 29% and 26% respectively.

In single stock derivatives, the volume of trading in exchanges internationally in 2016 stood at 4.02 billion contracts, of which 3.2 billion contracts were single stock options and 806 million contracts were single stock futures, while the corresponding figures for 2015 stood at 3.6 billion and 1 million contracts. The exchanges of the Americas accounted for the largest share of trading in this category of derivatives (66%).

The number of ETF futures and options traded in all exchanges internationally stood at 1.44 billion contracts in 2016 (as compared to 1.36 billion in 2015), the vast majority of which were ETF options (99.7%) almost exclusively traded in the exchanges of the Americas (99.4%).

Trading in interest rate derivatives in exchanges internationally fell to 2.85 billion contracts in 2016 from 3.21 billion contracts in 2015, the majority of which were interest rate futures (2.34 billion contracts). Seventy-four point six percent of interest rate future trades were carried out in the exchanges of the Americas, while the Europe-Africa-Middle East region accounted for 17% and Asia-Pacific accounted for a mere 8.4%. The exchanges of the Americas accounted for 89.1% of the total volume of trading in interest rate options, which stood at 511.4 million contracts in 2016 (as compared to 573.9 million in 2015), while the Europe-Africa-Middle East region accounted for 10.4%.

The volume of trading in currency derivatives increased by 11.7% in 2016, as 2.84 billion contracts were traded in exchanges, of which 2.19 billion were currency futures and 647.2 million were currency options, as compared to 2.54 billion contracts in 2015 (2.09 billion futures and 452.1 million options). In 2016, the exchanges of the Asia-Pacific region accounted for the largest share of trading in currency derivatives (47.6%), followed by the exchanges of the Europe-Africa-Middle East region (38.2%) and the exchanges of the Americas (14.2%).

The volume of trading in commodity derivatives soared in 2016 (22.4%), rising to 6.19 billion contracts (6.06 billion commodity futures and 187.1 million commodity options), from 5.06 billion contracts in 2015 (4.87 billion futures and 188.4 million options). In 2016, 71% of trades in commodity derivatives were carried out in exchanges of the Asia-Pacific region, while the Americas and Europe-Africa-Middle East accounted for 18.5% and 10.5% respectively.

The collective investment industry continued to grow in 2016, albeit lost part of its dynamism despite the fact that most types of investment funds generated satisfactory returns, 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.

Based on data by the European Fund and Asset Management Association (EFAMA) (for the first nine months of the year), net inflows to regulated open-end investment funds worldwide stood at 798 billion euros in the first nine months of 2016, as compared to 1,390 billion euros in the first nine months of 2015 and 1,973 billion euros in the entire year 2015. During this period, the largest inflows were recorded in bond (456 billion euros) and mixed (154 billion euros) funds. It is worth noting that, as compared to the first nine months of 2015, there was a decrease in inflows to most types of investment funds, excluding bond funds (78.1%) and real estate funds (5%). In the first nine months of the year, money market investment funds suffered net outflows of 5 billion euros, despite the net inflows of 44 billion euros recorded during the third quarter of 2016.

Total net assets as per the end of September 2016 stood at 39.41 trillion euros, increased by 4.2% year-on-year, albeit reduced by -22.5% as compared to December 2015. More specifically, the greatest increase as compared to September 2015 (34.8%) and the smallest decrease as compared to the end of 2015 (-5.4%) were recorded by the net assets of real estate funds, followed by bond investment funds, with the corresponding rates standing at 8.3% and -19.1% respectively. In the first nine months of 2016, market shares did not register any remarkable changes as compared to the end of 2015, the most important changes being the increase in the market share of bond funds (to 21.7% from 20.8%) and the decrease in the market share of equity investment funds (to 39.2% from 40.3%). In regard to geographical distribution, the Americas held the largest share of net assets worldwide (53.9%), followed by the investment funds of Europe and Asia-Pacific, with 33.8% and 12% respectively.

In Europe, in particular, based on EFAMA data, the total net assets of European investment funds (UCITS and AIFs) increased by 6.1% year-on-year and stood at 14.14 billion euros as per the end of 2016, registering a new ten-year high.

In 2016, net inflows towards UCITS were reduced as compared to the previous year (275 billion euros in 2016 as compared to 590 billion euros in 2015), albeit UCITS continued to hold the largest share in total assets, with 61.2%. More specifically, among the various UCITS categories, the largest net annual inflows were registered by bond mutual funds (112 billion euros), followed by money market mutual funds (107 billion euros). Equity mutual funds suffered limited net annual outflows that amounted to 8 billion euros. In regard to the market share of various types of UCITS in total assets, there were small changes during the year, as equity funds remained in the first place with a market share of 37% (as compared to 38% in 2015), and bond funds remained second with a share of 27% (26% in 2015), followed by mixed funds with a 17% share and money market funds with a 14% share. Moreover, among European countries the largest market share is held by Luxembourg (36%),

followed by Ireland (18.2%), the United Kingdom (12.5%), France (9.2%), and Switzerland (5.1%), while the largest net inflows for the year were registered by Ireland (117 billion euros), followed by Luxembourg (73 billion euros).

As far as the trends in the Alternative Investment Funds market for 2016 are concerned, total net assets increased by 7% to 5.48 trillion euros, while total net inflows stood at 184 billion euros, as compared to 148 billion euros in 2015. At the end of the year, Germany held the largest market share with 28.4%, followed by France (18%) and the Netherlands (13.9%), while the largest net inflows were recorded in Germany (98 billion euros), Luxembourg (26 billion euros), and Ireland (23 billion euros).

The Greek Capital market

The course of the Greek capital market in 2016 was marked by a) a decrease in trading activity, which was more pronounced in shares, and a deterioration of liquidity ratios; b) a limited decrease in the total market capitalisation of ATHEX-listed shares, with the returns of the main and sectoral indices of the Athens Exchange presenting a mixed picture; c) a decrease in share price volatility; d) a drop in Greek Government bond yields; e) sluggish issuing activity; and f) year-on-year outflows in all mutual fund categories. Special mention should be made to the strengthening of capital market regulation, through both European and national legislation. Typical cases in point are the entry into application of Regulation EU No. 596/2014 on market abuse (MAR), which was accompanied by Law 4443/2016, the adoption of (national) legislation on equity crowdfunding, and various legislations on issues pertaining to bond loans and the reporting requirements for issuing corporations and collective investments.

In the market for Greek Government bonds, yields across all maturities were lower at the end of 2016 than they were at the end of 2015, the largest year-on-year decrease (-15.47%) being that of the (average monthly) yield on the 10-year benchmark bond, which stood at 6.94% in December. 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 stood at 935.53 billion euros, as compared to 1,046.38 billion euros in 2015, reduced by 10.59% year-on-year. The average monthly nominal value of trading stood at 77.96 billion euros, with the highest value of transactions being recorded in June (134.12 billion euros) and the lowest being recorded in January (33.11 billion euros). More specifically, the annual value of trading in the Electronic Secondary Government Bonds Market (HDAT) fell to 519 million euros, the lowest level of the last fifteen years, from 1.23 billion euros in 2015. Activity in the primary market was limited to the issuance of 13-week and 26-week Treasury bills. The total amount raised stood at 41 billion euros in 2016, as compared to 40.8 billion euros in 2015 and 40 billion euros in 2014. The cost of borrowing through treasury bills remained almost unchanged year-on-year, and stood at 2.9% in 2016 as compared to 2.8% in 2015 and 2.4% in 2014.

Based on Bank of Greece data, the yields of bonds issued by non-financial Greek corporations and traded in capital markets internationally were reduced during the year, following, albeit at a slower pace, the decline in the yields of corporate bonds with similar credit ratings issued in other member states of the euro zone, and showing signs of decoupling from the yields of Greek Government bonds.

In 2016, the total market capitalisation of shares listed on the equity market of the Athens Exchange fell by 3.46% year-on-year and stood at 45,101.8 million euros in December, as compared to 46,717.67 million euros at

the end of 2015. Its highest value (monthly data) was recorded at the end of May (46,109.85 million euros) and its lowest value at the end of February (37,310.86 million euros). The ratio of the total market capitalisation to Greece's GDP stood at 25.6% at the end of 2016, as compared to 26.6% in 2015 and 29.7% in 2014. The Composite Index of the Athens Exchange closed at 643.64 units, registering a slight year-on-year increase of 1.95%, and showing monthly fluctuations throughout the year, the most pronounced changes being recorded in January (-12.44%), March (+11.69%), May (+10.85%) and June (-16.21%). As regards the main stock market indices, year-on-year losses were recorded by the FTSE/ATHEX Mid Cap (-7.69%), FTSE/ATHEX Large Cap (-5.05%) and the FTSE/ATHEX Market index (-5.08%), while gains were registered by the FTSE/ATHEX Global Traders Plus Index (+18.74%), the Hellenic Mid & Small Cap Index (+9.94%) and the FTSE/ATHEX MID& SMALL CAP Factor-Weighted index (+6.78%). During the course of the year, the lowest end-of-month values were recorded in February, and the highest in May and December. The largest increases were recorded in March and May, and the largest decreases in June, January, and February. Among sectoral indices, the largest gains were registered by the FTSE/ATHEX Basic Resources index (+65.51%), followed by FTSE/ATHEX Personal-Household Goods (+51.09%), while the largest losses were suffered by the FTSE/ATHEX Banks index (-28.89%) and the FTSE/ATHEX Industrial Goods-Services index (-20.26%).

Overall, average monthly share price volatility decreased and stood at an average of 14.37% in 2016, as compared to 17.32% in 2015 and 14.25% in 2014. The highest values for the year were recorded in December (17.22%) and June (17.16%), while the lowest values were recorded in August (11.67%) and July (12.28%).

Trading activity in the equities market of the Athens Exchange was reduced in 2016. More specifically, the annual value of trading in all equity instruments amounted to 15.05 billion euros, as compared to 19.11 billion euros in 2015, reduced by -21.28% year-on-year. The value of trading during the first half of 2016 stood at 9.19 billion euros. The average monthly value of trading fell to 1.25 billion euros from 1.74 billion euros in 2015, its highest value occurring in May (2.06 billion euros) and the lowest in September (825.48 million euros). More specifically, value of share trading in all trading categories stood at 15.04 billion euros, reduced by 20.23% year-on-year. The value of trading in exchange traded funds and warrants registered a larger drop and respectively stood at 3.45 million euros (-56.60% year-on-year) and 2.54 million euros (-98.99% year-on-year). Finally, the value of trading in the Alternative Market of the Athens Exchange stood at 1.91 million euros, increased by 2.65% year-on-year.

According to Athens Exchange data, there were also decreases in certain liquidity indices. More specifically, the (value-weighted) monthly average bid-ask spread (ATHEX data) was reduced in 2016 to 4.57, as compared to 4.10 in 2015 and 4.34 in 2014. Moreover, the average monthly turnover velocity for all stocks stood at 0.127% in 2016, as compared to 0.171% in 2015 and 0.155% in 2014. Its lowest values were recorded in the second half of the year, when the monthly average stood at 0.086%.

In 2016, according to ATHEX data, there was a marginal increase in the participation of foreign investors to the market capitalisation of securities market of the ATHEX (61.40% from 60.27% in 2015), while the participation of domestic investors (including the Hellenic Financial Stability Fund – HFSF) remained at 2015 levels (38.56%, as compared to 38.55%). In 2016, foreign investors were net buyers with inflows of 913 million euros, as compared to inflows of 606.97 million euros in 2015, while domestic investors were net sellers, with outflows of 913.29 million euros (including the deals for the acquisition of stock in the Piraeus Port Authority and Astir

Palace SA), as compared to outflows of 631.21 million euros in 2015. Finally, the participation of the Hellenic Financial Stability Fund (HFSF) to the total capitalisation of the securities market of the Athens Exchange was further reduced to 4.46% at the end of the year from 6.08% in December 2015. It is worth noting the significant reduction of the monthly average number of active investor shares, which fell to 16,039 investor shares in 2016 from 26,322 investor shares in 2015.

In 2016, issuing activity in the Greek equity market was sluggish, especially when compared to that of previous years, when bank recapitalisations abounded. More specifically, there were eight share capital increases by ATHEX-listed companies, as compared to seven in 2015 and eleven in 2014, one initial public offering of stock leading to listing in ATHEX, and two share capital increases due to merger. Moreover, as in 2015, there were no initial public offerings or public offerings of shares without listing. Total funds raised through the aforementioned capital increases stood at 216.05 million euros, an amount that is significantly lower than the 10.19 billion euros and the 8.76 billion euros raised through the offering of equity instruments, with or without listing in ATHEX in 2015 and 2014 respectively. Finally, in 2016 there were four issues of corporate bonds, two of which were convertible bonds, as compared to two issues of convertible bonds, worth 4.07 billion euros, in 2015, carried out by banks in favour of the Greek State as part of their recapitalisation. The total amount of funds raised in 2016 stood at 115.46 million euros.

In 2016, the growth of trading activity in the derivatives market of the Athens Exchange during the previous two years came to a halt. The average daily volume of trading in stock and index futures and options stood at 62,131 contracts in 2016, as compared to 65,709 contracts in 2015 and 43,568 contracts in 2014, slightly reduced by 5.45% year-on-year, as compared to an increase of 50.82% in 2015. During the year, the average daily volume of trading fluctuated on a monthly basis, registering its highest value in December (96,059 contracts) and its lowest value in August (24,669). More specifically, a small increase in trading activity was observed for stock futures, the average daily volume of trading of which rose by 4.61%, increasing their share in the average daily volume of trading on all derivative products to 93.70% in 2016 from 84.69% in 2015. The average daily volume of trading was reduced in all other categories of futures and options, most significantly in futures on the FTSE/ATHEX Large Cap index, which fell by -62.44%. The average monthly number of accounts that performed trades in 2016 fell to 1,794 from 2,171 in 2015, with the respective share on the total number of end investor-client accounts falling to 4.7% from 5.7% in 2015. The ratio of ATHEX member to client transaction value for all the products traded in the derivatives market increased for a second consecutive year and stood at approximately 52:48 in 2016, as compared to 47:53 in 2015 and 45:55 in 2014. The ratio of the value of trading in the derivatives market to the value of trading in the underlying transferable securities market of the Athens Exchange did not register any significant year-on-year change, but remained at low levels during the first half of the year, and recovered during the second. The average value of the ratio of the total value of derivative products to the total value of stock trading stood at 20% in 2016 as compared to 22% in 2015. 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 a sixth consecutive year, with its value reaching slightly lower levels as compared to the previous year (3.60 in 2016, as compared to 3.85 in 2015).

In 2016, sixty one (61) investment firms were operating in the Greek capital market, as compared to sixty three (63) in 2015. 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 56.68% in 2016, as compared to 54.90% in the previous year.

The Greek mutual fund market, operating under the constraints of capital controls, failed to match the performance and developments of collective investments on the European level. The total net assets of mutual funds were reduced by 11.29% year-on-year and stood at 6.42 billion euros, as compared to 7.24 billion euros in 2015 and 6.05 billion euros in 2014. In individual mutual fund categories, there was an increase in the net assets of bond mutual funds (3.27%) and balanced mutual funds (0.21%), while the net assets of all other categories were reduced: money market funds (-26.01%), specialist funds (-22.48%), Funds of Funds (-13.26%), and equity funds (-5.76%). As a result, at the end of the year there was an increase in the market share of bond mutual funds (to 22.82% from 19.60% in 2015), balanced mutual funds (to 17.24% from 15.26% in 2015), and equity mutual funds (to 15.26% from 14.37% in 2015). The market share of money market mutual funds was significantly reduced, and stood at 24.24% as compared to 29.06% in 2015. Finally the market shares of Funds of Funds and specialist mutual funds stood at 13.79% and 6.64% respectively.

All mutual fund categories suffered net year-on-year outflows, which amounted to a total of 1.05 billion euros, as compared to inflows of 1.15 billion euros in 2015. The largest part of these outflows concerned money market mutual funds (-560 million euros), Funds of Funds (-157.9 million euros), and specialist mutual funds (-145.1 million euros).

All mutual fund categories offered positive annual returns. More specifically, the breakdown of returns per category is the following: specialist mutual funds 5.87%, equity funds of funds 5.63%, bond mutual funds 5.62%, equity mutual funds 4.95%, balanced mutual funds 3.99%, balanced funds of funds 3.04%, money market mutual funds 3.00%, bond Funds of Funds 2.87% and, finally, short term money market funds 0.02%.

In 2016, the total number of mutual fund management companies (MFMCs) fell to 14 with 268 mutual funds under management, from 15 companies with 270 mutual funds in 2015, and 16 companies with 265 mutual funds in 2014. Finally, concentration in the Greek mutual fund market remained high, with the five largest MFMCs having funds under management of 5.72 billion euros, which accounted for 89.11% of the total net assets of mutual funds, as compared to 90.30% in 2015.

European and national regulatory framework

European regulatory framework

As regards the institutional initiative of the European Commission for the realisation of the Capital Market Union, on September 14, 2016 the Commission issued a communication on the progress made on individual actions, set the priorities, and stressed the need to accelerate reform.

The first action, which began in 2015 and showed rapid progress, is the adaptation of the regulatory framework on prospectuses to the objectives of the Capital Markets Union. In March 2016, the European Commission published the summary of the responses to the public consultation on the new Regulation, and in December 2016 a political agreement was reached by the European Parliament, the Council, and the European Commission. The purpose of the new regulation is to help small and medium-sized companies raise lower-cost

funding, improving at the same time the information provided to investors. More specifically, no prospectus is needed for issues and crowdfunding projects when the funds to be raised are less than one million euros (from one hundred thousand euros today), while member states are able to set higher thresholds. In any case, the issuance of a prospectus is mandatory for raising capital of more than 8 million euros, in which case it will be possible to use a “passport” for cross-border offers and listings. Offerings below that threshold will be subject to national rules. There will also be a new EU Growth Prospectus that will be available for SMEs and medium capitalisation companies that do not list their securities in regulated markets. Moreover, in order to improve liquidity, the offering of non-equity securities, which will be admitted to trading on a regulated market, solely to qualified investors, is subject to lighter prospectus requirements. Other major changes include a fast-track regime for issuers that frequently tap capital markets, a shorter prospectus for secondary issuances, the use of language that is easier to understand for investors, and publication of prospectuses only in digital form. Moreover, ESMA shall operate, free of charge, a new European online prospectus database.

As far as the package of measures on securitisations is concerned (draft Regulation and proposal to amend the Capital Requirements Regulation (CRR)), the intensive consultations that took place in 2015 were slowed down in 2016, probably deferring the final vote for the next year. However, the Council of the European Union has finalised its stance, and in June 2016 stressed that the other institutional bodies of the European Union need to speed up procedures, pointing out to the importance of securitisations as a source of financing for the economy.

As part of the effort to improve legislation on European Venture Capital Funds (EuVECA, Regulation EU 345/2013) and European Social Entrepreneurship Funds (EuSEF, Regulation EU 346/2013), the European Commission published, on July 14, 2016, its proposed amendments, in accordance to the objectives of the Capital Markets Union. As a matter of fact, the European Commission decided to bring forward the general review originally planned for 2017 pursuant to both regulations, and the Council agreed on a general approach at the end of 2016. The two new types of Funds were established in order to offer new opportunities for fundraising for and investment in small and medium-sized enterprises (SMEs) and social enterprises all over Europe. EuVECA support new and innovative companies, while EuSEFs focus on enterprises the objective of which is to have a social impact. The revision of the institutional framework led to the identification of certain factors that impede the development of these Funds, mainly the rules pertaining to investment in assets, their management, the interaction of these two regulations with other existing legislation on investment funds, as well as the compliance requirements for the use of the cross-border passport. The proposed amendments aim to boost investment into venture capital and social projects and make it easier for investors to invest in SMEs. This is achieved by broadening the scope of eligible managers and expanding the list of EuVECA eligible assets, as well as by introducing more favourable provisions regarding fees imposed by competent authorities of host Member States.

The initiatives of the Capital Markets Union Action Plan include the promotion of innovative forms of financing, such as crowdfunding. In this context, in May 2016, the European Commission published a report on the EU crowdfunding sector, including a review of national frameworks.

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) was voted in April 2016. The aim is to ensure a higher level of protection for consumers and investors, mainly through the following actions: First, by

introducing a framework for the authorisation and supervision of benchmark administrators, depending on the type of benchmark. Second, by adopting governance principles regarding the management of conflicts of interest and the required methodology used for preparing benchmarks, with the aim of reducing discretionary powers and enhancing integrity and credibility. Third, by enhancing transparency through the relevant requirements for benchmark administrators. Finally, the regulation introduces provisions for ensuring the appropriate supervision of benchmarks that are critical for the integrity of all financial markets, such as EURIBOR and LIBOR. The Regulation will come into full force on January 1, 2018, while the provisions concerning the definition of critical benchmarks are applied since July 3, 2016. In this context, the European Commission adopted, in August 2016, Implementing Regulation 2016/1368/EU, which specifies the benchmarks that are critical to the operation of financial markets. A typical example of a critical benchmark, which was placed on top of this list, is EURIBOR (euro interbank offered rate).

In June 2016, the Commission adopted Directive 2016/1034/EU and Regulation 2016/1033/EU, mostly amending provisions of Directive 2014/65/EU (MiFID II) and Regulation (EU) No. 600/2014 (MiFIR). The most important amendment introduced by these pieces of legislation concerns the deferment, by one year, of the application of MiFID II and MiFIR (January 3, 2018 instead of January 3, 2017), and the extension of the deadlines for the transposition of MiFID II (July 3, 2018 instead of July 3, 2017) and the submission of reports by the European Commission, as well as the adoption of pre-trade transparency requirements for package transactions and transactions in exchange for physical. Moreover, Regulation 2016/1033/EU amends certain provisions of Regulation 596/2014/EU on market abuse and Regulation 909/2014/EU on the improvement of securities settlement and on Central Securities Depositories, deferring to the future the application of certain provisions of these Regulations, because of their interrelation with provisions of Directive 2014/65/EU (MiFID II) and Regulation (EU) No. 600/2014 (MiFIR).

The issuance of delegated and implementing acts that are based on and complete/specify MiFID II and MiFIR, started in the second half of 2016. More specifically, the following were issued: a. Three Commission delegated regulations (2016/20, 2016/21, and 2016/22) on regulatory technical standards for the definition of derivatives subject to the trading obligation, on information about the registration of third country undertakings and the nature of information that must be provided to clients, as well as on issues pertaining to access to benchmarks; and b. one Commission Implementing Regulation (2016/824), on the content and format of the description of the functioning of multilateral trading facilities and organised trading facilities and the notification to the European Securities and Markets Authority.

In December 2016, Regulation 2016/2340/EU was issued, deferring the application of Regulation 1286/2014/EU “on key information documents for packaged retail and insurance-based investment products (PRIIPs)”, which had been set for December 31, 2016, to January 1, 2018, in order to ensure the smooth transition to the new framework.

As regards the new legislative initiatives that are underway, in November 2016 the European Commission proposed a comprehensive package of reforms to further strengthen the resilience of financial institutions, and support 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 - CRD,

respectively), as well as the Bank Recovery and Resolution Directive (2014/59/EU - BRRD) and the Single Resolution Mechanism Regulation (2015/81/EU - SRMR).

In 2016, trilogue negotiations continued in the European Union concerning the proposal for a Directive 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). This proposal had been submitted to the European Commission in April 2014, with the aim, among other things, to enhance corporate governance regulations in EU listed companies and long-term shareholder engagement, including cross-border situations.

In 2016, the Council agreed on a general approach as regards the amendment of the 4th Anti- Money Laundering Directive (AMLD), a proposal that had been submitted by the European Commission on July 5 of the same year.

Finally, in December 2016 the European Commission presented the Council with a new dossier on the recovery and resolution of central counterparties.

As regards legislation that comes into force in 2016, special mention should be made to the new framework on market abuse, and on transparency of securities financing transactions and of reuse (SFTR).

