



HELLENIC REPUBLIC
HELLENIC CAPITAL MARKET
COMMISSION



ANNUAL REPORT 2018

March 2019

CONTENTS

CONTENTS	2
A NOTE FROM THE CHAIRMAN	6
PART ONE	8
THE HELLENIC CAPITAL MARKET COMMISSION	8
<i>BOARD OF DIRECTORS</i>	8
<i>OBJECTIVES AND TASKS</i>	10
<i>EXECUTIVE COMMITTEE</i>	11
<i>ORGANISATIONAL STRUCTURE</i>	11
PART TWO	14
MARKET DEVELOPMENTS	14
<i>MACROECONOMIC DEVELOPMENTS</i>	14
<i>The Greek economy</i>	14
<i>The International Economy</i>	16
<i>OVERVIEW OF THE CAPITAL MARKET</i>	20
<i>International Capital Markets</i>	20
<i>The Greek Capital Market</i>	23
<i>European and national regulatory framework</i>	26
<i>DEVELOPMENTS IN THE GREEK CAPITAL MARKET</i>	34
<i>Equity and equity-like markets</i>	34
<i>The Fixed-income securities market</i>	42
<i>The Derivatives Market</i>	43
<i>SECURITY ISSUANCE</i>	46
<i>Greek Government security issuance</i>	46
<i>Corporate Security Issuance</i>	46
PART THREE	53
CAPITAL MARKET INTERMEDIARIES	53
<i>INVESTMENT FIRMS AND FINANCIAL INTERMEDIATION FIRMS</i>	53
<i>Trading activity</i>	53
<i>Margin Account Trading</i>	53
<i>COLLECTIVE INVESTMENT MANAGEMENT FIRMS</i>	54
<i>Collective Investments in Transferable Securities (UCITS)</i>	54
<i>Alternative Investments (PICs, AIFMs, REICs)</i>	58
PART FOUR	59
ACTIVITIES OF THE HELLENIC CAPITAL MARKET COMMISSION	59
<i>RULES AND REGULATIONS</i>	59

<i>Investment Services (Investment Firms, Financial Intermediation Firms)</i>	59
<i>Collective Investments (Investment Funds, Management Companies, PIFs)</i>	59
<i>Trading, Clearing, Settlement</i>	59
<i>Various Competences</i>	59
LICENSING	60
<i>Investment Firms</i>	60
<i>Financial Intermediation Firms</i>	60
<i>Mutual Fund Management Companies</i>	60
<i>Portfolio Investment Companies</i>	60
<i>Real Estate Investment Companies</i>	60
<i>Alternative Investment Fund Managers</i>	61
<i>Foreign UCITS</i>	61
<i>Trading venues and clearing and settlement systems</i>	61
<i>Approval of Prospectuses for the Public Offering of Transferable Securities and other corporate actions.</i>	61
ENFORCEMENT AND COMPLIANCE	62
<i>Revoking of License</i>	62
<i>Supervision & Monitoring of the Behaviour of Listed Companies</i>	62
<i>Supervision & Monitoring of Takeover Bids</i>	65
<i>De-listing of shares from the Athens Exchange</i>	65
<i>Fines</i>	66
OTHER ACTIVITIES	70
<i>Tackling Money Laundering and Terrorist Financing</i>	70
<i>Professional certification of capital market agents</i>	71
<i>Investigation of complaints/reports</i>	72
<i>Sale of transferable securities listed for trading in the Athens Exchange</i>	73
ACTIVITIES OF THE DIRECTORATE OF LEGAL SERVICES	73
STUDIES BY THE HELLENIC CAPITAL MARKET COMMISSION	75
<i>HCMC Survey on Corporate Governance in Greece</i>	75
<i>HCMC Survey on Mutual Fund Charges in Greece</i>	78
<i>HCMC Survey on the Provision of Investment Services to Retail Investors in Greece</i>	78
FINANCIAL POSITION	80
INTERNATIONAL ACTIVITIES OF THE HELLENIC CAPITAL MARKET COMMISSION	81
<i>The Hellenic Capital Market Commission and the European Securities and Markets Authority (ESMA)</i>	81
<i>The HCMC and European institutional bodies and instruments</i>	89
<i>The Hellenic Capital Market Commission and IOSCO</i>	90
<i>The Hellenic Capital Market Commission and other international bodies</i>	90
<i>Bilateral Memoranda of Understanding</i>	91
PASSPORTING	91
ANNEX 1. HCMC DECISIONS	97
ANNEX 2. HCMC PARTICIPATION IN, AND CONTRIBUTION TO, INTERNATIONAL CONFERENCES AND MEETINGS	99
ANNEX 3. TABLES	104
TABLES	
TABLE 1. Macroeconomic indicators of Greece, 2016-2018	15

TABLE 2. Macroeconomic indicators of the EU, 2016-2018	19
TABLE 3. Market Capitalisation of shares traded in the Securities Market and the Alternative Market of the Athens Exchange (€ million), 2018	34
TABLE 4. ATHEX Securities Market cumulative data, 2009-2018	35
TABLE 5. Cumulative Return (%) of the ATHEX Composite Share Price Index, 2008-2018	35
TABLE 6. ATHEX Main Indices, 2017-2018	37
TABLE 7. Sectoral Share-price Indices in the ATHENS EXCHANGE, FTSE/ATHEX, 2018	37
TABLE 8. Value of equity trading in the Securities Market and the Alternative Market of the Athens Exchange (€ million), 2018	38
TABLE 9. Average turnover velocity, per month, 2018	38
TABLE 10. Number of new Investor Shares in the DSS by month, 2016-2018	40
TABLE 11. Investor participation in the total capitalisation of the Athens Exchange, 31.12.2018	40
TABLE 12. Price to Earnings (P/E) ratio and listed company dividend yields, 2010-2018	42
TABLE 13. Derivatives market data, 2016-2018	44
TABLE 14. Distribution of Contracts in the Derivatives market, 2016-2018	45
TABLE 15. Value of trading in the derivatives market and the underlying transferable securities market, 2018	45
TABLE 16. Funds raised through share issuances, 2018	47
TABLE 17. Share Capital Increases by ATHEX-listed companies, 2012-2018	47
TABLE 18. Quarterly distribution of share capital Increases by ATHEX Listed Companies, 2016-2018	49
TABLE 19. Funds raised through corporate bond issuances, 2018	50
TABLE 20. Mergers among companies listed and non-listed in the ATHEX, 2018	50
TABLE 21. Listed company business sector spin-offs and acquisitions by companies non-listed in the Athens Exchange, 2018	51
TABLE 22. Trading by firms-members of the Athens Exchange, 2014-2018	53
TABLE 23. Margin Account Trading, 2018	54
TABLE 24. Net assets and Number of Mutual Funds, 2016-2018	55
TABLE 25. Net Mutual Funds Assets and macroeconomic aggregates, 2009-2018	55
TABLE 26. Net Assets and Number of Shares/Units of Mutual Funds, 31.12.2018	57
TABLE 27. Authorised foreign Undertakings for Collective Investments, 2004-2018	57
TABLE 28. Take-over bids in the capital market, 2018	65
TABLE 29. Number and value of fines, 2018	69
TABLE 30. HCMC Financial position, 2016-2018	81
TABLE 31. Provision of Investment Services (MiFID) in Greece, 2016-2018	91
TABLE 32. Provision of Investment Services (MiFID) by EU AIMFs in Greece, 2016-2018	93
TABLE 33. EEA AIMFs marketing shares in EEA AIFs in Greece, 2016-2018	94
TABLE 34. EEA AIFs marketed in Greece by EEA AIMFs, 2016-2018	94
TABLE 35. EU EuVECA Managers marketing EUVECAs in Greece, 2016-2018	95
TABLE 36. EUVECAs marketed in Greece by EU EuVECA Managers, 2016-2018	96

FIGURES

FIGURE 1. The Organisation Chart of the Hellenic Capital Market Commission (PD 65/2009)	12
FIGURE 2. Monthly volatility in the Athens Exchange, 2016-2018	36
FIGURE 3. Average monthly bid-ask spread and average daily value of trading, 2016-2018	39
FIGURE 4. Government 10-year Bond yield and Value of trading in HDAT, 2016-2018	43
FIGURE 5. Distribution of the Volume of Trading in the derivatives market per product, 2018 (in brackets the percentages for the year 2017)	44
FIGURE 6. Public offering of shares without admission to trading, 2012-2018	48
FIGURE 7. Total funds raised through share issuance (€ mn), 2011-2017	49
FIGURE 8. Mergers of ATHEX-listed Companies, 2009-2018	51

<i>FIGURE 9. Listed companies and groups of listed companies traded in the Athens Exchange, 2009-2018</i>	52
<i>FIGURE 10. Net assets and Number of Mutual Funds per MF classification, 2016-2018</i>	56
<i>FIGURE 11. ATHEX Market Capitalisation - mutual fund assets and the ATHEX Composite Index, 2016-2018</i>	57

The year 2018 was a landmark for the Greek economy and capital market, as the cycle of adjustment programmes was successfully completed on August 20th. This event sent the message that economic policy-makers are willing and able to respond to the obligations and commitments undertaken by our country, a fact that is also reflected on the improvement of the economic climate and reinforces the optimistic forecasts regarding the prospects of the Greek economy. Greece is gradually returning to normality, gaining greater scope for pursuing an independent economic policy, while, by exploiting the positive assessments of international credit rating agencies about the course and prospects of its economy, it is able to use international sovereign debt ~~government bond~~ markets to obtain relatively low-cost funding for financing its needs.

According to provisional data available by the Hellenic Statistical Authority (ELSTAT), GDP continued to recover in 2018, growing by 1.9% as compared to 1.5% in 2017, albeit missing the 2% growth forecast as a result of a weaker-than-expected 4th quarter. The improvement of economic activity was mainly based on the growth of Greek exports of goods and services (+8.8%), which resulted from the adaptation of Greek enterprises to the demand for tradeable exports, as well as on the growth of private consumption (+1%), as a result of the increase in employment and gross disposable income. Greek GDP was adversely affected by the decrease in gross fixed capital formation (-12%) and public consumption (-2.5%), as well as by the increase in imports (+3%). Unemployment continued to decline, falling to 18% in December. It should be noted that this performance was based on sound fiscal management, which produced, for a fourth consecutive year, a primary surplus (of 3.2 billion euros). This helps our country to regain its credibility and reinforces the effort to ensure the lasting acceptance of Greek government bonds by markets.

The Greek economy's recovery is expected to continue, despite the increased risk stemming from the external environment, as well as the slowdown in the euro zone countries' growth rates. In its winter forecast, the European Commission estimates that the Greek economy's growth will stand at 2.2% in 2019, and is expected to increase to 2.3% in 2020.

More specifically, as regards external risks and challenges that are expected to have an adverse effect on Greek exports growth, it is worth mentioning the anticipated slowdown of the global economy, as a result of the reemergence of trade protectionism; the possibility of intense fluctuations in financial markets, such as the recent turmoil in Italy; the expected withdrawal of the United Kingdom from the European Union (Brexit); as well as the emergence of new adverse developments, such as the recession in Turkey.

The domestic environment also poses serious challenges, pertaining to a possible deviation from, or a big delay in, the structural reforms, which are also connected with attracting investment capital, as well as with achieving the sustainable growth target. Moreover, the fiscal balance may also be deviate due to court rulings concerning pension cuts, which may have a high fiscal cost.

Another major challenge for the course of the Greek economy is the accumulation of large volumes of Non-Performing Loans (NPLs) in bank assets during the years of the crisis. Despite deserving the credit for a series of significant positive developments –elimination of the ELA, a 15 billion euros increase in deposits after the introduction of the capital controls, as well as a reduction of almost 25 billion euros in NPLs since March 2016, when the historical high was recorded– Greek banks remain trapped between high NPL levels and weak profitability. All these constitute obstacles to the smooth financing of the real economy, and hamper the improvement of Greek Stock Exchange indices. The management of the four Greek systemic banks estimate that positive credit expansion will be resumed

in 2019, due to the anticipated adoption of one, or both, of the two plans for reducing NPLs, which will release liquidity for the provision of funding to productive sectors, also boosting bank revenues.

The corporate bond market that was created by the Hellenic Capital Market Commission in cooperation with the Athens Exchange also plays an important role in the provision of financing to sound enterprises. There have already been eleven issues by major Greek enterprises, which raised significant funds, while investor interest quite often exceeds the required funding. This market now provides a dynamic alternative source of funding to bank loans, and sends overseas markets the message that Greeks trust their enterprises and invest in their prospects, thus encouraging them to take investment initiatives.

In 2018, the Hellenic Capital Market Commission once again actively participated in all standing committees of the European Securities and Markets Authority (ESMA), contributing to the joint formation of a European supervisory framework, and trying to accommodate the particular features of the Greek market.

It is very important to refer to the enactment of the main legislative framework governing the operation of European markets, namely, MiFID II and MiFIR. These acts affect all entities engaged in investment activities, such as exchanges as organised trading venues, investment banks, brokers, investment managers, and financial advisers. During the first year, the relevant legislation has been smoothly applied throughout Europe, as well as in Greece, without any particular problems or delays.

The Hellenic Capital Market Commission, as part of exercising its supervisory duties, and implementing the relevant capital market legislation, has worked for the smooth operation of the market for another year, utilising all the market surveillance tools in its disposal. Any illegal practices that emerged during this period have been dealt with due consideration as regards their effect on current market developments, keeping with all applicable legal provisions and by imposing heavy fines in cases of indications of illegal activity, either through the submission of indictments or by forwarding these cases to Justice.

The sanctions imposed in each case by the Hellenic Capital Market Commission do not only aim at restoring the smooth operation of firms and at levying fines on the persons involved, but also at sending the message to the market that the supervisory authority will treat all similar cases with the same determination. After all, the smooth operation of the market at international level is also ensured by the correctness and enforcement of the decisions taken as part of the prosecution of major infringement cases. In 2018, the Hellenic Capital Market Commission imposed total fines of almost 8.5 million euros to approximately 250 individuals and legal entities.

It is worth noting that the year 2018 placed a high operational burden on the Hellenic Capital Market Commission. Both the management and the staff of the HCMC comprehensively and effectively dealt with serious cases, always adhering to the relevant legislation. Although it is obvious that it is necessary to increase its staff number, the huge effort made by the HCMC personnel means that, despite the lack of manpower, supervisory duties are professionally and promptly carried out and the Hellenic Capital Market Commission, as an Independent Authority, is dully fulfilling its supervisory and regulatory responsibilities.

I must express my gratification, and also say a great thank you, to the HCMC's really remarkable personnel for their contribution to the market and the society.

Charalampos Gotsis

Chairman of the Hellenic Capital Market Commission

PART ONE
THE HELLENIC CAPITAL MARKET COMMISSION

BOARD OF DIRECTORS



CHARALAMPOS GOTSIS
Chairman, Economics Professor



NIKOLAOS TROULINOS
First Vice-Chair, Economist



XENOPHON AVLONITIS
Second Vice-Chair, Economist



SOCRATES LAZARIDIS
Member, Economist, CEO of the Athens Exchange



DIMITRIOS AVGITIDIS

Member, Law School Professor



IOANNA SELINIOTAKI

Member, Bank of Greece representative



ADAM KARAGLANIS

Member, Lawyer

The Board of Directors of the Hellenic Capital Market Commission consists of seven members: the Chairman, two Vice-Chairpersons 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.

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

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

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

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

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

The Hellenic Capital Market Commission is responsible for monitoring compliance with the provisions of capital market law. It is decisively involved in the formation of the capital market regulatory framework, on a national, European and international level, actively contributing to the operations of the Council of the European Union, as well as ESMA and IOSCO. Among others, it supervises Greek and foreign firms offering investment services, undertakings of collective and alternative investments, their Managers, new investment undertakings, occupational insurance funds, listed companies in regard to transparency obligations including their financial statements, as well as listed company shareholders in regard to their obligations to disclose major holdings, approves takeover bids and the prospectuses for share capital increase. It also monitors and supervises transactions in regard to market abuse and inside information issues. Finally, it supervises the compliance of supervised persons with money laundering legislation.

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

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

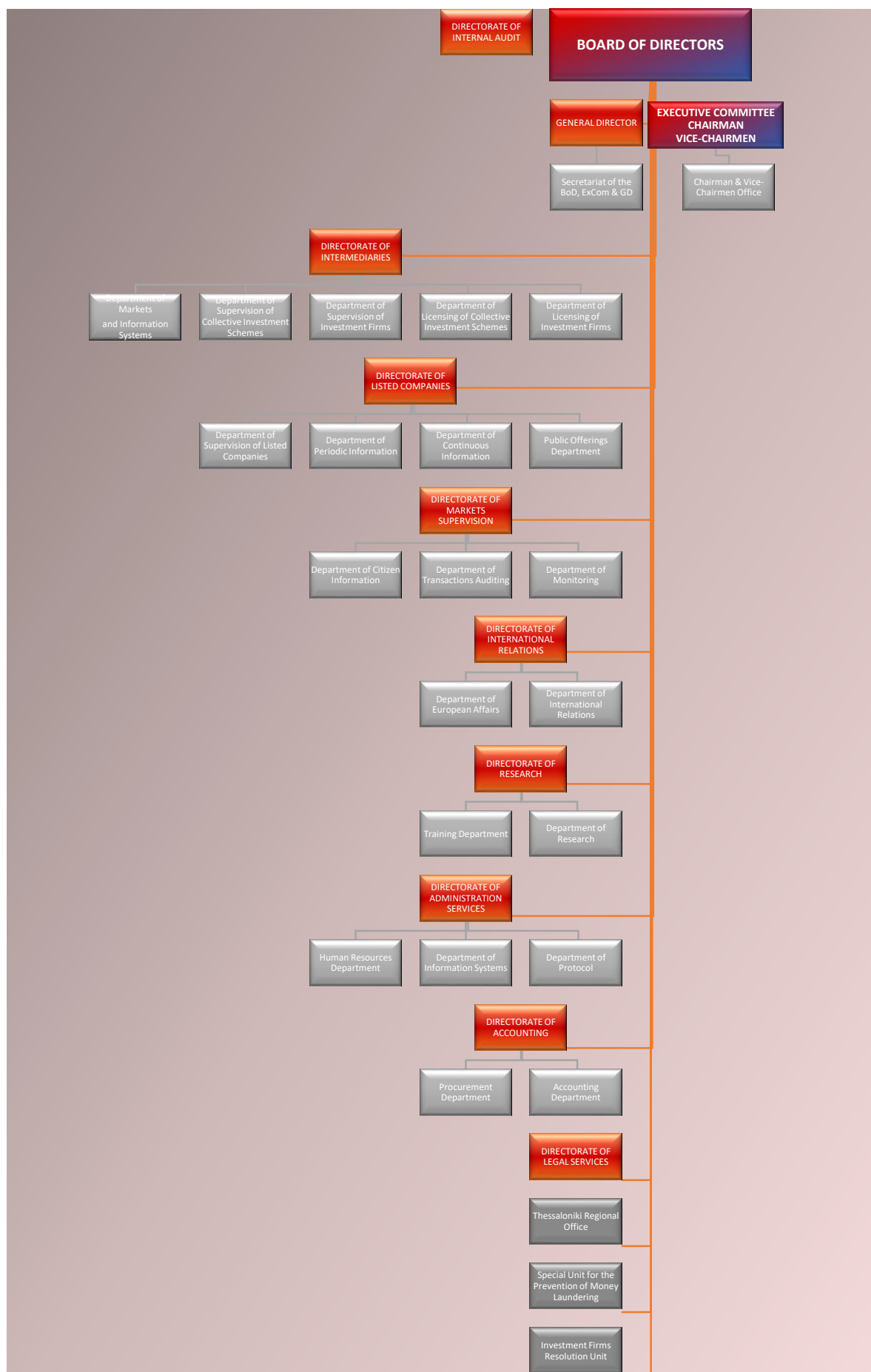
EXECUTIVE COMMITTEE

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

ORGANISATIONAL STRUCTURE

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

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



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

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

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

MACROECONOMIC DEVELOPMENTS

The Greek economy

In 2018, the Greek economy grew within an increasingly adverse international economic environment, defined by the slowdown of the European economy and the rise of uncertainty, and amidst major international turmoil, especially in terms of trade relationships and increased geopolitical risk. The economic sentiment indicator in Greece, which is compiled by the European Commission, started to fall after August 2018 and stood at 100.9 points in December 2018, much higher than its historic low of the past few years (75.3 points in August 2015). The corresponding indicators for the euro zone and the countries of the EU were significantly reduced in 2018, in contrast with their increase in 2017.

As regards the Greek economy's growth rates, the most recent quarterly national account estimates by ELSTAT indicate that non-seasonally adjusted Gross Domestic Product (GDP) showed an increase of 1.9% in 2018 in terms of volume. More specifically, based on seasonally-adjusted ELSTAT data, the quarterly change of the Gross Domestic Product in terms of volume stood at 0.4%, 0.3%, 1%, and -0.1% in the 1st, 2nd, 3rd, and 4th quarters of 2018 respectively, while GDP change on a year-on-year basis stood at 2.5%, 1.5%, 2.1%, and 1.6% in the 1st, 2nd, 3rd, and 4th quarters of 2018 respectively. As far as the year-on-year percentage change in GDP components is concerned, gross fixed capital formation suffered a severe decrease (-12%, as compared to a 9.4% increase in 2017), while private consumption registered another marginal increase (1%). General government spending showed a 2.5% decrease, greater than the decreases of 2017 and 2016. Imports and exports increased by 3% (as compared to 7.5% in 2017) and 8.8% (as compared to 7% in 2017) respectively.

In 2018, unemployment continued to decline, remaining, however, the highest among EU member states. Based on seasonally adjusted results, it stood at 18% in December 2018 as compared to 20.8 % at the end of 2017, and averaged at 19.2% on a twelve-month basis, as compared to 21.5 % in 2017. More specifically, total employment (including paid employment) increased by 2.8% in 2018, as compared to 3% in the previous year. According to December 2018 data from the "ERGANI" IT system of the Ministry of Labour, Social Security & Social Solidarity, paid employment in the private sector showed a cumulative increase of 141,003 persons throughout 2018 (as compared to an increase of 143,545 persons in 2017).

The Harmonised Index of Consumer Prices (HICP) for December 2018 registered a positive average annual change of 0.8%, as compared to a 1.1 % increase at the end of 2017 and zero change at the end of 2016.