Regulation EU 596/2014 on market abuse (MAR) came into application on July 3, 2016, after the relevant delegated and implementing acts had already been issued. More specifically, five Commission Implementing Regulations were issued during 2016 (2016/1055, 2016/959, 2016/523, 2016/378, and 2016/347), laying down implementing technical standards with regard to: a. market soundings; b. the timing, format and template of various disclosures, such as the submission of notifications to competent authorities, the disclosure of information, and insider lists; and c. the appropriate public disclosure of inside information. Moreover, 7 Commission Delegated Regulations were issued in 2016 (2016/1052, 2016/958, 2016/960, 2016/957, 2016/909, 2016/908, 2016/522), regarding regulatory technical standards pertaining to the content, compilation and maintenance of notifications to be submitted to competent authorities, the buy-back programmes and stabilisation measures, as well as the accepted market practices and market soundings. These regulations also specified the framework for preventing, detecting and reporting abusive practices or suspicious orders or transactions, the technical arrangements for the objective presentation of investment recommendations and the disclosure of conflicts of interest, as well as matters pertaining to the exemption of certain third countries public bodies and central banks from the market abuse framework.

The partial application of Regulation EU 2015/2365 on transparency of securities financing transactions and of reuse (SFTR) began in January 2016. This Regulation establishes 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 market integrity, alternative sources of financing, reporting requirements for issuing corporations, deposit and investment guarantee schemes, as well as matters pertaining to collective investments.

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

- **Law 4443/2016** “... II) taking necessary compliance measures with articles 22, 23, 30, 31 par. 1, 32 and 34 of Regulation (EU) No 596/2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, and incorporation of Directive 2014/57/EU on criminal sanctions for market abuse (market abuse directive) and of the Commission Implementing Directive (EU) 2015/2392 ...”

This law incorporates certain provisions of Directive 2014/57/EU on criminal sanctions for market abuse into Greek legislation. It specifies the responsibilities of the Hellenic Capital Market Commission as a competent authority ensuring the implementation of, and supervising compliance with, the provisions of Regulation 596/2014. Finally, the Hellenic Capital Market Commission is authorised to repeal, amend, or replace previous decisions issued by it under the mandate of provisions that are abolished pursuant to this law.

- **Law. 4416/2016** “Amendment of Law 4099/2012/ A’ 250 (incorporation to the national legislation of Directive 2014/91/EU/L 257) and other provisions” (Gov. Gaz. A 160/6.9.2016).

The purpose of this law is to adapt Greek legislation to the provisions of Directive 2014/91/EU, which amends Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS). This Directive, the fourth update of European legislation on undertakings for collective investment, introduces important provisions as regards depositary functions, remuneration policies and sanctions.

Moreover, a series of other provisions introduces amendments to the existing legislative framework. More specifically, a (national) legislative framework on equity crowdfunding is being developed. More specifically, the amendment of Law 3606/2007 determines the capacity of Investment Firms, Alternative Investment Fund Managers and banks to operate electronic systems for the offering of securities without the approval of a prospectus, and specifies the information provided by these Investment Firms, Alternative Investment Fund Managers and banks in regard to these offerings. Moreover, the amendment of Law 3401/2005 specifies the conditions for the public offering of transferable securities through electronic systems. More specifically, the said electronic systems are operated by Investment Firms or Alternative Investment Fund Managers that have been licensed at least for the provision of specific investment and ancillary services. The transferable securities that are offered shall have a value of less than five hundred thousand (500,000) euros per issuer for a period of twelve months. Participation of retail clients per issuer may not exceed the amount of five thousand (5,000) euros or ten percent (10%) of the average reported income for the past three years, and per Investment Firm or Alternative Investment Fund Manager operating such systems the amount of thirty thousand (30,000) euros per year.

Moreover, the amendment of Law 3156/2003 specifies that, in the case of bonds that are sold by public offering or private placement to qualified investors or are to be listed or admitted to trading on a regulated market or a multilateral trading facility, the interest rate is freely agreed upon, without being subject to the applicable provisions on interest rate ceilings.

- **Law 4374/2016** “Adjustment of the Hellenic legislation: a) to the provisions of Directive 2013/50/EU of the European Parliament and of the Council of 22 October 2013, and b) to article 1 of the Directive 2014/51/EU of the European Parliament and of the Council of 16 April 2014, and other provisions.” (Gov. Gaz. A 50/1.4.2016).

The provisions of this law transpose into Greek legislation the provisions of Directive 2013/50/EU amending Directive 2004/109/EC (on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market), and Directive 2003/71/EC (on the prospectus to be published when securities are offered to the public or admitted to trading). The main change brought about by this legislation concerns the abolition of the mandatory preparation and publication of quarterly financial statements by listed companies. This requirement, however, is still applicable in the case of banks. Other provisions further specify the way of calculating voting rights in the case of disclosure of major changes in the holding of voting rights by listed company shareholders.

- **Law 4370/2016** “Deposit Guarantee Schemes (Incorporation of Directive 2014/49/EU to the Hellenic legislation), Hellenic Deposit and Investment Guarantee Fund and other provisions.”

The provisions of article 1 to 53 incorporate into Greek legislation the provisions of Directive 2014/49/EU on deposit guarantee schemes and the codification of the provisions regarding the Hellenic Deposit and Investment Guarantee Fund.

- **Decision of the Minister of Finance (Γ.Δ.Ο.Π. 0000532 ΕΞ 2016)** “Determination of the Hellenic Capital Market Commission resources” (Gov. Gaz. B 999/11.4.2016)

The above decision, which replaces Decision of the Minister of Finance No. 54138/B'2197/30.11.2010, redefines the resources of the Hellenic Capital Market Commission and sets the amount of fees and the frequency of the payment of contributions in favour of the HCMC, in order to take into account developments in the Greek capital market during the past five years.

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 2016, for example, the HCMC participated in the law-drafting committee for the incorporation of the provisions of Regulation (EU) No. 596/2014 on Market Abuse and Directive 2014/57/EU on criminal sanctions for market abuse, which completed its work within the year, as well as the law-drafting committees for the incorporation of the provisions of Directive 2014/65/EU and Regulation (EU) No. 600/2014 on markets in financial instruments and 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.

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 2016, the market capitalisation of shares listed on the Securities Market of the Athens Exchange stood at 45,101.80 million euros, reduced by 3.46% as compared to 2015, when it stood at 46,717.67 million euros. The market capitalisation of shares listed on the main market amounted to 42,061.11 million as per 31.12.2016, as compared to 43,674.92 million in 2015, accounting for 93.26% of the total market capitalisation of ATHEX-listed stocks. The market capitalisation of the low dispersion and under surveillance category fell to 3,034.25 million euros at the end of 2016 from 3,036.75 million euros at the end of 2015, and accounted for 6.73% of total market capitalisation, as compared to 6.50% in 2015. The ratio of the total market capitalisation to Greece's GDP decreased by one percentage point to 25.6% at the end of 2016, from 26.6% in 2015.

The top ten shares in terms of market capitalisation at the end of 2016 were the following (their share in total market capitalisation is shown in brackets): Coca Cola HBC AG (16.70%), Hellenic Telecommunication Organization (OTE) (9.68%), ALPHA Bank (6.45%), Greek Organization of Football Prognostics (OPAP SA) (5.92%), National Bank (5.01%), Jumbo SA (4.53%), Piraeus Bank (4.03%), Titan Cement Company (4.03%), Motor Oil (Hellas) Corinth Refineries SA (3.21%), and EUROBANK (4.81%). The market capitalisation of these ten companies' shares stood at 28.36 billion euros as per the end of 2016 and accounted for 62.69% of the total market capitalisation of shares listed in the Athens Exchange. Similarly, at the end of 2015, the ten largest companies in terms of market capitalisation had a market cap of 30.11 billion euros and accounted for 63.77% 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 95.12 million euros at the end of 2016, reduced by 12.05% year-on-year.

TABLE 3. Market Capitalisation of shares traded in the Securities Market and the Alternative Market of the Athens Exchange (€ million), 2016

Month	Securities Market					Alternative Market
	Main market	Low Dispersion	Surveillance	Under deletion	Total	
Jan.	37,661.79	2,563.36	203.53	6.01	40,434.69	111.44
Feb.	34,598.48	2,564.83	141.54	6.01	37,310.86	110.56
Mar.	38,619.61	2,493.68	119.38	6.61	41,239.27	110.56
Apr.	39,121.56	2,583.72	131.84	6.22	41,843.34	111.14
May	43,137.77	2,810.58	155.09	6.41	46,109.85	113.62
Jun.	36,105.29	2,708.65	129.11	6.60	38,949.65	112.06
Jul.	37,771.47	2,662.12	122.69	6.48	40,562.76	109.97
Aug.	38,395.18	2,707.86	144.25	6.65	41,253.94	109.28

Month	Securities Market					Alternative Market
	Main market	Low Dispersion	Surveillance	Under deletion	Total	
Sep.	37,344.36	2,719.22	116.21	6.68	40,186.46	109.92
Oct.	38,700.50	2,793.83	119.79	6.36	41,620.48	105.98
Nov.	41,155.28	2,931.91	110.75	6.43	44,204.38	99.47
Dec.	42,061.11	2,915.05	119.20	6.43	45,101.80	95.12

Source: ATHEX.

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

TABLE 4. ATHEX cumulative data, 2008-2016

End of year	Market Capitalisation of ATHEX Securities Market (€ million)	ATHEX Composite Share Price Index	Number of ATHEX-listed companies	ATHEX market capitalisation (% of GDP)
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

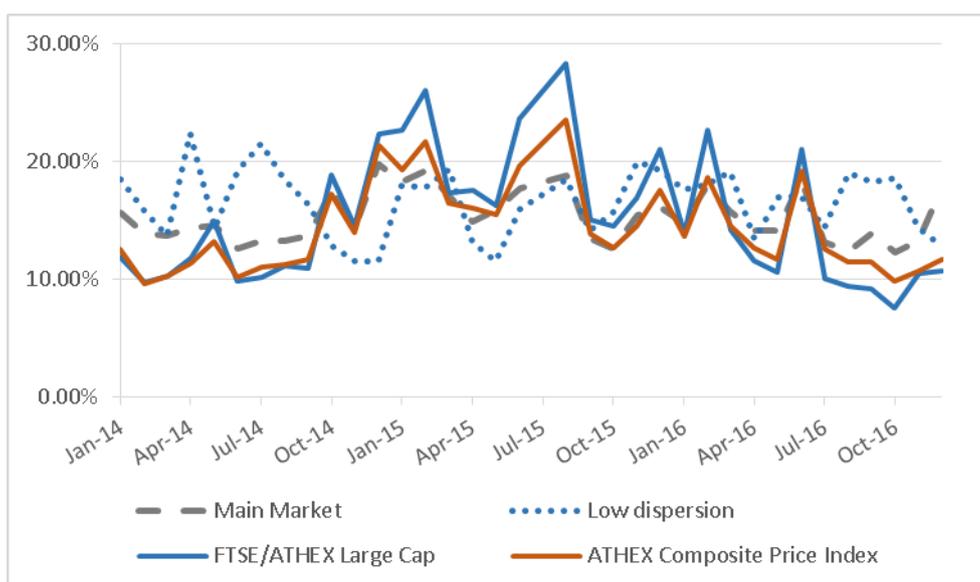
At the end of 2016, the ATHEX Composite Share Price Index closed at 643.64 units, registering a small year-on-year gain of 1.95% (631.35 units in 2015). During 2016, the Index showed monthly fluctuations, the most pronounced changes being recorded in January (-12.44%), March (+11.69%), May (+10.85%), and June (-16.21%). The index registered its low for the year in February (420.82); this value was lower than the corresponding low for the year 2015 (557.63). The index reached its high for the year in June (658.99); this value was lower than the corresponding highest value for the year 2015 (945.81).

The cumulative return of the ATHEX Composite Share Price Index for the period 2006-2016 is shown in 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 2014-2016 is illustrated in Figure 2.

TABLE 5. Cumulative Return (%) of the ATHEX Composite Share Price Index, 2006-2016

Base Year	Return Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
2015	1.95%									
2014	-22.09%	-23.58%								
2013	-44.64%	-45.70%	-28.94%							
2012	-29.11%	-30.46%	-9.00%	28.06%						
2011	-5.41%	-7.21%	21.42%	70.88%	33.43%					
2010	-54.48%	-55.35%	-41.57%	-17.77%	-35.79%	-51.88%				
2009	-70.69%	-71.25%	-62.38%	-47.06%	-58.66%	-69.02%	-35.62%			
2008	-63.97%	-64.66%	-53.75%	-34.92%	-49.18%	-61.91%	-20.85%	22.93%		
2007	-87.57%	-87.81%	-84.05%	-77.55%	-82.47%	-86.86%	-72.70%	-57.59%	-65.50%	
2006	-85.35%	-85.63%	-81.20%	-73.54%	-79.34%	-84.52%	-67.82%	-50.02%	-59.34%	17.86%

FIGURE 2. Monthly volatility in the Athens Exchange, 2014-2016



Source: ATHEX

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

In 2015, the main indices of the ATHEX did not all move in the same direction. Losses were recorded by the FTSE/ATHEX – CSE Banking Index (-28.90%), the FTSE/ATHEX Mid Cap Index (-7.69%) and the FTSE/ATHEX Large Cap Index (-5.05%). Gains were recorded by the FTSE/ATHEX Global Traders Index Plus (+18.74%), the FTSE/ATHEX Global Traders Index (+15.20%), the Hellenic Mid & Small Cap Index (+9.94%) and the FTSE/ATHEX MID& SMALL CAP Factor-Weighted Index (+6.78%).

In 2016, sectoral indices also presented a mixed picture. More specifically, the largest gains were registered by the FTSE/ATHEX Basic Resources Index (+65.51%), followed by FTSE/ATHEX Personal & Household Goods (+51.09%), the FTSE/ATHEX Oil & Gas Index (+24.32%) and the FTSE/ATHEX Construction & Materials Index (+20.05%) The largest loss was sustained by the FTSE/ATHEX Banks Index (-28.89%), followed by the FTSE/ATHEX Industrial Goods & Services Index (-20.26%) and the FTSE/ATHEX Utilities Index (-9.47%). Table 6 presents the closing values and the percentage year-on-year changes for main indices of the Athens Exchange as per 31.12.2016. Table 7 presents ATHEX sectoral index data per month and for the entire year 2016.

TABLE 6. ATHEX Main Indices, 2015-2016

Athens Exchange Indices	Closing price 31.12.2015	Closing price 31.12.2016	Annual change (%)
Composite Share Price Index	631.35	643.64	1.95%
FTSE/ATHEX Large Cap	1833.4	1740.86	-5.05%
FTSE/Athex MID Cap	816.44	753.69	-7.69%
FTSE/ATHEX Global Traders Index Plus	1,274.61	1,513.50	18.74%
FTSE/ATHEX MID&SMALL CAP Factor-Weighted	1,255.57	1,340.71	6.78%
FTSE/ATHEX Market index	449.96	427.09	-5.08%
Hellenic Mid & Small Cap Index	715.58	786.74	9.94%

Source: ATHEX

TABLE 7. Sectoral Share-price Indices in the ATHENS EXCHANGE, FTSE/ATHEX, 2016

Month	Banks	Fin. Services	Ind. Goods	Retail	Constr. & materials	Utilities	Real Estate
Jan.	835.40	839.51	1,722.98	2,111.10	1,805.19	1,519.45	2,308.73
Feb.	684.00	869.76	1,434.72	2,191.01	1,657.20	1,392.58	2,377.80
Mar.	893.20	976.36	1,433.37	2,523.50	1,953.61	1,474.43	2,421.67
Apr.	909.80	1,013.94	1,443.20	2,631.18	2,039.55	1,455.65	2,390.44
May	1,098.40	1,149.21	1,699.84	2,836.08	2,214.47	1,637.42	2,562.71

Month	Banks	Fin. Services	Ind. Goods	Retail	Constr. & materials	Utilities	Real Estate
Jun.	690.53	865.2	1,488.66	2,450.34	1,942.23	1,388.85	2,401.52
Jul.	707.50	892.14	1,575.35	3,214.51	2,123.80	1,516.43	2,429.05
Aug.	707.85	931.02	1,571.53	3,170.68	2,136.28	1,461.41	2,461.69
Sep.	628.53	880.71	1,544.66	3,229.12	2,131.03	1,438.15	2,391.06
Oct.	664.95	962.59	1,588.72	3,188.21	2,180.03	1,545.74	2,535.41
Nov.	827.70	996.23	1,556.08	2,960.27	2,189.70	1,573.40	2,677.26
Dec.	837.94	1056.65	1,454.94	2,809.78	2,254.97	1,516.75	2,642.99
Annual % change	-28.89	8.49%	-20.26%	11.23%	20.05%	-9.47%	9.21%
Max	1,239.80	1,179.09	1,844.00	3,272.96	2,343.14	1,734.68	2,677.26
Min.	358.60	634.69	1,363.18	1,826.41	1,500.04	1,136.34	2,154.15

Source: ATHEX

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

Value of Trading

In 2016, the value of equity trading in the Securities Market of the Athens Exchange stood at 15.05 billion euros, reduced by 21.28% year-on-year. Its average monthly value stood at 1.25 billion euros, while the highest value for the year (2.06 billion euros) was recorded in May. The value of equity trading in all trading categories stood at 15.04 billion euros, reduced by 20.23% year-on-year. The value of trading in exchange traded funds stood at 3.45 million euros, down by 56.60% from 2015, while the value of trading in warrants stood at 2.54 million euros, reduced by 98.99% year-on-year. The value of trading in the Alternative Market of the Athens Exchange stood at 1.91 million euros, increased by 2.65% year-on-year.

TABLE 8. Value of equity trading in the Securities Market and the Alternative Market of the Athens Exchange (€ million), 2016

Month	Securities Market					Alternative Market	
	Equities			Exchange Traded Funds	Warrants		Total
	Main market	Low Dispersion	Surveillance				
Jan.	1,420.07	1.28	0.13	0.31	0.08	1,421.87	0.07
Feb.	1,274.01	0.94	0.12	0.43	0.09	1,275.59	0.04
Mar.	1,601.40	0.42	0.07	0.26	0.11	1,602.26	0.00
Apr.	1,162.24	0.69	0.55	0.24	1.06	1,164.78	0.02
May	2,061.22	0.52	0.29	0.33	0.39	2,062.75	0.03
Jun.	1,648.42	15.21	0.28	0.95	0.26	1,665.12	0.09
Jul.	859.41	0.54	0.1	0.32	0.1	860.47	0.06
Aug.	846.13	0.23	0.08	0.22	0.03	846.69	0.03

Sep.	824.29	0.93	0.15	0.02	0.1	825.49	0.04
Oct.	602.78	304.89	0.24	0.08	0.05	908.04	0.05
Nov.	1205.96	3.05	0.16	0.26	0.09	1,209.52	1.36
Dec.	1,118.90	84.68	0.24	0.03	0.18	1,204.03	0.13
Total 2016	14,624.83	413.38	2.41	3.45	2.54	15,046.61	1.91

Source: ATHEX

Average turnover velocity for all stocks decreased in 2016 (average for the year: 0.127%) as compared to 2015 (average for the year: 0.171%), reaching its highest value in May (0.201%). In the first half of the year, its average monthly value (0.167%) was higher than the average for the year, whereas in the second half the corresponding average (0.086%) was much lower than the average for the year.

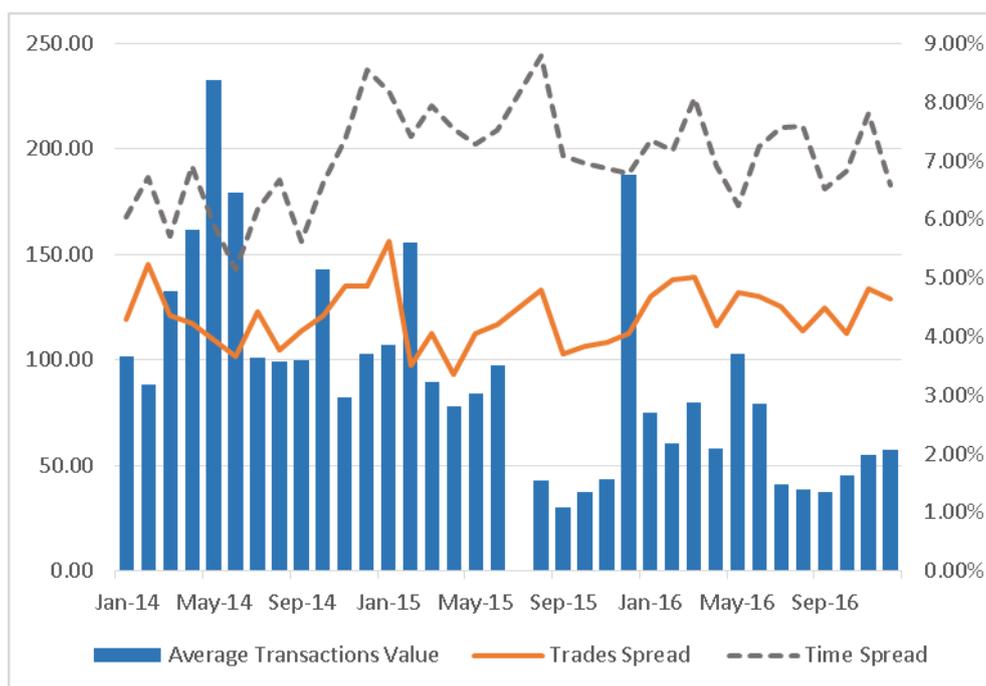
TABLE 9. Average turnover velocity, per month, 2016

Month	Main market	Low Dispersion	Surveillance	Total
Jan.	0.179%	0.003%	0.003%	0.165%
Feb.	0.169%	0.002%	0.004%	0.156%
Mar.	0.193%	0.001%	0.003%	0.180%
Apr.	0.139%	0.001%	0.060%	0.129%
May	0.216%	0.001%	0.010%	0.201%
Jun.	0.183%	0.001%	0.009%	0.170%
Jul.	0.100%	0.001%	0.004%	0.092%
Aug.	0.063%	0.000%	0.003%	0.058%
Sep.	0.089%	0.002%	0.005%	0.083%
Oct.	0.072%	0.010%	0.010%	0.067%
Nov.	0.118%	0.005%	0.006%	0.110%
Dec.	0.114%	0.014%	0.011%	0.107%

Source: ATHEX

The bid-ask spread in relation to the value of trading for 2016 is presented in Figure 3.

FIGURE 3. Average monthly bid-ask spread and average daily value of trading, 2014-2016



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 2016, 7,341 new accounts were opened in the Dematerialized Securities System (DSS), as compared to 18,508 in 2015, and 15,234 in 2014, representing a 60.34% year-on-year decrease, while 316,966² accounts were deactivated, as compared to 6,345 in 2015 and 116,897 in 2014. The number of active accounts in December 2016 stood at 16,464, as compared to 26,322 and 25,827 in December 2015 and 2014 respectively, with the average number of active accounts for 2016 falling to 16,039 from 26,248 in 2015 and 27,928 in 2014.

TABLE 10. Number of new Investor Accounts in the DSS by month, 2014-2016

Month / Year	2016		2015		2014	
	Active accounts	New accounts	Active accounts	New accounts	Active accounts	New accounts
January	17,556	708	28,532	1,659	34,350	1,338

² The rise in the 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 the case where the Securities Account and the Special Account remain inactive for a period of five years.

Month / Year	2016		2015		2014	
	Active accounts	New accounts	Active accounts	New accounts	Active accounts	New accounts
February	21,159	978	38,527	2,313	29917	1,054
March	17,253	759	32,776	1,399	33734	1,121
April	15,739	502	24,127	1,130	29313	3,374
May	19,777	636	24,581	1,137	35108	1,308
June	20,360	648	33,912	1,485	32143	969
July	13,398	626		289	23562	1,027
August	10,078	431	21,016	979	20229	888
September	12,844	487	17,074	804	22822	1,159
October	12,217	489	16,715	677	28897	980
November	15,623	529	25,151	3,112	19228	941
December	16,464	548	26,322	3,524	25827	1,075
Average active accounts	16,039		26,248		27,928	
Total new investor shares		7,341		18,508		15,234
Account deactivations		316,966		6,345		116,897

Source: Hellenic Exchanges

In 2016, domestic investor participation (including the Hellenic Financial Stability Fund – HFSF) to the market capitalisation of the Athens Exchange remained almost unchanged year-on-year (38.56%, as compared to 38.55% in 2015), despite the fact that, according to trading data by the Athens Exchange, they were net sellers, with outflows (the difference between the value of sales and purchases) of 913.29 million euros. The participation of private domestic investors rose to 14.84% (5,831.38 million euros) of the total market capitalisation in the Athens Exchange from 14.16% in 2015 (5,555.44 million euros), while the participation of the HFSF fell to 4.46% (1,753.58 million euros) from 6.08% in 2015 (2,384.18 million euros), as a result of the Fund's proportionately lower participation in the third recapitalisation of Greece's systemic banks. The participation of foreign investors increased marginally, and accounted for 61.40% of total market capitalisation in the ATHEX in 2014, as compared to 60.27% in 2015. In 2016, foreign investors were net buyers.

TABLE 11. Investor participation in the total capitalisation of the Athens Exchange, 31.12.2016

	Investor Accounts with balances		Capitalization	
	Number	Percentage (%)	Value (€ million)	Percentage (%)
I. Domestic Investors	708,683	97.89	15,149.20	38.56
Private	702,533	97.04	5,831.38	14.84
Private financial firms	366	0.05	3,891.85	9.91
Private non-profit institutions	638	0.09	270.78	0.69
Non-financial firms	2,403	0.33	2,857.11	7.27
Public Sector	152	0.02	539.84	1.38
Other Investors	2,575	0.36	4.64	0.01
Hellenic Financial Stability Fund	1	0.00	1,753.58	4.46
II. Foreign Investors	14,982	2.07	24,120.32	61.40
Private	11,339	1.57	716.73	1.82
Private financial undertakings	2,724	0.38	17,039.89	43.37
Non-financial undertakings	799	0.11	5,233.69	13.32
Public Sector & Organisations	66	0.00	1,075.52	2.74
Other Investors	22	0.00	0.16	0.00
III. Other Investors	329	0.05	16.44	0.04
Total I +II + III	723,994	100.00	39,285.96	100.00

Source: ATHEX

Note: Private financial firms 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 firms 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 2016, the weighted with the sector's market capitalisation price to (after-tax) earnings ratio (P/E) for the entire market was equal to 6.7. It is worth noting that this value is the lowest recorded in regard to this index during the past fifteen years, continuing the decline that started in 2013. The lowest weighted P/E ratio was that of the General Mining sector (0.5), followed by Medical Equipment (1.2), Property & Casualty Insurance (3.4), and Farming, Fishing & Plantations (5). The sector capitalisation-weighted dividend yield (D.Y.) of all companies listed in the ATHEX stood at 0.9% in December 2016, down from the corresponding value at the end of 2015 (1%), and remaining at especially low levels in comparison to the values recorded during the past fifteen-years. The highest dividend yield was that of the Integrated Oil and Gas sector (16%).

TABLE 12. Price to Earnings (P/E) ratio and listed company dividend yields, 2008-2016

End of year	Weighted P/E (after taxes)	Weighted Dividend yield %
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
2008	12.5	7.3

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 2016, trading activity in the Greek Government bond market continued to decrease for a third consecutive year. 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 935.53 billion euros, as compared to 1,046.38 billion euros in 2015, reduced by 10.59% year-on-year. The average monthly value of trades stood at 77.96 billion euros. The highest value of trading was recorded in June (134.12 billion euros), followed by that in November (102.07 billion euros), while the lowest value was recorded in January (33.11 billion euros), followed by that in February (41.67 billion euros). There was also a decline in the number of trades, which fell to 63,285 from 83,893 in 2015 and 195,862 trades in 2014. It should be noted that the aforementioned trading activity figures are the lowest recorded during the past fifteen years.

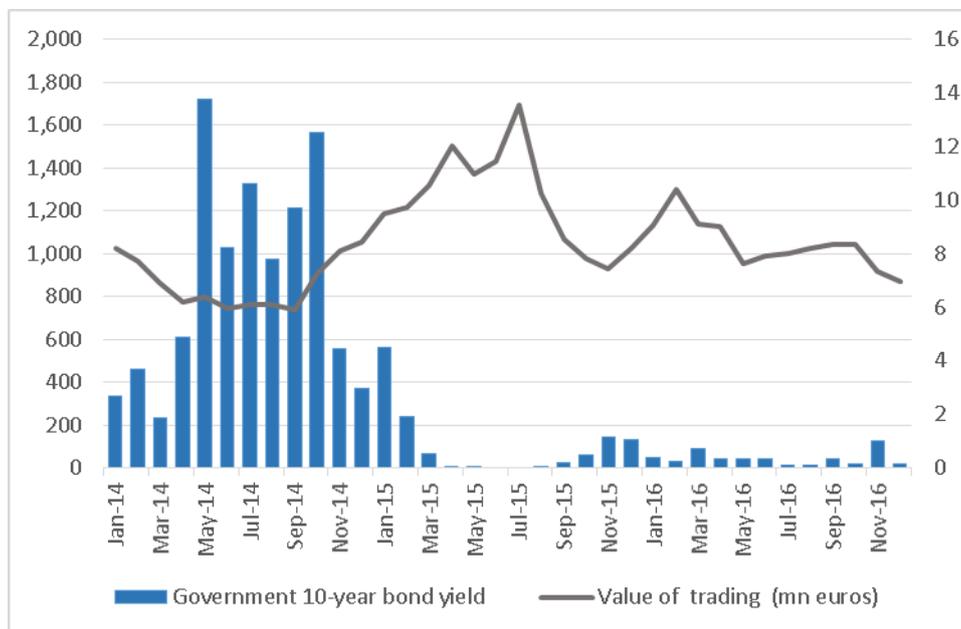
The annual value of trading in the Electronic Secondary Government Bonds Market (HDAT) amounted to 519 million euros, as compared to 1.23 billion euros in 2015, and 10.4 billion euros in 2014. This is the lowest value of the last fifteen years, the next lower (612 million euros) being recorded in 2012. The highest value of trading for the year was observed in November (123 million euros, or 23.7% of the total).

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

In December 2016, the average yield of the ten-year benchmark bond stood at 6.94%, i.e. the lowest level for the year and significantly reduced as compared to December 2015 (8.21%). Yields did not follow a consistently downward trend throughout the year, but presented fluctuations. The largest positive monthly yield changes occurred in February (+14.6%) –when the highest value for the year, i.e. 10.41%, was recorded– and in January (+10.6%). The largest decreases were observed in May (-15.39%), March (-12.39%), and November (-12%). As

regards three-year bonds, the average yield stood at 7.82% in December 2016 (as compared to 8.09% in December 2015), while the average yield of twenty-year bonds fell to 7.53% (from 8.33% in December 2015).

FIGURE 4. Government 10-year Bond yield and Value of trading in HDAT, 2016



Source: Bank of Greece

Finally, the contraction of corporate bond trading activity in the securities market of the Athens Exchange was reversed in 2016. The value of trading rose to 4.40 million euros from 0.06 million euros in 2015, and 0.28 million euros in 2014. This increase is due to trading on the bonds of House Market SA, which mostly occurred (2.98 million euros) in October, when the bond was listed for trading.

The Derivatives Market

In 2016, the derivatives market of the Athens Exchange was marked by a small decrease in trading activity, the decrease in the number of accounts that performed trades, the further increase of the share of stock futures in the total derivatives market, and, finally, the 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 62,131 contracts in 2016, as compared to 65,709 in 2015 and 43,568 in 2014, reduced by 5.45% year-on-year, as compared to a 50.82% increase in 2015. The average daily volume of trading showed monthly fluctuations throughout the year, registering its highest value in December (96,059 contracts) and its lowest value in August (24,669 contracts). More specifically, there was a small y-o-y increase in trading activity on stock futures, with the average daily volume of transactions rising by 4.61%, while the average daily volume of transactions decreased in regard to all other types of futures and options, the largest decrease being that of FTSE/ATHEX Large Cap futures, at -62.44%. Following these developments, the share of stock futures in the average daily volume of trading in all derivative products was improved, increasing to 93.70% from 84.69% in 2015 and 64.55% in 2014, while the

corresponding share of futures on the FTSE/ATHEX Large Cap index was substantially reduced to 5.79% from 14.57% in 2015 and 33.06% in 2014 (Figure 5). The largest average daily trading volume was that of the stock futures for the National Bank of Greece (20,047 contracts), followed by stock futures for Piraeus Bank (16,021 contracts) and for Eurobank Ergasias (7,802 contracts). The largest percentage increase of average daily trading volume was that of stock options for Hellenic Telecommunication Organization (OTE) (250%).

The number of end investor-client accounts amounted to 38,321 at the end of December 2016, as compared to 38,257 in December 2015 and 37,157 in December 2014 (Table 13). Moreover, the average monthly number of accounts that performed trades in 2016 fell to 1,794 from 2,171 in 2015, while the respective share on the total number of end-investor accounts fell to 4.7% from 5.7% in 2015 and 7.2% in 2014.

The ratio of ATHEX member to client transaction value for all products traded in the derivatives market increased and stood at approximately 52:48 in 2016, as compared to 47:53 in 2015 and 45:55 in 2014. Remarkable year-on-year changes of this ratio were recorded in regard to futures on the FTSE/ATHEX Large Cap index (57:43 as compared to 46:54 in 2015) and stock options (46:54 as compared to 40:60 in 2015) (Table 14).

TABLE 13. Intermediaries in the derivatives market, 2014-2016

	Dec. 2016	Dec. 2015	Dec. 2014
Trading Members	33	35	34
New members per year	0	1	0
Member mergers and deletions	-2	+1	-2
Clearing Members	20	21	21
New members per year	0	0	0
Member mergers and deletions	-1	0	-1
- Direct Clearing Members	12	13	12
- General Clearing Members	8	8	9
Transaction terminals	-	-	250
API use agreements	-	-	30
Client Accounts	38,321	38,257	37,157
Products (Index & Equity)	33	35	36

Source: ATHEX.

TABLE 14. Distribution of Contracts in the Derivatives market, 2014-2016

Derivative products	Distribution of trades					
	Average 2016		Average 2015		Average 2014	
	Members	Clients	Members	Clients	MM	Clients
Futures on the FTSE/ATHEX LARGE CAP index	56.80%	43.20%	46.06%	53.94%	42.68%	57.32%
Options on the FTSE/ATHEX LARGE CAP index	63.87%	36.13%	63.52%	36.48%	48.41%	51.59%
Stock futures	42.66%	57.34%	38.80%	61.20%	40.71%	59.29%
Stock options	45.61%	54.39%	40.17%	59.83%	47.88%	52.12%

Derivative products	Distribution of trades					
	Average 2016		Average 2015		Average 2014	
	Members	Clients	Members	Clients	MM	Clients
TOTAL PRODUCTS	52.24%	47.76%	47.14%	52.86%	44.92%	55.08%

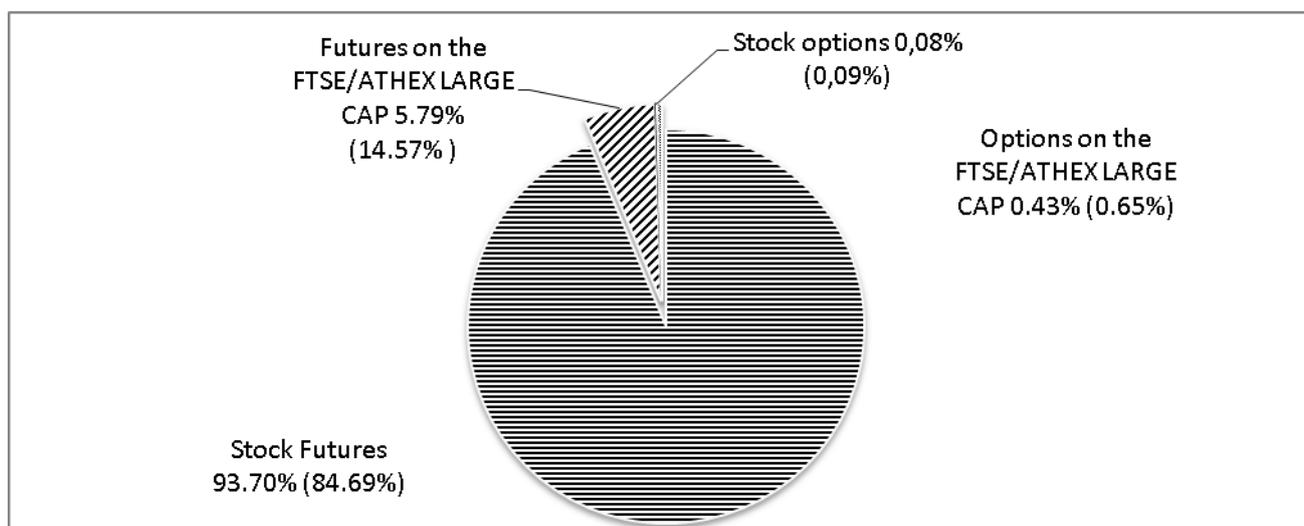
Source: ATHEX

Although the ratio of the value of trading in the derivatives market to the value of trading in the underlying transferable securities market of the Athens Exchange did not register any significant year-on-year change, it remained at low levels during the first half of the year, and recovered significantly during the second. More specifically, the average value of the ratio of the total value of derivative products to the total value of stock trading stood at 20% in 2016 as compared to 22% in 2015 and 28% in 2014. It is worth noting that the average value of this ratio for the first half of 2016 stood at approximately 15%. More specifically, the average ratio of the value of trading in futures and options on the FTSE/ATHEX Large Cap index to the total value of trading in stocks stood at 13% in 2016, as compared to 14% in 2015 and 25% in 2014, while the average ratio of transactions on stock futures and options to the total value of trading in stocks registered a marginal increase to 8% in 2016, from 7% in the previous two years (Table 15).

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 2016), and stood at 3.60, as compared to 3.85 in 2015 and 1.91 in 2014. The ratio showed fluctuations on a monthly basis (maximum value: 10.46 in May; minimum value: 1.09 in July), with the average value of the ratio standing at 4.11 in 2016 as compared to 5.93 in 2015 and 2.13 in 2014.

Finally, in April and December 2016 the Athens Exchange decided to de-list the stock futures for Frigoglass and Corinth Pipeworks SA, respectively.

FIGURE 5. Distribution of the Volume of Trading in the derivatives market per product, 2016 (2015)



Source: ATHEX, HCMC

Note: 2015 figures are shown in brackets.

TABLE 15. Value of trading in the derivatives market and the underlying transferable securities market, 2016

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. 2016	97	12	6	6
Feb. 2016	95	16	7	8
Mar. 2016	97	13	5	8
Apr. 2016	96	15	7	7
May 2016	96	12	6	6
Jun. 2016	95	19	10	8
Jul. 2016	96	26	18	7
Aug. 2016	98	17	13	4
Sep. 2016	94	29	19	10
Oct. 2016	63	26	31	5
Nov 2016	95	27	18	8
Dec. 2016	87	31	19	12
Avg. 2016	92	20	13	8
Avg. 2015	95	22	14	7
Avg. 2014	91	28	25	7

Source: ATHEX.

SECURITIES ISSUANCE

Greek Government securities issuance

In 2016, the Greek Government issued only Treasury bills (13 and 26 weeks), of a total value of 41 billion euros as compared to 40.8 billion euros in 2015. The average weighted interest rate on Treasury bills issues during 2016 stood at 2.9%, as compared to 2.8% in 2015.

In 2016, new Greek Government debt originated by 58.3% from the issuance of Treasury bills, while the remainder is distributed as follows: 40.3% from loans extended by the European Stability Mechanism (ESM), and 1.4% from loans extended by the European Investment Bank (EIB). Moreover, the average-weighted maturity of central government debt was slightly reduced in 2016: 16.6 years at the end of 2016 from 16.8 years at the end of 2015.

Corporate Securities Issuance

In 2016, there were eight share capital increases by ATHEX-listed companies, one initial public offering and two share capital increases due to merger. Moreover, there were four corporate bond issues. Total funds raised through the issuance of shares and bonds stood at 216.05 billion euros and 115.46 billion euros respectively.

Share issuance

During the year, there were eight share capital increases by ATHEX-listed companies, as compared to seven in 2015 and eleven in 2014. The funds raised amounted to 201.56 million euros, as compared to 10.19 billion euros in 2015 and 8.76 billion euros in 2014. Of the aforementioned share capital increases, one was performed without admission to trading, while no such issue had occurred in 2015, and two had occurred in 2014. Similarly, there was one initial public offering, while no such issue had occurred in 2015 and one had occurred in 2014. Table 16 presents the funds raised per company through the issuance of shares in 2016.

TABLE 16. Funds raised through share issuance, 2016

Company	Trading category	Total Funds Raised
<i>(A) Share capital increase with admission to trading</i>		
NEXANS HELLAS SA	Main market	21,080,468.75
TELETYPOS SA	Suspension	171.60
ATHENA SA	Low Dispersion	35,000,000.00
ASTIR PALACE VOULIAGMENI SA	Low Dispersion	86,200,000.00
SELONDA AQUACULTURE SA	Main market	33,356,253.37
TRASTOR REIC	Low Dispersion	20,125,882.14
EUROCONSULTANTS SA	Main market	729,657.50
TOTAL		196,492,433.36
<i>(B) Share capital increase without admission to trading</i>		
AUDIO VISUAL ENTERPRISES SA	Non-negotiable	5,063,170.00
<i>(C) Initial public offering</i>		
INTERCONTINENTAL INTERNATIONAL REIC	Main market	14,490,000.00
Grand Total (A+B+C)		216,045,603

Source: HCMC

Table 17 presents data on the number of share capital increases by ATHEX-listed companies during 2010-2016, as well as the corresponding amount of funds raised.

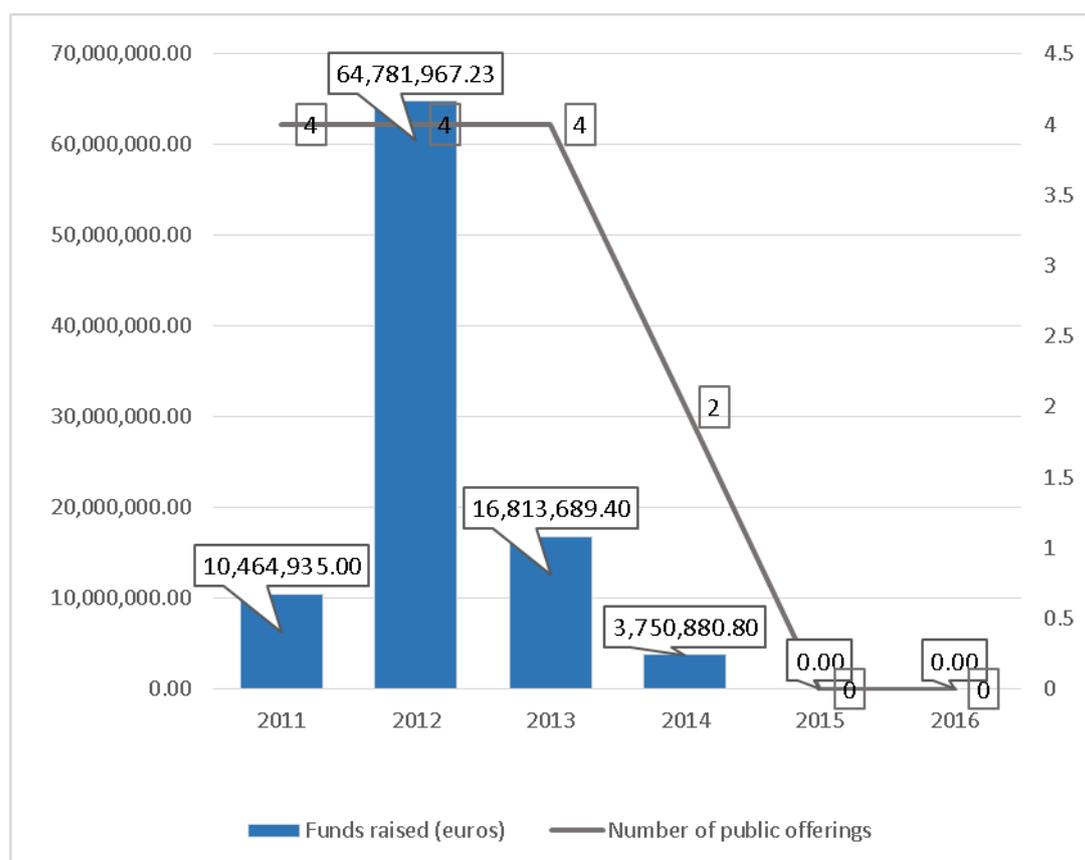
TABLE 17. Share Capital Increases by ATHEX-listed companies, 2010-2016.

Year	Number of Share Capital Increases	Total Funds Raised (€ million)
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
2010	17	2,417.00

Source: HCMC

Figure 6 presents data on the public offering of shares without admission to trading in ATHEX during the period 2011-2016. More specifically, it presents the total number of public offerings per year, as well as the amount of funds raised.

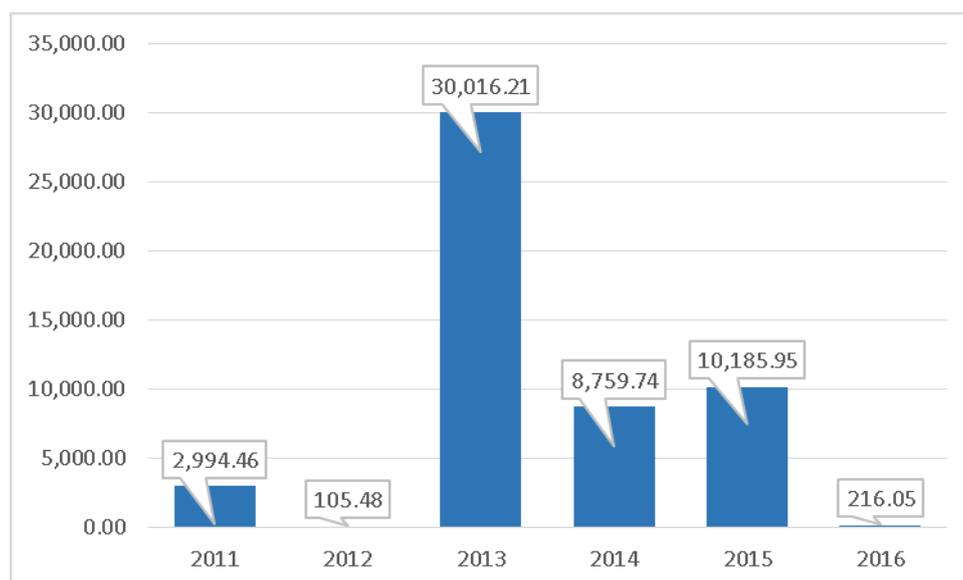
FIGURE 6. Public offering of shares without admission to trading, 2011-2016



Source: HCMC

Figure 7 presents the total amount of funds raised per year through share issuance during 2011-2016.

FIGURE 7. Total funds raised through share issuance (€ mn), 2011-2016



Source: HCMC

The quarterly distribution of share capital increases by ATHEX-listed companies in the period 2014-2016, 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, 2014-2016

Quarter	Number of issues			Total Funds Raised (€ mn)		
	2016	2015	2014	2016	2015	2014
1st	3	-	3	56.08	-	232.81
2nd	1	1	7	5.06	50.4	8,467.75
3rd	1	-	3	0.73	-	59.09
4th	3	6	1	139.68	10,135.55	0.08
Total	8	7	14	210.56	10,185.95	8,759.73

Source: HCMC

Bond Issuance

In 2016, there were four corporate bond issues, as compared to two in 2015 and one in 2014. Two of these issues concerned convertible bonds and were carried out by ATHEX-listed companies, while the total funds raised stood at 71.46 million euros (as compared to 4,069 million euros in 2015 and 251.84 million euros in 2014). The other two issues concerned ordinary bond loans. One was carried out by an ATHEX-listed company, while the bonds issued as part of the second were admitted for trading in the Athens Exchange for the first time. The funds raised amounted to 44 million euros.