The data from the General Accounting Office concerning the execution of the State Budget, show that, on an adjusted cash basis, there was a State Budget deficit of 2,316 million euros for the entire 2018, against a target of 1,911 million euros that has been included in the State Budget Proposal for 2019 as regards the corresponding period of 2018, and as compared to a 4,268 million euro deficit for the corresponding period of 2017. The primary balance amounted to a surplus of 3,237 million euros, against a primary surplus target of 3,604 million euros and a primary surplus of 1,940 million euros for the same period of 2017. The net revenues of the State Budget stood at 53,682 million euros, 1,483 million euros lower than the 2018 target included in the State Budget Proposal for 2019. The net revenues of the Ordinary Budget stood at 51,042 million euros, 0.5% lower than the target. The revenues of the Public Investment Budget (PIB) stood at 2,639 million euros in 2018, missing the target by 1,216 million euros. State

Budget expenditure for the period January-December 2018 stood at 55,998 million euros, 1,077 million euros lower than the target (57,075 million euros) and increased by 308 million euros as compared to the corresponding period of 2017. Ordinary Budget expenditure stood at 49,761 million euros, 564 million euros lower than the target. PIB expenditure amounted to 6,237 million euros, 513 million euros lower than the target.

According to monthly data by the General Accounting Office, the General Government shows a primary surplus of 5,629 million euros for the period from January to December, i.e. 3.03% of GDP, as compared to 6,222 million euros in 2017 (3.45% of GDP).

According to data from the State Budget Proposal for 2019, the General Government debt stood at 335,000 million euros in 2018, as compared to 317,414 million euros in 2017, increased by 5.5%. As a percentage of national output, it stood at 180.4% at the end of 2018, as compared to 176.1% at the end of 2017. There was also a (7.1%) increase in Central Government debt, compiled on an ESA basis, (from 328,237 million euros in 2017 to an estimated 351,600 million euros at the end of 2018), which as a percentage of GDP fell to 189.4% in 2018 from 182.13% in 2017. The above calculations have been based on a nominal GDP of 185,658 million euros for 2018, 180,218 million euros for 2017 and 176,488 million euros for 2016.

According to Bank of Greece data for 2018, the current account showed a deficit of 5.3 billion euros (2.1 billion euros higher than that of the previous year). The balance of goods deficit increased by 2.7 billion euros, while the balance of services surplus increased by 1.3 billion euros. The primary income deficit more-than-doubled as compared to 2017, mainly because of the increase in net payments for interest, dividends, and earnings, while the secondary incomes deficit was reduced, owing to the improvement of the general government balance. In 2018, the capital account surplus decreased year-on-year, as a result of the simultaneous decrease in the net receipts of the general government and the increase in the net payments by other sectors. The total current account and capital balance showed a deficit of 4.9 billion euros, as compared to a 2.2 billion euro deficit in 2017. In 2018, the financial account (direct investment, portfolio investment, and other investments) stood at -3,950.5 million euros, and at the end of the year Greece's foreign exchange reserves registered a slight year-on-year increase (to 6.6 billion euros, from 6.5 billion euros in 2017).

In 2018, as in the previous year, deposits with the domestic banking system registered a total increase of 10.4% (4.5% in 2017). Total private sector deposits increased by 6.3% year-on-year in 2018, as compared to 12.6% in 2017. Household deposits increased by 5.6% year-on-year (+3.6% at the end of 2017).

The annual change of total financing provided to the Greek economy stood at -1.2 % at the end of 2018, as compared to -1.6% at the end of the previous year. Greek bank lending to the domestic private sector was reduced by 1.1% year-on-year at the end of 2018, as compared to a y-o-y decrease of 0.8% at the end of 2017. The annual growth of bank financing to (non-financial) undertakings stood at +0.3% at the end of 2018 as compared to +0.4% at the end of the previous year, while bank financing to individuals was reduced by -2.2% y-o-y, almost the same as in the previous year (-2.3%).

TABLE 1. Macroeconomic indicators of Greece, 2016-2018

Amount - Indicators	2018	2017	2016
GDP and its components (ESA 2010, Δ%)(y-o-y changes, %) (at market prices, seasonally adjusted data, volume changes)			
GDP	1.92	1.45	-0.26
Private consumption	1	0.9	0.1

Amount - Indicators	2018	2017	2016
<i>Public consumption</i>	-2.5	-0.5	-0.7
<i>Gross fixed capital formation</i>	-12	9.4	4.6
<i>Exports of goods & services</i>	8.8	7	-1.9
<i>Imports of goods & services</i>	3	7.5	1.2
Employment and unemployment			
<i>Employment (total, average % change from previous year)</i>	2.8	3	2.1
<i>Unemployment rate (Annual averages, %)</i>	19.27	21.5	23.5
Prices and wages			
<i>Harmonised Index of Consumer Prices – average y-o-y change, %)</i>	0.8	1.1	0.0
<i>Minimum monthly wage (€)</i>	586.08	586.08	586.08
Public finances			
<i>General Government Balance (ESA basis, % of GDP)</i>	0.6	0.8	0.5
<i>General Government primary balance (% of GDP)</i>	3.03	3.45	2.8
<i>Primary balance State Budget (real. million €) [(-) deficit]</i>	3,237	1,940	2,778
<i>State budget balance (cash basis. million €) [(-) deficit]</i>	-2,316	-4,267	-2,810
<i>Central Government Debt, ESA basis (€ million)</i>	351,600	328,237	326,965
<i>(% of GDP)</i>	(189.4)	(182.1)	(185.3)
<i>General Government Debt (€ million)</i>	335,000	317,414	315,011
<i>(% of GDP)</i>	(180.4)	(176.1)	(178.5)
Balance of payments (€ million)			
<i>Current account</i>	-5,275.7	-3,159.3	-3,050
<i>Capital account</i>	353.2	914.5	1,035.7
<i>Financial account</i>	-3,950.5	-1,702.3	-873.6
Monetary conditions			
<i>Private sector deposits with dom. fin. institutions (annual % change, end of period)</i>	6.3	4.7	3.4
<i>Domestic private sector financing (% y-o-y change, end of period)</i>	-1.1	-0.8	-1.5
<i>GDP in current market prices (€ million)</i>	185,658	180,218	176,488

Source: ELSTAT, Ministry of Finance, Bank of Greece

Notes

Data on the General Government Balance and the Government Debt for 2018 and 2017 concern the estimate of the State Budget Proposal for 2019 and the realised amount, respectively.

The International Economy

According to the relevant reports by the International Monetary Fund (IMF, *World Economic Outlook Update*, January 2019), the World Bank (World Bank, *Global Economic Prospects*, January 2019), the Organisation for Economic Cooperation and Development (OECD, *Economic Outlook*, November 2018), and the European Commission (European Economic Forecast, Winter 2018), the global economy, excluding the US, was generally sluggish in 2018, with intense strain on specific regions, and an overall increase in uncertainty and, consequently, risk-taking. Negative effects stemmed from geopolitical tensions and developments in international trade relations, the continued uncertainty regarding Brexit, concerns regarding the sustained recovery of countries such as China, and the signs of overall weakness in financial activity.

The annual global growth rate for the year 2018, on the basis of the most recent estimates by the IMF, is set at approximately 3.7%.

In its “Global Economic Prospects” report, the World Bank stresses that the current economic juncture is considered to be precarious. Growth has weakened, trade tensions remain high, industrial production is decreasing, and several developing economies have experienced financial stress, while “risks to the outlook have increased”. In such an environment, the prospects of the global economy seem to be dimmed.

Growth in the US (estimated at 2.9%, as compared to 2.2% in 2017 and 1.6% in 2016) remained robust, and was strengthened by the positive influence of fiscal policy, at least in the short run. Domestic demand also had a positive effect, owing to salary increases and the growth of employment, as the jobless rate fell to 3.9% at the end of 2018, from 4.1% at the end of the previous year. Petroleum product price increases, and the changes in the tax system, boosted both investment and imports. Productivity growth followed the overall weak trends prevailing in other developed countries. Monetary policy was gradually tightened, based on the target of reducing inflation to 2%.

In the United Kingdom, uncertainty persisted in 2018 as a result of the country's decision to exit the EU, which in economic terms was translated into a slowdown of domestic demand and investment, with reduced activity in property markets and a decrease in exports. The growth rate for the year 2018 has been estimated at 1.4%, lower than the 1.8% growth rate of the past two years. The inflation rate remained above the monetary policy target (2.5%), while the unemployment rate at the end of the year was estimated at 4.1%, improved as compared to the previous year (4.4% in 2017).

Japan's growth rate fell to an estimated 0.8% in 2018 from 1.9% in the previous year, mostly as a result of natural disasters. Employment remained robust, with the unemployment rate at the lowest level of the last 24 years (2.4% at the end of 2018), on the back of supportive fiscal and monetary policy.

Emerging and developing economies experienced moderate economic growth, increased risks, and a slowdown in international trade and investment. In conjunction with high tensions in the financial sector, these countries remained stagnant in terms of growth, with significantly lower-than-expectations recovery for commodity-exporting countries, and a slowdown for commodity-importing countries. Their estimated growth rate for 2018 stands at approximately 4.2%, lower than originally predicted.

In China, economic activity remains robust (at a 6.6% growth rate), on the back of favourable domestic demand, albeit also facing adverse trends, mainly as a result of trade tensions and the relevant slowdown of industrial output, profits, and incomes. Domestic credit expansion was contained through the adoption of a stricter regime regarding shadow banking and all related financial activities. At the same time, however, the trend towards a less strict economic policy intensified, with the purpose of offsetting any possible negative effects from the worsening of trade relations with the US. Property prices also recovered, following many years of correction. Inflation also picked up in the second half of the year, partly reflecting the currency's devaluation trends, as well as higher energy and food prices.

Russia showed signs of recovery (1.6% growth in 2018, as compared to 1.5% in 2017 and -0.2% in 2016), supported by domestic demand, in conjunction with the improvement of real incomes following many years of suppression, as well as consumer credit growth. Higher oil prices boosted export revenues, while investment was under pressure, owing to the increased cost of market financing. The latter, in conjunction with the devaluation of Russia's currency in April and August 2018, also contributed to capital flight. In 2018, inflation tended to increase, with low levels of unemployment (5% at the end of 2018).

In Europe, growth rates tended to slow down, driven by both internal and external factors that, nonetheless, did not affect macroeconomic aggregates. Certain individual developments had an adverse effect, such as the introduction of new motor vehicle exhaust emission standards in Germany, the increase of financial risks in Italy, or the uncertainty regarding Brexit. The growth rate for the euro zone was revised downwards to 1.9% (from 2.4% in 2017). Similarly, growth rate estimates for the EU27 were also revised downwards to 2.1% (from 2.6% in the previous year). Based on European Commission data, all EU member states showed positive growth rates, the highest being those of Ireland and Malta (estimated at 6.8% and 6.2% respectively) and the lowest being those of Denmark and Italy (estimated at 0.8% and 1% respectively). That said, risks remained significant in 2018, mostly because of geopolitical factors, but also as a result of the turbulence in international trade, which, in general, causes unrest in global economic relations. Inflation in the euro zone was reduced at the end of 2018, mainly owing to plummeting energy prices. The harmonised CPI in the euro zone stood at 1.7% at the end of 2018, as compared to 1.5% in 2017. In the EU27 it rose to 1.8%, from 1.6% in the previous year. Overall, unemployment tended to decrease in 2018, falling below pre-crisis levels in certain countries. The unemployment rate (seasonally adjusted) in the euro zone and in the EU fell to 7.9% and 6.6% respectively at the end of 2018, from 8.6% and 7.2% respectively in December 2017. These levels have been steadily decreasing since mid-2013 and are the lowest since the global financial crisis of 2008. In December 2018, the number of jobless persons in the EU28 fell by 1,533 million year-on-year. In countries such as Greece, Italy, and Spain double-digit unemployment persisted in 2018.

As regards fiscal developments in the EU, there were some first signs of adopting elements of non-restrictive fiscal policy. The General government debt-to-GDP ratio remained high in countries such as Greece, Italy, Belgium, and Portugal.

As regards the Economic Sentiment Indicator, which is published by the European Commission for the euro zone and the entire EU, the growth of 2017 was reversed in 2018. Both indicators decreased by a wide margin and, as a result, by the end of 2018 they were back where they were before they started rising in 2017. At the end of 2018, the indicators stood at 107.4 in the euro zone and at 107.5 in the EU, albeit remaining higher than the twenty-year average.

In December 2018, the ECB decided to discontinue its expanded securities purchase programme, maintaining, at the same time, its main refinancing rates unchanged, a policy that will be pursued until the middle of 2019, marking its determination to implement a supportive monetary policy for achieving its euro zone inflation target.

As far as exchange rates are concerned, in 2018 the average value of the euro increased by 4.5% year-on-year relative to the US dollar (an average annual exchange rate of 1.18), by 0.9% relative to the British pound (an average annual exchange rate of 0.9), and by 2.9% relative to the Japanese yen (an average annual exchange rate of 130.4).

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

TABLE 2. Macroeconomic indicators of the EU, 2016-2018

Country	Gross domestic product (% change y-o-y)			Unemployment rate (End of Year, %)			Inflation (Harmonised Index of Consumer Prices - HICP, average change y-o-y)			Debt of the General government (% of GDP)		
	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018	2017	2016
Austria	2.7	2.6	2	4.7	5.4	5.7	2.1	2.2	1	74.5	78.3	83
Belgium	1.4	1.7	1.5	5.5	6.2	7.3	2.3	2.2	1.8	101.4	103.4	106.1
France	1.5	2.2	1.2	9.1	9.1	9.9	2.1	1.2	0.3	98.7	98.5	98.2
Germany	1.5	2.2	2.2	3.3	3.6	4.1	1.9	1.7	0.4	60.1	63.9	67.9
Greece	2	1.5	-0.3	18	20.8	23.4	0.8	1.1	0	180.4	176.1	178.5
Estonia	3.5	4.9	3.5	4.2	5.5	6.3	3.4	3.7	0.8	8	8.7	9.2
Ireland	6.8	7.2	5	5.3	6.2	7.5	0.7	0.3	-0.2	63.9	68.4	73.4
Spain	2.5	3	3.2	14.3	16.5	18.5	1.7	2	-0.3	96.9	98.1	99
Italy	1	1.6	1.1	10.3	10.9	11.7	1.2	1.3	-0.1	131.1	131.2	131.4
Cyprus	3.8	4.2	4.8	8.8	10.3	12.8	0.8	0.7	-1.2	105	96.1	105.5
Latvia	4.7	4.6	2.1	7.1	8.1	9.4	2.6	2.9	0.1	37.1	40	40.3
Luxembourg	3	1.5	2.4	4.9	5.5	6.2	2	2.1	0	21.4	23	20.7
Malta	6.2	6.6	5.7	3.8	4.1	4.2	1.7	1.3	0.9	47.9	50.9	56.3
Netherlands	2.5	2.9	2.2	3.6	4.4	5.4	1.6	1.3	0.1	53.2	57	61.9
Portugal	2.1	2.8	1.9	6.7	7.9	10.1	1.2	1.6	0.6	121.5	124.8	129.2
Slovakia	4.2	3.2	3.1	6.1	7.4	8.9	2.5	1.4	-0.5	48.8	50.9	51.8
Slovenia	4.4	4.9	3.1	5.2	5.6	8	1.9	1.6	-0.2	70.2	74.1	78.7
Finland	2.5	2.8	2.5	6.8	8.3	8.7	1.2	0.8	0.4	59.8	61.3	63
UK	1.4	1.8	1.8	4	4.2	4.6	2.5	2.7	0.7	86	87.4	87.9
Bulgaria	3.2	3.8	3.9	5.2	5.7	6.7	2.6	1.2	-1.3	23.3	25.6	29.6
Czech Republic	2.9	4.4	2.5	2.1	2.4	3.5	2	2.4	0.6	33.2	34.7	36.8
Croatia	2.8	2.9	3.5	7.7	9.7	12.5	1.6	1.3	-0.6	73.5	77.5	80.2
Lithuania	3.6	4.1	2.4	6.3	6.8	7.7	2.5	3.7	0.7	34.8	39.4	39.9
Hungary	4.8	4.1	2.3	3.6	3.9	4.3	2.9	2.4	0.4	72.9	73.3	75.9
Poland	5.1	4.8	3.1	3.5	4.3	5.4	1.2	1.6	-0.2	49.2	50.6	54.2
Romania	4	7	4.8	3.8	4.6	5.4	4.1	1.1	-1.1	35.1	35.1	37.3
Sweden	2.2	2.1	2.7	6.2	6.4	6.9	2	1.9	1.1	37.8	40.8	42.4
Denmark	0.8	2.3	2.4	5.1	5.3	6.1	0.7	1.1	0	33.3	36.1	37.9

Source: European Commission, Eurostat, ELSTAT.

Notes: GDP and HCPI data for 2018 are estimates concerning the EU (European Economy, Winter 2019). Unemployment rates refer to the most recent EUROSTAT data for 2018 (published on 31/1/2019). Government debt data are estimates for the year 2018, included in the Autumn 2018 edition of the “European Economic Forecast”.

International Capital Markets

In 2018, international financial markets and, in particular, equity markets, closed with significant capital losses. Stock exchanges throughout the world have been severely hit by adverse geopolitical developments and gradual increase of interest rates. More specifically, there was growing concern about an interest rate increase, following the prolonged period of quantitative easing in the aftermath of the global financial crisis. Central banks worldwide started taking measures for confining the expansive monetary policy of the previous years. The US Federal Reserve introduced restrictive policy, which led to yield increases even in the case of shorter-term securities, such as the three-month US Treasury Bill, the yield of which rose to 2.37% at the end of 2018, reaching a ten-year high. In addition, tensions persisted in US-China relationships on trade and technology issues, while the geopolitical deadlocks caused by the possibility of a disorderly Brexit and the continuation of local conflicts were intensified. These issues have not yet been settled and uncertainty regarding their settlement within 2019 remains. As a result, the FTSE All-World index, which monitors thousands of stocks all over the world, suffered a 12% year-on-year loss in 2018. This was the worst performance of this index since the period of the global economic crisis in 2007, and represents a sudden change of course, compared to its almost 25% increase in 2017.

The fall of the capital market in 2018 was very pronounced in China. The second largest economy in the world is affected by the worsening of the prospects regarding its trade relations, and its government tries to control risky lending, following the rapid growth of private debt in the past few years. The composite index of the Shanghai Stock Exchange started to fall in June, and lost more than 28% since the beginning of the year. The composite index of the Shenzhen Stock Exchange, which includes many of the country's high-technology firms, lost more than 33% during the same period. In Hong Kong, the Hang Seng index fell by more than 14%. The negative sentiment prevailing in Sino-American relations affected most Asian stock exchanges. South Korea's KOSPI index fell by more than 17% this year, Japan's Nikkei index fell by 12%, while the wider Topix index lost 18% of its value.

Market losses were also evident in the US. Dow Jones Industrial Average lost 6.7% in 2018, the S&P 500 index lost 7%, and the Nasdaq index lost 4.6%. Although the year-on-year losses are not so steep as in other markets, Wall Street is going through a historical period of prolonged instability. The S&P 500 index fluctuated by more than a percentage point (1%) nine times in December, and sixty four times in total throughout 2018. Fluctuations of that magnitude had only occurred eight times during 2017.

European markets were also significantly affected. The DAX index of the Frankfurt stock exchange fell by more than 18%. German car manufacturers have been severely hit by the fear of an international trade war and the new tests for carbon dioxide emissions. Brexit has been, and still is, a major threat to the financial stability of the United Kingdom and Europe. British stocks may suffer substantial losses in case of a no-deal Brexit, significantly affecting the profitability of foreign enterprises that operate in the country. The equity market of the Milan stock exchange fell by 16%, amidst concerns about the expenditure plans proposed by Italy's government. Spain's IBEX index fell by 15%, while France's CAC40 index fell by 11%, reflecting the country's serious political difficulties.

However, there were also some remarkable exceptions from the overall pessimism of the previous year. The index of Ukraine's capital market (PFTS) rose by 80.39% in domestic currency terms in 2018, albeit at low trading volumes. In 2018, the Qatar stock exchange rose by 20.87% in US dollar terms. This small Persian Gulf state recently broke off its ties with OPEC, putting an end to its membership that lasted more than half a century, according to a statement issued in December 2018.

On the other hand, the list of worst performing stock market indices worldwide for the year 2018 mostly includes emerging markets. The worst performance by a stock exchange in US dollar terms for the year 2018 was that of Venezuela. The country, which was hit by consecutive crises, saw its IBVC index collapse by 94.89%. Argentina tried to deal with another debt and exchange rate crisis, with the domestic stock market index suffering a 50.2% loss in 2018. In general, emerging markets have been hit by the rise of US Treasury bond interest rates, which strengthened the US dollar against other currencies, thus making it more costly to repay dollar-denominated private and public debt. Geopolitical developments and trade war have also a negative impact on the prices of commodities, which are major sources of income for emerging markets. The large drop in the value of Argentina's currency was followed by a significant decrease in the value of other emerging market currencies, the most important being that of the Turkish lira. In 2018, Turkey's stock market suffered a large drop of 43.35% in US dollar terms. In Asia, the Shanghai composite index lost 28.64% in 2018, as tensions in China-US trade relations were intensified. Pakistan's Karachi100 index fell by 28.07% in US dollar terms in 2018, representing the fifth worst capital market performance worldwide. In November 2018, the IMF failed to come to an agreement on the terms of the bailout package for Pakistan.

In 2018, the global equity market suffered a contraction. According to data by the World Federation of Exchanges, the total market capitalisation of listed shares worldwide stood at 73,684,312.9 million US dollars, reduced by 13.59% year-on-year. In terms of market capitalisation, the largest stock exchanges worldwide were those of New York with a capitalisation of 20,679,476.9 million US dollars (and a y-o-y decrease of 6.35%); Nasdaq with a capitalisation of 9,756,836.1 million US dollars (and a y-o-y decrease of 2.81%); Tokyo Stock Exchange with a capitalisation of 5,296,811.1 million US dollars (and a y-o-y decrease of 14.99%); Shanghai Stock Exchange with a capitalisation of 3,919,420.3 million US dollars (and a y-o-y decrease of 22.99%); and Hong Kong Exchange with a capitalisation of 3,819,215.4 million US dollars (and a y-o-y decrease of 12.21%).

The year 2018 was marked by company de-listings and corporate restructuring. The total number of shares listed in stock exchanges worldwide stood at 51,433, reduced by 1.67% year-on-year. The exchanges with the largest number of shares were those of India (5,066 shares, reduced by 9.79% y-o-y), Tokyo (3,657, increased by 1.47% y-o-y) and Canada's TMX Financial Group (3,383 increased by 1.65% y-o-y). Moreover, the Vienna stock exchange included the largest percentage of foreign shares in the total number of shares traded (90.10%), followed by the Luxembourg stock exchange.