TABLE 19. Funds raised through corporate bond issuances, 2016

Company	Market or Trading Category	Total Funds Raised
FORTHNET SA	Surveillance	70,124,679.90
DIONIC SA	Non-negotiable	1,335,000.00
MLS MULTIMEDIA SA	Alternative Market	4,000,000.00
HOUSEMARKET SA	Fixed-income securities	40,000,000.00
Total		115,459,679.90

Source: HCMC

Corporate restructuring in the capital market

In 2016, the corporate restructuring of companies listed in the Athens Exchange through mergers was reduced as compared to 2015. More specifically, 9 listed companies absorbed 10 non-listed companies in 2016 (Table 20 & Figure 8), while 13 listed companies had absorbed 13 non-listed and 2 ATHEX-listed companies in 2015. Of the acquirer listed companies, 3 came from the Personal & Household Goods sector, 2 from the Construction and Materials sector, and the rest from various sectors (Real Estate, Basic Resources, Chemicals, Trade). Moreover, of the 3 listed target companies, the shares of which were de-listed from the Athens Exchange as a result of the merger, 2 came from the Basic Resources and one from the Industrial Goods and Services sector.

Moreover, it should be noted that in 2016 there was a decrease in corporate restructuring through spin-offs and acquisitions of business sectors. More specifically, in 2016, 3 business sectors were spun-off from 3 ATHEX-listed companies and were acquired by 3 non-listed companies (Table 21), as compared to 5 spin-offs by 3 ATHEX-listed companies in 2015. The spin-offs that took place in 2016 concerned one company from each of the Basic Resources, Real Estate, and Industrial Goods and Services sectors.

Finally, on 31.12.2016, out of a total of 180 companies listed in the Athens Exchange, 144 companies (80.0%) comprised groups and prepared consolidated financial statements, as compared to 152 companies comprising groups (81.7%) out of a total of 186 as per 31.12.2015 (Figure 9).

TABLE 20. Mergers among companies listed and non-listed in the ATHEX, 2016

No	Acquirer	Industry	Target Company
1	VIOHALCO SA	Construction & Materials	- ELVAL HOLDING S.A. (listed) - DIATOUR SA - ALCOMET SA - EUFINA SA
2	JUMBO SA	Personal & Household goods	TANOSIRIAN SA
3	ETHNIKI PANGEA REIC	Real Estate	KARELA SA TECHNOLOGY RESEARCH-DEVELOPMENT AND REAL ESTATE DEVELOPMENT
4	ELASTRON SA	Basic Resources	CORUS KALPINIS SIMOS SA
5	ELVE SA	Personal & Household goods	ESIE SA
6	CENERGY HOLDINGS SA	Construction & Materials	- HELLENIC CABLES HOLDING SA (listed) - CORINTH PIPEWORKS HOLDING S.A. (listed)
7	HOUSEMARKET SA (bonds negotiable in the Fixed Income Securities segment)	Personal & Household goods	FOURLIS TRADE SA
8	SFAKIANAKIS SA	Retail	EXECUTIVE LEASE SA
9	THE HOUSE OF AGRICULTURE SPIROY S.A.	Chemicals	ALCHEMA LTD

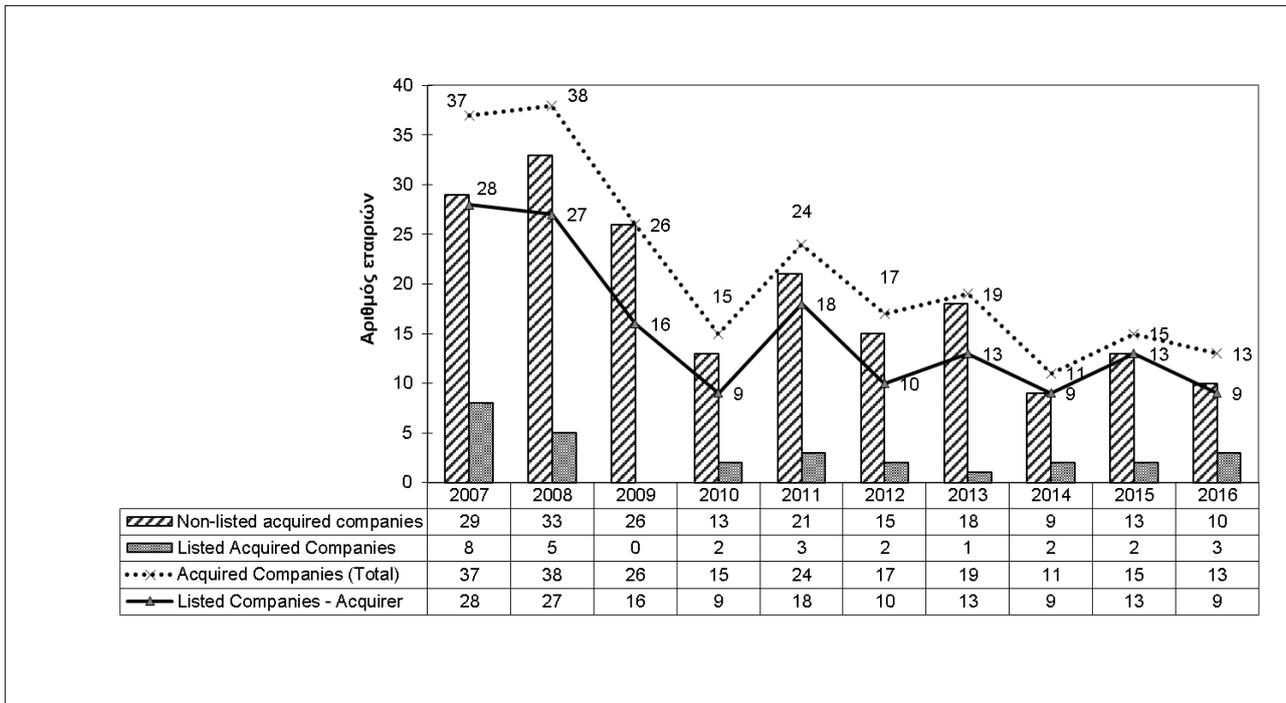
Source: HCMC

TABLE 21. Listed company business sector spin-offs and acquisitions by companies non-listed in the Athens Exchange, 2016

No	Listed Company	Industry	Company to which the business sector is transferred
1	CORINTH PIPEWORKS HOLDING S.A.	Basic Resources	EVIKE SA (industrial and commercial business sector, production of tubes and hollow rods)
2	BABIS VOVOS INTNL CONSTR SA (under suspension since 02.04.2012)	Real Estate	APLHA REAL ESTATE INVESTMENT SA (mall construction and development sector)
3	HELLENIC CABLES HOLDING SA	Industrial Goods & Services	HOLD. & INV SA (industrial sector and part of the commercial cable sector)

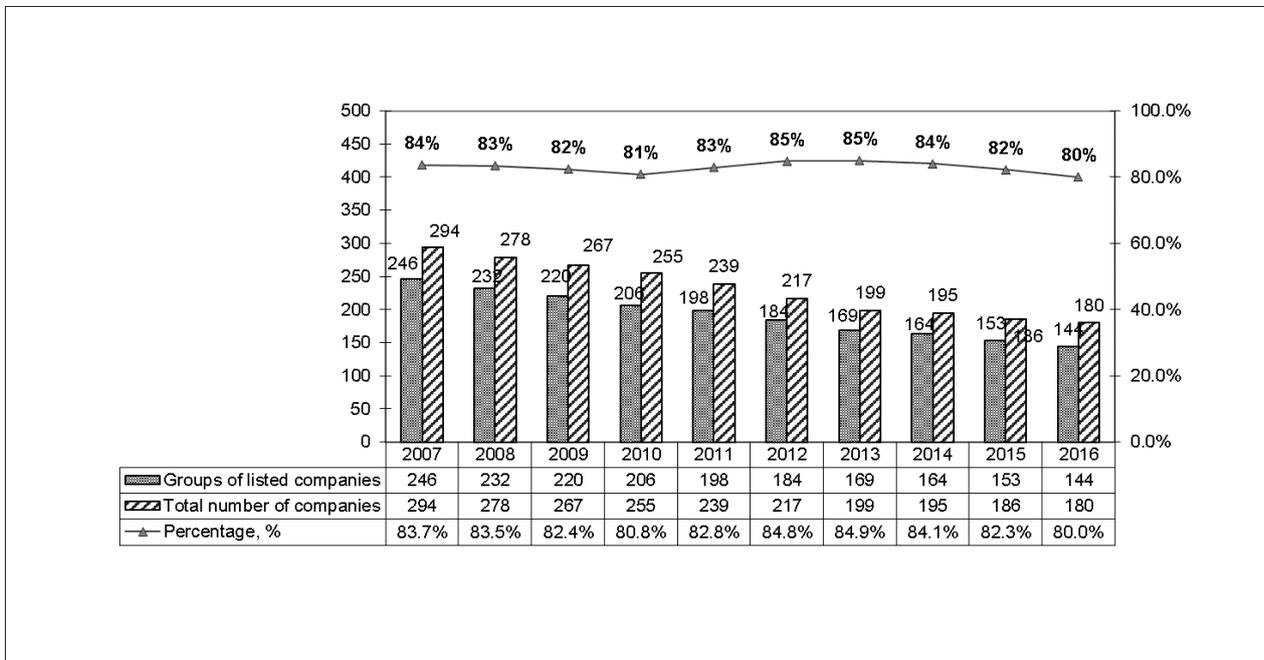
Source: HCMC

FIGURE 8. Mergers of ATHEX-listed Companies, 2007-2016



Source: HCMC

FIGURE 9. Listed companies and groups of listed companies traded in the Athens Exchange, 2007-2016



Source: HCMC

PART THREE CAPITAL MARKET INTERMEDIARIES

INVESTMENT FIRMS AND FINANCIAL INTERMEDIATION FIRMS

Trading activity

In 2016, sixty one (61) investment firms (IF) were operating in the Greek capital market, as compared to sixty three (63) in 2015 and sixty six (66) in 2014. Moreover, thirty eight (38) Financial Intermediation Firms (FIFs) were operating in 2016.

Trading activity on IF shares in the Athens Exchange stood at 21.40 billion euros in 2016, as compared to 23.90 billion euros in 2015, reduced by 10.44%. Their share in the total value of trading of all companies-members of the ATHEX (IF, Credit Institutions, and remote members) rose to 71.15% from 62.59% in 2015, indicating a decrease in the participation of remote members. 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 IF) rose to 56.68% from 54.90% in 2015 and 52.84% in 2014, while the corresponding share of the ten-largest, in terms of trading activity, members of the Athens Exchange remained almost unchanged at 2015 levels (79.02% as compared to 79.27% in 2015 and 75.85% in 2014).

TABLE 22. Trading by firms-members of the Athens Exchange, 2012-2016.

Trading by ATHEX members (€ mn)	2016	2015	2014	2013	2012
Value of Equity Trading	30,072.16	38,169.40	63,020.06	42,618.14	25,834.67
Value of Bond Trading	13.37	0.08	0.56	1.04	15.52
Total Trading Value	30,085.53	38,169.48	63,020.63	42,619.19	25,850.19
Share (%) of top-5 members of the Athens Exchange	56.68	54.90	52.84	54.66	51.82
Share (%) of top-10 members of the Athens Exchange	79.02	79.27	75.85	74.82	67.31

Source: ATHEX

Margin Account Trading

Table 23 presents the development of margin account trading for the year 2016, 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 26, while 36 firms submitted the relevant notification. The average number of active open-end contracts fell to 6,225 from 6,943 in 2015, 8,666 in 2014, 10,853 in 2013 and 10,839 in 2012. Total average debit balances in margin accounts fell to 19.67 million euros from 36.32 in 2015, 57.1 million euros in 2014, 50.4 million euros in 2013 and 50.5 million euros in 2012, while the average value of security portfolios stood at 453.66 million euros, as compared to 668.25 million euros in 2015, 559.9 million euros in 2014, 410.9 million euros in 2013 and 394.2 million euros in 2012.

TABLE 23. Margin Account Trading, 2016

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)
2016						
Dec.	36	25	4,960	50,310	19,281.04	475,919.98
Nov.	36	26	5,599	43,606	19,272.15	418,319.85
Oct.	36	26	5,593	50,276	21,660.87	452,708.49
Sep.	36	26	5,597	50,255	21,434.32	463,140.50
Aug.	36	26	6,614	52,243	17,419.66	620,519.19
Jul.	36	27	6,626	52,246	17,307.56	442,415.54
Jun.	36	27	6,606	52,099	19,541.27	447,465.35
May	36	25	6,631	54,091	25,513.03	500,633.37
Apr.	36	26	6,617	54,006	20,272.06	479,892.01
Mar.	36	25	6,626	53,795	19,632.54	396,726.79
Feb.	36	26	6,615	54,253	16,596.00	364,061.23
Jan.	36	26	6,618	54,320	18,173.54	382,065.05
Mean	36	26	6,225	51,792	19,675.34	453,655.61

Source: HCMC

COLLECTIVE INVESTMENT MANAGEMENT FIRMS

Collective Investments in Transferable Securities (UCITS)

In 2016, the total number of mutual fund management companies (MFMCs) fell to 14. The total number of mutual funds under management at the end of the year stood at 268, of which 162 were granted formation approval by the Hellenic Capital Market Commission, as compared to 270 in 2015, and 265 in 2014.

At the end of the year, the total net assets of mutual funds decreased by 11.29% year-on-year and stood at 6.42 billion euros, as compared to 7.24 billion euros in 2015 and 6.05 billion euros in 2014. According to the classification of mutual funds, MFMCs managed 74 equity mutual funds, 49 bond mutual funds, 33 balanced mutual funds, 7 short-term money market funds, 19 money market funds, 27 equity funds of funds, 32 balanced funds of funds, 5 bond funds of funds, and 22 Specialist mutual funds.

The three largest mutual fund management companies had funds under management of 4.50 billion euros, which accounted for 70.07% of total mutual fund assets, as compared to assets of 5.31 billion euros and a corresponding market share of 73.31% in 2015, and 3.84 billion and 63.54% in 2014. Similarly, the five largest

MFMCs had funds under management of 5.72 billion euros that accounted for 89.11% of total mutual fund assets, as compared to 90.30 % in 2015 and 81.72% in 2014.

TABLE 24. Net assets and Number of Mutual Funds, 2014-2016.

MF Classification	31.12.2016		31.12.2015		31.12.2014	
	Value (€ million)	No. of M/F	Value (€ million)	No of M/F	Value (€ million)	No. of M/F
Money market	1,556.62	26	2,103.81	26	1,031.14	27
Bond	1,465.47	49	1,419.10	48	1,286.26	46
Equity	980.10	74	1,040.00	72	1,207.73	71
Balanced	1,107.07	33	1,104.70	32	1,051.75	33
Funds of Funds	885.59	64	1,020.94	63	728.61	55
Specialist	426.44	22	550.07	29	741.80	33
Total	6,421.29	268	7,238.62	270	6,047.33	265

Source: Hellenic Fund & Asset Management Association

TABLE 25. Net Mutual Funds Assets and macroeconomic aggregates, 2008-2016

Date	Resident deposits and repurchase agreements of non MFIs to other MFIs in Greece (€ mn) ¹	ATHEX Market Capitalisation (Total number of shares) (€ million)	Net Mutual Funds Assets (€ million)
Dec. 2016	-	45,101.80	6,421.3
Nov 2016	144,934	44,204.38	6,601.7
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. MFIs stands for Monetary Financial Institutions.

As far as individual mutual fund categories are concerned, the net assets of short term money market mutual funds stood at 947.97 million euros, decreased by 38.27% year-on-year, while their annual returns were marginally positive at 0.02%, as compared to a y-o-y value increase of 562.25% and a positive return of 0.09% in 2015. The changes in the net assets of this mutual fund category both in 2015, and in 2016, 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 7.15% y-o-y, to 608.65 million euros, with a positive annual return of 3.00%, as compared to a 28.93% decrease in asset value and a positive return of 2.29% respectively in 2015. The total market share of the overall money market category as per 31.12.2016 accounted for 24.24% of the total mutual fund market, as compared to 29.06% in 2015 and 17.05% in 2014.

The net assets of bond mutual funds stood at 1,465.47 million euros, registering a further y-o-y increase of 3.27% as compared to a 10.33% increase in 2015. Their market share rose to 22.82% of the total mutual fund market at the end of the year, from 19.60% in 2015 and 21.27% in 2014, while their annual return was positive at 5.62%, as compared to 8.43% in 2015.

The net assets of equity mutual funds stood at 980.10 million euros, reduced by 5.76% year-on-year, despite the fact that their annual returns were positive at 4.95%, as compared to a decrease in net assets by 12.76% and a positive annual return of 1.01% in 2015. The market share of equity mutual funds stood at 15.26% as per 31.12.2016, as compared to 14.37% in 2015 and 19.97% in 2014. It should be noted that the ATHEX Composite Share Price Index gained 1.95% y-o-y, the FTSE/ATHEX Large Cap Index lost 5.05% and the FTSE/ATHEX Market Index lost 5.08%.

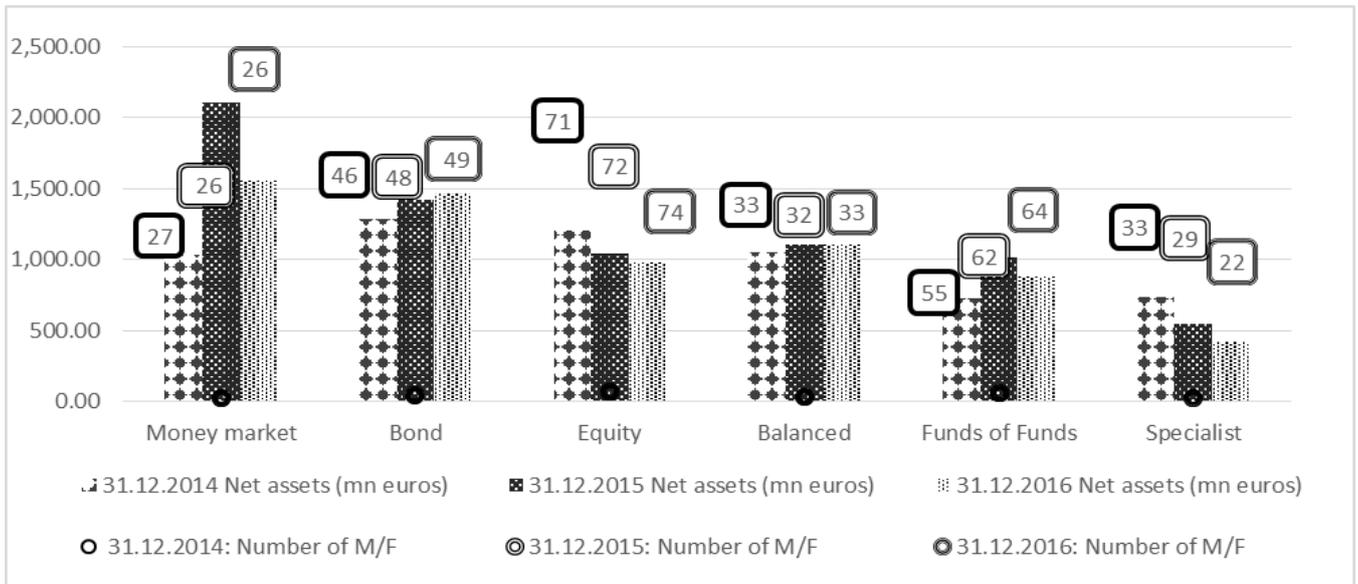
The net assets of balanced mutual funds increased by 0.21% year-on-year to 1,107.07 million euros, as compared to a 5.03% increase in 2015, while their market share as per 31.12.2016 accounted for 17.24% of the total mutual fund market, as compared to 15.26% in 2015 and 17.39% in 2014. Their annual returns were positive, at 3.99%, as compared to marginally positive annual returns of 0.21% in 2015.

The net assets of funds of funds as a whole stood at 885.59 million euros at the end of the year, reduced by 13.26% year-on-year, as compared to a 40.12% increase in 2015. Funds of funds as a whole accounted for 13.79% of the total mutual fund market, as compared to a market share of 14.10% in 2015, and 12.05% in 2014. Equity funds of funds saw their net assets decrease by 15.49%, while their annual returns were positive at 5.63%, as compared to net asset growth of 2.57% and a positive return of 3.67% in 2015. Balanced funds of funds saw their net assets decrease by 13.02%, while their annual returns were positive at 3.04%, as compared to a 74.21% increase in net assets and a positive annual return of 3.59% in 2015. Bond funds of funds saw their net assets decrease by 6.14%, while their annual returns were positive at 2.87%, as compared to net asset growth of 23.05% and an annual return of 1.80% in 2015.

The net assets of specialist mutual funds decreased by 22.48% year-on-year to 426.44 million euros, as compared to a 25.85% decrease in 2015, while their market share as per 31.12.2016 accounted for 6.64% of the total mutual fund market, as compared to 7.60% in 2015 and 12.27% in 2014. Their annual returns were positive, at 5.87%, as compared to marginally negative annual returns of 0.08% in 2015.

In 2016, all mutual fund categories suffered net outflows, which amounted to a total of 1.05 billion euros, as compared to net inflows of 1.15 billion euros in 2015. The largest part of these outflows concerned money market mutual funds (-560 million euros), with the outflows from the mutual fund with the largest market share in this category reaching 557 million euros, followed by Funds of Funds (-157.9 million euros), specialist mutual funds (-145.1 million euros), equity mutual funds (-74.6 million euros), balanced mutual funds (-67.7 million euros), and bond mutual funds (-42.8 million euros).

FIGURE 10. Net assets and Number of Mutual Funds per MF classification, 2014-2016



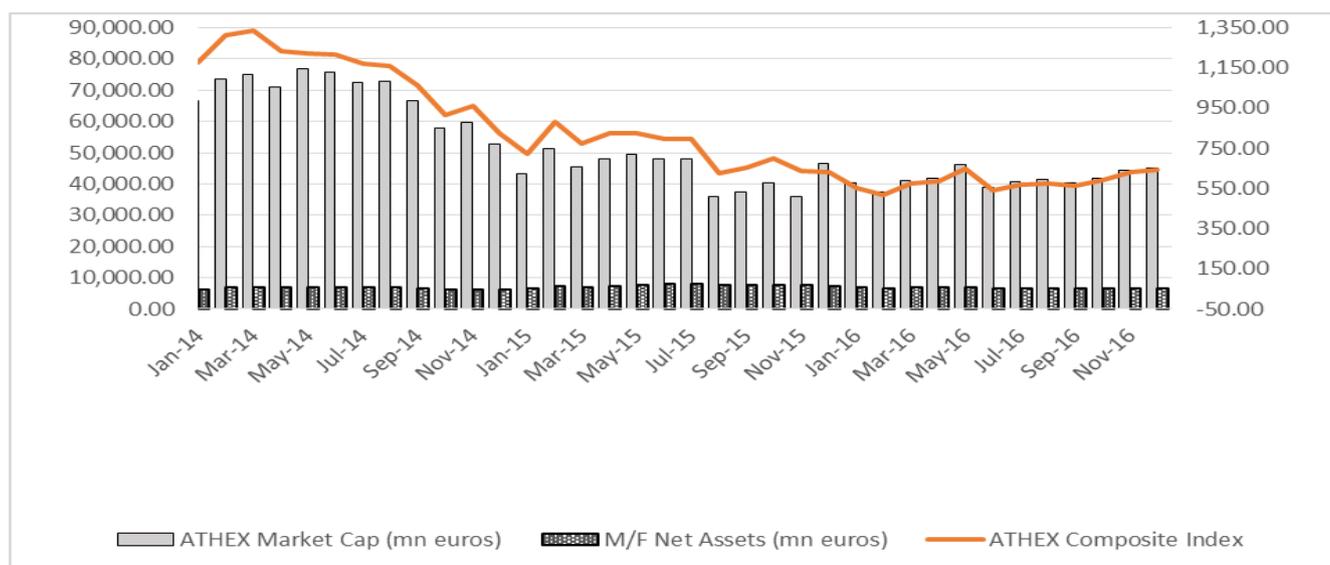
Source: Hellenic Fund & Asset Management Association

TABLE 26. Net Assets and Number of Shares/Units of Mutual Funds, 31.12.2016

MF Classification	Net Assets 31.12.2016 (€)	Change y-o-y (%)	No. of shares 31.12.2016	Change y-o-y (%)
Money Market	608,654,676.50	7.15	177,059,345.22	-8.74
Short Term Money Market	947,972,436.72	-38.27	94,858,451.58	-37.97
Bond	1,465,474,136.66	3.27	251,804,106.57	-0.65
Equity	980,095,847.30	-5.76	354,646,797.28	-7.85
Balanced	1,107,070,380.61	0.21	206,829,398.90	-6.14
Bond Funds of Funds	71,130,371.89	-6.14	7,899,194.93	-7.26
Equity Funds of Funds	262,470,334.06	-15.49	76,238,625.59	-28.60
Balanced Funds of Funds	551,985,972.10	-13.02	118,125,688.78	-21.26
Specialist	426,438,518.67	-22.48	87,010,176.26	-19.00

Source: Hellenic Fund & Asset Management Association

FIGURE 11. ATHEX Market Capitalisation - mutual fund assets and the ATHEX Composite Index, 2014-2016



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

In 2016, 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 one hundred (100) cases, while twenty one (21) new foreign UCITS offered notification concerning the sale of mutual fund units.