According to data by the World Federation of Exchanges, worldwide trading activity on equities increased in 2018, mostly because of significant sales. The total value of transactions on stocks, as recorded in the electronic orderbook, in international stock exchanges stood at 97,348,510.3 million US dollars, increased by 17.65% year-on-year. The stock exchanges with the largest trading values were those of New York (19,340,917.9 million US dollars, increased by 33.06% y-o-y); Nasdaq (16,789,814.7 million US dollars, increased by 48.11% y-o-y); BATS Global Markets (16,036,009.8 million US dollars, increased by 30.36% y-o-y); Shenzhen (6,296,851.2 million US dollars, reduced by 17.00% y-o-y); and Tokyo (7,562,568.9 million US dollars, increased by 8.33% y-o-y). Increased trading activity was accompanied by significant liquidity fluctuations in international stock exchanges. In 2018, average liquidity worldwide, as captured by the average annual turnover velocity ratio, stood at 90.78%. The highest ratio was recorded in India's stock exchange (4,212.77%), followed by the stock exchanges of Shenzhen (244.20%), Istanbul (241.74%), and Taipei (240.08%), whereas the stock exchanges of Luxembourg, Ukraine, and the Barbados recorded ratios of less than 1%.

According to data by the World Federation of Exchanges, 2,459 companies raised investment capital from international markets through the issuance of new shares. Out Of these, the shares of 1,663 companies were listed through initial public offerings, while 796 companies raised capital through alternative capital market mechanisms.

The geographical distribution of the newly-listed companies includes 454 from the Americas, of which 350 were listed through initial public offerings; 1,475 companies in Asia, of which 976 were listed through IPOs; and 530 companies in Europe, Africa, and the Middle East, of which 337 were listed through IPOs. The Shanghai Stock Exchange saw the greatest number of new listings, with 467 stocks, of which 57 were listed through IPOs, followed by the Hong Kong Stock Exchange, with 217 new companies, of which 205 were listed through IPOs, and Canada's TMX Group, with 183 new companies, of which 127 were listed through initial public offerings. The New York Stock Exchange was the most attractive market worldwide, as 38 foreign companies listed their shares there, followed by the London Stock Exchange with 30 foreign companies, and the Hong Kong Stock Exchange with 28 foreign companies.

The securitisation of financial obligations continued in 2018. The number of structured derivatives worldwide included 2,250,683 financial instruments. The vast majority of structured derivatives were traded in Germany's stock exchange (2,108,331 securities), followed by Euronext (77,369 securities), the Swiss Stock Exchange (35,436 securities), and the stock exchange of Taiwan (16,590 securities). The value of trading on structured derivatives worldwide stood at 918,194.4 billion US dollars. The Hong Kong Stock Exchange recorded the highest trading activity on structured derivatives (727,784.4 billion US dollars), followed by the stock exchanges of Thailand (30,671.6 billion US dollars), Tel Aviv (27,367.5 billion US dollars), and South Korea (26,588.0 billion US dollars).

According to data by the World Federation of Exchanges, there was an increase in trading activity through participation in collective investments funds in 2018. In this year, the total number of collective investment funds stood at 21,618, increased by 3.35% year-on-year. The largest concentration of collective investment funds was recorded in Ireland (4,813 collective investment funds), Luxembourg (3,960) and India (3,362), while Shanghai, Egypt, and Vienna had only one collective investment fund.

In 2018, the market for options and futures on Exchange Traded Funds (ETFs) was on the rise, with 11,939 mutual funds listed in international markets. London Stock Exchange is the largest market worldwide, with 2,953 exchange traded funds listed in its markets, followed by the stock exchanges of New York (1,561), Germany (1,344), and Switzerland (1,340). The value of trading on exchange traded funds worldwide stood at 15,420,177.1 billion US dollars. New York Stock Exchange registered the highest trading activity in terms of mutual funds (4,948,255.4 billion US dollars), followed by BATS Global Markets (4,443,827.1 billion US dollars) and Nasdaq (3,664,763.5 billion US dollars).

In 2018, the international market for listed bonds showed significant dynamism, which included an increase in the value of new issues, but also a decrease in trading values. According to data by the World Federation of Exchanges, in 2018 the total number of bonds listed for trading worldwide stood at 195,387, increased by 3.3% year-on-year. The largest increases in the number of bonds were recorded in the exchanges of Switzerland (149.9%) and Saudi Arabia (1140.0%), while the largest decreases in the number of bonds were recorded in the exchanges of Costa Rica (-64.31%), Malta (-37.40%), and Thailand (-19.69%).

In the same year, the total value of trading on bonds worldwide stood at 18,146,736.4 million US dollars, reduced by 22.2% year-on-year. The largest increases in the value of trading were recorded in the exchanges of Budapest (13,557.6%), Saudi Arabia (1,917.52%), and Barbados (601.88%), while the largest decreases in trading value were observed in the exchanges of Thailand (-100.0%), London (-96.77%), and Bahrain (-93.47%).

In 2018, there was an increase in the value of funds raised through the issuance of fixed income securities. The total value of new bond issues worldwide amounted to 8,464,181.1 billion US dollars, significantly increased by 95.98% year-on-year. The largest increases in issuing activity were recorded in the exchanges of Korea (496,378.2 million US dollars), Luxembourg (1,764,228.1 million US dollars), and Costa Rica (3,248,306.1 million US dollars), while the

smallest increases in the value of new issues were observed in the exchanges of Bahrain (0.8 million US dollars), Oman (2.2 million US dollars), and Ukraine (62.8 million US dollars).

The Greek Capital Market

The course of the Greek capital market in 2018 was marked by a) a decrease in the total market capitalisation of ATHEX-listed shares, with the returns of most main and sectoral indices of the Athens Exchange moving downwards; b) the contraction of trading activity both in the securities market, with the exclusion of corporate bonds, and the derivatives market of the Athens Exchange; c) the reduction of issuing activity in long-term Greek Government bonds; d) the significant drop of Greek Treasury bill rates; e) the growth of the funds raised through share issuance, and the continuation of issuing activity on corporate bonds, albeit with a decrease in the value of funds raised; f) the persistence of outflows for mutual funds as a whole, which, to a great extent, is due to the outflows from money market mutual funds; and g) the negative returns registered by most mutual fund categories.

In the market for Greek Government bonds, yields across most maturities were slightly lower at the end of 2018 than they were at the end of 2017, with the (average monthly) yield on the 10-year benchmark bond falling to 4.28% in December 2018 from 4.44% in December 2017. Based on statistics from the System for Monitoring Transactions in Book-entry Securities of the Bank of Greece, the nominal value of secondary market trading on Greek Government bonds was substantially reduced year-on-year (82%) to 275.96 billion euros, from 1,532.78 billion euros in 2017. The average monthly nominal value of trading stood at 23 billion euros, with the highest value of transactions being recorded in January (34.06 billion euros) and the lowest being recorded in April (13.96 billion euros). More specifically, the value of transactions in the Electronic Secondary Government Bonds Market (HDAT) registered a significant y-o-y increase to 5 billion euros from 555 million euros in 2017. Activity in the primary market for long-term debt securities shrank year-on-year, as there was only one issue of a seven-year special bond in February 2018, of a total value of 3 billion euros and with a fixed interest rate of 3.375%, as compared to six issues of special long-term securities in 2017, with a total value of 28.82 billion euros. As regards the issuance of Treasury bills, the total amount raised in 2018 stood at 35 billion euros as compared to 41.14 billion euros in 2017, with the average cost of borrowing decreasing year-on-year to 0.93% from 2.5% in 2017.

In 2018, the total market capitalisation of shares listed on the Securities Market of the Athens Exchange registered a significant year-on-year decrease of 16.97% and stood at 44,884.04 million euros in December, as compared to 54,055.32 million euros at the end of 2017. Its highest value (monthly data) was recorded at the end of January (58,545.48 million euros) and its lowest value at the end of December (44,884.04 million euros). The ratio of total market capitalisation to Greece's GDP stood at 24.18% at the end of 2018, as compared to 30.27% in 2017 and 25.6% in 2016. The ATHEX Composite Share Price Index closed at the year's end at 613.30 units, registering a year-on-year loss of 23.56%. On a monthly basis, the index recorded substantial gains in the months of January and April, and marginal gains in June and July, while it fell in the other months, the most intense fluctuations being observed in May (-11.93%), April (+9.96%), and January (+9.53%). Most main stock market indices suffered year-on-year losses, excluding the ATHEX Mid & SmallCap Price Index (+14.44%) and the FTSE/ATHEX Mid & Small Cap Factor-Weighted index (+13.39%). The largest y-o-y loss was registered by the ATHEX Composite Share Price Index (-23.56%), followed by the FTSE/ATHEX Large Cap Index (-22.79%) and the FTSE/ATHEX Market index (-22.48%). During the course of the year, the lowest end-of-month values of most main market indices were recorded in December and November, and the highest in January and April. The largest increases of main market indices were recorded in January and April, and the largest decreases in May and October. Among sectoral indices, the largest loss was sustained by the FTSE/Athex Retail index (-97.85%, mostly affected by the price decrease and the de-listing of the shares of Foti-

Follie), followed by the FTSE/ATHEX Banks Index (-49.82%), the FTSE/ATHEX Financial Services index (-30.67%) and the FTSE/ATHEX Chemicals index (-28.73%), while the only indices to register gains were the FTSE/ATHEX Health Care Index (+96.79%, value as per 21.12.2018, when the index stopped being calculated by the Athens Exchange) and the FTSE/ATHEX Oil - Gas Index (+7.30%). Finally, the market capitalisation of shares listed in the Alternative Market of the Athens Exchange stood at 107.73 million euros at the end of 2018, increased by 7.02% year-on-year.

Overall, average monthly price volatility of the shares listed in the main market of the Athens Exchange stood at 11.30% in 2018, as compared to 12.09% in 2017. The highest values for the year were recorded in January (12.58%) and May (12.38%), while the lowest values were recorded in December (9.66%) and September (10.86%).

Trading activity in the Securities Market of the Athens Exchange was reduced in 2018. More specifically, the annual value of trading in all securities amounted to 13.86 billion euros, reduced by 6.11% year-on-year. In particular, the annual value of trading in all equity instruments fell to 13.70 billion euros from 14.62 billion euros in 2017, down by 6.32% y-o-y, while the value of trading in bonds increased (by 17.0%) to 158.21 million euros from 135.22 million euros in 2017. The average monthly value of equity trading fell to 1.14 billion euros from 1.22 billion euros in 2017, its highest value occurring in May (1.68 billion euros) and the lowest in July (540.22 million euros). More specifically, the value of share trading in all trading categories stood at 13.69 billion euros, reduced by 6.34% year-on-year. The value of trading in exchange traded funds registered a significant increase (28.03%) and stood at 11.83 million euros, as compared to 9.24 million euros in 2017. Finally, the value of trading in the Alternative Market of the Athens Exchange increased by 27.06% year-on-year, and stood at 1.80 million euros, as compared to 1.42 million euros in 2017.

As regards liquidity, the relevant indicators of the Athens Exchange paint a mixed picture for the year 2018, as they did for the year 2017 as well. More specifically, the (value-weighted) monthly average bid-ask spread decreased, significantly affected by the low prices prevailing in the first quarter of the year, and stood at 4.19% in 2018, as compared to 4.56% in 2017 and 4.57% in 2016. In contrast, the average monthly turnover velocity for Main Market stocks declined further and stood at 0.085% in 2018, as compared to 0.106% in 2017 and 0.136% in 2016. Its values fluctuated during the year, with the highest value being recorded in January (0.117%) and the lowest in July (0.040%).

Based on ATHEX data, the participation of foreign investors to the market capitalisation of the securities market of the ATHEX did not show any remarkable change in 2018, and stood at 63.26% as compared to 63.55% in 2017. Among foreign investors with the highest participation rates, there was a significant increase in the participation of Non-Financial Firms (to 19.73% in 2018 from 15.81% in 2017) and a decrease in the participation of Banks and Other Financial Institutions (to 11.34% in 2018 from 13.03% in 2017). In 2018, foreign investors were net buyers, with inflows of 252.52 million euros, as compared to inflows of 286.03 million euros in 2017. Domestic investor participation (including the Hellenic Financial Stability Fund – HFSF) rose to 36.70% from 36.40% in 2017. Among domestic investors with the highest participation rates, there was an increase in the participation of Retail Investors/Freelance Professionals/Farmers/Sole Proprietorships (to 17.45% in 2018 from 15.59% in 2017) and a decrease in the participation of the HFSF (to 2.04% in 2018 from 4.32% in 2017). Domestic investors were net sellers in 2018, with outflows of 252.84 million euros, as compared to outflows of 286.26 million euros in 2017. It is worth noting the reduction of the monthly average of active investor shares, which fell to 17,106 shares in 2018 from 18,331 shares in 2017.

In 2018, issuing activity in the Greek equity market remained once again sluggish, despite its year-on-year increase, especially when compared to that of 2013-2015, when bank recapitalisations abounded. More specifically, there were six share capital increases with issuance of new shares by ATHEX-listed companies, as compared to seven in

2017, one share capital increase through the initial public offering of stock with listing, as compared to none in 2017, and one share capital increase due to merger, as in the previous year. Total funds raised through the aforementioned capital increases stood at 298.88 million euros, increased in comparison to both to 135.58 million euros of 2017 and the 216.05 million euros of 2016, albeit significantly lower than the 10.19 billion euros raised through equity offering, with or without listing in ATHEX, in 2015. Finally, in 2018 there were three issues of corporate bonds, as compared to four in 2017. All issues concerned common bond loans, which were listed for trading in the Debt segment of the Securities Market of the Athens Exchange. The total amount of funds raised through corporate bond issues stood at 235 million euros, as compared to 610 million euros in 2017, and 115.46 million euros in 2016.

In 2018, trading in the derivatives market of the Athens Stock Exchange was substantially reduced. The average daily volume of trading in stock and index futures and options stood at 56,008 contracts in 2018, as compared to 77,479 contracts in 2017 and 62,131 contracts in 2016, reduced by 27.71% year-on-year, as compared to a 24.70% increase in 2017. During the year, the volume of trading fluctuated on a monthly basis, registering its highest value in September (100,036 contracts) and its lowest value in July (16,782 contracts). More specifically, the growth of trading activity on stock futures during recent years was interrupted in 2018, as the average daily volume of trading fell to 53,063 contracts, from 74,494 contracts in 2017, reduced by 28.77% year-on-year. The share of stock futures in the average daily volume of trading in all derivative products fell to 94.74% from 96.15% in 2017. In contrast, there was an increase of 2.59% in the average daily volume of trading in futures on the FTSE/ATHEX Large Cap index, which rose to 2,573 contracts from 2,508 contracts in 2017. The average monthly number of accounts that performed trades in 2018 rose to 1,925 from 1,861 in 2017, with the respective share on the total number of end investor-client accounts rising to 5.34% from 4.90% in 2017. The ratio of ATHEX member to client transaction value for all the products traded in the derivatives market fell, after rising for three consecutive years, and stood at approximately 51:49 in 2018, as compared to 54:46 in 2017 and 52:48 in 2016. The ratio of the value of transactions in the derivatives market to the value of transactions in the underlying transferable securities market of the Athens Exchange did not register any significant year-on-year change, albeit showed strong monthly fluctuations throughout the year. The highest value of the ratio of the total value of derivative products to the total value of share trading was recorded in June (49%), and its lowest value was recorded in November (16%), while its average value stood at 34% in 2018, as compared to 33% in 2017. Finally, the call:put ratio concerning trading in options on the FTSE/ATHEX Large Cap index was in favour of put options for the first time since 2009, and stood at 0.94, as compared to 1.81 in 2017 and 3.60 in 2016.

In 2018, fifty five (55) investment firms were operating in the Greek capital market, as compared to sixty one (61) in 2017. 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 62.52% in 2018, as compared to 59.48% in the previous year.

The Greek mutual fund market followed a downward trend during what has been a difficult year, mainly because of the developments that occurred on the European level in the final quarter of 2018 as regards collective investments. The total net assets of mutual funds were reduced by 8.97% year-on-year and stood at 6.06 billion euros at the end 2018, as compared to 6.66 billion euros in 2017 and 6.42 billion euros in 2016. In individual mutual fund categories, there was a decrease in the net assets of money market funds (-33.40%), specialist funds (-22.02%), equity funds (-18.20%) and balanced funds (-2.86%), while there was an increase in the net assets of funds of funds (4.57%) and bond funds (2.07%). As a result, at the end of the year there was an increase in the market share of funds of funds (to 16.44% from 14.31% in 2017), bond mutual funds (to 31.27% from 27.89% in 2017), and balanced mutual funds (to 21.81% from 20.44% in 2017). There was a significant drop in the market share of money market mutual funds (to 12.93% from 17.67% in 2017), while there was a smaller drop in the market shares of specialist (to 2.89% from 3.37% in 2017) and equity mutual funds (to 14.67% from 16.32% in 2017).

All mutual funds suffered net year-on-year outflows, which amounted to 256.51 million euros, as compared to outflows of 474.81 million euros in 2017. The most significant were the outflows of 400.01 million euros from money market mutual funds, while it is worth mentioning the inflows to funds of funds (97.12 million euros), balanced mutual funds (66.79 million euros), and bond mutual funds (44.4 million euros).

Excluding money market and bond mutual funds, all mutual fund categories offered negative annual returns. More specifically, the breakdown of returns per category is the following: money market mutual funds 1.20%, bond mutual funds 0.15%, bond funds of funds -0.07%, short term money market mutual funds -0.26%, specialist mutual funds -0.85%, balanced funds of funds -4.14%, balanced mutual funds -7.84%, equity funds of funds -8.71%, and finally equity mutual funds -13.23%.

In 2018, the total number of mutual fund management companies (MFMCs) remained unchanged to 15, of which 14 had mutual funds under management at the end of the year. The total number of mutual funds under management, which is affected by the creation of new categories of shares in existing mutual funds, increased once again, to 316 at the end of the year, from 286 in 2017 and 268 in 2016. Finally, concentration in the Greek mutual fund market remained high, with the five largest MFMCs having funds under management of 5.30 billion euros, which accounted for 87.41% of the total net assets of mutual funds, as compared to 87.96% in 2017.

European and national regulatory framework

European regulatory framework

The first year since the implementation of MiFID II

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

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

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

The new acts aim at remedying the following weaknesses:

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

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

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

As mentioned above, level I legislation (MiFID II and MiFIR) was approved in 2014. Moreover, on March 31, 2017, 29 new implementing acts, also known as level II acts (28 delegated regulations and 1 delegated directive), were published in the Official Journal of the European Union, supplementing the regulatory framework set by MiFID II/MiFIR.

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

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

ESMA Chairman Steven Maijoor gave a speech at the annual convention of FESE (June 21, 2018), on “MiFID Implementation – Achievements and Current Priorities” The full text of the speech can be found at the following link

<https://www.esma.europa.eu/press-news/esma-news/steven-maijoor-addresses-fese-convention-2018-mifid-ii-implementation>

Here are the highlights of his speech.

POSITIVE IMPACTS

- While many market participants were concerned that the MiFID II transparency provisions may disrupt financial markets and reduce available liquidity, so far we have not observed any of this. This indicates that we calibrated the transparency regime by-and-large correctly.*
- After a short delay, the double volume cap system has been up-and-running and has resulted – to date – in the suspension of dark trading of more than 900 instruments. [T]he number and volume of transactions in dark pools has significantly decreased.*
- The trading obligation of derivatives [resulted] in the mandatory trading of certain interest rate swaps and index CDS on regulated platforms, thereby ... ensuring greater transparency.*
- MiFID II has begun to deliver on the intended change of market structure. Currently, 72 OTFs (Organised Trading Facilities) are authorised and in the ESMA register. Furthermore, significantly more Systematic Internalisers (SIs) are active under MiFID II, thereby being subject to pre-trade transparency requirements ... (109 SIs in our ESMA register compared to 11 SIs under MiFID I).*
- Also, the new tick size regime appears to deliver on its ambitions. Our colleagues from the AMF [the French financial markets regulator] carried out a first analysis on the effects of the tick size regime on the liquidity and quality of the market [and concluded] that overall the tick size regime had a positive outcome for market*

participants since it led to less noise in the order book and increased the number of securities available at the best limit

- *[It has been observed that there is a] steady and substantial increase in [the] use of LEIs (Legal Entity Identifiers): currently 95.5% of the instruments reported in our reference data system have the correct LEI. This ... means that NCAs' activities with respect to the LEI are now shifting from pure monitoring to ongoing supervisory actions [and] ESMA is working with NCAs to identify the necessary measures to actively supervise the compliance with this important requirement.*

CONCERNS

- *[There are still] some data quality issues [in regard to the implementation] of the **Double Volume Cap Mechanism**. Moreover, there has been an increase in trading volumes on periodic auction trading systems, which may be designed ... to circumvent the double volume cap. [ESMA is] currently carrying out a fact-finding exercise on the different periodic auction trading systems to understand the various features of these systems.*
- *[There are also] concerns about a lack of a level playing field between **Systematic Internalizers (SIs)** and trading venues We therefore proposed an amendment to the ESMA RTS 1 that deals with the transparency provisions for equity instruments to ensure that quotes of SIs meet the tick size requirements.*
- *[T]he first quarterly determination of the **liquidity status of bonds** ... [included] only the results for a limited number of bonds. We are clearly not satisfied with the results of this first publication, both in terms of data quality and the very low number of liquid bonds. We are working ... to ensure that the August publication covers a significantly larger number of bonds.*
- *[As regards] the **provision of market data**[,] we currently have three open work streams in this area. First of all, we recently published a Q&A providing further guidance on the concept of making data available free of charge 15 minutes after publication. The Q&A sets out ESMA's expectation on how this requirement should be applied and highlights practices that we consider to be in violation of the law. Secondly, following the application of MiFID II, we were made aware of substantial increases in the costs of market data, reaching at times up to 400% compared to prices charged prior to 3 January 2018. In addition, we received complaints from stakeholders that not all trading venues and APAs publish the required information in accordance with the reasonable commercial basis principles in MiFID II. The third issue concerns the lack of a consolidated tape. ... We all know that to date no commercial tape has emerged. MiFID II provides for a dedicated review clause, including the possibility that a single consolidated tape may be appointed by ESMA.*
- *It is essential to introduce a harmonised EU regulatory and supervisory framework governing **third-country venues**. We would welcome an initiative by the Commission with respect to third country trading venues.*
- **European Commission proposal for the amendment of the Regulations regarding ESAs, EuVECA, EuSEF, MiFIR, ELTIFs, Benchmarks, and Prospectuses**

*Discussions continued in 2018 on the legislative proposal of the European Commission, which was presented on September 20, 2017, regarding the revision of the legislative framework that governs the three European Supervisory Authorities (**ESAs/ESMA, EBA, EIOPA**) and the ESRB, with the purpose of establishing a stronger and more integrated*

and coordinated approach for financial market supervision in the EU. The completion of the trilogue among European institutions is expected in the first quarter of 2019, when the amended Regulations governing the three European Supervisory Authorities (ESAs) (ESMA, EBA, EIOPA), and the ESRB, as well as the Regulations on EuVECA, EuSEF, MiFIR, ELTIFs, Benchmarks, and Prospectuses will come into force.

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

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

As regards to supervisory convergence, it is recommended that ESMA should collect data on transactions in financial instruments directly from market participants, and should also be able to ask for information from market participants (as a last resort), and impose sanctions in case of non-compliance. If the recommendations are actually adopted, ESMA will be called to play a stronger coordination role in investigations of market abuse cases with a cross-border dimension, and will also be able to recommend that competent authorities investigate market abuse cases in specific circumstances.

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

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

- **Product Intervention:** The existing powers set out in MiFIR are extended to cover fund managers (UCITS, AIFs), in order to ensure that intervention powers exist, and are applied and interpreted consistently by national supervisors and ESMA.

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

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

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

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

It should be noted, however, that the proposals have attracted strong criticism from the majority of member states, mostly regarding the extent of the additional responsibilities proposed for the ESMA, especially pertaining to governance and the degree of its ability to intervene in non-cross-border cases of exercising supervisory duties, as well as the amendment of the way ESAs are financed. Given the European elections held in May of this year, the issue is expected to be finalised (or not) by early April.

- **Other European legislative developments**

Regulation (EU) 2017/1131 on money market funds (MMFs), came into force in July 2018. On Level II, Regulation 990/2018 was issued (with regard to simple, transparent and standardised (STS) securitisations and asset-backed commercial papers (ABCPs), requirements for assets received as part of reverse repurchase agreements and credit quality assessment methodologies), as well as Regulation 708/2018 on the template to be used by managers of money market funds when reporting to competent authorities as stipulated by Article 37 of Regulation (EU) 2017/1131. On Level III, ESMA issued Guidelines ESMA34-49-115 on stress-test scenarios under Article 28 of the MMF Regulation, while its Guidelines on the scenarios and parameters of the European-wide stress test (also based on the consultation that was completed in December 2018) are expected within the next year. It should be noted

that the most important changes introduced by the MMF institutional framework mostly concern a) the new authorization of all existing MMFs under the new Regulation by January 21, 2019; b) a wide scope of implementation that covers all cases of Undertakings for Collective Investment (UCIs) that aim at capital preservation and money market returns; c) the standardised form of MMFs, which may either be a UCITS product or an alternative investment fund (AIF). Moreover, three types of MMFs were introduced. The first type is “PUBLIC DEBT CNAV”, which are short-term only public debt constant net asset value MMFs. The second type is LVNAV MMF, i.e. low volatility net asset value MMFs, also short term only; and finally, there are VNAV MMFs, which are variable net asset value MMFs. Under the new regime, national regulators shall transmit all information pertaining to MMFs to ESMA, which will create a central database of all MMFs established, managed, or marketed in the EU. The European Central Bank shall also have a right of access to that database. The relevant consultation paper was published in November 2018, the deadline being February 14, 2019.

Following the approval, in 2017, of the package of measures on **Securitisations** (Regulation 2402/2017 “**Sec Reg**” and Regulation 2401/2017, amending CRR Regulation 575/2013), Level II work on these texts continued, in view of the implementation of the new regime on January 1, 2019.

The EU 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) came into force on January 1, 2018. Commission Implementing Regulation (EU) 2018/1557, establishing a list of critical benchmarks used in financial markets, was published in the same year, while another ten Commission Delegated Regulations were issued in November 2018.

Negotiations on completing the adoption of the targeted amendments (as the new “EMIR REFIT” Regulation) of Regulation 648/2012 **EMIR** on the clearing obligation, reporting requirements, risk mitigation techniques for OTC derivatives contracts, and trade repositories, continued in 2018. The aim is to implement these amendments within 2019.

The Regulation on key information documents for packaged retail and insurance-based investment products (Regulation 1286/2014/EU, “**PRIIPs**”) came into force on January 3, 2018, in conjunction with the transposition provisions adopted by means of Greek Law 4537/2018. In 2018, however, the ESAs published a consultation paper (with a deadline set for the end of 2018), concerning possible amendments to the main regulation.

Directive (EU) 2018/843 of the European Parliament and of the Council on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing was published on May 30, 2018. This directive (Anti-Money Laundering Directive, **AMLD**) is also referred to as the 5th Anti-Money Laundering Directive. It came into force in July 2018 and must be transposed into national legislation by January 2020.

The General Data Protection Regulation (**GDPR**), on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (Regulation (EU) 2016/679 of the European Parliament and the Council of April 27, 2016) came into force on May 25, 2018.

Aiming at the completion of the Capital Markets Union (**CMU**), the European Commission published, on March 12, 2018, additional legislative proposals, to supplement those already promoted (which are still at the implementation stage, while three (3) have been adopted). The new proposals aim at boosting the cross-border market for investment funds, promoting the EU market for covered bonds as a source of long-term finance, and ensuring greater certainty for investors in the context of cross-border transactions of securities and claims. Meetings began in 2018, on the EU Council level. More specifically, the Commission proposed a) common rules – a Directive and a Regulation– for

covered bonds; b) new rules that clarify which country's law applies when determining who owns a security in a cross-border transaction to establish legal certainty as to which national law applies when determining who owns a claim after it has been assigned in a cross-border case; and c) proposals to make cross-border distribution simpler, quicker and cheaper (CBDF Regulation Package). More specifically, the latter proposals concern the amendment of Directive 2009/65/EC (UCITS) and Directive 2011/61/EU (AIFMD), as well as Regulations 345/2013 (venture capital funds) and 346/2013 (European social entrepreneurship funds).

As part of the European Commission's efforts to build a Capital Markets Union and a true single market for consumer financial service, the Commission unveiled, on March 8, 2018, an Action Plan on how to harness the opportunities presented by technology-enabled innovation in financial services (FinTech). The Action Plan also concerns the need to create a Digital Single Market. The aim of the Commission is to make EU rules more future-oriented and aligned with technological development. More generally, the proposed Action Plan aims at enabling the financial sector to make use of the rapid advances in new technologies, such as blockchain, artificial intelligence, and cloud services. At the same time, it seeks to make markets safer and easier to access for new players, thus benefiting consumers, investors, banks, and new market players alike. The first major action in this context, is the new set of rules proposed by the Commission in 2018 as regards crowdfunding platforms.

On March 8, 2018, the European Commission also unveiled its strategy for a financial system that supports the EU's climate and sustainable development agenda, adopting an Action Plan for sustainable finance. The proposal concerns a comprehensive EU strategy on sustainable finance, which sets out a roadmap for further work and upcoming actions covering all relevant actors in the financial system.

In 2018, the European Commission continued its work on the proposals it had adopted at the end of the previous year concerning the change in the way investment firms must assess their risks, with the purpose of simplifying prudential rules and facilitating supervision. Widening, in this way, access to financing, the new EU regime that is under elaboration represents another step towards the Capital Markets Union (CMU). Moreover, the proposals enhance the banking union, by setting the prudential treatment and supervision of the largest investment firms in the EU on a par with that applying to banks. The proposals aim at solving the problems in two main ways: First, by removing all, but the largest and riskiest investment firms, from prudential banking regulations and, second, by introducing new targeted requirements, specially addressing the idiosyncratic risks of investment firms. For the first time, the risks from services rendered by investment firms to their clients will be covered by new commensurate capital requirements. Meanwhile, the firms dealing in financial instruments will continue to be governed by rules that are adapted to the current legislation, albeit in a simplified form.

Finally, on November 28, 2018, the European Commission issued a call for stepping up political commitment and efforts for the completion of the Capital Markets Union (CMU) within 2019, which, together with the Banking Union is crucial for the development of the Economic and Monetary Union, the strengthening of the international role of the euro, as well as the diversification of sources of finance for small and medium-sized companies in particular. The European Commission presented the key building blocks of the CMU it has delivered the past three years and stressed the need to speed up the approval process for issues on which no agreement has been reached till this date.

During the course of the year, the regulatory framework of the Greek capital market was reinforced through the introduction of legislation on markets in financial instruments, central securities depositories, and the prevention and combating of money laundering and terrorist financing

More specifically, the following laws came into force:

- **L. 4514/2018** – “Markets in Financial Instruments and other provisions” (Gov. Gaz. A 14/30.1.2018)

The provisions of this law incorporate into Greek legislation the provisions of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments (OJ L 173/12.6.2014), as amended by Directive (EU) 2016/1034 of the European Parliament and of the Council of 23 June 2016 (OJ L175/30.6.2016), taking into account Commission Delegated Directive (EU) 2017/593 of 7 April 2016 (OJ L 87/500, 31.3.2017). The law applies to investment firms, trading venue managers, data reporting services providers and third country undertakings, and regulates their operation and the provision of investment services or the exercising of investment activities.

- **L. 4537/2018** – “Transposition into the Hellenic legislation of Directive 2015/2366/EU on payment services and other provisions” (Gov. Gaz. A 84/15.05.2018)

Articles 129-130 of this law specify that the Hellenic Capital Market Commission is one of the competent authorities for monitoring the implementation of the requirements imposed by Regulation (EU) 1286/2014 “on key information documents for packaged retail and insurance-based investment products (PRIIPs)” (OJ L 352/9.12.2014), on PRIIP producers, ad hoc, in accordance with paragraph 4 of article 4 of the aforementioned Regulation.

- **L. 4557/2018** – “Prevention and combating money laundering from criminal activities and terrorist financing (transposition of Directive 2015/849/EU) and other provisions” (Gov. Gaz. A 139/30.07.2018)

This law incorporates into Greek legislation Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 “on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC” (OJ L 141/5.6.2015), and codifies the relevant provisions of the national legislation.

- **L. 4569/2018** – “I) Central Securities Depositories, II) Adjustment of the Hellenic legislation to the provisions of Directive 2016/2258/EU and other provisions, and III) Other provisions” (Gov. Gaz. A 179/11.10.2018).

The first part transposes into Greek legislation the provisions of Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories, which are based in Greece and authorised by the Hellenic Capital Market Commission, and establishes the regulatory framework governing their operation.

The Hellenic Capital Market Commission participates, through its executives, in the law-drafting committees for the transposition into national law of European Directives and Regulations pertaining to capital market legislation. In 2018, for example, the HCMC participated in the law-drafting committee for the adaptation of Greek legislation to the provisions of Directive (EU) 2018/843 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC

and 2013/36/EU, as well as in the law-drafting committee for the adaptation of Greek legislation to the provisions of Directive 2016/2341 on the activities and supervision of institutions for occupational retirement provision (IORPs).

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 2018, the market capitalisation of shares listed on the Securities Market of the Athens Exchange stood at 44,884.04 million euros, reduced by 16.97% as compared to 2017, when it stood at 54,055.32 million euros. The market capitalisation of shares listed on the Main Market category amounted to 44,678.55 million as per 31.12.2018, as compared to 53,786.95 million in 2018, accounting for 99.54% of the total market capitalisation of ATHEX-listed stocks. The market capitalisation of the under surveillance category fell to 205.49 million euros at the end of 2018 from 268.37 million euros at the end of 2017, and accounted for 0.46% of total market capitalisation, as compared to 0.50% in 2017. The ratio of the total market capitalisation to Greece's GDP fell to 24.18%, from 30.27% in 2017 and 25.6% in 2016.

The top ten shares in terms of market capitalisation at the end of 2018 were the following (their share in total market capitalisation is shown in brackets): Coca Cola HBC AG (22.24%), Hellenic Telecommunication Organization (OTE) (10.31%), Greek Organization of Football Prognostics (OPAP SA) (5.35%), Motor Oil (Hellas) Corinth Refineries SA (5.14%), Hellenic Petroleum (4.98%), Jumbo SA (3.82%), ALPHA Bank (5.14%), Titan Cement Company (3.60%), Ethniki Pangea REIC (2.66%) and EUROBANK (2.61%). The market capitalisation of these ten companies' shares stood at 29.19 billion euros as per the end of 2018 and accounted for 64.48% of the total market capitalisation of shares listed in the Athens Exchange. Similarly, at the end of 2017, the ten largest companies in terms of market capitalisation had a market cap of 34.86 billion euros and accounted for 64.34% 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 107.73 million euros at the end of 2018, increased by 7.01% year-on-year.

TABLE 3. Market Capitalisation of shares traded in the Securities Market and the Alternative Market of the Athens Exchange (€ million), 2018

Month*	Securities Market			Alternative Market
	Main market	Surveillance	Total	
Jan.	58,270.84	274.64	58,545.48	99.73
Feb.	56,245.95	261.79	56,507.74	101.68
Mar.	54,067.90	257.96	54,325.86	104.59
Apr.	58,023.99	272.76	58,296.75	102.92
May	52,316.60	233.11	52,549.71	106.53
Jun.	52,211.28	235.90	52,447.18	101.49

Jul.	53,190.57	236.10	53,426.67	102.21
Aug.	51,422.25	231.13	51,653.38	106.58
Sep.	49,543.66	170.46	49,714.12	109.38
Oct.	45,889.70	218.83	46,108.53	105.21
Nov.	45,499.90	231.62	45,731.52	105.24
Dec.	44,678.55	205.49	44,884.04	107.73

Source: ATHEX.

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

TABLE 4. ATHEX Securities Market cumulative data, 2009-2018

End of year	Market Capitalisation (€ million)	ATHEX Composite Share Price Index	No. of Listed Companies	Market Capitalisation (% of GDP)
2018	44,884.04	613.30	178	24.18%
2017	54,055.32	802.37	191	30.27%
2016	45,101.80	643.64	207	25.6%
2015	46,717.67	631.35	229	26.6%
2014	52,916.45	826.18	233	29.7%
2013	66,514.89	1162.68	251	36.8%
2012	33,766.01	907.9	265	17.7%
2011	26,783.43	680.42	242	12.9%
2010	53,958.39	1413.94	258	23.9%
2009	83,447.43	2196.16	270	35.1%

Source: ATHEX, HCMC

Note: GDP is calculated at current market prices

At the end of 2018, the ATHEX Composite Share Price Index closed at 613.30 units, sustaining a year-on-year loss of 23.56% (802.37 units in 2017). During 2018, the Index followed a downward path, with the exception of January (when it rose by 9.53%, as compared to December 2017), April (when it rose by 9.96%, as compared to March) and June-July, when it was stabilised. The index registered its low for the year in November (592.70); this value was lower than the corresponding low for the year 2017 (611.75). The index reached its high for the year in February (895.64); this value was higher than the corresponding highest value for the year 2017 (825.48).

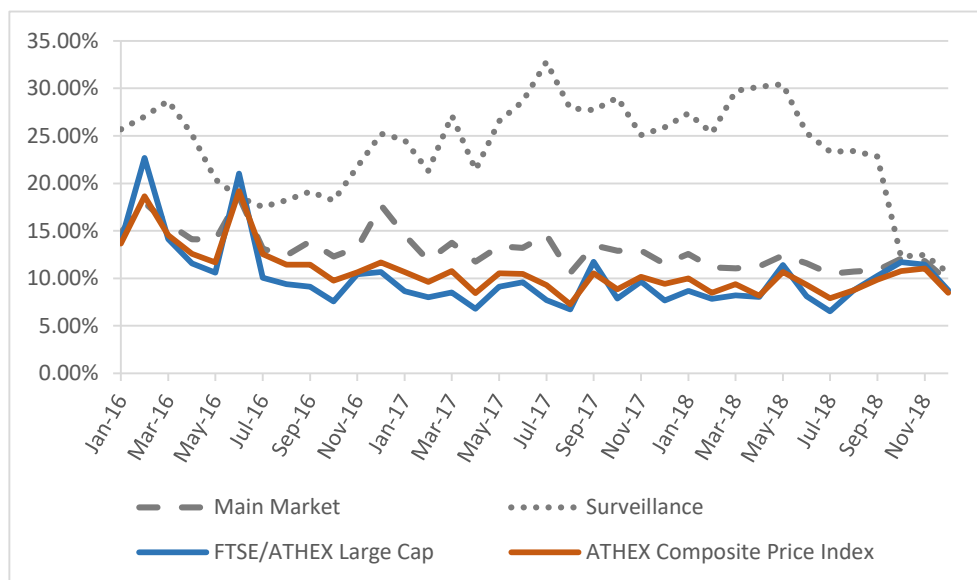
The cumulative return of the ATHEX Composite Share Price Index for the period 2008-2018 is shown on Table 5. The volatility of the ATHEX Composite Share Price Index, the FTSE/ATHEX Large Cap index, the Main Market and Surveillance Segments in the Securities Market of the Athens Exchange for each month of the period 2015-2017 is presented in Figure 2.

TABLE 5. Cumulative Return (%) of the ATHEX Composite Share Price Index, 2008-2018

	Return Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Base year										
2017	-23.56%									
2016	-4.71%	24.66%								
2015	-2.86%	27.09%	1.95%							
2014	-25.77%	-2.88%	-22.09%	-23.58%						
2013	-47.25%	-30.99%	-44.64%	-45.70%	-28.94%					

2012	-32.45%	-11.62%	-29.11%	-30.46%	-9.00%	28.06%				
2011	-9.86%	17.92%	-5.41%	-7.21%	21.42%	70.88%	33.43%			
2010	-56.62%	-43.25%	-54.48%	-55.35%	-41.57%	-17.77%	-35.79%	-51.88%		
2009	-72.07%	-63.46%	-70.69%	-71.25%	-62.38%	-47.06%	-58.66%	-69.02%	-35.62%	
2008	-65.67%	-55.09%	-63.97%	-64.66%	-53.75%	-34.92%	-49.18%	-61.91%	-20.85%	22.93%

FIGURE 2. Monthly volatility in the Athens Exchange, 2016-2018



Source: ATHEX

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

In 2018, the main indices of the ATHEX sustained losses, with the exception of the FTSE/ATHEX Mid & Small Cap Factor-Weighted index, which at the end of 2018 closed at 2,215.20, up by 13.39% year-on-year, and the Mid & SmallCap Price Index, which closed at 3,962.08 at the end of 2018, up by 14.44% year-on-year. Among the remaining indices, the FTSE/ATHEX Large Cap Index and the FTSE/ATHEX Market index sustained the greatest losses (-22.79% and -22.48% respectively), followed by the FTSE/ATHEX Mid Cap Index (-18.62%), the FTSE/ATHEX Global Traders Plus Index (-14.75%) and the Hellenic Mid & Small Cap Index (-12.15%)

Sectoral indices also sustained losses in 2018, with the exception of the FTSE/ATHEX Oil & Gas Index (which gained +7.30%) and the FTSE/ATHEX Health Care Index (which gained 96.79%, based on its value as per 21.12.2018, when it stopped being calculated, because of the non-existence of shares eligible for being included in its composition). More specifically, the greatest loss was sustained by the FTSE/Athex Retail index (-97.85%), primarily because of the suspension of trading in the shares issued by FOLLI-FOLLIE, which was not replaced as a component of the index. It was followed by the FTSE/ATHEX Banks Index (-49.82%), the FTSE/ATHEX Financial Services index (-30.67%), the FTSE/ATHEX Chemicals index (-28.73%), the FTSE/Athex Travel & Leisure index (-27.69%) and the FTSE/ATHEX Technology Index (-22.13%). Table 6 presents the closing values and the percentage year-on-year changes for main indices of the Athens Exchange as per 31.12.2018. Table 7 presents ATHEX sectoral index data per month for the entire year 2018.

TABLE 6. ATHEX Main Indices, 2017-2018

Athens Exchange Indices	Closing price 31.12.2018	Closing price 29.12.2017	Annual change (%)
<i>Composite Share Price Index</i>	613.30	802.37	-23.56%
<i>FTSE/ATHEX Large Cap</i>	1608.40	2083.22	-22.79%
<i>FTSE/Athex MID cap</i>	975.09	1198.22	-18.62%
<i>FTSE/ATHEX Global Traders Index Plus</i>	1994.48	2339.63	-14.75%
<i>FTSE/ATHEX MID&SMALL CAP Factor-Weighted</i>	2215.20	1953.64	13.39%
<i>FTSE/ATHEX Market index</i>	399.17	514.92	-22.48%
<i>Hellenic Mid & Small Cap Index</i>	906.65	1032.05	-12.15%

Source: ATHEX

TABLE 7. Sectoral Indices in the Athens Exchange, FTSE/ATHEX, 2018

Month	Banks	Fin. Services	Retail	Chemicals	Travel & Leisure	Technology	Oil & Gas
Jan.	957.45	1280.33	2832.12	11115.86	1919.64	1082.46	4973.39
Feb.	914.03	1130.73	2577.10	10453.46	1793.13	1048.95	4722.84
Mar.	784.95	1111.38	2338.38	10706.99	1665.08	987.39	4489.30
Apr.	1031.07	1181.46	2321.94	11169.88	1772.25	1056.14	4849.67
May	839.05	1054.76	747.30	9895.73	1628.61	910.90	4195.62
Jun.	861.97	981.45	55.00	10021.51	1699.59	891.84	4184.84
Jul.	853.74	985.20	56.77	9688.63	1649.61	849.99	4342.19
Aug.	730.88	972.73	57.92	9556.79	1606.22	917.28	4728.23
Sep.	577.53	919.88	63.98	8765.10	1562.69	892.67	5137.04
Oct.	544.18	815.16	65.39	8263.66	1425.53	792.00	4778.05
Nov.	468.44	804.14	64.78	8137.73	1431.19	716.47	4734.36
Dec.	439.63	780.26	59.91	8175.81	1323.07	709.21	4860.12
Annual % change	-49.82%	-30.67%	-97.85%	-28.73%	-27.69%	-22.13%	7.30
Max	1042.30	1309.27	2921.52	12117.06	1962.01	1116.72	5396.31
Min.	398.39	737.75	51.91	7778.54	1313.92	668.53	4087.64

Source: ATHEX

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

Value of Trading

In 2018, the value of equity trading in the Securities Market of the Athens Exchange stood at 13.70 billion euros, reduced by 6.32% year-on-year. Its average monthly value stood at 1.14 billion euros, while the highest value for the year (1.68 billion euros) was recorded in May. The value of share trading in the two trading categories (Main Market

and Surveillance) stood at 13.58 billion euros, as compared to 14.61 billion euros in 2017. The value of trading in exchange-traded funds rose to 11.83 million euros from 9.24 million euros in 2017, increased by 28.03% year-on-year.