TABLE 27. Authorized foreign Undertakings for Collective Investments, 2003-2016

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
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 2016, there were two (2) active Portfolio Investment Companies (PICs), whose shares are traded in the Securities Market of the Athens Exchange, with net assets of 17,995,396.23 euros.

Moreover, there were five (5) 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 27.78 million euros. The shares of the other four (4) are traded in the Securities market of the Athens Exchange. At the end of 2016, the total value of the investment portfolio of these four companies stood at 2,473.4 million euros, as compared to 2,444.5 million euros at the end of 2015 (up by 1.18%), while the value of properties under management stood at 2,055.25 million euros as compared to 1,900 million euros in 2015.

Moreover, nine (6) 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 2016, the Board of Directors of the Hellenic Capital Market Commission, being appropriately delegated, issued the following Decisions, which were directed towards improving the services provided and investor protection, ensuring the smooth operation of the markets, ensuring market transparency and ensuring the proper conduct of capital market participants.

Collective Investments (Investment Funds, Management Companies, PIFs)

1/756/18.5.2016 *Sale of shares in other member-state UCITS in Greece, in accordance with article 89 of L.4099/2012 – regulates the sale of units/ shares of other member-state UCITS in Greece, under the mandate of paragraph 12, article 89 of Law 4099/2012.*

5/760/14.7.2016 *Amendment of HCMC Decision 8/259/19.12.2002 “Contents of the semi-annual/annual report and the investment report of real estate mutual funds and the semi-annual investment report of real estate investment companies” (Gov. Gaz. B/19/16.1.2003), as amended by HCMC Decision 10/566/26.10.2010 (Gov. Gaz. B/1812/18.11.2010) – concerns the timing of the submission of the semi-annual investment report of real estate investment companies.*

10/766/20.12.2016 *Exchange-Traded Funds/ UCITS, amendment of HCMC Decision 3/645/2013 and other issues – sets out the obligations concerning the information communicated to investors by UCITS ETFs in Greece, as well as by UCITS that track financial indices, the obligations of UCITS investing in OTC derivatives and efficient portfolio management techniques, and establishes the criteria that must be met by the financial indices in which UCITS invest.*

Trading, Clearing, Settlement

7/759/29.6.2016 *Amendment of HCMC Decision 3/304/10.6.2004 (Gov. Gaz. 901B/16.6.2004) “Regulation for the Operation of the Dematerialized Securities System” and HCMC Decision 1/736/2.11.2015 (Gov. Gaz. 2558B/26.11.2015) “Amendment of HCMC Decision 3/304/10.6.2004” (Gov. Gaz. 901B/16.6.2004) – mainly concerning certain amendments aimed at improving the provision of services and the operation of the DSS, as well as more clearly wording of certain provisions.*

Market integrity

1/747/11.1.2016 *Prohibition of short selling of the shares ATTICA BANK A.T.E. that are traded in the securities market of the Athens Exchange.*

Issuer obligations

8/754/14.4.2016 *Special Periodic Reporting Matters pursuant to Law 3556/2007 – concerns additional data and information included in quarterly and semi-annual financial statements, the semi annual and annual report of the Board of Directors of an issuer company the securities of which have been admitted to trading on a regulated market. Replaces HCMC Decision 4/507/28.4.2009 and amends HCMC Decision 7/448/11.10.2007.*

12/754/14.4.2016 *Amendment of HCMC Decision 1/434/3.7.2007 “Specification of periodic and continuous information obligations pursuant to Law 3556/2007” – concern the adaptation of the regulatory framework to the provisions of Directive 2013/50/EU of the European Parliament and of the Council of 22 October 2013 establishing analytical rules for the implementation of certain provisions of Directive 2004/109/EC on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market.*

8/761/21.7.2016 *Allocation of bonds available through public offering – specifies how the bonds available through public offering shall be allocated to investors, as delegated by paragraph 2, article 8 of Law 3401/2005.*

Various Competences

Certification of Eligibility of Persons providing services, in accordance with article 14 of Law 3606/2007

Joint decision of the Bank of Greece and the HCMC (21.12.2016) *Amendment of Joint Decision of the Bank of Greece and the HCMC dated 26.10.2015 (meeting 3/735/22.10.2015) “Syllabus of the examinations for the certification of the suitability of persons providing services in accordance with article 14 of L. 3606/2007” (Gov. Gaz. B 2452/13.11.2015) – amends the aforementioned decisions in order to update the syllabus for each certificate with the latest developments in capital market legislation.*

LICENSING

The work of the Hellenic Capital Market Commission in the field of licensing during 2016 includes the following:

Investment Firms (IF)

- *Authorisation of the operation of IF in one (1) case.*
- *Authorisation of the extension of IF operations in two (2) cases.*
- *Assessment of the suitability of new IF board members in thirty (30) cases.*
- *Assessment of the suitability of ten (10) IF managers.*
- *Approval of the acquisition of qualified holdings in IF in thirteen (13) cases.*
- *Approval of the sale of qualified holdings in IF in thirteen (13) cases.*
- *Non-approval of the acquisition of qualifying holdings in IF in three (3) cases.*

- *Approval of share capital decreases of IF in four (4) firms.*

Financial Intermediation Firms (FIF)

- Authorisation of the operation of one (1) FIF.
- Assessment of the suitability of new FIF board members in ten (10) cases.
- Assessment of the suitability of the actual managers of FIF s in four (4) cases.
- Assessment of the suitability of a shareholder who acquired a qualified holding in a FIF in five (5) cases.
- Approval of the sale of qualified holdings in FIFs in five (5) cases.

Mutual Fund Management Companies (MFMC)

- *Authorisation of extension of operations to one (1) MFMC.*
- *Approval of mutual fund rules and the licensing of one (1) mutual fund.*
- *Approval of the modification of mutual fund rules in six (6) cases.*
- *Granting of license for merger between mutual funds in one (1) case.*
- *Granting of license for the transfer of shares in two (2) cases.*
- *Assessment of the suitability of shareholders in one (1) case.*
- *Approval of charter modification in two (2) cases.*
- *Approval of share capital modification in two (2) cases.*
- *Approval of the new composition of the board of directors in two (2) cases*
- *Assessment of the suitability of the actual manager of an MFMC in one (1) case.*
- *Withdrawal of an MFMC from —and undertaking by another MFMC of— the management of mutual funds in one (1) case.*

Real Estate Investment Companies (REIC)

- *Approval of the new composition of the board of directors in three (3) cases.*
- *Assessment of the suitability of the actual manager of a REIC in one (1) case.*
- *Approval of share capital modification in one (1) case.*

Alternative Investment Fund Managers (AIFM)

- *Granting of Alternative Investment Fund Manager (AIFM) license in two (2) cases (one new company and one Portfolio Management Companies).*

Foreign UCITS

- *Receipt of notification concerning the distribution of new foreign UCITS in twenty one (21) cases.*
- *Receipt of notification concerning the distribution of new funds by foreign UCITS in one hundred (100) cases.*

Trading venues and clearing and settlement systems

- **7/759/29.6.2016** *Approval of the amendments allowing the registration of more than one IBANs per DSS Operator Account and the exclusion of natural and legal persons from the obligation to provide verification of the authenticity of their signatures upon transfers performed under article 46 of the Dematerialised Securities System (DSS) Regulation.*
- **17/766/6.10.2016** *Approval of amendments to the Rulebook of the Athens Exchange as regards mostly the recording of derivative settlement procedures in all cases of suspension or de-listing of an underlying financial instrument and the joint treatment of market making in equities and derivatives, as decided at meeting no. 109 of the Stock Markets Steering Committee, held on July 14, 2016.*
- **8/773/20.12.2016** *Approval of amendment to the “Regulation for the Clearing of Transactions in Book-Entry Securities” in order to introduce to the system the new functionality of “covered sale orders”, as stated in the minutes of meeting No. 137 of the Board of the “Athens Exchange Clearing House SA” of 29.4.2013.*
- **9/773/20.12.2016** *Approval of the amendments to the Rulebook of the Athens Exchange concerning the introduction of the new functionality of “covered sale orders”, as decided in meeting No. 109 of the Stock Markets Steering Committee, held on July 14, 2016.*

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 three (3) companies, concerning the public offering of shares aimed at share capital increases in favour of existing shareholders by payment of cash, and their listing in the securities market of ATHEX.*
- *Approval of the Prospectus of one (1) company concerning the public offering of bonds by payment of cash and their listing in the securities markets of the ATHEX.*

- *Approval of the Prospectuses of three (3) companies, concerning their listing of their shares in the Securities Market of 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 initial public offering of bonds of one (1) company in the Securities Market of the ATHEX.*
- *Approval of the Prospectus of one (1) company for the listing of their share 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 contents of the document provided for by article 4 of Law 3401/2005 in the case of two (2) companies intending to increase their share capitals due to the merger by 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 previously offered to company employees.*
- *Receipt of Notification of one (1) form 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 thirty three (33) prospectuses, one hundred and twenty eight (128) addendums to prospectuses, and 117 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 2016, 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 one (1) IFs, in implementation of article 21 of the Administrative Procedure Code (L. 2690/1999).
- Revoking of the license of two (2) IFs, in implementation of item (c), paragraph 1 of article 21 of Law 3606/2007 and special liquidation, in implementation of article 22 of Law 3606/2007.
- Revoking of the license of one (1) IFs, 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, portfolio management.
- Revoking of the license of thirteen (13) FIFs in implementation of article 21 of Law 2690/1999.
- Revoking of the license of one (1) FIF in implementation of article 39 of Law 3606/2007.
- Revoking of the license of one (1) MFMC in implementation of para. 1 of article 19 of Law 4099/2012.
- Revoking of the license for the provision of additional services of one (1) MFMC in implementation of items a, baa, of para. 2 of article 12 of Law 4099/2012.
- Revoking of the license of one (1) Alternative Investment Fund Manager in implementation of item a, para. 1 of article 11 of Law 4209/2013.

Supervision & Monitoring of the Behaviour of Listed Companies

In 2016 and, in 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 privileged 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 supervision of company compliance with the aforementioned provisions, in 2016 the Hellenic Capital Market Commission, aiming to protect investors, sent 38 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.

In accordance with the provisions of article 2, para. 1 of HCMC Decision 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 supervision of listed company compliance with HCMC Decision 5/204/14.11.2000, in 2016 the HCMC sent 14 letters to companies, requiring them to confirm, or deny, unverified information, in accordance with the aforementioned provisions. 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 provisions. In case no timely or reliable information has been provided, the appropriate investigations are carried out.

In 2016, the Hellenic Capital Market Commission, pursuant to article 10, para. 1 of Law 3340/2005, levied fines worth a total of 200,000 euros, for the delay or failure to disclose privileged information.

Furthermore, as part of supervising compliance with the provisions of Law 3340/2005, as well as article 12, para. 1 of Regulation (EU) 596/2014 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 gives, or may possibly give, 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 50,000 euros in 2016.

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 2016, 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 40 published financial statements of 34 issuers. More specifically, it audited 13 annual and 10 interim financial statements and reviewed certain issues related to 4 annual and 13 interim financial statements.

In the context of the above audits, the HCMC called 4 issuers to publish their financial statements again (3 annual and 1 interim), called 3 issuers to make certain corrections or add notifications to forthcoming financial statements, and called 11 issuers to publicly disclose corrections.

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 16 –Property, plant and equipment
IAS 24 – Related Party Disclosures
IAS 32 – Financial Instruments: Presentation
IAS 33 – Earnings per Share
IAS 36 – Impairment of assets
IAS 37 – Provisions, Contingent Liabilities and Contingent Assets
IAS 39 – Financial Instruments: Recognition and measurement
IAS 40 – Investment property
IFRS 7 – Financial Instruments: Disclosures
IFRS 10 – Consolidated Financial Statements
IFRS 11 – Joint Arrangements

In 2016, the HCMC levied total fines of 216,000 euros for the non-compliance of financial statements with the IFRS, 22,000 euros for the non-timely disclosure of financial reports/financial statements and the data and information stemming from them, and 35,000 euros for obstructing the duties of the Hellenic Capital Market Commission. Moreover, focusing on investor protection and the smooth operation of the market, in 4 cases of non-compliant preparation of financial statements in accordance with the IFRS and in 4 cases of non-timely disclosure of the financial report/financial statements, the HCMC requested the ATHEX to place the shares of these companies under suspension.

In the context of the provisions of Law 3556/2007 on the obligations concerning the announcement and disclosure of major holdings, shareholders and other responsible persons submitted approximately 220 announcements. As far as compliance of the supervised persons with the provisions of the aforementioned law is concerned, the Hellenic Capital Market Commission imposed total fines of 62,000 euros on individuals or legal entities.

In the context of the provisions of Law 3864/2010, concerning the announcement and disclosure of changes in the voting rights of credit institutions that have received capital support by the Hellenic Financial Stability Fund, on the basis of the total number of voting rights excluding those of the Fund, shareholders and other responsible persons submitted 16 announcements.

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 18 cases, and levied total fines of 30,000 euros.

In addition, as part of the supervision of compliance with the provisions of Law 3016/2012, the HCMC evaluated issues pertaining to the corporate governance of listed companies and imposed total fines of 40,000 euros to Board members for infringements by 2 companies.

Supervision & Monitoring of takeover bids

In 2016, three (3) requests regarding takeover bids for securities traded in the ATHEX were submitted to the Hellenic Capital Market Commission in accordance with Law 3461/2006, and one (1) of these requests was approved (Table 28). As part of the supervision of the supervised persons' compliance with the provisions of this law, in 2016 the HCMC imposed fines of 156,000 euros for the violation of the provisions of the above law.

Moreover, the Hellenic Capital Market Commission received one (1) request 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 2016 the Board of the Hellenic Capital Market Commission received, and approved, a request by "LAFARGE CEMENTOS S.A.U." for the execution of its squeeze-out right on the shares of "HERACLES CEMENT Co. SA" (approved on 24.2.2016).

TABLE 28. Take-over bids in the capital market, 2016

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	21/9/2016	COMPULSORY	MCA ORBITAL GLOBAL HOLDINGS LTD	KLEEMANN HELLAS SA	22/11/2016	25/11/2016 - 9/1/2017	67.22%	91.45%
2	16/11/2016	COMPULSORY	APOLLO INVESTMENT HOLDCO SARL	ASTIR PALACE VOULIAGMENI SA	PENDING			
3	22/12/2016	COMPULSORY	HOME HOLDINGS SA	IONIKI SA	PENDING			

Source: HCMC

De-listing of shares from the Athens Exchange

In accordance with the provisions of article 17 para. 3 of Law 3371/2005, as currently in force, and taking into consideration the de-listing from the Athens Exchange of companies with shares in suspension for more than six months, in 2016 the Hellenic Capital Market Commission de-listed the companies "MAXIM" KON. PERTSINIDIS SA", "ATERMON SA", "EMPORIKOS DESMOS SA", "PRAXITELIO HOSPITAL SA", "SAOS ANE SAMOTHRAKI" and "UNITED TEXTILES" 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 one company. More specifically, "HERACLES CEMENT Co. 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 16.6.2016.

INVESTMENT FIRMS AND BANKS

- *Fines were levied on two (2) 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 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 organizational requirements of investment firms.*
- *Fines were levied on thirteen (13) firms for violating article 25 of Law 3606/2007 on the obligation of investment firms to provide clear, accurate and non-misleading information.*
- *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 article 17 of Law 3606/2007 on the obligation to employ at least two managers-holders of professional adequacy certificates.*
- *Fines were levied on three (3) firms for violating article 8 of Law 4141/2013 concerning margin account trading.*
- *Fines were levied on thirty five (35) firms for violating HCMC Decision 1/452/1.11.2007 on the code of conduct for investment firms.*
- *Fines were levied on ten (10) firms for violating HCMC Decision 2/452/1.11.2007 on the mandatory disclosure of transactions by Investment Firms.*
- *Fines were levied on two (2) firms 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 1/506/2009 concerning money laundering.*
- *A fine was levied on one (1) Investment Firm for violating the Code of Conduct for Investment Firms*

Listed Companies

- *A fine was levied on one (1) listed company for violating PD 350/1985 on the obligations of ATHEX-listed companies.*
- *A fine was levied on one (1) listed company for violating art. 76 of Law 1969/1991 concerning the non-submission to the Hellenic Capital Market Commission of documents and other evidence in its possession.*

- *Fines were levied on fourteen (14) listed companies for violating article 4 of Law 3556/2007 on the issuers' obligation to publish annual financial reports.*
- *Fines were levied on six (6) listed companies for violating article 5 of Law 3556/2007 on the issuers' obligation to publish semi-annual financial reports.*
- *Fines were levied on seven (7) listed companies for violating article 6 of Law 3556/2007 on the issuers' obligation to publish quarterly financial reports.*
- *Fines were levied on four (4) listed companies for violating article 21 of Law 3556/2007 regarding issuer access to regulated information.*
- *Fines were levied on four (4) 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 four (4) listed companies for violating article 14 of Law 3556/2007 on the provision of information about the acquisition or sale of major holdings or the exercise of major voting right percentages.*
- *A fine was levied on one listed (1) company for violating article 26 of Law 3556/2007 concerning denial or obstruction of the provision of information or documents to the HCMC.*
- *Fines were levied on six (6) 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.*

Legal Entities

- *Fines were levied on fourteen (14) legal entities for violating articles 14 & 19 of law 3556/2007 on the obligation to provide information about the acquisition or sale of major holdings or the exercise of major voting right percentages, the content of information, as well as the provision of information about the listing of transferable securities.*
- *A fine was levied on one (1) legal entity for violating article 89 of Law 4099/2012 on the sale of shares in other member-state UCITS in Greece.*
- *Fines were levied on thirty nine (39) legal entities for violating Regulation 236/2012/EC.*
- *Fines were levied on two (2) legal entities for violating law 3461/2006 on takeover bids.*

- 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 five (5) legal entities for violating various Ministerial Decisions.

Individuals

- Fines were levied on five (5) individuals for violating article 8 of Law 3016/2002 concerning the obligation of the Internal Audit Department to report to the company's board of directors all cases of conflict between the interests of the company's directors or managers with those of the company, which are identified upon fulfilling its duties.
- A fine was levied on one (1) individual for violating art. 76 of Law 1969/1991 concerning the non-submission to the Hellenic Capital Market Commission of documents and other evidence in its possession.
- Fines were levied on six (6) individuals for violating law 3461/2006 on takeover bids.
- Fines were levied on three (3) individuals for violating article 8 of Law 3606/2007 on the provision of investment services and the carrying out of investment activities.
- Fines were levied on twenty (20) individuals for violating articles 14, 19 & 26 of law 3556/2007 on the obligation to provide information about the acquisition or sale of major holdings or the exercise of major voting right percentages, the content of this information, the provision of information to the HCMC, as well as the denial or obstruction of the provision of information to the HCMC.

The total fines levied by the Hellenic Capital Market Commission in 2016 stood at 2,445,500 euro. The allocation of fines among supervised entities is presented in Table 29.

TABLE 29. Number and value of fines, 2016.

Number of cases	Entity	Fines (€)
67	Investment Firms and Banks	208,500
47	Listed Companies	480,000
62	Other legal entities	1,358,500
47	Individuals	398,500
Total: 227		Total: 2,445,500

Source: HCMC

OTHER ACTIVITIES

Tackling Money Laundering and Terrorist Financing

The Special Anti-Money Laundering and Terrorist Financing Unit of the Hellenic Capital Market Commission, 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 detected.

In 2016, the Special Unit continued its work, performing audits on nineteen (19) supervised companies, of which ten (10) were performed on Investment Firms, two (2) on Mutual Fund Management Companies, and seven (7) on Financial Intermediation Firms. These audits revealed omissions in the procedures followed by one (1) firm, on which a fine of 10,000 euros was levied. It also came to light that one (1) Financial Intermediation Firm had not implemented the corrective measures that had been imposed, and its operation was suspended.

Furthermore, the Hellenic Capital Market Commission submitted three (3) reports to the Anti-Money Laundering Authority on issues possible pertaining to money laundering activities.

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, there was evidence of non-compliance of Circular 49/28-11-2012 of the Hellenic Capital Market Commission by twenty-two (22) companies concerning business relationships with increased risk of tax evasion. The said companies were instructed to remove non-compliance with the said circular.

Finally, 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.

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 Certificate of Suitability for the provision of investment and other services.

The Certificate of Suitability refers to eight specific types of services: (a1): Receipt, transmission and execution, on behalf of third parties, of orders on transferable securities, shares in collective investment undertakings, and money market instruments; (a2): Receipt, transmission and execution, on behalf of third parties, of orders on derivative products; (b): Provision of investment advice concerning transferable securities, shares in collective

investment undertakings, and 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 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 recognized 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 fulfilment of additional suitability criteria, such as the fulfilment 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, 321 applications for participation in the exams or the seminars that were organized during the year (March-May, June-October-November-December) were submitted in 2016, and 152 certificates of suitability were granted, of which 16 were renewals, as compared to 301 applications submitted and 132 certificates granted in 2015. More specifically, 34 certificates were granted in specialty (α1), 31 certificates in specialty (α2), 20 certificates in specialty (β1), 26 certificates in specialty (β), 16 certificates in specialty (γ), 22 certificates in specialty (δ) and 3 certificates in specialty (σ1). Moreover, 68 certificates of suitability were granted in 2016 without participation in the exams, in implementation of transitional provisions, while 3 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, 13 certificates concerned specialty (α2), 2 certificates specialty (β), 2 certificates specialty (γ), 2 certificates specialty (δ), 39 certificates specialty (σ1) and 13 certificates specialty (σ2).

The total number of persons certified by the Hellenic Capital Market Commission as per the end of 2016 stood at 4,880.

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 2016, 225 complaints/reports were submitted to the Hellenic Capital Market Commission as compared to 197 in 2015, and 116 cases were processed as compared to 90 cases in 2015. During the year, the Board of the Hellenic Capital Market Commission imposed administrative sanctions, due to violations of capital market legislation, in nineteen cases concerning the investigation of complaints.

Sales of listed company shares

Forced sales of shares

In 2016, four (4) 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 one (1) sale in 2015, and ten (10) requests and three (3) sales in 2014. The total volume of shares sold stood at 32,691 shares, as compared to 43,685,197 in 2015 and 517,061 in 2014, while the total value of shares sold amounted to 487,739.30 euros, as compared to 3,494,815.76 euros in 2015 and 487,739.30 euros in 2014. Since the transfer of competence concerning the forced sale of shares to the HCMC (2003), and till the end of 2016, the HCMC has received a total of 188 requests for the forced sale of pledged or seized shares.

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

In 2016, eight (8) requests were submitted to the HCMC, as compared to three (3) in 2015, 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, and eight (8) sales were completed as compared to one (1) in 2015. The total volume of shares sold stood at 22,892 shares, and their total value stood at 36,185.13 euros.

ACTIVITIES OF THE DIRECTORATE OF LEGAL SERVICES

In 2015, the Directorate of Legal Services (DLS) of the Hellenic Capital Market Commission handled a smaller number of legal cases as compared to previous years, given the fact that attorneys abstained from their duties for many months, in protest of various provisions of the new social insurance legislation. As a result, court hearings were adjourned and many cases were not heard. Otherwise, in many cases the DLS provided legal advice and support to the Commission's various directorates in numerous instances and was actively involved in the legislative and regulatory work of the Commission both on the national and EU levels. More specifically, the Directorate was active in the following areas:

1. Litigation

In 2016, 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, Administrative Courts of First Instance) and criminal courts during the hearings of 74 cases. These include 11 applications for the stay of execution, which were heard and rebutted in front of the aforementioned courts.

b. The attorneys of the DLS prepared and filed written arguments or memoranda with the administrative courts in another 40 cases, not adjudicated nevertheless during 2016, as a result of adjournment due to the abstention or because of other reasons.

c. The Directorate also curated another 9 cases, which were heard or will be heard in the competent courts either without the presence of DLS attorneys, or in the presence of external attorneys, because the Hellenic Capital Market Commission was by law not eligible to join proceedings as a civil party.

d. A further 12 criminal cases were prepared by the DLS and are pending in front of the investigating authorities.

e. Finally, in the case of 6 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 in regard to the submission or non-submission of 16 petitions for negation. Ultimately, 3 such petitions were submitted against second instance court orders, owing to the legal provision requiring that the dispute at hand exceeds the sum of 40,000 euros as a prerequisite for the submission of such petitions.

b. Moreover, 4 requests for criminal indictments were submitted, concerning various violations of penal and capital market law.

3. Provision of legal support

The DLS provided legal support to the various directorates of the Hellenic Capital Market Commission in 313 instances. More specifically, the Directorate's attorneys:

- Drafted 10 legal opinions on various serious legal issues.*
- Prepared 140 notes answering various legal questions or making remarks on issues pertaining to the supervisory or administrative work of the Hellenic Capital Market Commission.*
- They also offered legal advice in 163 cases in the form of comments or corrections (without drafting a note or an opinion), primarily as part of the administrative procedure for the imposition on sanctions, as well as in regard to other issues.*

4. Involvement in the legislative and regulatory work

- *Attorneys of the DLS were involved in the preparation of draft laws and amendments in 10 cases, and in the preparation of regulatory decisions in 14 cases.*

In 2016, 98 court rulings were delivered to the Hellenic Capital Market Commission. Of these:

- *71 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.*
- *14 rulings were partly in favour of the HCMC, partly approving appeals and caveats against it, mainly by reducing the fines imposed.*
- *7 rulings were against the HCMC, approving appeals, caveats or actions against it or rejecting requests for rescission, appeal or motions submitted by the HCMC.*
- *6 rulings led to the postponement or the recommittal or the annulment of the trial.*

Apart from the above rulings, there were also 51 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.

Finally, the major court rulings served to the Hellenic Capital Market Commission during 2016 were the following:

1. Ruling 1607/2016 of the Council of the State. This ruling dismissed a request by the plaintiffs for the rescission of a ruling by the Administrative Appellate Court of Athens dismissing the plaintiffs' action for compensation on the basis of articles 105-106 of the Introductory Law of the Civil Code, for the allegedly insufficient oversight of specific companies by the HCMC. It is also acknowledged that the responsibility for indemnification arising from the supervision of the investment market, which is exercised in a field of activity with significant inherent risk of economic damage for those who, voluntarily, for that matter, are exposed to such risk by participating in the investment market, in conjunction with the fact that the way this specific activity is exercised (state or legal entity under public law) is typically in the discretion of the agencies of the state or the legal entity under public law, does not befit the objective responsibility of state agencies established by article 105 of the Introductory Law of the Civil Code, which ignores the difficulties related to the exercise of supervision, in the context of which the competent authority enjoys wide and substantial powers, albeit the fulfilment of its task requires complicated trade-offs of an economic-technical nature and typically rests on the exercise of discretion. The peculiarities of the aforementioned activity carried by a state or a legal entity under public law, do not comply either with the principle of full indemnification which is, in principle, established by the aforementioned provision of article 105 of the Introductory Law of the Civil Code, given that any recognition of responsibility for the indemnification of investors in investment firms, which became insolvent also as a result of insufficient supervision by the agencies of the state or the legal entity under public law would be, in fact, tantamount to the substitution of the supervisory authority for the investment undertaking and, by extension, to the transfer of its responsibilities to the state or the legal entity under public law. Therefore, indemnification for damage possibly caused by the insufficient supervision of investment undertakings may only be sought with the commensurate implementation of article 105 of the Introductory Law of the Civil Code, in the sense that the responsibility for

indemnification can arise, not by any illegality of the Administration, but only in case of obvious and grave illegality of the supervisory bodies, and can incur the payment of not full, but only fair, compensation to the affected investors.

It was also decided that the provisions of articles 105 and 106 of the Introductory Law of the Civil Code on the satisfaction of claims to indemnification are commensurately applicable when such claims can not be included to the mechanism of the Common Guarantee Fund, provided for in articles 61 bis of Law 2533/1997, which is of an insurance nature and aims at the payment of a minimum compensation to investors suffering losses because of the inability of the investment firms that are subject to this mechanism to fulfil their obligations towards their clients due to any reason, i.e. irrespective of whether this inability is due to illegal or erroneous acts of the firm or to insufficient state supervision or to objective factors. In the Court's assessment, the Common Guarantee Fund satisfies the requirements set by article 4 paragraph 5 of the Constitution and is an appropriate mechanism for the indemnification of damages caused by the exercising of the aforementioned supervision.

In this case, moreover, the investment activity of the persons requesting the rescission did not concern investments in financial instruments, but investments with guaranteed returns that not fall under the purview of the Common Guarantee Fund. Therefore, only articles 105-106 of the Introductory Law of the Civil Code could be commensurately applied, pursuant to the above. However, in view of the actions of the HCMC and the fact that it enjoys wide and actual powers, albeit the fulfilment of its task which requires complicated trade-offs of an economic-technical nature and typically rests on the exercise of discretion, the Court acknowledged that in no case the Hellenic Capital Market Commission was evidently and gravely culpable.

*2. Rulings 1671/2016, and 1672/2016 of the Council of the State. These rulings approved our request for rescission concerning the issue of reasonable time elapsing, on the grounds that there is no specific deadline for the issuance of an administrative act for the imposition of a fine, the lapse of which would mean that the Hellenic Capital Market Commission lacked competence *ratione temporis*. Rescinds and refers to the Administrative Appellate Court of Athens.*

3. Rulings 1768/2016, 1769/2016, 1770/2016 of the Council of the State. These rulings dismissed an appeal from a plaintiff concerning a case of violation of article 5 of PD 51/1992. Omission to comply with disclosure requirements is not offset by the provision of information by the firm to the competent authority. The omission to report the number and capacity of Board members on the act for the imposition of a fine does not constitute an irregularity, provided that this information is reported in the minutes of the meeting. There is no irregularity because of the lack of signatures of the other members of the Board, since the signature of the Board Chairman suffices. Reasonable time period of 8 months for the issuance of the act (notification by the ATHEX, investigation, right to hearing.)

4. Ruling 2400/2016 of the Council of the State. The ruling concerns market abuse as laid out by article 7 of Law 3340/2005 through the purchase of own shares, in accordance with article 16 of Law 2190/1920 (as applicable prior to its replacement by article 21 of Law 3604/2007). The Council of the State ruled that the prohibition of market manipulation as laid out by article 7 of Law 3340/2005 through the purchase of own shares is independent from the purchase of own shares provided for by article 16 of Law 2190/1920 (as applicable prior to its replacement by article 21 of Law 3604/2007), because the provision of article 7 of Law 3340/2005 is specific and more recent than the provision of article 16 of Law 2190/1920. In accordance with article 9 of Law

3340/2005 the purchase of own shares is permissible, provided that it is carried out in accordance with Regulation EU 2273/2003. The disclosure of the decisions of the company's competent bodies in accordance with article 16, para. 10 of Law 2190/1920 does not affect the legitimacy of the decision of the Hellenic Capital Market Commission imposing the sanction for the prohibited market manipulation, since the risk of misleading investors is not erased. On these grounds, the Council of the State dismissed the company's request for rescission.

5. Rulings 2477/2015, 2478/15, 1615/2016 of the Administrative Appellate Court of Athens. These rulings dismissed an appeal against the decision to levy a fine in accordance with article 10 of Law 3016/2002 for violating article 8 para. 2b of this law. The internal audit departments of listed companies are responsible for reporting to the Board of Directors cases of conflict between the interests of Board members and those of the company. Both the executive and non-executive members of the Board are responsible for meeting the obligations emanating from articles 3-8 of Law 3016/2002, the Board operates collectively as a single body. The responsibility of the Board is not lifted by the assignment of the supervision of the internal auditor to a non-executive member of the Board, because this assignment aims at ensuring the internal auditor's independence in performing their duties and not the release of the rest of the members of the board from their responsibilities.

FINANCIAL POSITION

In 2016, the Hellenic Capital Market Commission showed a deficit of 1,354,397.29 euros, as compared to surpluses of 2,072,571.30 euros and 1,196,969.55 euros in 2015 and 2014 respectively.

More specifically, in 2016 the revenues of the Hellenic Capital Market Commission stood at 8.15 million euros as compared to 10.75 million euros in 2015, down by 24.25%. This reduction is attributed to the substantial decrease in revenues from contributions and fees paid by supervised entities (Athens Exchange and listed companies), as well as in other income, which was partly offset by an increase in financial returns, as a result of the HCMC's participation to the common fund of Law 2469/1997.

Expenses increased by 9.45%, or by 820 thousand euros in absolute terms, mainly as a result to an increase in the cost of fixed equipment by 437 thousand euros, subscriptions by 161 thousand euros, and operating and other expenses by 191 thousand euros.

TABLE 30. HCMC Financial position, 2014-2016

RESULTS	2016 (Amounts in €)	2015 (Amounts in €)	2014 (Amounts in €)	% change 2016-2015
Total income	8,145,650.68	10,752,661.19	9,841,119.55	-24.25%
• Contributions by supervised entities	6,612,210.23	9,690,083.47	8,803,462.14	-31.76%
• Financial returns	1,363,554.10	768,568.09	796,829.30	+177.41%
• Other income	169,886.35	294,009.63	240,828.11	-42.22%
Total expenses	9,500,047.97	8,680,089.89	8,644,150.00	9.45%

RESULTS	2016 (Amounts in €)	2015 (Amounts in €)	2014 (Amounts in €)	% change 2016-2015
• Payroll	6,464,316.14	6,468,654.14	6,402,558.66	-0.07%
• Rents	807,662.34	774,971.37	864,575.75	4.22%
• Overheads	475,858.40	38,452.30	38,323.32	1,137.53%
• Subscriptions to International Organizations	584,863.88	423,854.77	408,795.79	37.99%
• Operating and other expenses	1,167,347.21	974,157.31	929,896.48	19.83%
Net Result	-1,354,397.29	2,072,571.30	1,196,969.55	-165.32%

Source: HCMC

INTERNATIONAL ACTIVITIES OF THE HELLENIC CAPITAL MARKET COMMISSION

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 27 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 specialized 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 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.

Two peer reviews were completed in 2016, and ESMA published the final reports: the first review concerned the procedures concerning the approval of prospectuses (1055/30.6.2016), while the second peer review concerned the correct application of guidelines on the suitability assessment performed by investment firms

upon the provision of investment advice (584/7.4.2016). The peer reviews were conducted with the participation of representatives from the Hellenic Capital Market Commission. Moreover, two new review groups commenced their work, with the aim of concluding their work within 2017: the first review concerns the practices of national regulators concerning the audit of financial statements of listed companies, while the second review focuses on the supervisory practices of national regulations as regards the implementation of the guidelines concerning the regulatory compliance of investment firms; a representative of the Hellenic Capital Market Commission participates in the latter.

In 2016, the Standing Committee prepared ESMA's first Supervisory Convergence Work programme for 2016 and 2017, and monitored the progress of the Supervisory Convergence Work programme for 2016.

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 any 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 2016, the Standing Committee worked on the following subjects, as part of the implementation of EMIR:

- prepared a report, which was jointly issued by ESMA and the European Banking Authority (EBA), concerning the implementation of Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms (Capital Requirements Regulation, CRR), in conjunction with the relevant EMIR requirements and published in January 2017.
- prepared a report on the results of the peer review of activities related to the supervision of central counterparties in accordance with article 21 of EMIR – Margin and Collateral requirements (1683/22.12.2016).
- prepared regulatory technical standards and implementing technical standards on the information trade repositories must make available to the public in accordance with article 81 of EMIR.
- prepared an opinion, which was published by ESMA, on common indicators for new products or services provided by central counterparties under article 15, and on significant changes changes under article 49 of EMIR (1574/15.11.2016).
- prepared a final report on regulatory technical standards (565/14.11.2016), which was published by ESMA, on the clearing obligation for financial counterparties with a limited volume of activity.
- prepared a consultation paper on regulatory and implementing technical standards (1409/30.9.2016) on access to the data of trade repositories under Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse (Securities Financing Transactions Regulation, SFTR) and EMIR.

- prepared Q&As, which were published by ESMA, concerning the implementation of EMIR (70-1861941880-52/1.2.2017).

- prepared guidelines, which were published by ESMA, on the procedures implemented by central securities depositories for dealing with settlement failure (70-70803628/31.1.2017).

Investor Protection & Intermediaries Standing Committee

The Investor Protection & Intermediaries Standing Committee addresses issues related to the provision of investment services by investment firms and credit institutions. Its work is focused on the organizational requirements and codes of conduct for investment firms, as well as investor protection.

In 2016, the Standing Committee prepared the following documents, which were published by ESMA:

- Q&As on the sale of CFDs and other speculative products to retail investors (1165/11.10.2016) and a corresponding warning (1166/25.7.2016);

- a statement regarding the practices of firms selling financial instruments subject to the Banking Recovery & Resolution Directive resolution regime (bail in, 902/2.6.2016);

- guidelines on cross-selling practices (574/11.7.2016);

- guidelines on product governance (1436/5.10.2016), which were put to consultation;

- 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 (1529/28.10.2017), which were put to consultation;

- Q&As on investor protection (1444/16.12.2016).

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 2016, the Standing Committee prepared the following documents, which were published by ESMA:

- a thematic study on the licensing procedures for Undertakings for Collective Investment in Transferable Securities (UCITS);

- a thematic study on the operation of the passport as part of the implementation of the Directives on Undertakings for Collective Investment in Transferable Securities (UCITS) and Alternative Investment Fund Managers (AIFM);

- advice to the the European Parliament, the Council and the Commission (1140/12.9.2016) on the application of the AIFMD passport to non-EU AIFMs and AIFs;

- opinion on UCITS share classes (34-43-296/30.1.2017);

- final report on Regulatory Technical Standards (RTS) under Regulation (EU) 2015/760 (European Long Term Investment Funds (ELTIFs)/8.6.2016);
- updated Q&As on the application of the AIMFD (1669/16.12.2016) and UCITS (1586/21.11.2016) directives;
- opinion on Loan Originating Funds (596/14.4.2016);
- call for evidence (1137/15.7.2016) on asset segregation by Alternative Investment Fund Managers (AIFMs);
- updated guidelines on sound remuneration policies under the UCITS Directive and the AIFMD (575/14.10.2016 and 579/14.10.2016).

Market Data Standing Committee

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

The work of the Committee during 2016, can be summarized as follows:

- prepared the guidelines published by ESMA (1452/10.10.2016), which instruct Investment Firms, Trading Venues, and approved reporting mechanisms on how to prepare for compliance with the transaction reporting and record-keeping requirements.
- prepared the Q&As published by ESMA on the obligation to supply reference data on financial instruments, under Regulation (EU) 600/2014 on markets in financial instruments (MiFIR, 70-18611941480-56/2.2.2017).
- prepared the updated Q&As published by ESMA (1176/26.7.2016) on issues relating to the reporting requirement under EMIR.
- 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.
- prepared the consultation paper published by ESMA on regulatory technical standards relating to OTC derivative trading data to be made available by Trade Repositories, under article 81 of EMIR (1661/15.12.2016).

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 2016, the work of the Standing Committee focused on the preparation of the following documents that were published by ESMA:

- final report on the Implementing Technical Standards that specify the procedures and forms for the exchange of information as referred to in article 33 of Regulation (EU) No 596/2014 on market abuse (Market Abuse Regulation, MAR, 1171/26.7.2016);

- Q&As on investment recommendations, the closed period, the limits for the disclosure of managers' transactions (21038340-40/27.1.2017);
- opinion on intended accepted market practice on liquidity contracts notified by the Spanish regulator adopted under Directive 2014/57/EU on criminal sanctions for market abuse (MAD, 1663/16.12.2016);
- guidelines on the delay in the disclosure of inside information (1478/20.10.2016), on the persons receiving market soundings (1477/10.11.2016), as well as on Information relating to commodity derivatives markets or related spot markets for the purpose of the definition of inside information on commodity derivatives (1480/17.1.2017);
- report on ESMA technical advice under the Benchmarks Regulation (EU) 2016/1011 (1560/10.11.2016).

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 conducts a Risk Survey throughout its members and, based on more elaborated analyses, processes the periodic Economic publications prepared and published by 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. For example, the following issues were approached in 2016: measuring liquidity in bond markets; risk measurement methods in alternative investment funds; the utilisation of complaints data submitted to regulators; risk analysis in interest rate swaps; review of investment recommendations by equity market analysts; the effects of circuit breakers; as well as other issues related to market micro-structure.

Finally, CEMA's work take 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 specialized 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 Corporate Governance. It also works on major shareholding disclosures under the Transparency Directive, and enhances supervisory convergence in its field.

In 2016, the Standing Committee worked on the results of the report of the Assessment Group of the Supervisory Convergence Standing Committee on the efficiency and effectiveness of national regulators in regard to the approval of prospectuses. The Assessment Group included a representative from the Hellenic Capital Market Commission.

Moreover, the Standing Committee prepared three Q&As on prospectuses, which were published by ESMA (1674/20.12.2016).

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, and helps form ESMA policy and promotes supervisory convergence amongst national regulators on issues that fall under its competence.

In 2016, the Secondary Markets Standing Committee of Directive 2014/65/EU (MiFID II) and Regulation 600/2014/EU (MiFIR) prepared the following documents that were published by ESMA:

- an ESMA opinion relating to the Implementing Technical Standards (ITS) on the specification of the terms “main indices” and “recognised exchanges” that are encountered in the Capital Requirements Regulation (CRR).
- an evaluation of the risks emanating from the implementation of MiFIR provisions on the granting of access to regulated markets and central counterparties for settlement in regard to derivatives traded in organised markets.
- an ESMA opinion on the changes proposed by the European Commission to the draft regulatory technical standards 2, 20 and 21 of MiFID II/MiFIR that had been submitted by ESMA in September 2015, relating to the specification of transparency requirements for non-equity instruments, the criteria for establishing when an activity is to be considered ancillary to the main business, and the methodology for the calculation and the application of position limits for commodity derivatives traded on trading venues and economically equivalent OTC contracts.
- a discussion paper relating to the regulatory technical standards of Regulation 600/2014/EU (MiFIR) on the trading obligation for derivatives and, in particular, the specification of the criteria for determining whether a derivative is subject to this obligation.
- a consultation paper 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.
- a consultation paper relating to the guidelines of Directive 2014/65/EU on the management body of market operators and data reporting services providers.
- a consultation paper relating to the guidelines of Directive 2014/65/EU on trading halts.
- a consultation paper relating to the regulatory technical standards of Regulation 2016/1033 (Quick Fix), which amended Regulation 600/2014/EE (MiFIR), on transparency rules for package orders.
- a Q&A on trading transparency issues relating to Regulation 600/2014/EU (MiFIR) and, more specifically, to trading caps for pre-trade transparency waivers, the procedure and timetable for processing applications by

operators of trading venues for waivers from pre-trade transparency pursuant to MiFIR, as well as the review of existing waivers (in accordance with MiFID I) as part of their adaptation to MiFIR.

- Q&A on market structures topics relating to the requirements under Directive 2014/65/EU on algorithmic trading, direct access to the market and the tick size.

During the course of the year, the Standing Committee reviewed three applications for pre-trading transparency waivers and elaborated on the amendment of ESMA's internal procedure for reviewing the compatibility of such applications with the requirements of Directive 2004/39/EU (MiFID I), which was subsequently approved by the Board of Supervisors.

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 2016 and as part of product intervention, the new supervisory power provided for by MiFIR, the Standing Committee prepared the corresponding instructions to national regulators.

As part of the work of the Standing Committee, in particular in regard to Distributed Ledger Technology, in 2016 ESMA published a discussion paper on the application of DLT to securities markets (773/2.6.2016).

Corporate Reporting Standing Committee

The Corporate Reporting Standing Committee works on issues related to the accounting, audit, periodic reporting and storage of regulated information. More specifically, it monitors, and contributes to, regulatory developments in the area of accounting and auditing, including the EU endorsement process of international accounting standards and 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 International Financial Reporting Standards (IFRS).

In 2016, the Standing Committee focused on the following activities:

- specified ESMA's supervisory priorities in relation to the Committee's subject, drawing the European issuers' attention to major issues that have to be taken into account in the preparation of the annual financial statements for the year 2016, i.e. the Financial Performance Report and Financing Tools (distinction between equity capital and financial obligations, disclosure of the effects from the new IFRS in the financial statements).

- prepared ESMA's letter to the International Accounting Standards Board and the International Financial Reporting Interpretations Committee on the development of accounting standards, their consistent implementation, and other supervisory matters.

- prepared a public statement published by ESMA on the implementation of IFRS 15 (1148/20.7.2016), as well as a feedback statement on the digital format which issuers in the European Union must use to report their company information from January 1, 2020 (1668/21.12.2016). This document concludes that "Inline XBRL is the most suitable technology to meet the EU requirement for issuers to report their annual financial reports in a single electronic format because it enables both machine and human readability in one document."

- prepared the letter by means of which ESMA participated in the consultation of the International Auditing Practices Committee concerning the improvement of the quality of financial information auditing.

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 2016, the Technical Committee prepared the guidelines published by ESMA (1575/15.11.2016) on the validation and review of CRA methodologies.

On December 10, 2016, ESMA launched a new database on its website, the "European ratings platform", which includes the annual calculation of market shares designed to provide all interested parties with access to updated information on credit ratings and rating outlooks by Credit Rating Agencies that have been registered with and approved by ESMA.

IT Management and Governance Group

The IT Management and Governance Group is responsible for the European-wide management of ESMA's IT programmes, and in addition provides ESMA and national regulators with IT systems and services that help them exercise their duties.

In 2016, the Working Group focus on the planning, organisation, and realisation by ESMA of the project assigned to it by national competent authorities concerning the collection of reference data on financial instruments and trading data, and the calculation of data concerning the transparency of transactions, with the participation of 27 national competent authorities. Moreover, the Group worked on the preparation for the realisation by ESMA of a project concerning the national competent authorities' access to trade repositories, with the participation of 28 national competent authorities, including, in both projects, the Hellenic Capital Market Commission. The main objective of the projects realised by the Working Group is to improve the ability of national competent authorities to fulfil the obligations emanating from the relevant legislation and ensure that the cost of the requisite data management shall be proportional to the corresponding benefit.

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 126 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, which is responsible for developing international standards for cooperation, as well as the IOSCO Screening Group, which considers the applications for joining IOSCO's Multilateral Memorandum of Understanding.

The Hellenic Capital Market Commission and other international bodies

Mediterranean Partnership Of Securities Regulator

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 in the securities regulation 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 2016, the Hellenic Capital Market Commission monitored the following dossiers that were submitted to the European Council: the proposal for a regulation on indices used as benchmarks in financial instruments and financial contracts; the proposal for a regulation on money market mutual funds (MMFs); the proposal for a regulation on structural measures to improve the resilience of EU credit institutions (Banking Structural Reform); the proposal for a directive on the encouragement of long-term shareholder involvement (shareholders' rights); the proposal for a directive on the activities and monitoring of occupational pension funds; the proposal for a regulation on the establishment of common securitisation rules; and the proposal for a regulation on the simplification of administrative requirements concerning prospectuses.

Moreover, in 2016 the Hellenic Capital Market Commission contributed to the work performed before the European Commission for the incorporation of Directive 2014/65/EU on markets in financial instruments (MiFID II), Directive 2014/57/EU on criminal sanctions for market abuse (MAD), and Directive 2015/849/EU on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and also participated in the work of the Expert Group of the European Securities Committee (EGESC) and the working group of the European Commission on crowdfunding.