The value of trading in the Alternative Market of the Athens Exchange stood at 1.80 million euros, increased by 27.06% year-on-year.

TABLE 8. Value of equity trading in the Securities Market and the Alternative Market of the Athens Exchange (€ million), 2018

Month	Securities Market					
	Shares		Exchange Traded Funds	Suspension of trading	Total	Alternative Market
	Main market	Surveillance				
Jan.	1,662.68	0.78	3.77	0.00	1,667.23	0.67
Feb.	1,221.30	0.47	0.21	0.00	1,221.98	0.09
Mar.	1,530.80	0.66	0.09	0.00	1,531.55	0.14
Apr.	1,091.70	0.94	0.10	0.01	1,092.75	0.09
May	1,576.15	1.47	1.15	104.58	1,683.35	0.23
Jun.	1,019.98	1.31	1.22	0.10	1,022.61	0.14
Jul.	539.19	0.29	0.74	0.00	540.22	0.06
Aug.	792.58	0.56	1.60	0.00	794.74	0.02
Sep.	1,004.53	0.33	0.42	0.25	1,005.53	0.07
Oct.	1,073.31	0.22	0.33	0.00	1,073.86	0.08
Nov.	1,318.25	0.38	2.15	0.00	1,320.78	0.13
Dec.	742.38	0.41	0.05	0.00	742.84	0.07
Total 2018	13,572.85	7.82	11.83	104.94	13,697.44	1.80

Source: ATHEX

In 2018, average turnover velocity for shares traded in the Main Market stood at 0.085%, and its highest value was recorded in January (0.117%). Similarly, the average annual turnover velocity for shares in the Surveillance category stood at 0.012%, and its highest value was recorded in June (0.026%).

TABLE 9. Average turnover velocity, per month, 2018

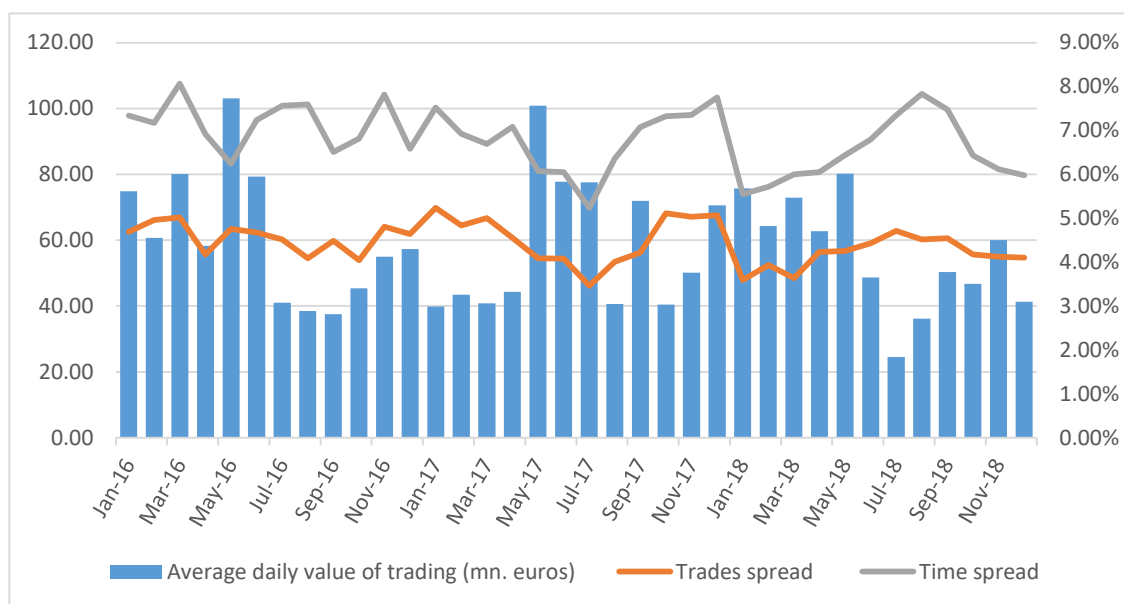
Month	Main market	Surveillance	FTSE/ATHEX Large Cap	ATHEX Composite Price Index
Jan.	0.117%	0.013%	0.124%	0.125%
Feb.	0.099%	0.009%	0.108%	0.107%
Mar.	0.092%	0.012%	0.104%	0.100%
Apr.	0.091%	0.020%	0.103%	0.099%

May	0.101%	0.019%	0.124%	0.118%
Jun.	0.076%	0.026%	0.085%	0.083%
Jul.	0.040%	0.006%	0.043%	0.043%
Aug.	0.060%	0.012%	0.069%	0.065%
Sep.	0.088%	0.009%	0.102%	0.097%
Oct.	0.084%	0.004%	0.097%	0.091%
Nov.	0.099%	0.007%	0.113%	0.109%
Dec.	0.076%	0.011%	0.087%	0.083%

Source: ATHEX

The bid-ask spread in relation to the value of trading for the period 2016-2018 is presented in Figure 3.

FIGURE 3. Average monthly bid-ask spread and average daily value of trading, 2016-2018



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 2018, 8,307 new accounts were opened in the Dematerialized Securities System (DSS), as compared to 10,885 in 2017, and 7,341 in 2016, representing a 23.68% year-on-year decrease, while 18,097 accounts were deactivated, as compared to 4,000 in 2017 and 316,966 in 2016¹. The number of active accounts in December 2018 stood at 12,545, as compared to 16,965 and 16,464 in December 2017 and 2016 respectively, with the average number of active accounts for 2018 standing at 17,106, as compared to 18,331 in 2017 and 16,039 in 2016.

¹ The increased number of deactivations is due to the implementation of the rulebook of the DSS, which stipulates that an investor account is deactivated by ELKAT in case the Securities Account and the Special Account remain inactive for a period of five years.

TABLE 10. Number of new Investor Shares in the DSS by month, 2016-2018

Month / Year	2018		2017		2016	
	Active accounts	New accounts	Active accounts	New accounts	Active accounts	New accounts
January	21,767	888	16,869	584	17,556	708
February	18,694	672	15,858	543	21,159	978
March	21,520	1,023	23,159	2,543	17,253	759
April	16,945	681	13,967	522	15,739	502
May	22,850	948	22,181	735	19,777	636
June	15,347	656	28,186	2,200	20,360	648
July	12,584	590	21,612	840	13,398	626
August	13,896	584	13,742	579	10,078	431
September	15,473	599	17,524	590	12,844	487
October	16,525	621	14,351	566	12,217	489
November	17,131	618	15,556	595	15,623	529
December	12,545	427	16,965	588	16,464	548
Average active accounts	17,106		18,331		16,039	
Total new investor shares		8,307		10,885		7,341
Account deactivations	18,097		4,000		316,966	

Source: Hellenic Exchanges

In 2018, domestic investor participation (including the Hellenic Financial Stability Fund – HFSF) to the market capitalisation of the Athens Exchange did not show any significant year-on-year change (36.70%, as compared to 36.40% in 2017), despite the fact that, according to trading data by the Athens Exchange, they were net sellers, i.e. the value of their sales exceeded the value of their purchases by 252.84 million euros. The participation of private domestic investors rose to 17.45% (6,146.65 million euros) of the total market capitalisation in the Athens Exchange from 15.59% (6,788.22 million euros) in 2017, while the participation of the HFSF fell to 2.04% (717.55 million euros) from 4.32% (1,879.39 million euros) in 2017. Similarly, the participation of foreign investors to the market capitalisation of the ATHEX did not show any significant year-on-year change (63.26%, as compared to 63.55% in 2017). In 2018, foreign investors were net buyers (the value of their purchases exceeded the value of their sales by 252.52 million euros).

TABLE 11. Investor participation in the total capitalisation of the Athens Exchange, 31.12.2018

	Investor Accounts with balances		Capitalisation	
	Number	Percentage (%)	Value (€ million)	Percentage (%)
I. Domestic Investors	580,129	98.20%	12,925.13	36.70%
Private	575,529	97.42%	6,146.65	17.45%

	Investor Accounts with balances		Capitalisation	
	Number	Percentage (%)	Value (€ million)	Percentage (%)
Private financial undertakings	335	0.06%	2,131.22	6.05%
.Private non-profit institutions	551	0.09%	240.58	0.68%
Non-financial undertakings	2,111	0.36%	2,920.93	8.29%
Public Sector	109	0.02%	763.55	2.17%
Other Investors	1,493	0.25%	4.66	0.01%
.Hellenic Financial Stability Fund	1	0.00%	717.55	2.04%
II. Foreign Investors	10,445	1.77%	22,276.54	63.26%
Private	7,115	1.20%	401.16	1.14%
Private financial undertakings	2,571	0.44%	14,062.21	39.93%
.Private non-profit institutions	28	0.00%	42.63	0.12%
Non-financial undertakings	636	0.11%	6,949.16	19.73%
Public Sector & Organisations	79	0.01%	821.36	2.33%
Other Investors	16	0.00%	0.01	0.00%
III. Other Investors	198	0.03%	12.79	0.04%
Total I +II + III	590,772	100.00%	35,214.46	100.00%

Source: ATHEX

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

Net profits and Dividends of ATHEX -Listed Companies

In December 2018, the weighted with the sector's market capitalisation price to (after-tax) earnings ratio (P/E) for the entire market was equal to 18. P/E data concern the following three sectors: Specialty Retailers, Toys, and Computer Hardware. The sector capitalisation-weighted dividend yield (D.Y.) of all companies listed in the ATHEX stood at 2.6% in December 2018, up from the corresponding value of December 2017 (2.6 %). The highest dividend yield was that of the Business Support Services sector (8.5%).

TABLE 12. Price to Earnings (P/E) ratio and listed company dividend yields, 2010-2018

<i>End of year</i>	<i>Weighted P/E (after taxes)</i>	<i>Weighted Dividend yield Per cent</i>
2018	18.0	3.4
2017	16.7	2.6
2016	6.7	0.9
2015	6.9	1.0
2014	9.3	3.2
2013	23.3	2.4
2012	17.5	6.3
2011	14.7	9.2
2010	21.4	5.4

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

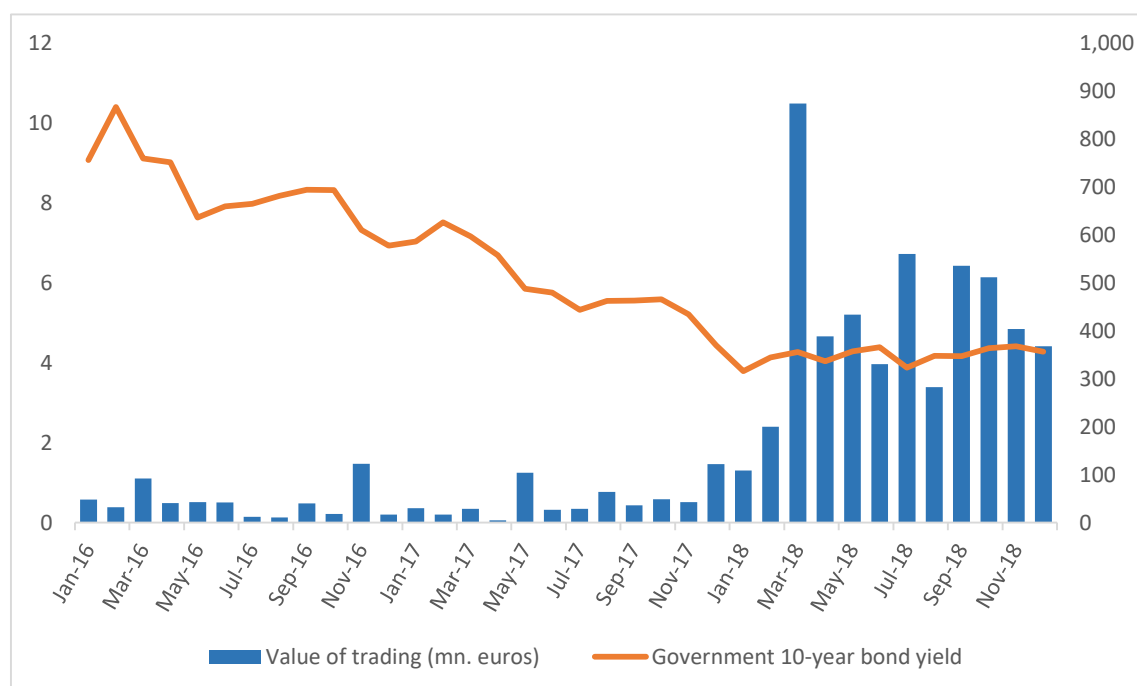
In 2018, trading in the Greek Government bond market was substantially reduced. Based on data from the System for Monitoring Transactions in Book-entry Securities of the Bank of Greece (BoG), the nominal value of secondary market trading on Greek Government bonds stood at 275.96 billion euros, as compared to 1,532.78 billion euros in 2017 and 935.53 billion euros in 2016, reduced by 82% year-on-year. The average monthly value of trades stood at 23 billion euros. The highest value of trading was recorded in January (34.06 billion euros), followed by that in March (27.19 billion euros), while the lowest value was recorded in April (13.96 billion euros), followed by that in May (17 billion euros). There was also a decline in the number of trades, which fell to 64,218 from 90,200 in 2017 and 63,285 trades in 2016.

The annual value of trading in the Electronic Secondary Government Bonds Market (HDA) amounted to 5 billion euros, as compared to 555 million euros in 2017, and 519 million euros in 2016. The average monthly value of trading stood at 417 million euros, and March was the month with the highest value of trading (875 million euros), while January was the month with the lowest value of trading (109 million euros) for the year.

Reflecting the trends concerning the composition of Central Government debt, at the end of 2018 the ratio of negotiable debt (bonds and T-bills) to total debt stood at 18.62%, as compared to 19.9% at the end of 2017 and 21.9% at the end of 2016.

In December 2018, the average yield of the ten-year benchmark bond stood at 4.28%, slightly reduced as compared to December 2017 (4.44%). The lowest yield for the year was recorded in January (3.79%), while the highest yield was recorded in November 2018 (4.42%). The average of five-year bonds in December 2018 stood at 3.28%, and that of twenty-year bonds stood at 5.07%.

FIGURE 4. Government 10-year Bond yield and Value of trading in HDAT, 2016-2018



Source: Bank of Greece

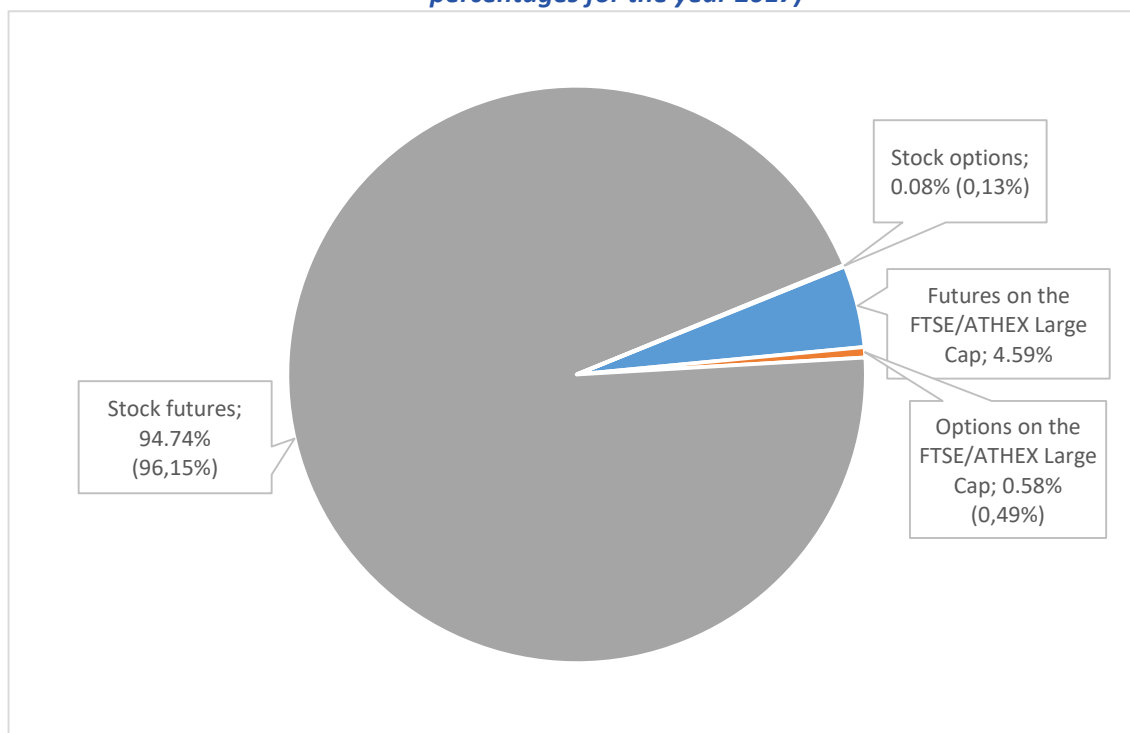
Finally, trading activity in the corporate bond market of the ATHEX continued its upward path in 2018. The value of trading rose to 158.21 million euros from 135.24 million euros in 2017, and 4.40 million euros in 2016. This increase is mainly due to the increased number and volume of corporate bond issues during the past two years.

The Derivatives Market

In 2018, the derivatives market of the Athens Exchange was marked by a decrease in trading activity, an increase in the number of accounts that performed trades, the reduction of the share of stock futures in the total derivatives market, as well as the significant decrease 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 56,008 contracts in 2018, as compared to 77,479 contracts in 2017 and 62,131 contracts in 2016, reduced by 27.71% year-on-year. On a monthly basis, the average daily volume of trading showed great fluctuations during the year, registering its highest value in September (100,036 contracts) and its lowest value in July (16,782). The share of stock futures in the average daily volume of trading in all derivative products was reduced to 94.74% from 96.15% in 2017, while the corresponding share of futures on the FTSE/ATHEX Large Cap index rose to 4.59% from 3.24% in 2017 (Figure 5).

FIGURE 5. Distribution of the Volume of Trading in the derivatives market per product, 2018 (in brackets the percentages for the year 2017)



Source: ATHEX, HCMC

The largest average daily trading volume was, since the beginning of the year, that of the stock futures for the National Bank of Greece (25,283 contracts), followed by stock futures for Eurobank Ergasias (6,939 contracts) and for Piraeus Bank (5,076 contracts). The largest percentage increase of average daily trading volume was that of stock futures for INTRALOT SA (178.09%), followed by the stock futures for TERNAL ENERGY SA (171.71%) Similarly, the largest percentage decrease of average daily trading volume was that of stock futures for PIRAEUS BANK SA (-78.33%).

The number of end investor-client accounts fell to 35,406 at the end of December 2018 from 37,189 at the end of December 2017 and 38,321 accounts at the end of December 2016 (Table 13). Moreover, the average monthly number of investor accounts fell to 35,998 from 38,032 in 2017. At the same time, the average monthly number of accounts that performed trades rose to 1,925 in 2018, as compared to 1,861 in 2017 and 1,794 accounts in 2016. As a result, the corresponding percentage of the total number of end investor-client accounts rose to 5.35% from 4.89% in 2017 and 4.7% in 2016.

TABLE 13. Derivatives market data, 2016-2018

	Dec. 2018	Dec. 2017	Dec. 2016
Trading Members	31	32	33
Clearing Members	19	19	20
- Direct Clearing Members	12	12	12
- General Clearing Members	7	7	8
Client Accounts	35,406	37,189	38,321
Products (Index & Equity)	37	37	33

Source: ATHEX.

The ratio of ATHEX member to client transaction value for all the products traded in the derivatives market decreased and stood at approximately 51:49, as compared to 54:46 in 2017 and 52:48 in 2016. A remarkable year-on-year change of this ratio was recorded in regard to futures on the FTSE/ATHEX Large Cap index, at approximately 51:49 as compared to 59:41 in 2017 (Table 14).

TABLE 14. Distribution of Contracts in the Derivatives market, 2016-2018

Derivative products	Distribution of trades					
	Average 2018		Average 2017		Average 2016	
	Members	Clients	Members	Clients	Members	Clients
Futures on the FTSE/ATHEX LARGE CAP index	51.13%	48.87%	58.80%	41.20%	56.80%	43.20%
Options on the FTSE/ATHEX LARGE CAP index	66.55%	33.45%	69.71%	30.29%	63.87%	36.13%
Stock futures	39.69%	60.31%	43.43%	56.57%	42.66%	57.34%
Stock options	45.19%	54.81%	44.57%	55.43%	45.61%	54.39%
TOTAL PRODUCTS	50.64%	49.36%	54.13%	45.87%	52.24%	47.76%

Source: ATHEX

The ratio of the value of transactions in the derivatives market to the value of transactions in the underlying transferable securities market of the Athens Stock Exchange was increased year-on-year, with strong monthly fluctuations. More specifically, the average value of the ratio of the total value of derivative products to the total value of stock trading stood at approximately 34%, as compared to 33% in 2017 and 20% in 2016. The highest value of this ratio was 49% and was recorded in June 2018, while the lowest value was 16% and was recorded in November 2018. More specifically, the average ratio of the value of transactions on futures and options on the FTSE/ATHEX Large Cap index to the total value of stock trading stood at approximately 24%, as compared to 22% in 2017 and 13% in 2016, while the average ratio of transactions on stock futures and options to the total value of stock trading rose to 12%, from 11% in 2017 and 8% in 2016 (Table 15).

TABLE 15. Value of trading in the derivatives market and the underlying transferable securities market, 2018

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-18	88	33	25	11
Feb-18	89	41	32	11
Mar-18	75	33	24	15
Apr-18	92	34	25	11
May-18	89	29	22	9

Jun-18	95	49	29	20
Jul-18	90	36	31	8
Aug-18	95	36	28	9
Sep-18	95	38	20	19
Oct-18	94	27	19	8
Nov-18	78	16	13	6
Dec-18	92	35	18	17
Avg. 2018	89	34	24	12
Avg. 2017	94	33	22	11
Avg. 2016	92	20	13	8

Source: ATHEX.

The call:put ratio concerning trading in options was marginally in favour of put options on an annual basis (i.e. total volume of call options to total volume of put options for 2018), and stood at 0.94, as compared to 1.81 in 2017 and 3.60 in 2016. The ratio showed fluctuations on a monthly basis (maximum value: 2.52 in September; minimum value: 0.52 in December), with the average value of the ratio standing at 1.05, as compared to 2.24 in 2017 and 4.11 in 2016.

SECURITY ISSUANCE

Greek Government security issuance

In 2018, the Greek Government issued Treasury bills (13, 26, and 52 weeks), of a total value of 35 billion euros as compared to 41.14 billion euros in 2017. The average weighted interest rate on Treasury bills issues during 2018 stood at 0.93%, as compared to 2.52% in 2017. Moreover, there was one special issue of a seven-year Greek Government bond in February, which raised 3 billion euros, at a fixed interest rate of 3.375%.

In 2018, new Greek Government debt originated by 38.2% from the issue of Treasury bills, and 7.5% from the issue of fixed rate bonds, while the remainder is distributed as follows: 54.2% from loans extended by the European Stability Mechanism (ESM), and 0.1% from loans extended by the European Investment Bank (EIB). Moreover, the average-weighted maturity of central government debt was marginally reduced in 2018: to 18.17 years from 18.32 years in 2017, and as compared to 16.6 years at the end of 2016.

Corporate Security Issuance

In 2018, there were six share capital increases through issuance of new shares by ATHEX-listed companies, one share capital increase with initial public offering of stock, and one share capital increase due to merger. Moreover, there were three corporate bond issues. Total funds raised through the issuance of shares and bonds stood at 298.88 billion euros and 235 billion euros respectively.

Share issuance

During the year, there were six share capital increases through issuance of new shares by ATHEX-listed companies, as compared to seven in 2017 and eight in 2016. The funds raised amounted to 186.86 million euros, as compared to 132.53 million euros in 2017 and 201.56 million euros in 2016. In addition, there was one share capital increase

through the initial public offering of stock for trading, as in 2016, while no such share capital increase had taken place in 2017. Finally, there was one share capital increase due to merger. Table 16 presents the funds raised per company through the issuance of shares in 2018.

TABLE 16. Funds raised through share issuances, 2018

Company	Trading category	Total Funds Raised
(A) Share capital increase with admission to trading		
TERNA ENERGY SA	Main market	41,325,000.00
PIPEWORKS L. TZIRAKIAN PROFIL SA	Surveillance	8,128,000.00
ATTICA BANK SA	Main market	88,883,536.80
ATTICA HOLDING S.A.	Main market	43,461,941.40
SFAKIANAKIS SA	Main market	5,065,267.20
AUDIO VISUAL ENTERPRISES SA	Main market	-
Total funds raised with listing of shares		186,863,745.40
(B) Share capital increase through the initial public offering of stock for trading		
CNL CAPITAL VC -AIFM	Main market	4,160,000.00
Total funds raised through initial listing of shares		4,160,000.00
(C) Share capital increase due to merger and listing of stock for trading		
Merger by absorption by "HALCOR SA" of "ELVAL ALUMINUM SA"	Main market	107,857,960.28
Total funds raised due to merger with listing of shares		107,857,960.28
Grand Total of Funds Raised (A) + (B) + (C)		298,881,705.68

Source: HCMC

Table 17 presents data on the number of share capital increases by ATHEX-listed companies during 2012-2018, as well as the corresponding amount of funds raised.

TABLE 17. Share Capital Increases by ATHEX-listed companies, 2012-2018.

Year	Number of Share Capital Increases	Total Funds Raised (€ million)
2018	6	186.86
2017	7	132.5

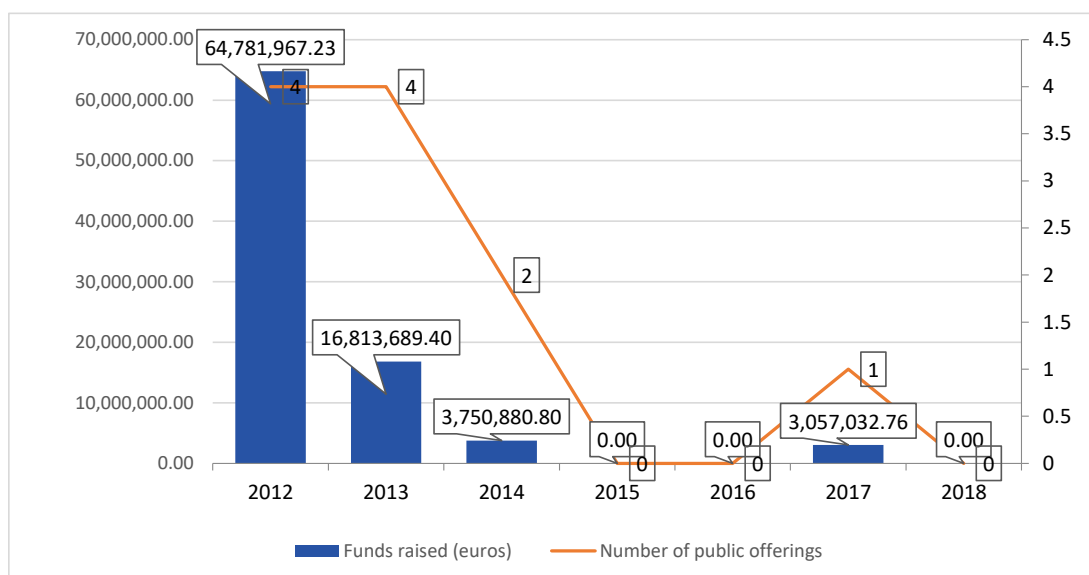
2016	8	201.56
2015	7	10,185.95
2014	11	8,720.85
2013	21	29,999.39
2012	5	38.2

Source:

HCMC

Figure 6 presents data on the public offering of shares without admission to trading in ATHEX during the period 2012-2018. More specifically, it presents the total number of public offerings per year, as well as the amount of funds raised.

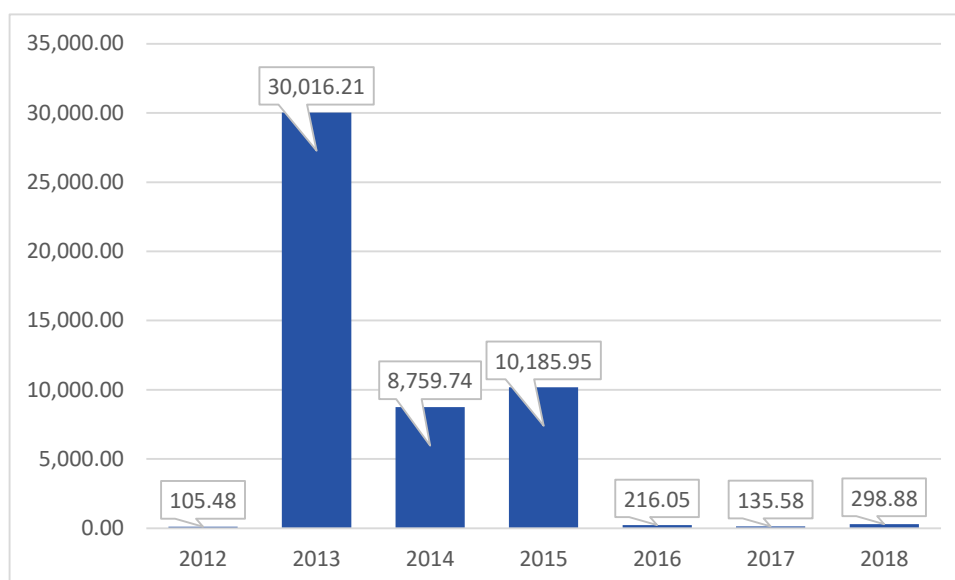
FIGURE 6. Public offering of shares without admission to trading, 2012-2018



Source: HCMC

Figure 7 presents the total amount of funds raised per year through share issuance during 2012-2018.

FIGURE 7. Total funds raised through share issuance (€ mn), 2012-2018



Source: HCMC

The quarterly distribution of share capital increases by ATHEX-listed companies in the period 2016-2018, 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, 2016-2018

Quarter	Number of issues			Total Funds Raised (€ mn)		
	2018	2017	2016	2018	2017	2016
1st	1	-	3	41.32	-	56.08
2nd	3	1	1	140.47	23.27	5.06
3rd	1	2	1	5.07	33.6	0.73
4th	1	5	3	-	79.25	139.68
Total	6	8	8	186.86	132.53	210.56

Source: HCMC

Bond Issuance

In 2018, there were three corporate bond issues, as compared to four in 2017 and four in 2016. Two of the issues concerned a five-year bond and one concerned a seven-year bond. The bonds issued in all three cases were admitted for trading for the first time in the Debt Segment of the Securities Market of the Athens Exchange, and the funds raised amounted to 235 million euros (as compared to 610 million euros in 2017 and 115.46 million euros in 2016).

TABLE 19. Funds raised through corporate bond issuances, 2018

Company	Trading category	Total Funds Raised
GEK TERNA HOLDING REAL ESTATE CONSTRUCTION SA	Fixed-income securities	120,000,000
CORAL SA OIL PRODUCTS AND CHEMICALS	Fixed-income securities	90,000,000
B&F COMMERCIAL & GARMENT INDUSTRIES SA	Fixed-income securities	25,000,000
Total		235,000,000.00

Source: HCMC

Corporate restructuring in the capital market

In 2018, the corporate restructuring of companies listed in the Athens Exchange through mergers remained at almost 2017 levels. More specifically, 9 listed companies absorbed 13 non-listed companies in 2018 (Table 20 & Figure 8), while 9 listed companies had absorbed 11 non-listed and 1 ATHEX-listed company in 2017. Of the acquirer listed companies, 2 came from the Banks sector, 3 from the Construction and Materials sector, 3 from the Industrial Goods-Services sector, 2 from the Personal & Household Goods sector, and one from the Travel & Leisure sector.

Moreover, it should be noted that in 2018 there was a relative decrease in corporate restructuring through spin-offs and acquisitions of business sectors. More specifically, in 2018, 2 business sectors were spun-off from 1 ATHEX-listed company and were acquired by 2 non-listed companies (Table 21), as compared to 2 spin-offs by 2 ATHEX-listed companies in 2017. The spin-offs that took place in 2018 concerned a company from the Utilities sector.

Finally, on 31.12.2018, out of a total of 163 companies with shares listed in the Athens Exchange, 128 companies (78.5%) comprised groups and prepared consolidated financial statements, as compared to 133 companies comprising groups (78.7%) out of a total of 169 as per 31.12.2017 (Figure 9).

TABLE 20. Mergers among companies listed and non-listed in the ATHEX, 2018

No	Acquirer	Industry	Target Company
1	NATIONAL BANK OF GREECE	Banks	- N.B.G. BANKASSURANCE SA TRAINING CENTRE OF THE NATIONAL BANK OF GREECE SA
2	GENERAL COMMERCIAL & INDUSTRIAL SA	Industrial Goods & Services	- GENERAL COMMERCIAL OF NORTHERN GREECE SA - HYDRAULIC AND INDUSTRIAL EQUIPMENT - GENERAL COMMERCIAL RES SA
3	EFG EUROBANK ERGASIAS	Banks	- EUROBANK CONSUMER AND MORTGAGE LENDING PRODUCT PROMOTION SERVICES SA
4	PETROS PETROPOULOS S.A.	Industrial Goods & Services	- SEMKA SA AUTOMOBILE REPAIR AND MAINTENANCE SERVICES

No	Acquirer	Industry	Target Company
5	SUNLIGHT SYSTEMS SA	Industrial Goods & Services	SUNLIGHT SA RECYCLING AND TRADING
6	J & P AVAX SA	Construction & Materials	–ATHENA SA
7	ELLINIKI TECHNODOMIKI ANEMOS SA	Construction & Materials	- ALPHA EOLIKI MOLAON SA - EOLIKI MOLAON SA
8	ELLINIKI TECHNODOMIKI ANEMOS SA	Construction & Materials	- A.P. ANATOLIKO ASKIO MAESTROS ENERGY SA - DYTIO ASKIO ENERGY SA
9	LAMPSA GREEK HOTELS SA	Travel & Leisure	- TOURIST RESORTS SA

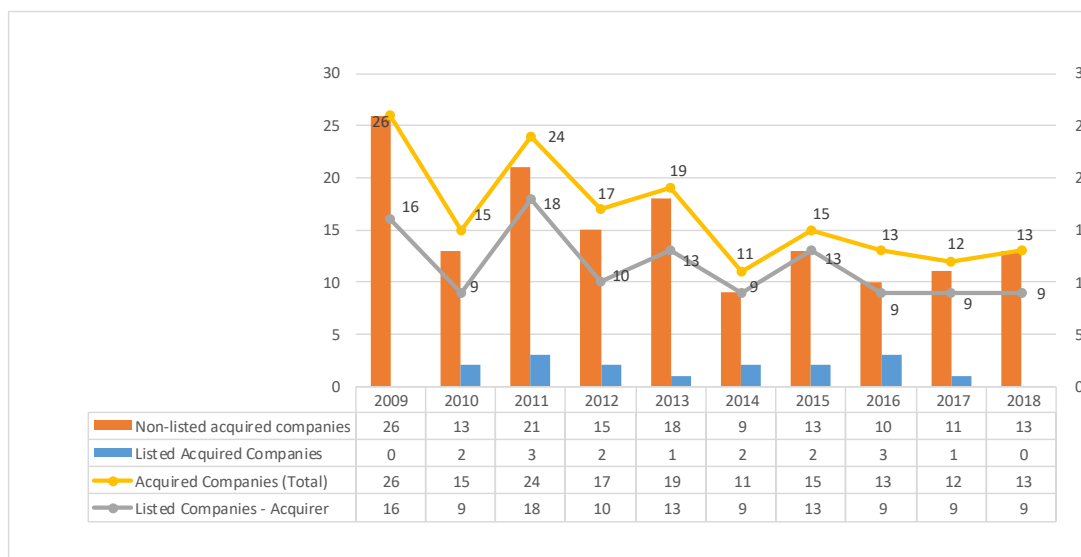
Source: HCMC

TABLE 21. Listed company business sector spin-offs and acquisitions by companies non-listed in the Athens Exchange, 2018

No	Listed Company	Industry	Company to which the business sector is transferred
1	PPC SA	Utilities	- MELITI ENERGY LIGNITE SA (Lignite sector in Meliti, Florina) - MEGALOPOLI ENERGY LIGNITE SA (Lignite sector in Megalopoli, Arcadia)

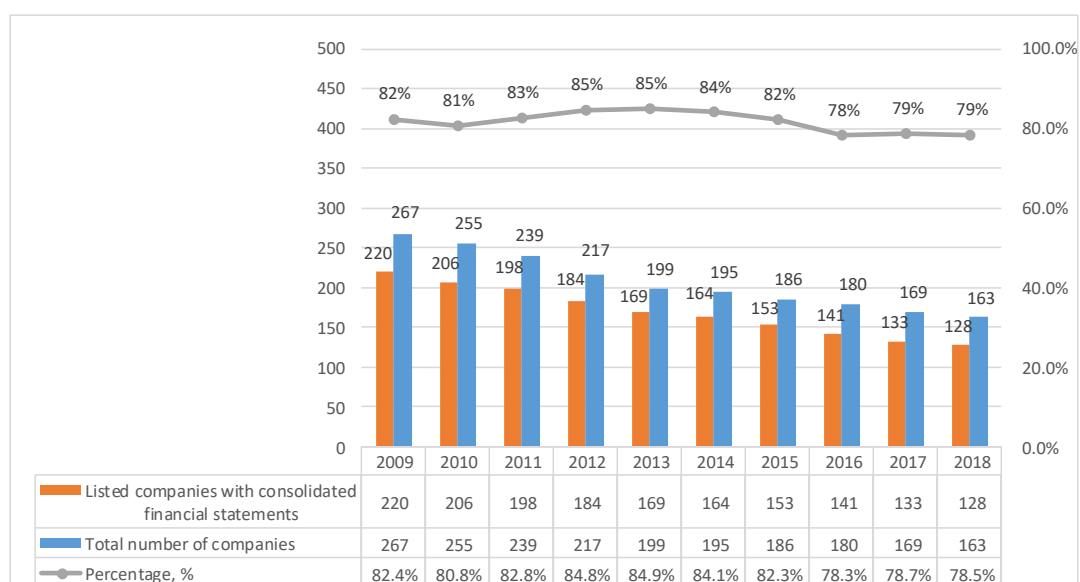
Source: HCMC

FIGURE 8. Mergers of ATHEX-listed Companies, 2009-2018



Source: HCMC

FIGURE 9. Listed companies and groups of listed companies traded in the Athens Exchange, 2009-2018



Source: HCMC

INVESTMENT FIRMS AND FINANCIAL INTERMEDIATION FIRMS

Trading activity

In 2018, fifty five (55) investment firms licensed by the HCMC were operating in the Greek capital market, as compared to sixty one (61) in 2017 and 2016. Moreover, thirty four (34) Financial Intermediation Firms (FIFs) licensed by the HCMC were operating in 2018.

Trading activity of the aforementioned investment firms in equity instruments listed in the Athens Exchange remained unchanged at previous year levels, and stood at 21.01 billion euros, as compared to 21.03 billion euros in 2017. Their share in the total value of trading of all companies-members of the ATHEX (Investment Firms, Credit Institutions, and remote members) rose to 76.80% from 72.00% in 2017. The share of the five ATHEX members with the largest value of trading as a percentage of the total value of trading (the first four of which are Investment Firms) rose 62.52% from 59.49% in 2017 and 56.68% in 2016. Similarly, the share of the ten-largest, in terms of trading activity, members of the Athens Exchange increased to 81.90% in 2018, from 80.67% in 2017 and 79.02% in 2016.

TABLE 22. Trading by firms-members of the Athens Exchange, 2014-2018.

Trading by ATHEX members (€ mn)	2018	2017	2016	2015	2014
Value of Equity Trading	27,354.67	29,212.62	30,072.16	38,169.40	63,020.06
Value of Bond Trading	327.40	276.82	13.37	0.08	0.56
Total Trading Value	27,682.07	29,489.44	30,085.53	38,169.48	63,020.63
Share (%) of top-5 ATHEX members	76.80	59.49	56.68	54.90	52.84
Share (%) of top-10 ATHEX members	81.90	80.67	79.02	79.27	75.85

Source: ATHEX

Margin Account Trading

Table 23 presents the development of margin account trading for the year 2018, 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 28, while 31 firms submitted the relevant notification. The average number of active open-end contracts fell to 4,866 from 11,545 in 2017 and 6,225 in 2016 (6,943 in 2015 and 8,666 in 2014). Total average debit balances in margin accounts fell to 36.39 million euros from 42.12 in 2017 and 19.67 million euros in 2016 (36.32 million euros in 2015 and 57.1 million euros in 2014), while the average value of security portfolios stood at 639.66 million euros, as compared to 599.85 million euros in 2017 and 453.66 million euros in 2016 (668.25 million euros in 2015 and 559.9 million euros in 2014).

TABLE 23. Margin Account Trading, 2018

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)	(in
2018							
Dec.	30	27	4,783	49,498	32,289.10	613,273.08	
Nov.	30	27	4,800	49,573	33,018.17	612,410.48	
Oct.	30	27	4,795	49,476	32,618.88	613,353.08	
Sep.	30	27	4,780	49,395	33,460.51	573,037.07	
Aug.	31	28	4,849	49,396	34,821.14	643,205.46	
Jul.	32	26	4,861	49,518	34,596.76	652,273.32	
Jun.	32	27	4,875	49,034	35,743.85	651,683.26	
May	32	27	4,936	49,287	36,719.42	647,932.89	
Apr.	32	28	4,955	51,067	33,079.97	708,371.48	
Mar.	32	28	4,960	51,180	38,503.48	652,361.74	
Feb.	32	29	4,880	51,006	45,410.52	644,297.69	
Jan.	32	29	4,912	53,022	46,384.84	663,661.13	
Mean	31	28	4,866	50,121	36,387.22	639,655.06	

Source: HCMC

COLLECTIVE INVESTMENT MANAGEMENT FIRMS

Collective Investments in Transferable Securities (UCITS)

In 2018, the total number of mutual fund management companies (MFMCs) remained unchanged to 15, of which 14 had mutual funds under management at the end of the year. The total number of mutual funds under management, which is affected by the creation of new categories of shares in existing mutual funds, increased once again, to 316 at the end of the year, of which 150 were licensed by the Hellenic Capital Market Commission, from 286 in 2017 and 268 in 2016.

At the end of the year, the total net assets of mutual funds decreased by 8.97% year-on-year and stood at 6.06 billion euros, as compared to 6.66 billion euros in 2017 and 6.42 billion euros in 2016. According to the classification of mutual funds, MFMCs managed 76 equity mutual funds, 76 bond mutual funds, 45 balanced mutual funds, 8 short-term money market funds, 23 money market funds, 33 equity funds of funds, 41 balanced funds of funds, 4 bond funds of funds, and 10 Specialist mutual funds.

The three largest mutual fund management companies had funds under management of 3.99 billion euros, which accounted for 65.81% of total mutual fund assets, as compared to assets of 4.41 billion euros and a corresponding market share of 66.33% in 2017, and 4.50 billion and 70.07% in 2016. Similarly, the five largest MFMCs had funds under management of 5.30 billion euros that accounted for 87.41% of total mutual fund assets, as compared to 87.96 % in 2017 and 89.11% in 2016.