Organisation of Economic Cooperation and Development

The Organisation for Economic Co operation 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 Memorandums of Understanding

The purpose of Memorandums of Understanding (MoUs) 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 25 bilateral and 2 multilateral Memorandums of Understanding for the exchange of information and, in general, the provision of assistance. In 2016, the HCMC signed two bilateral Memorandums of Understanding with the Securities and Exchange Organization (SEO) of Iran and the Guernsey Financial Services Commission (GFSC). Moreover, in the context of Directive 2011/61/EC on Alternative Investment Fund Managers, the HCMC has signed 44 bilateral Memorandums of Understanding.

Provision of investment and other services under the European passport

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

At the end of 2016, 2,406 undertakings from EEA countries provided investment services in Greece, as compared to 2,275 at the end of 2015 (see Table 31).

As regards the distribution of undertakings per country, the United Kingdom is first with 1,831 firms, followed by Cyprus with 178, Luxembourg with 52, Germany with 50, the Netherlands with 43 firms , and France with 40 firms.

Eighteen 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, 2014-2016

Country	Total of Active Companies		
	2016	2015	2014
<i>Austria</i>	28	26	27
<i>Belgium</i>	10	10	10
<i>Bulgaria</i>	6	6	6
<i>France</i>	40	40	42

Country	Total of Active Companies		
	2016	2015	2014
<i>Germany</i>	50	42	41
<i>Denmark</i>	9	9	10
<i>Estonia</i>	1	1	1
<i>Ireland</i>	39	38	38
<i>Italy</i>	16	14	14
<i>Spain</i>	11	10	10
<i>Cyprus</i>	178	168	148
<i>Latvia</i>	1	1	1
<i>Lithuania</i>	1	1	1
<i>Lichtenstein</i>	12	7	7
<i>Luxembourg</i>	52	49	40
<i>Malta</i>	20	19	18
<i>Norway</i>	29	30	30
<i>Netherlands</i>	43	40	41
<i>Hungary</i>	1	0	0
<i>Poland</i>	2	2	3
<i>Portugal</i>	1	1	1
<i>Romania</i>	2	3	3
<i>Slovakia</i>	2	2	2
<i>Slovenia</i>	1	1	1
<i>Sweden</i>	8	5	5
<i>Czech Republic</i>	3	3	3

Country	Total of Active Companies		
	2016	2015	2014
<i>Finland</i>	9	9	7
<i>United Kingdom</i>	1,831	1,738	1,724
Total	2,406	2,275	2,234

Source: HCMC

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

In 2016, 62 AIFMs from the EU offered investment services in Greece under Directive 2011/61/EC, as compared to 51 in 2015 (see table 32).

As regards the distribution of AIFMs per country, the United Kingdom is first with 56 AIFMs, followed by France, Malta, and the Netherlands with 2 AIFMs each.

TABLE 32. Provision of Investment Services (MiFID) by EU AIFMs in Greece, 2014-2016

Country	Total EU AIFMs		
	2016	2015	2014
<i>France</i>	2	2	2
<i>Malta</i>	2	1	1
<i>Netherlands</i>	2	2	0
<i>United Kingdom</i>	56	46	30
Total	62	51	33

Source: HCMC

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

In 2016, 64 EU AIFMs marketed shares in 250 EU AIFs in Greece, as compared to 61 and 198 respectively in 2015 (see tables 33 and 34).

As regards the distribution of AIFMs per country, the United Kingdom is first with 32 AIFMs, followed by Luxembourg with 14 and Ireland with 6.

As regards the distribution of AIFs per country, Ireland is first with 113 AIFs, followed by Luxembourg with 76 and the United Kingdom with 46.

Two AIFMs that have been granted licences by the Hellenic Capital Market Commission are marketing 3 EU AIFs in EU member states.

TABLE 33. EU AIFMs marketing shares in EU AIFs in Greece, 2014-2016

Country	Total EU AIFMs		
	2016	2015	2014
France	1	1	2
Ireland	6	5	3
Italy	1	1	0
Cyprus	3	1	0
Luxembourg	14	12	8
Norway	2	4	0
Netherlands	1	0	0
Sweden	4	5	4
United Kingdom	32	32	27
Total	64	61	44

Source: HCMC

TABLE 34. EU AIFs marketed in Greece by EU AIFMs, 2014-2016

Country	Total EU AIFs		
	2016	2015	2014
France	1	1	2
Ireland	113	93	88
Italy	1	1	0

Country	Total EU AIFs		
	2016	2015	2014
<i>Cyprus</i>	2	0	0
<i>Luxembourg</i>	76	49	26
<i>Malta</i>	3	2	0
<i>Norway</i>	1	0	0
<i>Netherlands</i>	3	2	3
<i>Sweden</i>	4	6	4
<i>United Kingdom</i>	46	44	27
Total	250	198	150

Source: HCMC

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

In 2016, 17 EU EuVECA Managers marketed 20 EU EuVECA in Greece, as compared to 9 and 12 respectively in 2015 (see tables 35 and 36).

As regards the distribution of EuVECA Managers per country, the United Kingdom is first with 7 EuVECA Managers, followed by Germany with 3.

As regards the distribution of EuVECA per country, the United Kingdom is first with 9 EuVECA, followed by Germany with 3.

TABLE 35. EU EuVECA Managers marketing EUVECA in Greece, 2014-2016

Country	Total EuVECA Managers		
	2016	2015	2014
<i>France</i>	1	1	1
<i>Germany</i>	3	2	2
<i>Ireland</i>	2	1	0
<i>Latvia</i>	1	1	1

Country	Total EuVECA Managers		
	2016	2015	2014
Luxembourg	1	1	0
Sweden	2	0	0
United Kingdom	7	3	2
Total	17	9	6

Source: HCMC

TABLE 36. EuVECA marketed in Greece by EU EuVECA Managers, 2014-2016

Country	Total EuVECAs		
	2016	2015	2014
France	1	1	1
Germany	3	2	2
Ireland	2	1	0
Latvia	1	1	1
Luxembourg	2	1	0
Sweden	2	0	0
United Kingdom	9	6	4
Total	20	12	8

Source: HCMC

APPENDIX 1 HCMC DECISIONS

No. Of Rule / Gazette	Title	Summary
747/11.1.2016 (Gov. Gaz. B/ 292/12.2.2016)	Prohibition of short selling on the shares ATTICA BANK A.T.E. that are traded in the securities market of the Athens Exchange.	Concerns the continuation of the prohibition of short selling on the shares of ATTICA BANK A.T.E. that are traded in the securities market of the Athens Exchange respective of the venue the transactions were executed (regulated market, multilateral trading facility, or over-the -

No. Of Rule / Gazette	Title	Summary
		<i>counter), from January 12, 2016 at 00:00:01 to January 25, 2016 at 24:00:00.</i>
13/751/24.2.2016 (Gov. Gaz. B/ 815/28.3.2016)	<i>Suspension of the redemption of UCITS shares</i>	<i>Concerns the suspension of the redemption of UCITS shares on Monday, March 28th, 2016.</i>
14 /751/ 24.22016	<i>Approval of the proposal of the Bank of Greece for the determination of the countercyclical capital buffer in Greece for the 2nd quarter of 2016</i>	<i>Concerns the approval of the proposal for keeping the countercyclical capital buffer in Greece at “zero percent” (0%) for the second quarter of 2016, starting on April 1st, 2016</i>
8/754/14.4.2016 (Gov. Gaz. B/ 1345/13.05.2016)	<i>Special Periodic Reporting Matters pursuant to Law 3556/2007</i>	<i>Concerns the data and information that must be derived from the quarterly and semi annual financial statements, as well as the additional data and information included in quarterly and semi annual financial statements and the semi annual and annual report of the Board of Directors.</i>
12/754/14.4.2016 (Gov. Gaz. B/ 1345/13.05.2016)	<i>Amendment of HCMC Decision 1/434/3.7.2007</i>	<i>Concerns the adaptation of the regulatory framework to the provisions of Directive 2013/50/EU of the European Parliament and of the Council of 22 October 2013 and, in particular, the provisions of article 3 that abolish article 2, paragraphs 1 and 2 of article 11, and article 16 of Directive 2007/14/EC establishing analytical rules for the implementation of certain provisions of Directive 2004/109/EC.</i>
1/756/18.5.2016 (Gov. Gaz. B/1781/17.6.2016)	<i>Sale of shares in other member-state UCITS in Greece</i>	<i>Concerns the sale of shares in UCITS of other member states in Greece, in accordance with article 89 of L. 4099/2012</i>
15/756 /18.5.2016	<i>Approval of the proposal of the Bank of Greece for the determination of the countercyclical capital buffer in Greece for the 3rd quarter of 2016</i>	<i>Concerns the approval of the proposal for setting the countercyclical capital buffer in Greece at “zero percent” (0%) for the third quarter of 2016, starting on July 1st, 2016</i>
7 /759/ 6/29/2016 (Gov Gaz. B 2130/11.6.2016)	<i>Amendment of HCMC Decision 3/304/10.6.2004 (Gov. Gaz. 901 B / 16.6.2004) “Regulation for the Operation of the Dematerialized Securities System” and HCMC Decision 1/736/2.11.2015 (Gov. Gaz. 2558 B / 26.11.2015) “Amendment of HCMC Decision 3/304/10.6.2004 (Gov.Gaz. 901B/16.6.2004)”</i>	<i>Mainly concerns the approval of amendments allowing the registration of more than one IBANs per DSS Operator Account and the exclusion of natural and legal persons from the obligation to provide Verification of the authenticity of their signatures upon transfers performed in accordance with article 46 of the DSS Regulation.</i>

No. Of Rule / Gazette	Title	Summary
5 /760/ 7/14/2016 (Gov Gaz. B 2389/3.8.2016)	Amendment of HCMC Decision 8/259/19.12.2002 "Contents of the semi-annual/annual report and the investment report of real estate mutual funds and the semi-annual investment report of real estate investment companies" (Gov. Gaz. B/19/16.1.2003), as amended by HCMC Decision 10/566/26.10.2010 (Gov. Gaz. B/1812/18.11.2010).	Concerns the timing of the submission to the Hellenic Capital Market Commission of the semi-annual investment report of real estate investment companies.
8/761/21.7.2016 (Gov. Gaz. B/ 2389/3.8.2016)	Allocation of bonds sold through public offering	Concerns the allocation of bonds sold through public offering in the following cases: (a) public offering of bonds with listing in a regulated market; (b) public offering of bonds already listed in a regulated bond market; and (b) public offering of bonds without listing in a regulated market
17/766/6.10.2016 (Gov. Gaz. B/ 3388/20.10.2016)	Amendment to the Rulebook of the Athens Stock Exchange SA	Concerns mostly the recording of derivative settlement procedures in all cases of suspension or de-listing of an underlying financial instrument and the joint treatment of market making in equities and derivatives.
8/773/20.12.2016 (Gov. Gaz. B/ 4325/30.12.2016)	Amendment of the Regulation for the Clearing of Transactions in Book-Entry Securities.	Concerns the approval of an amendment to the "Regulation for the Clearing of Transactions in Book-Entry Securities" in order to introduce to the system the new functionality of "covered sale orders".
9/773/20.12.2016 (Gov. Gaz. B 4325/30.12.2016)	Amendment of the Rulebook of the Athens Stock Exchange	Concerns the introduction of the new functionality of "covered sale orders" to the trading system.
10/773/20.12.2016 (Gov. Gaz. B 4325/30.12.2016)	UCITS ETF, amendment of HCMC Decision 3/645/2013 and other issues	Concerns: a) the establishment of obligations concerning the information communicated to investors by UCITS traded in a regulated market in Greece, as well as by UCITS that track financial indicators; b) the establishment of obligations for UCITS employing OTC financial derivatives and efficient portfolio management techniques; and c) the establishment of the criteria that must be met by the financial indicators in which UCITS

No. Of Rule / Gazette	Title	Summary
		invest.
14/773/20.12.2016 (Gov. Gaz. B 4462/30.12.2016)	Amendment of Joint Decision of the Bank of Greece and the HCMC dated 26.10.2015 (meeting 3/735/22.10.2015) "Syllabus of the examinations for the certification of the suitability of persons providing services in accordance with article 14 of L. 3606/2007" (Gov. Gaz. B 2452/13.11.2015).	Concerns the updating of the syllabus for the certification examinations in the Regulatory Framework module, through the incorporation of provisions of Law 4443/2016, Regulation (EU) No. 596/2014 and Commission Delegated Regulations No. 957/2016 & 958/2016 on market abuse (replacing certain provisions of Law 3340/2005 and the relevant decisions of the Hellenic Capital Market Commission), as well as the addition of provisions of Law 4370/2016 on deposit guarantee schemes and the Hellenic Deposit and Investment Guarantee Fund (replacing certain provisions of Law 3746/2009).

APPENDIX 2 TABLES

TABLE I. Fundamentals of the ATHEX and foreign Exchanges, 2016

Stock Exchange	Market Capitalisation		Value of Transactions ¹ on shares		Turnover ratio ² (%)	No. of listed companies
	Amount (USD\$ mn)	Y-o-y % change	Amount (USD\$ mn)	Y-o-y % change		
NYSE (US)	19,573,073.7	10.0	17,317,928.1	-0.9	88.5	2,307
Nasdaq (US)	7,779,127.0	6.8	11,070,938.7	-11.5	142.3	2,897
Japan Exchange Group	5,061,537.2	3.4	5,618,263.6	1.4	111.0	3,541
London Stock Exchange	4,103,990.4	-9.8	7,492,286.8	-64.9	182.6	1,182
Euronext ³	3,492,594.6	5.6	1,766,364.9	-14.9	50.6	1,051
Hong-Kong Exchanges	3,193,235.5	0.3	1,350,086.4	-36.5	42.3	1,973
LSE Group	3,496,169.6	-9.9	2,285,517.5	-13.8	65.4	2,590
TMX Group	2,041,533.8	28.2	1,176,202.7	-0.7	57.6	3,419
Shenzhen Stock Exchange	3,216,748.0	-11.6	11,605,946.0	-40.8	360.8	1,870
Deutsche Boerse AG	1,732,270.2	1.0	1,306,427.7	-16.0	75.4	592
SIX Swiss Exchange	1,414,745.8	-6.9	862,666.0	-13.0	61.0	264
Australian Securities	1,316,796.3	10.9	822,573.0	2.9	62.5	2,095
Korea Exchange	1,282,165.8	4.1	1,672,917.7	-13.3	130.5	2,059
Nasdaq Nordic Exchanges ⁴	1,259,983.6	-0.6	710,150.5	-5.9	56.4	938
BME Spanish Exchanges	711,214.3	-9.7	684,032.0	-31.4	96.2	3,506
Athens Stock Exchange	37,514.5	-10.8	14,221.5	-23.5	37.9	218

Source: World Federation of Exchanges, London Stock Exchange.

Notes:

- 1. Because of differences in the presentation and estimation of transaction value, the figures are not totally comparable.*
 - 2. Value of trading in shares / market capitalisation.*
 - 3. Data from Belgium, England, 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 MFMF, 2014-2016

MFMF	31.12.2016				31.12.2015				31.12.2014			
	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)	119	2,460.85	38.32	-7.58	124	3,322.71	45.90	10.64	111	1,802.32	29.80	3.33
ALPHA ASSET MANAGEMENT	27	1,156.71	18.01	3.19	27	1,072.87	14.82	-4.87	27	1,190.77	19.69	0.81
ETHNIKI ASSET MANAGEMENT	27	881.53	13.73	1.15	28	910.92	12.58	-1.46	29	849.12	14.04	-1.60
SOCIAL SECURITY FUNDS	2	873.20	13.60	2.61	2	795.71	10.99	-1.28	2	742.22	12.27	-0.80
PIRAEUS ASSET MANAGEMENT	28	349.48	5.44	-0.55	22	429.07	5.93	0.02	22	357.49	5.91	1.01
ALPHA TRUST	13	186.13	2.90	0.59	12	167.20	2.31	-0.74	12	184.27	3.05	0.01
METLIFE (ALICO)	14	158.17	2.46	0.25	15	164.85	2.28	-0.47	17	166.10	2.75	-0.18
TRITON ASSET MANAGEMENT (HSBC)	6	99.85	1.56	0.23	6	96.47	1.33	-0.78	6	127.65	2.11	-0.10
ATTICA WEALTH MANAGEMENT	6	42.08	0.66	-0.16	7	59.31	0.82	-0.26	7	65.50	1.08	-0.01
ALLIANZ	7	67.99	1.06	0.18	7	63.94	0.88	-0.18	7	64.00	1.06	-0.22
3K INVESTMENT PARTNERS (ING)	5	49.98	0.78	0.00	4	56.44	0.78	-0.26	3	62.64	1.04	-0.29
CPB ASSET MANAGEMENT (MARFIN GLOBAL)	5	34.86	0.54	-0.02	6	40.77	0.56	-0.28	6	51.07	0.84	-0.32
EVROPAIKI PISTI	5	52.39	0.82	0.15	6	48.34	0.67	-0.14	6	48.76	0.81	0.03
THETIS (ex INTERNATIONAL)	4	8.06	0.13	-0.01	4	9.85	0.14	-0.04	4	11.16	0.18	-0.09
TT HELLENIC POST	-	-	-	-	-	-	-	-	6	324.19	5.36	-0.70
TOTAL	268	6,421.29	100.00	-	270	7,238.62	100.00	-	265	6,047.33	100.00	-

Source: Hellenic Fund & Asset Management Association.

TABLE III Distribution of mutual fund assets per MFMC, 31.12.2016

MFMF	Money market			Bond	Balanced	Equity	Index	Funds of Funds	Specialist
	Short term	Money market	Total						
3K INVESTMENT PARTNERS	7.84	-	7.84	-	12.33	79.84	-	-	-
ALLIANZ	-	4.96	4.96	26.26	48.13	20.65	-	-	-
ALPHA ASSET MANAGEMENT	-	19.88	19.88	24.77	17.32	21.90	0.93	10.30	4.90
ALPHA TRUST	2.64	-	2.64	15.78	21.36	41.83	-	18.38	-
ATTICA WEALTH MANAGEMENT	-	-	-	39.95	32.18	15.61	-	12.26	-
CPB ASSET MANAGEMENT	-	31.15	31.15	7.54	-	36.28	-	25.03	-
EUROBANK EFG ASSET MANAGEMENT	36.48	12.14	48.62	11.63	0.93	7.98	-	18.36	12.48
THETIS (ex INTERNATIONAL)	-	6.73	6.73	42.26	20.24	30.77	-	-	-
METLIFE	-	5.75	5.75	48.10	10.24	18.91	8.85	8.14	-
TRITON ASSET MANAGEMENT	-	16.73	16.73	15.67	19.40	48.20	-	-	-
SOCIAL SECURITY MFMCs	-	-	-	28.79	71.21	-	-	-	-
ETHNIKI ASSET MANAGEMENT	-	3.53	3.53	41.08	11.91	19.88	0.49	16.01	7.11
EVROPAIKI PISTI ASSET MANAGEMENT	-	-	-	43.74	4.12	52.14	-	-	-
PIRAEUS ASSET MANAGEMENT	11.86	2.35	14.22	27.06	7.28	19.22	-	32.23	-
MARKET SHARES	14.76	9.48	24.24	22.82	17.24	14.81	0.45	13.79	6.64

Source: Hellenic Fund & Asset Management Association.

TABLE IV. Annual Returns of Mutual Funds, 2013-2016

<i>M/F Classification</i>	<i>Annual return (%)</i>		
	<i>2016</i>	<i>2015</i>	<i>2014</i>
<i>EQUITY</i>			
<i>US Equity M/Fs</i>	7.07	9.18	17.99
<i>Advanced Market Equity MFs</i>	7.55	7.18	9.54
<i>Emerging Market Equity MFs</i>	19.21	-9.55	-4.42
<i>Index Equity M/Fs</i>	-2.49	-28.52	-19.71
<i>International Equity M/Fs</i>	4.79	-0.49	4.28
<i>Greek Equity M/Fs</i>	0.51	-17.01	-26.66
<i>Euro zone Equity M/Fs</i>	-4.29	4.31	-1.99
<i>BOND</i>			
<i>International Bond M/Fs</i>	3.39	6.31	7.46
<i>Greek Bond M/Fs</i>	10.17	15.94	-4.41
<i>Advanced Sovereign Bond MFs</i>	2.98	3.85	8.48
<i>Emerging Sovereign Bond MFs</i>	3.63	-3.62	5.58
<i>Investment Grade non Sovereign Bond MFs</i>	1.93	0.38	3.97
<i>High Yield non-Sovereign Bond MFs</i>	4.83	4.79	0.76
<i>BALANCED</i>			
<i>Balanced Mutual Funds</i>	3.99	0.21	-7.07
<i>MONEY MARKET</i>			
<i>Short Term Money market</i>	0.02	0.09	0.57
<i>Money market</i>	3.00	2.29	2.94
<i>SPECIALIST FUNDS</i>			
<i>Absolute Return MFs</i>	0.57	1.43	0.70
<i>Specialist MFs</i>	6.71	-0.26	1.46
<i>FUNDS OF FUNDS</i>			
<i>Equity</i>	5.63	3.67	11.77
<i>Balanced</i>	3.04	3.77	5.88
<i>Bond</i>	2.87	1.80	5.91

Source: Hellenic Fund & Asset Management Association.

TABLE V. M/F Net Assets, listed company capitalisation and the ATHEX Composite Price Index, 2013-2016

Month / Year	M/F net assets (€ million)	Monthly Change (%)	Capitalisation of ATHEX Companies (€ million)	ATHEX Composite Price Index	Monthly Change (%)
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
Dec-14	6,047.33	4.53	52,916.45	826.18	-14.23
Nov-14	6,333.89	0.96	59,704.36	963.19	5.17
Oct-14	6,273.42	6.25	57,952.33	915.83	-13.73
Sep-14	6,691.08	-4.08	66,788.80	1,061.58	-8.63
Aug-14	6,975.61	0.99	72,782.67	1,161.81	-0.62
Jul-14	6,907.20	-1.55	72,444.47	1,169.01	-3.74
Jun-14	7,015.26	0.92	75,820.54	1,214.31	-0.75
May-14	6,950.62	1.05	76,808.83	1,223.48	-0.71
Apr-14	6,877.74	-0.32	70,936.44	1,232.12	-7.76
Mar-14	6,899.17	1.98	75,067.25	1,335.74	1.93
Feb-14	6,765.01	7.28	73,679.79	1,310.41	11.43
Jan-14	6,305.56	0.84	66,671.56	1,176.92	1.13

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

TABLE VI. Listed Portfolio Investment Companies (PIC) data, 31.12.2016

PIC	Share Price (€)	Book Value of Share (euros)	Premium / Discount (%)	Internal Rate of Return	Net Asset Value (€ million)
ALPHA TRUST ANDROMEDA	14.00	21.48	-34.82	8.51	8,970,302.68
AEOLIAN	0.61	0.81	-24.69	-17.94	9,025,093.55
TOTAL	-	-	-	-	17,995,396.23

Source: Hellenic Fund & Asset Management Association, HCMC.