TABLE 24. Net assets and Number of Mutual Funds, 2016-2018

MF Classification	31.12.2018		31.12.2017		31.12.2016	
	Value (€ million)	No. of M/F	Value (€ million)	No of M/F	Value (€ million)	No. of M/F
Money market	783.48	31	1,176.35	32	1,556.62	26
Bond	1,894.84	76	1,856.39	58	1,465.47	49
Equity	888.96	76	1,086.74	74	980.10	74
Balanced	1,321.86	45	1,360.72	33	1,107.07	33
Funds of Funds	995.97	78	952.48	75	885.59	64
Specialist	174.84	10	224.21	14	426.44	22
Total	6,059.95	316	6,656.89	286	6,421.29	268

Source: Hellenic Fund & Asset Management Association

TABLE 25. Net Mutual Funds Assets and macroeconomic aggregates, 2009-2018

Date	Resident deposits and repurchase agreements of non MFIs to other MFIs in Greece (€ million) ¹	ATHEX Market Capitalisation (Total shares) (€ million)	Net Mutual Funds Assets (€ million)
Dec. 2018	-	44,884.04	6,059.95
Nov. 2018	154,710	45,731.51	6,201.04
Dec. 2017	144,256	54,055.35	6,656.9
Dec. 2016	140,213	45,101.80	6,421.3
Dec. 2015	140,212	46,717.67	7,238.6
Dec. 2014	186,631	52,916.45	6,047.3
Dec. 2013	190,457	66,514.89	6,252.5
Dec. 2012	191,198	33,739.32	5,947.7
Dec. 2011	202,193	26,783.43	5,229.1
Dec. 2010	247,188	53,958.38	8,015.6
Dec. 2009	279,543	83,447.47	10,680.5

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

Note 1. Securitisation obligations are not included

As far as individual mutual fund categories are concerned, the net assets of short term money market mutual funds stood at 231.76 million euros, reduced by 50.09% year-on-year, while their annual returns were marginally negative at 0.26%, as compared to a y-o-y value decrease of 51.01% and a negative return of 0.08% in 2017. The changes in the net assets of this mutual fund category both in 2018, and in 2017, were largely driven by the outflows recorded in the largest, in terms of market share, mutual fund of this category. The net assets of money market mutual funds decreased by 22.51% y-o-y, to 551.72 million euros, with a positive annual return of 1.20%, as compared to a 16.97% increase in asset value and a positive return of 0.14% respectively in 2017. The total market share of the overall money market category as per 31.12.2018 accounted for 12.93% of the total mutual fund market, as compared to 17.67% in 2017 and 24.24% in 2016.

The net assets of bond mutual funds stood at 1,894.84 million euros, registering a y-o-y increase of 2.07%, as compared to a 26.68% increase in 2017. Their market share rose to 31.27% of the total mutual fund market at the end of the year, from 27.89% in 2017 and 22.82% in 2016, while their annual return was positive at 0.15%, as compared to 9.53% in 2017.

The net assets of equity mutual funds stood at 888.96 million euros, reduced by 18.20% year-on-year, and registering a negative y-o-y return of 13.23%, as compared to an increase in net assets by 10.88% and a positive annual return

of 12.14% in 2017. The market share of equity mutual funds stood at 14.67% as per 31.12.2018, as compared to 16.32% in 2017 and 15.26% in 2016. It should be noted that the ATHEX Composite Share Price Index lost 23.56% y-o-y, the FTSE/ATHEX Large Cap Index lost 22.79% and the FTSE/ATHEX Market Index lost 22.48%.

The net assets of balanced mutual funds decreased by 2.86% year-on-year to 1,321.86 million euros, as compared to a 22.91% increase in 2017, while their market share as per 31.12.2018 accounted for 21.81% of the total mutual fund market, as compared to 20.44% in 2017 and 17.24% in 2016. Their annual returns were negative, at 7.84%, as compared to positive annual returns of 16.85% in 2017.

The net assets of funds of funds as a whole stood at 995.97 million euros at the end of the year, increased by 4.57% year-on-year, as compared to a 7.55% increase in 2017. Funds of funds as a whole accounted for 16.44% of the total mutual fund market as per 31.12.2018, as compared to a market share of 14.31% in 2017, and 13.79% in 2016. Equity funds of funds saw their net assets decrease by 8.85%, while their annual returns were negative at 8.71%, as compared to net asset growth of 1.86% and a positive return of 4.94% in 2017. Balanced funds of funds saw their net assets increase by 13.21%, while their annual returns were negative at 4.14%, as compared to a 14.21% increase in net assets and a positive annual return of 1.59% in 2017. Bond funds of funds saw their net assets soar by 29.48%, while their annual returns were marginally negative at 0.07%, as compared to a net asset decrease of 23.11% and a negative annual return of 1.85% in 2017.

The net assets of specialist mutual funds decreased by 22.02% year-on-year to 174.84 million euros, as compared to a 47.42% decrease in 2017, while their market share as per 31.12.2018 accounted for 2.89% of the total mutual fund market, as compared to 3.37% in 2017 and 6.64% in 2016. The annual returns of Absolute Return specialist mutual funds was positive at 0.72%, as compared to a positive return of 1.67% in 2017, while those of specialist mutual funds was negative at 1.51%, as compared to a positive return of 7.31% in 2017.

In 2018, mutual funds as a whole suffered net outflows, which amounted to 256.5 billion euros, as compared to net outflows of 474.8 billion euros in 2017. The picture was mixed across mutual fund types. Net outflows were sustained by money market funds (-400.0 million euros), specialist mutual funds (-48.6 million euros) and equity mutual funds (-16.2 million euros), while net inflows were registered by Funds of Funds (97.1 million euros), balanced mutual funds (66.8 million euros) and bond mutual funds (44.4 million euros).

FIGURE 10. Net assets and Number of Mutual Funds per MF classification, 2016-2018

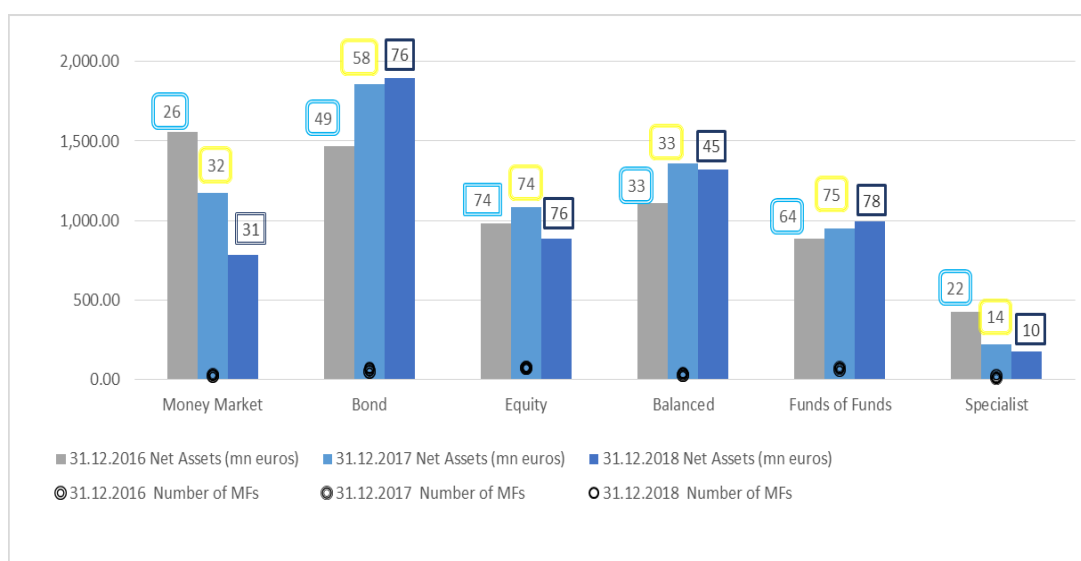
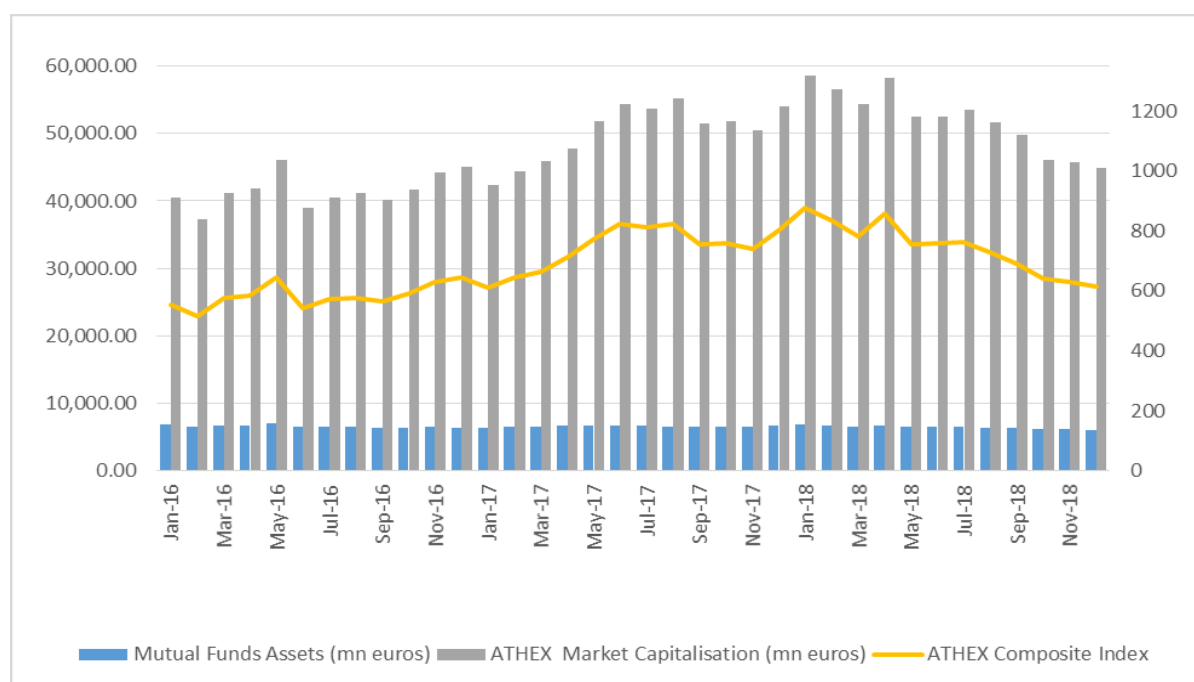


TABLE 26. Net Assets and Number of Shares/Units of Mutual Funds, 31.12.2018

MF Classification	Net Assets 31.12.2018 (€)	Change y-o-y (%)	No. of shares/units 31.12.2018	Change y-o-y (%)
Money Market	551,723,636.54	-22.51	148,730,798.31	-32.88
Short Term Money Market	231,757,317.09	-50.09	23,769,746.12	-49.30
Bond	1,894,835,680.19	2.07	350,270,389.19	28.31
Equity	888,959,205.80	-18.20	316,566,470.02	-4.08
Balanced	1,321,862,258.30	-2.86	227,851,312.07	11.05
Bond Funds of Funds	38,570,870.90	-29.48	4,293,781.31	-18.56
Equity Funds of Funds	243,673,831.10	-8.85	57,773,546.67	-7.63
Balanced Funds of Funds	713,722,577.61	13.21	135,028,300.94	9.57
Specialist	174,843,286.46	-22.02	78,782,499.12	11.90

Source: Hellenic Fund & Asset Management Association

FIGURE 11. ATHEX Market Capitalisation - mutual fund assets and the ATHEX Composite Index, 2016-2018

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

In 2018, 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 seventy six (76) cases, while four (4) new foreign UCITS offered notification concerning the sale of mutual fund units.

TABLE 27. Authorised foreign Undertakings for Collective Investments, 2004-2018

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

<i>Year</i>	<i>UCITS (covered by Directive 85/611/EEC)</i>		<i>UCITS (not covered by Directive 85/611/EEC)</i>	
2018	4	76	0	0
2017	11	91	0	0
2016	21	100	0	0
2015	2	109	0	0
2014	7	116	0	0
2013	1	115	0	0
2012	2	75	0	0
2011	4	121	0	0
2010	10	98	0	0
2009	10	168	0	0
2008	9	369	0	0
2007	9	206	0	0
2006	6	328	0	0
2005	5	159	0	0
2004	12	92	0	0

Source: HCMC

Alternative Investments (PICs, AIFMs, REICs)

At the end of 2018, there was one active Portfolio Investment Company (PIC), as compared to two companies at the end of 2017. Its net assets stood at 10.66 million euros, as compared to 12.22 million euros at the end of 2017, and its shares were traded in the Securities Market of the Athens Exchange at a 13.04% discount.

Moreover, there were eight (8) active Real Estate Investment Companies (REICs), five (5) of which are listed in the Athens Exchange. At the end of 2018, the total value of the investment portfolio of these five companies stood at 2,997.62 million euros, as compared to 2,750.17 million euros at the end of 2017, while the value of properties under management stood at 2,443.60 million euros as compared to 2,304.96 million euros at the end of 2017.

Moreover, seven (7) 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 2018, the Board of Directors of the Hellenic Capital Market Commission, having the competence, issued the following Decisions, which were directed towards improving the services provided and investor protection, ensuring the orderly functioning of the markets, ensuring market transparency, and ensuring the proper conduct of capital market participants.

Investment Services (Investment Firms, Financial Intermediation Firms)

1/808/7.2.2018 *Organisational requirements for the protection of clients' financial instruments and funds, the monitoring of products, and the provision or receipt of fees, commissions or other monetary or non-monetary benefits.*

2/808/7.2.2018 *Registration of tied agents.*

Collective Investments (Investment Funds, Management Companies, PIFs)

2/809/21.2.2018 *Suspension of the redemption of UCITS shares on March 30th, and April 2nd, 2018.*

4/831/6.11.2018 *Amendment of HCMC Decision 2/621/12.07.2012 "Increase of the investment limit of paragraph 1 of article 24 of Law 3283/2004 regarding the mutual funds that reproduce the composition of the ATHEX Composite Index."*

17/834/20.12.2018 *Suspension of the redemption of UCITS shares on December 24th, 2018.*

Trading, Clearing, Settlement

16/824/19.7.2018 *Amendment of HCMC Decision 3/304/10.06.2004 on the "Regulation for the Operation of the Dematerialized Securities System" (Gov. Gaz. B 901/16.6.2004).*

Various Competences

18/809/21.2.2018 *Certification of suitability of persons providing services, in accordance with article 93 of Law 4514/2018" (Gov. Gaz. A 14/ 30.1.2018).*

5/820/31.5.2018 *Amendment of paragraph 2, of article 10 of HCMC Decision 1/506/8.4.2009 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing.*

Joint decision of the Bank of Greece and the HCMC (31.12.2018) *Syllabus of the examinations for the certification of the suitability of persons providing services in accordance with article 93 of L. 4514/2018 (Gov. Gaz. A 14/30.1.2018).*

The work of the Hellenic Capital Market Commission in the field of licensing during 2018 includes the following:

Investment Firms

- *Approval of the extension of Investment Firm operations in one (1) case.*
- *Assessment of the suitability of new Investment Firm board members in three (3) cases.*
- *Approval of the acquisition of qualified holdings in Investment Firms in five (5) cases.*
- *Approval of the share capital decrease of one (1) Investment Firm.*

Financial Intermediation Firms

- *Assessment of the suitability of new Financial Intermediation Firm board members in three (3) cases.*
- *Assessment of the suitability of a shareholder who acquired/increased a qualified holding in a FIF in one (1) case.*

Mutual Fund Management Companies

- *Number of operating MFMCs (31.12.2018): Fifteen (15).*
- *Total number of UCITS under management by MFMCs: one hundred and fifty (150).*
- *Approval of the regulations and the formation of mutual funds in two (2) cases.*
- *Approval of the modification of mutual fund internal regulations in ninety (90) cases.*
- *Granting of license for merger between mutual funds in six (6) cases.*
- *Approval of share capital changes in five (5) cases.*
- *Approval of the new composition of the board of directors in ten (10) cases*

Portfolio Investment Companies

- *Number of operating PICs (31.12.2018): One (1).*
- *Dissolution and liquidation of PIC in one (1) case.*

Real Estate Investment Companies

- *Number of operating REICs (31.12.2018): six (6).*
- *Authorisation of the operation of two (2) REICs.*
- *Approval of the new composition of the board of directors in two (2) cases.*

- *Approval of charter modification in two (2) cases.*

Alternative Investment Fund Managers

- *Number of operating AIFMs (31.12.2018): Seven (7).*
- *Approval of the operation of Alternative Investment Fund Managers in two (2) cases.*
- *Approval of the new composition of the board of directors in four (4) cases*

Foreign UCITS

- *Receipt of notification concerning the sale of shares in new foreign UCITS in four (4) cases.*
- *Receipt of notification concerning the sale of new funds by foreign UCITS (compartments) in seventy six (76) cases.*

Trading venues and clearing and settlement systems

- *15/824/8.12.2017 Approval of amendment to the Rulebook of the Athens Stock Exchange, as decided at meetings No. 163/04.05.2018 και 164/29.06.2018 of the Stock Markets Steering Committee*
- *16/824/19.7.2018 Amendment of HCMC Decision 3/304/10.06.2004 (Gov. Gaz. 901 B/16.6.2004) on the "Regulation for the Operation of the Dematerialised Securities System"*

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

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

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

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

- *Approval of the Prospectuses for the public offering of bonds of three (3) companies, aimed at their admission to trading in the Securities Market of the Athens Stock Exchange.*
- *Approval of the Prospectuses for the initial public offering of shares of one (1) company, aimed at their admission to trading in the Securities Market of the Athens Stock Exchange.*

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

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

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

- Receipt of Notification of fourteen (14) prospectuses, seventy five (75) addendums to prospectuses, and ten (10) 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 2018, 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 operating licenses of Investment Firms in five (5) cases.
- Revoking of the operating licenses of Investment Firms in regard to specific investment services in one (1) case.
- Revoking of the license of two (2) Financial Intermediation Firms in implementation of article 21 of Law 2690/1999.
- Revoking of the license of four (4) Financial Intermediation Firms in implementation of article 8 of Law 4514/2018.

Supervision & Monitoring of the Behaviour of Listed Companies

In 2016 and, specifically, on July 3, the following came into force: i) Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse; and ii) Commission Implementing Regulation (EU) 2016/1055 of 29 June 2016 laying down implementing technical standards with regard to the technical means for appropriate public disclosure of inside information and for delaying the public disclosure of inside information in accordance with Regulation (EU) No 596/2014. In addition, the harmonisation of Greek legislation with the provisions of articles 22, 23, 30, 31 paragraphs 1, 32 and 34 of the aforementioned Regulation (EU) No 596/2014 was carried

out by means of Law 4443/2016. The law came into force after its publication in the Government Gazette (232/A/9.12.2016), excluding the provisions of articles 35 to 39 and 46, the application date of which is the same with the application date of Regulation (EU) No 596/2014, ie. July 3rd, 2016.

As of July 3, 2016, in accordance with article 17, para. 1 of Regulation (EU) 596/2014, an issuer shall inform the public as soon as possible of inside information which directly concerns that issuer, as specified in article 7 of Regulation (EU) 596/2014 and article 27. para. 8 of Law 4443/2016.

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

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

Pursuant to its duties concerning the prudential supervision of company compliance with the aforementioned provisions, in 2018 the HCMC sent 42 letters to companies. The review of announcements and the investigation of unverified rumours or information, which is performed daily, showed that a large number of listed companies has complied, without any interference from the HCMC, with the aforementioned regulations. In case no timely or reliable information has been provided, the appropriate investigations are carried out.

Pursuant to the provisions of article 17 para. 1 of regulation Regulation (EU) 596/2014, as well as article 10, par. 1 of pre-existing Law 3340/2005, in 2018 the Hellenic Capital Market Commission levied fines worth a total of 110,000 euros, for failure to disclose, and delays in the disclosure of, privileged information.

Furthermore, as part of supervising compliance with the provisions of article 15, as specified in article 12, para. 1c of Regulation (EU) 596/2014, as well as the pre-existing legal framework (article 7, par. 1, as specified in article 7, par. 2c of Law 3340/2005) by the issuers of transferable securities, the HCMC monitors issues related to the compliance of companies with the rules that prohibit market abuse through the dissemination, over the Media or any other means of communication, of information that imparts, or may possibly impart, false or misleading indications regarding the financial instruments, or rumours, or misleading information. Pursuant to the aforementioned regulations, in 2018 the HCMC levied fines worth a total of 45,000 euros for market manipulation through corporate announcements and 3,960,000 euros for market manipulation through financial statements in the cases of two companies.

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 2018, 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 37 published financial statements of 29 issuers. More specifically, it audited 14 annual and 6 interim financial statements and reviewed certain issues related to 13 annual and 4 interim financial statements.

In the context of the above audits, the HCMC called 3 issuers to publish their financial statements again, and called 5 issuers to make certain corrections, or add notifications to forthcoming financial statements.

It should be noted that the above audits 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 19 – Employee Benefits

IAS 24 – Related Party Disclosures

IAS 36 – Impairment of assets

IAS 37 – Provisions, Contingent Liabilities and Contingent Assets

IAS 39 – Financial Instruments: Recognition and measurement

In 2018, the HCMC levied total fines of 58,000 euros to five companies for the non-compliance of their financial statements with the IFRS. Moreover, focusing on investor protection and the orderly functioning of the market, in 4 cases of non-compliant preparation of financial statements in accordance with the IFRS, and in 9 cases of non-timely disclosure of the financial report, the HCMC requested the ATHEX to place the shares of these companies under suspension.

Moreover, the HCMC levied total fines of 540,000 euros for violation of the provisions of Laws 1969/1991, 3556/2007 & 4443/2016, on the failure to provide information.

Pursuant to the provisions of Law 3556/2007 on the obligations concerning the announcement and disclosure of major holdings, shareholders and other responsible persons submitted approximately 400 announcements to the Hellenic Capital Market Commission. 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 48,000 euros on ten individuals or legal entities. In the context of prudential supervision for the proper implementation of Law 3556/2007, the Hellenic Capital Market Commission is in direct communication, to the extend possible, both with issuers, and shareholders, in order to clarify issues mostly pertaining to the existence, takeover, or cession of control over legal entities, the chain of companies through which voting rights are possessed, the proper presentation of changes in voting rights, and other ad hoc issues. Furthermore, in the above context, the Hellenic Capital Market Commission sent 6 letters. The above actions are aimed at the provision of investors with proper and complete information.

Moreover, the HCMC reviewed and evaluated the compliance of the use of the funds raised by listed companies with the provisions of capital market law in 7 cases. In two cases, the HCMC imposed sanctions to 1 legal entity and 8 individuals, including total fines of 51,000 euros for violation of L. 1969/1991 and P.D. 348/85.

In addition, as part of the supervision of compliance with the provisions of Law 3016/2002, the Hellenic Capital Market Commission evaluated issues pertaining to the corporate governance of listed companies and in 24 cases imposed sanctions on 197 individuals, including total fines of 11,000 euros to 3 members of the Board of Directors of 3 listed companies.

Finally, in the context of the supervision of compliance with the provisions of article 44 of Law 4449/2017 concerning the new rules for the establishment, structure, and staffing of an audit committee with increased powers and responsibilities, and appointing the Hellenic Capital Market Commission as the authority responsible for the supervision of companies with transferable securities listed in the Athens Exchange, the former, following its

announcement dated 28.4.2017, where it stressed the importance of implementing the aforementioned provisions and offered guidance on the formation and the powers of the audit committee, monitors the compliance of companies with the provisions of article 44, of L. 4449/2017.