TABLE VII. Net investment fund assets in EU member-states, 2015-2016

Member state	Total Assets (€ million)		UCITS market net assets (€ million)		AIF market net assets (€ million)	
	30.12.2016	31.12.2015	30.12.2016	31.12.2015	30.12.2016	31.12.2015
	Austria	173,798	168,239	80,301	79,206	93,497
Belgium	126,929	127,307	78,823	77,559	48,106	49,748
Bulgaria	531	409	523	407	8	3
Croatia	2,824	2,289	2,439	1,814	385	475
Cyprus	2,177	2,370	108	60	2,069	2,310
Czech Republic	9,211	7,818	8,554	7,497	657	321
Denmark	275,968	258,540	117,455	107,871	158,514	150,669
Finland	106,395	97,416	86,180	78,619	20,215	18,797
France	1,783,830	1,682,808	795,696	762,929	988,134	919,879
Germany	1,885,937	1,729,234	328,484	309,852	1,557,453	1,419,383
Greece	7,090	7,078	4,347	4,422	2,743	2,656
Hungary	18,732	18,105	667	471	18,065	17,634

Member state	Total Assets		UCITS market net assets		AIF market net assets	
	(€ million)		(€ million)		(€ million)	
	30.12.2016	31.12.2015	30.12.2016	31.12.2015	30.12.2016	31.12.2015
Ireland	2,084,748	1,898,825	1,578,920	1,446,873	505,828	451,952
Italy	297,704	291,112	234,214	226,127	63,490	64,985
Lichtenstein	44,103	42,331	26,445	25,752	17,658	16,578
Luxembourg	3,701,076	3,506,201	3,116,104	2,946,860	584,972	559,341
Malta	9,810	10,149	2,240	2,737	7,569	7,412
Netherlands	801,858	734,686	38,294	34,186	763,564	700,500
Norway	108,026	94,173	108,026	94,173	-	-
Poland	58,709	59,140	21,073	21,777	37,635	37,363
Portugal	21,630	23,149	7,207	7,577	14,422	15,572
Romania	9,001	8,994	4,819	4,636	4,181	4,358
Slovakia	5,887	5,697	4,349	3,974	1,538	1,723
Slovenia	2,464	2,309	2,464	2,309	-	-
Spain	268,513	254,368	193,454	185,420	75,059	68,948
Sweden	303,874	285,561	283,468	262,445	20,407	23,116
Switzerland	537,771	501,528	437,886	410,199	99,885	91,328
Turkey	27,267	28,060	11,647	11,837	15,620	16,224
Un. Kingdom	1,465,651	1,484,491	1,084,231	1,088,277	381,420	396,214

Source: EFAMA

TABLE VIII. Structure of mutual fund assets in EU member-states, 2015-2016

<i>Type of M/F</i>	30.12.2016		31.12.2015	
	<i>Total Assets (€ billion)</i>	<i>% of Total (%)</i>	<i>Total Assets (€ billion)</i>	<i>% of Total (%)</i>
<i>Equity</i>	3,178	37	3,080	38
<i>Balanced</i>	1,459	17	1,414	17
<i>Bond</i>	2,326	27	2,140	26
<i>Money market</i>	1,179	14	1,110	14
<i>Guaranteed</i>	13	0.2	15	0.2
<i>Other</i>	503	6	409	5
TOTAL	8,658	100	8,168	100
<i>of which:</i>				
<i>ETFs</i>	498	6	373	5
<i>Funds of Funds</i>	331	4	303	4

Source: EFAMA

TABLE IX. Capital Increases through issuance of new shares, and issuance of bonds by ATHEX-listed companies, 2016

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	NEXANS HELLAS SA ⁽¹⁾	Main market	21/1/2016	2/2/2016	5-19/2/2016	4/3/2016	21,080,468.75	1.25	16,864,375	Contribution of cash in favour of existing shareholders (11N-4E)	Eurobank Ergasias
2	TELETYPOS SA ⁽²⁾	Suspension	9/2/2016	11/2/2016	16/2-1/3/2016	29/6/2016	171.60	0.30	572	Contribution of cash in favour of existing shareholders (1N-2E)	Eurobank Ergasias
3	ATHENA SA ⁽³⁾	Low Dispersion	9/2/2016	-	-	15/2/2016	35,000,000.0	0.80	43,750,000	Capitalisation of obligations and abolition of the right for existing shareholders	-
4	FORTHNET SA ⁽⁴⁾	Surveillance	15/9/2016	19/9/2016	22/9-6/10/2016	21/10/2016	70,124,679.90	0.30	233,748,933	Public offering of convertible bonds through payment in cash and by way of preemptive rights in favor of existing shareholders (3 bonds-1 share)	Alpha Bank

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	
5	ASTIR PALACE VOULIAGME NI SA. ⁽⁵⁾	Low Dispersion	6/10/2016	-	-	13/10/2016	86,200,000	5.00507 5913414 74	17,222,516	Contribution in kind and abolition of the right for existing shareholders	-	
6	SELONDA AQUACULTU RE SA ⁽⁶⁾	Main market	20/12/2016	-	-	27/12/2016	33,356,253.37	0.80840 1666	41,261,980	Contribution in kind in favour of DIAS AQUA CULTURE SA	-	
7	TRASTOR REIC ⁽⁷⁾	Low Dispersion	20/12/2016	22/12/2016	12/28/2016- 11/1/2017	23/1/2017	20,125,882.14	0.78	25,802,413	Public offering in favour of existing shareholders (9N-16E)	-	
8	EUROCONSU LTANTS SA ⁽⁸⁾	Main market	-	30/5/2016	2-16/6/2016	5/7/2016	729,657.50	1.10	663,325	Contribution of cash in favour of existing shareholders (1N-12E)	-	
(A)	Share capital increases through issuance of new shares, and issuance of bonds loans with listing of transferable securities (€)						266,617,113.26					
9	AUDIO VISUAL ENTERPRISE	Non- negotiable	-	-	-	-	5,063,170	0.70	7,233,100	Capitalisation of obligation and contribution of	-	

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	
	S SA ⁽⁹⁾									cash by 1 shareholder		
10	DIONIC SA ⁽¹⁰⁾	Non-negotiable	-	-	-	-	1,335,000	15,000	89	Private placement by 11 investors with contribution of cash	-	
11	MLS MULTIMEDI A SA ⁽¹¹⁾	Alternative Market	-	-	-	19/7/2016	4,000,000	10,000	400	Private placement with contribution of cash	Beta Securities	
(B)	Share capital increases through issuance of new shares, and issuance of bond loans without listing of transferable securities (€)						10,398,170					
	TOTAL (A) + (B) (€)						277,015,283.26					

Source: HCMC

Notes:

1. The share capital increase through payment in cash and by way of pre-emptive rights in favour of the company's existing shareholders, as decided by the Annual General Shareholders Meeting held on 29/5/2015, which, following an adjournment, resumed and completed its deliberations on 26/6/2015, was initially subscribed by 77.06% by shareholders who exercised their pre-emptive right paying €16,243,988.75, which corresponds to 12,995,191 new common registered shares. By means of the Decisions reached by the company's Board of Directors on 22/2 and 24/2/2016 the 3,869,184 unsold shares were sold to "Nexans Participations". As a result of the above, the final subscription ratio of the share capital increase stood at 100% and the rights issue of €21,080,468.75 was fully subscribed.
2. The share capital increase through payment in cash and by way of pre-emptive rights in favour of the company's existing shareholders, as decided by the Annual General Shareholders Meeting held on 26.05.2015, was subscribed by 0.001% by shareholders who exercised their pre-emptive right paying €171.600, which corresponds to 572 new common registered shares. The payment of the aforementioned amount was certified by means of a decision reached by the company's Board on 11.3.2016. As a result of the above, the share capital increase was partially subscribed.

3. *The share capital of the Bank increased by €35,000,000 through the issuance of 43,750,000 new common registered shares at a par value of €0.80 each, through the capitalisation of liabilities of an equal amount and the elimination of the pre-emptive rights of "J&P Avax SA".*
4. *Public offering of convertible bonds of the company, of a par value of up to €99,087,466.50, through the payment of cash and by way of pre-emptive rights in favour of the company's existing shareholders, as decided by the Board of Directors on 21.6.2017, and with the listing of the bonds for trading in the ATHEX. Pursuant to the Decision reached by the Board of Directors on 11.210.2016, it was certified that the amount of €70,124,679.90 was raised through the issuance of 233,748,933 convertible bonds at an offer price equal to the par value of the bonds (€0.30). More specifically, 409,163, which represent a subscription ratio of almost 0.12% of the convertible bond issue, were taken up and subscribed by beneficiaries who legally and in due time exercised their Oversubscription and Pre-emptive rights. This was followed by a private placement with "Qualified and Institutional Investors" of the bonds that remained unsold after the end of the period for exercising Pre-emptive and Oversubscription Rights. As regards the unsold bonds, the company received binding bids for the acquisition of 233,339,770 bonds, of a total par value of €70,001,931, which correspond to a subscription ratio of almost 70.65% of the total convertible bond issue.*
5. *Share capital increase by €51,667,548 through the issuance and offering of 17,222,516 new, common, dematerialised, registered and voting shares, each at a par value of €3.00 and an offer price of €5,005075913414742, with contribution in kind and elimination of the pre-emptive right in favour of existing shareholders, according to the Decision reached by the Extraordinary General Meeting of the Shareholders that was held on 8.7.2016. The extra amount that arises from the difference between the offer price of the new shares and their par value stands at €34,532,452 and was credited to the "Share Premium Account".*
6. *Share capital increase by €12,378,594 through the issuance and offering of 41,261,980 new common shares at a par value of €0.30 and an offer price of €0.808401666 each, by contribution in kind of the Assets and part of the Liabilities of "DIAS AQUA CULTURE SA" (hereinafter "DIAS") in favour of DIAS, in accordance with the decision reached by the Annual General Meeting of the Shareholders that was held on 25.6.2015, which was completed-specified by the Extraordinary General Meeting of the shareholders held, after an adjournment, on 11.4.2016.*
7. *The share capital increase through payment in cash and by way of pre-emptive rights in favour of the company's existing shareholders, as decided by the Extraordinary General Shareholders Meeting held on 1.07.2014, was initially subscribed by 36.1% by shareholders who exercised their pre-emptive right paying €8,687,309.28, which corresponds to 11,137,576 new common registered shares. By decision reached by the company's Board of Directors on 12.1.2016, out of the 19,737,059 unsold shares, 14,651,837 were sold to the persons that exercised oversubscription rights (i.e. 47.5% of the increase), while 13,000 shares were sold to a company executive, following a relevant request (i.e. 0.04% of the increase). As a result of the above, the final subscription ratio of the share capital increase stood at 83.6% and the share capital increase was partially subscribed (€21,080,468.75).*
8. *The share capital increase through payment in cash and by way of pre-emptive rights in favour of the company's existing shareholders, as decided by the Annual General Shareholders Meeting held on 22.06.2015, was initially subscribed by 55.436% by shareholders who exercised their pre-emptive right paying €404,495.30 which corresponds to 367,723 new common registered shares. By decision reached by the company's Board of Directors on 17.6.2016, out of the 295,602 unsold shares, 244,652 (i.e. 36.883% if the increase, which corresponds to €269,117.20) were offered to satisfy the oversubscription rights of 12 shareholders. The remaining 50,950 unsold shares (i.e. 7.681% of the increase, which corresponds to €56,045) were sold to an existing shareholder by the Board of Directors in accordance with the authorisation it was given by the Annual General*

Meeting of 22.6.2015. As a result of the above, the final subscription ratio of the share capital increase stood at 100% and the share capital increase of €397,995 was fully subscribed. The difference between the par value of each new share and its Offer Price, totalling €331,662.50, was credited to the "Share Premium Account". The total gross proceeds of the issue amounted to €729,657.50.

9. The share capital increase with capitalisation of obligations (€1,355,907) and payment in cash (€1,355,907) with elimination of the pre-emptive rights of existing shareholders in favour of the "Doson Investments Company", as decided at the Annual General Meeting of the shareholders held on 30.6.2016, was fully subscribed by the "Doson Investments Company" through the issuance of 7,233,100 new preferred shares without voting rights. The said share capital increase was certified by the decision reached by the Board of the company on 23.12.2014. The said share capital increase was certified by the decision reached by the Board of the company, and on 20.12.2016 it was registered with the General Electronic Commercial Register.
10. On 10.11.2016, a convertible bond of €1,335,000 was issued with private placement by 11 investors-lenders that paid a total of €1,335,000, which corresponds to 89 convertible and non-negotiable bonds, at a par value of €15,000 each. The issuance was carried out with elimination of the pre-emptive rights of existing shareholders, decided by the Second Repetitive Annual General Meeting of the Shareholders of 27.7.2016, the terms of which were specified by the aforementioned decision of the General Meeting of the shareholders in conjunction with the decisions reached by the company's Board of Directors on 15.09.2016, 27.10.2016 and 10.11.2016, under the authorisation granted to it by the Second Repetitive Annual General Meeting of the Shareholders of 27.7.2016. This payment was certified pursuant to Article 11 of CL 2190/1920, by the minutes of the Board of the company dated 29.11.2016, which were submitted to the Ministry of Development.
11. The period for the subscription of the common bond by private placement expired on July 8 2016, and corporate bonds worth €4,000,000 were sold through the offer of 400 common registered dematerialised corporate bonds, at a par value of €10,000 each, in accordance with the Decision reached by the Repetitive Extraordinary General Meeting of the Shareholders on 24.2.2015, the decision reached by the Board of Directors on 9.3.2016 and the applicable legislation.

TABLE X. Public offering and/or initial public offering of transferable securities in the ATHEX, 2016

No	Company	SCI Period	Initial Day	Trading category / Sector / Subsector	Initial Share Price Range (€)	Offer Price (€)	Number of new transferable securities with Pub. Offering	Funds Raised (€)	Main Underwriter of the Pub. Offering	Advisors
1.	INTERCONTINENTAL INTERNATIONAL REIC ⁽¹⁾	-	2/8/2016	Main market	-	5.52	2,625,000	14,490,000	NBG SECURITIES SA	-
2.	HOUSEMARKET SA ⁽²⁾	28-30/9/2016	6/10/2016	Fixed-income securities	-	1.00	40,000,000	40,000,000	National Bank of Greece, EUROXX Securities, Investment Bank of Greece, Pantelakis Securities SA	EUROXX Securities

Allocation to Private Investors	Allocation to Institutional Investors	Total Demand from Private Investors (no.)	Total Demand from Private Investors (no.)	Private investor oversubscription	Oversubscription by Institutional Investors	Total oversubscription	Participating Capital (€)
-	-	-	-	-	-	-	-
13,000,677	26,999,323	13,364,290	36,810,000	1.028	1.363	1.254	50,174,290

Source: HCMC

Notes:

1. Share capital increase through the payment of €14,490,000 in cash, subscribed by private placement in accordance with article 3 para. 2 of Law 3401/2005 and listing of all 10,500,000 common registered shares, at a par value of €4.00 each, of the company in the Main Market of the ATHEX, as decided by the Extraordinary General Meeting of the company that was held on 24.3.2016. The initial trading price for the company's shares was set to €5.52 per share, equal to the offer price of each one of the new shares, as determined, in the context of the private placement, by the company's Board of Directors on 6.6.2016.
2. Public offering by payment of cash and the listing for trading in the Fixed Income Securities category of the company's bond, through the issuance of 40,000,000 common bonds at a par value and an offer price of €1 as decided by the Extraordinary General Meeting of the Shareholders that was held on 21.6.2016 and the Board of Directors on 18.8.2016. The public offering was oversubscribed by almost 1.254 times and the total number of participating investors stood at 565.

TABLE XI. Share capital increases because of merger and listing of new shares for trading in the ATHEX, 2016

No	Company	Trading category	Date of HCMC notification	Right Coupon Cut-off Date	SCI Period	Initial Day for new transferable securities	Trading new	Total Raised (euros)	Funds	Initial Share Price (€)	Number of shares	Beneficiaries	Inv. Firm Advisor / Underwriter
1.	NIREFS SA ⁽¹⁾	Main market	11/3/2016	-	-	24/3/2016		-	-	-	31,582,478	Distribution to the beneficiary shareholders of the target company "SEAFARM IONIAN"	-
2	JUMBO SA ⁽²⁾	Main market	29/6/2016	-	-	4/7/2016		-	-	-	36,354,088	Distribution to the beneficiary shareholders of the target company "TANOSIRIAN SA"	-

GRAND TOTAL OF FUNDS RAISED

Source: HCMC

Notes:

- 1. Following the Meeting of the bondholders-lenders of NIREFS SA held on 4.12.2015, as well as the Extraordinary General Meetings of the Shareholders of NIREFS SA and SEAFARM IONIAN SA, and the Meeting of the bondholders-lenders of NIREFS SA held on 7.12.2015, it was decided to proceed to the merger of NIREFS SA through the absorption of SEAFARM IONIAN SA and the listing of the new, common, dematerialised, registered and voting shares for trading in the Securities Market of the ATHEX. The exchange ratio for the shareholders of the merged companies is the following: a) the shareholders of SEAFARM IONIAN SA shall exchange 1 owned share of the company, of a par value of €0.40, with 0.5167857101 dematerialized common registered voting share of NIREFS SA of a par value of €0.30; b) the shareholders of NIREFS SA shall exchange 259,030,486 existing shares with 278,371,934 new shares of a par value of €0.30. The company was not subject to the obligation to publish a prospectus.*
- 2. Following the decisions of the Extraordinary General Meetings of the shareholders of JUMBO SA and TANOSIRIAN SA, which were held on 18.5.2016, it was decided to proceed to the merger of the former by absorption of the latter and the issuance of 36,354,088 new shares for the beneficiary shareholders of the target company. The exchange ratio for the shareholders of the merged companies is the following: a) the shareholders of the target company shall exchange each 1 share they own, of a par value of €6.00, with 202.1918131256950 new, dematerialised, common registered voting shares of a par value of €0.88; b) the shares of the acquirer shall continue to own 1 common registered voting share for each 1 share they owned prior to the merger, of a par value of €0.88. The company was not subject to the obligation to publish a prospectus.*

TABLE XII Trading Status of ATHEX-listed companies, 31.126

Market	Under regular trading	Under suspension	Total
Main market	135		
Low Dispersion	11		
Under surveillance	30		
To be de-listed	4		
Total	180	27	207

Companies whose shares were listed in the ATHEX in 2016	Date		Date
INTERCONTINENTAL INTERNATIONAL REIC	02.08.2016	CENERGY HOLDINGS SA	07.12.2016

Companies the bonds of which were listed in the ATHEX in 2016	Date		
HOUSEMARKET SA	06.10.2016		

Companies the shares of which were de-listed from the ATHEX in 2016	Date	Reasoning	Previous status
"MAXIM" KON. PERTSINIDIS SA	18.01.2016	Par. 3 article 17 Law 3371/05	Under Suspension
FINTEXPOR SA	26.02.2016	Decision of the BoD/ATHEX (art. 2.6.2012 of the ATHEX Rulebook)	Under Suspension
AVENIR LEISURE & ENTERTAINMENT SA (ex ZENON SA)	26.02.2016	Decision of the BoD/ATHEX (art. 2.6.2012 of the ATHEX Rulebook)	Under Suspension
SPRIDER STORES SA	26.02.2016	Decision of the BoD/ATHEX (art. 2.6.2012 of the ATHEX Rulebook)	Under Suspension
NUTRIART SA (ex KATSELIS SONS SA)	26.02.2016	Decision of the BoD/ATHEX (art. 2.6.2012 of the ATHEX Rulebook)	Under Suspension
KLONATEX GROUP OF COMPANIES SA	26.02.2016	Decision of the BoD/ATHEX (art. 2.6.2012 of the ATHEX Rulebook)	Under Suspension
PROTON BANK SA	26.02.2016	Decision of the BoD/ATHEX (art. 2.6.2012 of the ATHEX Rulebook)	Under Suspension
AGRICULTURAL BANK OF GREECE	26.02.2016	Decision of the BoD/ATHEX (art. 2.6.2012 of the ATHEX Rulebook)	Under Suspension
H.K. TEGOPOULOS EDITIONS SA	26.02.2016	Decision of the BoD/ATHEX (art. 2.6.2012 of the ATHEX Rulebook)	Under Suspension
ELVAL HOLDING S.A.	2/29/2016	Merger by absorption	Main market
A.G. PETZETAKIS SA	6/10/2016	Decision of the BoD/ATHEX (art. 2.6.2012 of the ATHEX Rulebook)	Under Suspension

KOUMBAS HOLDING	6/10/2016	Decision of the BoD/ATHEX (art. 2.6.2012 of the ATHEX Rulebook)	Under Suspension
SHELLMAN SA	6/10/2016	Decision of the BoD/ATHEX (art. 2.6.2012 of the ATHEX Rulebook)	Under Suspension
ATERMON SA (ex ALMA-ATERMON SA)	21.06.2016	Par. 3 article 17 Law 3371/05	Under Suspension
HERACLES GCCo	21.06.2016	Par. 5 article 17 Law 3371/05	Under Suspension
EMPORIKOS DESMOS SA	21.06.2016	Par. 3 article 17 Law 3371/05	Under Suspension
PRAXITELIO HOSPITAL SA (ex COR-FIL SA)	25.07.2016	Par. 3 article 17 Law 3371/05	Under Suspension
SAOS ANE SAMOTHRAKI	10/10/2016	Par. 3 article 17 Law 3371/05	Under Suspension
UNITED TEXTILES SA (ex NAOUSSA SPINNING MILLS SA)	09.11.2016	Par. 3 article 17 Law 3371/05	Under Suspension
KARDASILARIS & SONS SA	11/29/2016	Decision of the BoD/ATHEX (art. 2.6.2012 of the ATHEX Rulebook)	Under Suspension
ELECTRONIKI ATHINON SA	11/29/2016	Decision of the BoD/ATHEX (art. 2.6.2012 of the ATHEX Rulebook)	Under Suspension
SHEET STEEL Co	11/29/2016	Decision of the BoD/ATHEX (art. 2.6.2012 of the ATHEX Rulebook)	Under Suspension
CORINTH PIPEWORKS HOLDING S.A.	12/15/2016	Merger by absorption	Main market
HELLENIC CABLES HOLDING SA	15.12.2016	Merger by absorption	Main market

Companies under surveillance	Date	Date	Date
EVLIEMEK	04.04.2006	EUROBROKERS SA	10.04.2012
VARVARESSOS SA	21.12.2009	LAVIPHARM SA	31.07.2012
SATO SA	08.04.2011	ANEK SA	05.04.2013
YALCO - SD CONSTANTINO & SON SA	08.04.2011	PASAL DEVELOPMENT SA	05.04.2013
ALPHA GRISSIN INFOTECH SA	08.04.2011	DOMIKI CRITIS SA	05.04.2013
PEGASUS PUBLISHING SA	08.04.2011	MEDICON HELLAS SA	05.04.2013
DOUROS SA	9/6/2011	KRE.KA. SA	05.04.2013
FORTHNET SA	11/25/2011	PIPE WORKS L. GIRAKIAN PROFIL S.A.	9/11/2013
J.BOUTARIS & SON HOLDING S.A.	12/29/2011	DIONIC SA	4/10/2014
VIOTER SA	10.04.2012	G.E. DIMITRIOU SA	4/8/2015
P. G. NIKAS S.A.	10.04.2012	AKRITAS SA	4/8/2015
SIDMA SA	10.04.2012	VARANGIS SA	15.04.2016
SFAKIANAKIS SA	10.04.2012	LIVANIS PUBLISHING SA	15.04.2016
AXON SA	10.04.2012	CHATZIKRANIOTIS AND SONS MILLS SA	15.04.2016

EUROMEDICA SA	10.04.2012	FRIGOGLOSS SA	15.04.2016
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Companies to be de-listed		Date	Date
WOOL INDUSTRY TRIA ALFA SA	10.10.2011	COMPUCON COMPUTER APPLICATIONS SA	08.04.2015
MARAC ELECTRONICS SA	10.04.2014	PROODEFTIKI SA	15.04.2016
Companies under suspension		Date	Date
MICROLAND COMP SA	15.07.2009	DIAS AQUA CULTURE SA	27.03.2014
TEXAPRET SA	01.03.2011	HELLENIC FABRICS SA	01.04.2014
T BANK SA	30.11.2011	PARNASSOS ENTERPRISES SA	02.06.2014
BABIS VOVOS INTNL CONSTR CORP.	02.04.2012	ALCO HELLAS SA	01.04.2015
TROPEA HOLDING SA	02.04.2012	SPIDER N. PETSIOS & SONS SA	01.04.2015
HELLENIC POSTBANK SA	30.08.2012	ATTIKAT SA	02.06.2015
KERAMICS ALLATINI REAL ESTATE & HOLDING	31.08.2012	HELLENIC FISHFARMING SA	03.06.2015
NEORION HOLDING SA	31.08.2012	MARITIME COMPANY OF LESVOS (NEL)	01.09.2015
EDRASIS – C. PSALLIDAS SA	30.11.2012	ALTEC SA	01.12.2015
HATZIOANNOU SA	02.04.2013	HELLENIC SUGAR INDUSTRY SA	01.03.2016
TECHNICAL PUBLICATIONS SA	03.06.2013	TELETYPOS SA	08.03.2016
BALKAN REAL ESTATE SA	30.08.2013	PC SYSTEMS	01.04.2016
MICHANIKI SA	30.08.2013	AEGEK SA	03.10.2016
ALSINCO SA	02.12.2013		

Source: HCMC

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