Supervision & Monitoring of Takeover Bids

In 2018, five (5) requests regarding takeover bids for securities traded in the ATHEX were submitted to, and approved by, the Hellenic Capital Market Commission in accordance with Law 3461/2006. (Table 28).

As part of the supervision of the supervised persons' compliance with the provisions of the above law, in 2018 the HCMC imposed fines of 80,000 euros on two legal entities for the violation of the provisions of the above law.

In addition, the Hellenic Capital Market Commission received two (2) requests for the execution of squeeze-out rights, i.e. the right of the Bidder that, after the end of the bid, possesses transferable securities representing at least ninety percent (90%) of the Target Company's voting rights to demand the transfer of all the remaining transferable securities of the Target Company. More specifically, in 2018 the following requests were submitted to, and approved by, the Board of the Hellenic Capital Market Commission: (i) the request by "J & P-AVAX SA" for the execution of its squeeze-out right on the shares of "ATHENA SA" (approved on 8.6.2018); and (ii) the request by "NISSOS HOLDING (CY) LIMITED" for the execution of its squeeze-out right on the shares of "KORRES SA - NATURAL PRODUCTS" (approved on 14.6.2018).

TABLE 28. Take-over bids in the capital market, 2018

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	7/2/2018	COMPULSORY	NISSOS HOLDINGS (CY) LTD	KORRES SA NATURAL PRODUCTS	21/3/2018	26/3/2018 - 23/4/2018	87.13%	97.16%
2	18/10/2018	OPTIONAL	NEXANS PARTICIPATIONS S.A.	NEXANS HELLAS SA	20/12/2018	27/12/2018 - 24/1/2019	88.57%	97.94%
3	18/10/2018	OPTIONAL	TITAN CEMENT INTERNATIONAL S.A.	TITAN CEMENT CO SA	20/12/2018	27/12/2018 - 25/1/2019	18.6%	87%
4	12/11/2018	COMPULSORY	HELLENIC HEALTHCARE SA HOLDING	DIAGNOSTIC AND THERAPEUTIC CENTRE OF ATHENS HYGEIA SA	20/12/2018	27/12/2018 - 7/2/2019	70.38%	PENDING
5	22/11/2018	OPTIONAL	KAZAR INVESTMENT SA	DRUCKFARBEN HELLAS SA	20/12/2018	27/12/2018 - 24/1/2019	86.51%	95.21%

Source: HCMC

De-listing of shares from the Athens Exchange

In accordance with the provisions of article 17 para. 5 of Law 3371/2005, as currently in force, and after requests of the companies themselves, the Board of the HCMC decided to de-list the shares of two (2) companies. More specifically, (i) "KORRES SA - NATURAL PRODUCTS" 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

2.8.2018; (ii) "ATHENA 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 2.8.2018.

Fines

Investment Firms, Financial Intermediation Firms, Mutual Fund Management Companies, and Banks

- *Fines were levied on two (2) firms for violating article 17 of Law 3340/2005, concerning the obligation of persons professionally arranging transactions in financial instruments to notify the Hellenic Capital Market Commission whenever there is reasonable suspicion that the executed transactions might constitute market abuse.*
- *Fines were levied on four (4) firms for violating article 7 of Law 3340/2005 that prohibits market manipulation.*
- *A fine was levied on one (1) firm for violating article 12 of Law 3606/2007 concerning the organizational requirements of investment firms.*
- *Fines were levied on eleven (11) firms for violating article 25 of Law 3606/2007 on investor protection upon the provision of investment services and on the obligation of investment firms to provide clear, accurate and not misleading information to their clients.*
- *A fine was levied on one (1) firm for violating paragraph 1d of article 39 of Law 3606/2007 on the amount of its capital.*
- *A fine was levied on one (1) firm for violating paragraph 2 of article 13 of Law 3606/2007 on the organisational and administrative measures for dealing with conflicts of interest and avoiding putting client interests at risk.*
- *A fine was levied on one (1) firm for violating articles 11 and 30 of Law 3283/2004 on the sale of mutual fund shares in Greece and the content of mutual fund prospectuses in order to secure client interests and market integrity.*
- *A fine was levied on one (1) firm for violating articles 61 & 65 of Law 4099/2012 concerning the overrun of investment limits by the UCITS.*
- *A fine was levied on one (1) firm for violating article 10 of Law 4141/2013 concerning the obligation of investment firms or banks, in case of the non-timely settlement of the entire price by the investor within the set deadline, and provided that there is no agreement for margin account trading, to proceed, on the next working day after the expiration of the deadline, to the direct sale of transferable securities for the purchase of which the investor has failed to pay the price.*
- *A fine was levied on one (1) firm 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 two (2) firms for violating art. 72 of L. 1969/1991 on the prohibition of the publication or dissemination of misleading information about transferable securities listed in the ATHEX, which may, due to their nature, affect the price of, or trading on, the said securities.*
- *Fines were levied on three (3) firms for violating articles 67, 84, 86 & 154 of Law 4261/2014 on remuneration policies and the corporate governance framework.*

- *A fine was levied on one (1) firm for violating Regulation 575/2013/EU on the disclosure of information.*
- *Fines were levied on four (4) firms for violating Regulation 438/2016/EU on the joint management of the management firm or the investment firm and the custodian.*
- *Fines were levied on fifteen (15) firms for violating HCMC Decision 1/452/1.11.2007 on the code of conduct for investment firms.*
- *Fines were levied on seven (7) firms for violating HCMC Decision 2/452/1.11.2007 on the mandatory disclosure of transactions and information by Investment Firms.*
- *A fine was levied on one (1) firm for violating HCMC Rule 2/132/1998 regarding the obligation of MFMCs to ensure the organisation of the network for the sale of MF units under their management in a manner that always guarantees the protection of unitholder interests.*
- *A fine was levied on one (1) firm for violating HCMC Decision 5/461/2008 on the organisational requirements for presenting the financial situation and the establishment of an independent internal audit department.*

Listed Companies

- *A fine was levied on one (1) listed company for violating Presidential Decree 52/1992 on the obligation to publish a prospectus prior to inviting the public to invest in transferable securities.*
- *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 five (5) listed companies for violating article 4 of Law 3556/2007 on the issuers' obligation to publish annual financial reports.*
- *A fine was levied on one (1) listed company for violating article 5 of Law 3556/2007 on the issuers' obligation to publish semi-annual financial reports.*
- *A fine was levied on one (1) listed company for violating article 6 of Law 3556/2007 on the issuers' obligation to publish quarterly financial reports.*
- *A fine was levied on one (1) listed company for violating article 23 of Law 3556/2007 on the obligation of issuers, managers, and shareholders to provide the Hellenic Capital Market Commission with information and documents, not being able to invoke professional confidentiality.*
- *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 article 36, paragraph 11 of L. 4443/2016 on the non-submission of documents and other evidence, as part of the exercise of the responsibilities of the Hellenic Capital Market Commission pursuant to Regulation (EU) 596/2014.*

- *A fine was levied on one (1) listed company for violating article 17, paragraph 1 of Regulation (EU) 596/2014 on the obligation of issuers to inform the public as soon as possible of privileged information which pertains to them.*
- *A fine was levied on one (1) listed company for violating article 15 of Regulation (EU) 596/2014 that prohibits market manipulation or attempts thereof through the use of financial statements.*
- *A fine was levied on one (1) listed company for violating article 15 of L. 3401/2005 on the obligation to publish a prospectus prior to the public offering of transferable securities in Greece and the listing of transferable securities for trading in a regulated market that is based, or is operating, in Greece.*

Legal Entities

- *A fine was levied on one (1) legal entity for violating PD 51/1992 on the disclosure of information upon the acquisition and sale of major shareholdings in ATHEX-listed companies.*
- *Fines were levied on two (2) legal entities for violating article 8, paragraph 1 of Law 3606/2007 concerning the provision of investment services and the conduct of investment activities in Greece, without the requisite authorisation by the Hellenic Capital Market Commission.*
- *Fines were levied on ten (10) legal entities for violating Regulation 236/2012 on the short selling of shares.*
- *A fine was levied on one (1) legal entity for violating article 17 of Law 3340/2005 that prohibits market manipulation.*
- *A fine was levied on one (1) legal entity for violating Law 4514/2018 on the provision of investment services and the conduct of investment activities in Greece, without license to operate in Greece.*
- *Fines were levied on two (2) legal entities for violating L. 3461/2006 on Takeover Bids.*
- *Fines were levied on three (3) legal entities for violating L. 3556/2007 on the disclosure of major shareholdings and the notification of the Hellenic Capital Market Commission.*

Individuals

- *Fines were levied on three (3) individuals for violating PD 51/1992 on the disclosure of information upon the acquisition or the sale of major shareholdings in ATHEX-listed companies.*
- *Fines were levied on seven (7) individuals for violating PD 348/1985 on the content of Prospectus.*
- *Fines were levied on two (2) individuals for violating Law 3016/2002, concerning the composition of the Board of Directors of corporations with shares listed in a regulated market in Greece in executive, non-executive, and independent members, and the relevant timely notification of the Hellenic Capital Market Commission.*
- *Fines were levied on fifteen (15) individuals for violating article 7 of Law 3340/2005 that prohibits market manipulation.*

- Fines were levied on three (3) individuals for violating article 3 of L. 3340/2005 which prohibits individuals who possess privileged information to use this information to acquire or sell financial instruments to which this information pertains.
- Fines were levied on five (5) individuals 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 seventy three (73) individuals for violating art. 72 of L. 1969/1991 on the prohibition of the publication or dissemination of misleading information about transferable securities listed in the ATHEX, which may, due to their nature, affect the price of, or trading on, the said securities.
- A fine was levied on one (1) individual for violating article 8, paragraph 1 of L. 3606/2007 which prohibits the provision of investment services and the conduct of investment activities in Greece by persons lacking the requisite authorisation by the Hellenic Capital Market Commission.
- Fines were levied on two (2) individuals for violating article 12 of L. 3606/2007 concerning the obligation of investment firms, when holding financial instruments belonging to clients, to make adequate arrangements so as to safeguard clients' interests and to refrain from the use of client instruments on own account.
- Fines were levied on ten (10) individuals 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 this information, as well as the provision of information about the listing of transferable securities.
- Fines were levied on two (2) individuals for violating article 16 of L. 4514/2018 concerning the obligation of investment firms, when holding financial instruments belonging to clients, to make adequate arrangements so as to safeguard clients' interests and to refrain from the use of client instruments on own account
- Fines were levied on eight (8) individuals for violating article 15 of Regulation (EU) 596/2014 that prohibits market manipulation or attempts thereof through the use of financial statements.

The total fines levied by the Hellenic Capital Market Commission in 2018 stood at € 8.434.500,00 ευρώ. The allocation of fines among supervised entities is presented in Table 29.

TABLE 29. Number and value of fines, 2018.

Number of cases	Entity	Fines (€)
58	Investment Firms, FIFs, MFMCs, and Banks	647,000
21	Listed Companies	1,234,000
20	Other legal entities	842,000
131	Individuals	5,711,500
Total: 230		Total: 8,434,500

Source: HCMC

Tackling Money Laundering and Terrorist Financing

The Special Anti-Money Laundering and Terrorist Financing Unit, which operates pursuant to art. 6, paragraph 6 of Law 4557/2018, 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 Independent Authority in regard to any suspicious transactions possibly detected.

During the year, the Hellenic Capital Market Commission submitted seven (7) reports to the Anti-Money Laundering Authority on issues possibly pertaining to money laundering activities.

In 2018, the Special Unit continued its work, performing audits on seven (7) Investment Firms, of which two (2) were branches of foreign Investment Firms.

Moreover, in the same year the administrative procedures were completed in the case of three (3) Investment Firms, one (1) Mutual Fund Management Company (MFMC), one (1) Financial Intermediation Firm (FIF), and one (1) branch of a foreign Investment Firm, which had been audited in the previous year, and they were found to be implementing adequate procedures.

As part of remote supervision, in July 2018 the supervised firms submitted to the Hellenic Capital Market Commission the new form of the Compliance Officers' Annual Report on the prevention of money laundering and terrorist financing for the year 2017, in accordance with paragraph 2 of article 10 of Decision 1/506/8.4.2009, as amended by new HCMC Decision 5/820/30.5.2018.

The Annual Reports were audited on the basis of the risk-based approach, in accordance with the Common Guidelines of the European Supervisory Authorities and the Risk Assessment Methodology introduced by the Hellenic Capital Market Commission, which assesses the risk each supervised company represents.

In June 2018, the HCMC was presented with the Reports of the external auditors, pursuant to article 9 of HCMC Decision 1/506/2009; these reports are submitted every three years in order to assess the adequacy and effectiveness of the money laundering prevention procedures that are implemented. The notes of the external auditors have already been taken into account by the companies and the necessary corrective measures have been taken.

Moreover, information continued to be provided to the companies via the relevant web page of the Hellenic Capital Market Commission (http://www.hcmc.gr/el_GR/web/portal/mlaundering1) on:

- the Recommendations of the Financial Action Task Force (FATF) about high-risk countries and regions, as well as countries and regions showing strategic weaknesses in the field of money laundering and terrorist financing.*
- the National Assessment of Money laundering and Terrorist Financing Risk.*
- the Supra-national Risk Assessment of the European Commission of the risks of Money Laundering and Terrorist Financing.*
- the Directives (4th, 5th, 6th) of the European Parliament and of the Council on money laundering.*
- the Guidelines on risk factors, as well as other Guidelines and Joint Opinions of the European Supervisory Authorities.*

Finally, during the year executives of the Special Unit participated in:

- the working groups for the drafting of the National Assessment of the Risk of Money Laundering and Terrorist Financing, and the relevant workshops of the World Bank, being responsible for the capital market sector;
- the seminar of the FATF secretariat on the mutual evaluation of countries on money laundering issues.
- the working groups and plenaries of the FATF in Paris.
- the seminar of the 3 European Supervisory Authorities (ESMA, EBA, EIOPA), which was held at the offices of the European Banking Authority (EBA) in London.
- the working group on the practical implementation of the agreement between Greece and the US on Foreign Account Tax Compliance Act (FATCA) and the Common Reporting Standard (CRS);
- the meetings of the Committee for Preparation of Strategy and Policies for suppressing money laundering and terrorist financing.
- the current mutual evaluation of Greece by the FATF.
- the Greece-Cyprus-Israel tripartite meeting on the suppression of money laundering and terrorist financing.

Professional certification of capital market agents

The current regime for the professional certification of persons providing services in accordance with article 93 of L. 4514/2018 is regulated by means of HCMC Decision 18/809/21.2.2018 (Gov. Gaz. B 859/12.3.2018), in implementation of article 93 of Law 4514/2018 (Gov. Gaz. A 14). This article establishes the obligation of Investment Firms, Financial Intermediation Firms, Mutual Fund Management Companies, Portfolio Investment Companies and Alternative Investment Fund Managers, to employ holders of the Certificates of Suitability for the provision of investment and other services.

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

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

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

The certificated bestowed by the Hellenic Capital Market Commission is valid for five years, renewable either via attendance to a training seminar on developments in the regulatory framework of the capital market, or via successful participation in the examination on the regulatory framework module, or without attendance to the training seminar or successful participation in the exam on the regulatory framework, provided that the certified individual has specific previous experience.

In implementation of the above, 318 applications for participation in the exams or the seminars that were organised during the year (March, May, September, November) were submitted in 2018, and 188 certificates of suitability were granted, as compared to 554 applications submitted and 226 certificates granted in 2017. More specifically, 66 certificates were granted in specialty (α1), 36 certificates in specialty (α2), 13 certificates in specialty (β1), 23 certificates in specialty (β), 19 certificates in specialty (γ), 15 certificates in specialty (δ), 5 certificates in specialty (σ1), 7 certificates in specialty (σ2) and 4 certificates in specialty (ε). Moreover, 5 certificates of suitability were granted in 2018 without participation in the exams, in implementation of transitional provisions, while 6 certificates were granted following the submission of requests for exception due to equivalence and participation in the exams on the “Capital Market Regulatory Framework” module. In 2018, finally, 104 certificates were renewed in accordance with the transitional provisions, 61 certificates of which expired on 31.12.2018, while 116 persons were deleted from the certified persons' list, since their certificates expired on 31.12.2018 and were not renewed. The total number of persons certified by the Hellenic Capital Market Commission as per the end of 2018 stood at 3474.

Finally, by means of the Joint Decision of the HCMC and the Bank of Greece the organisation of a training seminar for the renewal of certificates (α1) to (δ), was assigned to the Business Administration Department of the Athens University of Economics and Business (AUEB), following a relevant request.

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 2018, 116 complaints/reports were submitted to the Hellenic Capital Market Commission as compared to 280 complaints/reports in 2017, 225 in 2016, and 197 in 2015, while 189 complaints were processed as compared to 212 complaints in 2017, 116 complaints in 2016 and 90 in 2015. During the year, the Board of the Hellenic Capital Market Commission imposed, following the review of the relevant complaints by its competent Department, total fines of €207,000 due to violations of capital market legislation

Sale of transferable securities listed for trading in the Athens Exchange

Forced sales of transferable securities

In 2018 it was the first time that requests were submitted for the forced sale of Greek Government Bonds (GGBs) listed for trading in the Athens Exchange. More specifically, twenty three (23) requests (of which six (6) concerned GGBs) were submitted for the granting of licenses and/or the appointment of ATHEX-members for the forced sale of pledged or seized transferable securities, and sixteen (16) sales were completed (of which four (4) concerned GGBs), as compared to eleven (11) requests and four (4) sales in 2017, and four (4) requests and four (4) sales in 2016. The total value of transferable securities sold amounted to 32,934,259.52 euros (of which 9,470,518.91 euros concerned GGBs), as compared to 5,093,174.53 euros in 2017, and 52,291.34 euros in 2016. Since the transfer of competence concerning the forced sale of transferable securities to the HCMC (2003), and till the end of 2018, the HCMC has received a total of 222 requests for the forced sale of pledged or seized transferable securities.

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

In 2018, two (2) requests were submitted to the HCMC for the granting of license and/or the appointment of ATHEX members for the sale of shares that result from fractional balances resulting from the share capital increase of a listed company, and both sales were completed. In 2017 no requests for the sale of shares that result from fractional balances had been submitted and one sale had been completed, while in 2016 eight (8) requests had been submitted and eight (8) sales had been completed.

ACTIVITIES OF THE DIRECTORATE OF LEGAL SERVICES

In 2018, the Directorate of Legal Services (DLS) of the Hellenic Capital Market Commission (HCMC) handled a large number of legal cases, offered in many instances legal advice and opinions to the competent departments of the HCMC, and was actively involved in the legislative and regulatory work of the HCMC, both on the national and EU levels. More specifically, the Directorate was active in the following areas:

1. Litigation

In 2018, the DLS had to deal with the following court cases:

a. DLS attorneys were present at the administrative courts (Council of State, Administrative Appellate Court of Athens, and Administrative Courts of First Instance) during the hearings of 131 cases. These include 9 applications for the stay of execution, which were heard and rebutted in front of the aforementioned courts.

They also include 2 cases that were heard in administrative courts in the presence of external attorneys.

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

c. DLS attorneys were present at civil courts during the hearings of 3 cases.

d. The attorneys of the DLS prepared and filed written arguments or memoranda with the administrative courts in another 24 cases, not adjudicated nevertheless during 2018, as a result of adjournment due to the abstention or because of other reasons.

e. A further 26 criminal cases were prepared by the DLS and are pending in front of the investigating authorities.

f. 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 the submission of one appeal and one petition for negation.

b. Moreover, 21 requests for criminal indictments were submitted, concerning various violations of penal and capital market law.

3. Provision of legal support

The DLS provided legal aid to the competent departments of the HCMC in **306** cases. More specifically, DLS attorneys:

- Drafted **15** legal opinions on various serious legal issues.
- Prepared **105** notes answering various legal questions.

4. Involvement in the legislative and regulatory work

Attorneys of the DLS participated in the Commission's legislative and regulatory work, and more specifically in the preparation of draft laws and amendments to laws (4 cases) and regulations (3 cases).

5. Court rulings delivered to the HCMC during 2018

In **2018**, **84** court rulings were delivered to the Hellenic Capital Market Commission. Of these:

- **52** rulings were **in favour** of the Hellenic Capital Market Commission, rejecting appeals, caveats or actions against it or approving requests for rescission and appeal submitted by the HCMC.
- **15** rulings were **partly in favour** of the HCMC, partly approving appeals and caveats against it, mainly by reducing the fines imposed.
- **8** rulings were **against** the HCMC, approving appeals, caveats or actions against it or rejecting requests for rescission, appeal or motions submitted by the HCMC.
- **9** rulings led to the **postponement or the recommittal or the annulment** of the trial.

6. Out-of-court settlement

Apart from the above rulings, there were also **26 cases of out-of-court settlement**, pursuant to Article 41, para. 3, of Law 3943/2010, following a discount of 20% on the fines imposed.

7. Major court rulings

The major court rulings delivered to the HCMC during 2018 were the following:

Ruling 13374/2018 of the Administrative Court of First Instance of Athens. Dismisses an appeal for the annulment of the implicit rejection of a request for the recovery of amounts unduly paid in favour of the HCMC. It is based on case law of the Council of the State in that this amount is not a tax, but a fee paid in return for the provision of a service. Otherwise, it acknowledges that the criterion for calculation the fee in the case of credit institutions (assets) is within the legal authorisation (included in the criteria of the law [financial information], is recorded and easily extracted by officially audited and published information and does not violate the principles of equality and proportionality, taking into account that it is combined with a low percentage on the assets, which is inversely related with its amount.

HCMC Survey on Corporate Governance in Greece

The Hellenic Capital Market Commission has initiated the procedures for amending the provisions of L. 3016/2002 on the Corporate Governance of Greek listed companies. Updating said legislation has been deemed to be necessary, on one hand because sufficient time has passed since the initial enactment of the Law and the relevant changes in European legislation², and on the other hand, because of the obvious need to better align Greek listed companies (which, with very few exceptions, continue to be characterised by limited dispersion of ownership) with international governance standards. This initiative has a dual purpose: a) to protect, in the best possible manner, shareholder interests, particularly those of the minority, as well as of other participants in the company's activities, and b) to help companies operate in the international business environment, through the enhancement of their organisational structure and, in general, their corporate culture.

Knowledge of the extent of the practical implementation of corporate governance in the current period is of crucial importance to the procedure of updating the Law. To this end, the Directorate of Research prepared a questionnaire, which was sent, on September 18, 2018, to all companies listed in the Athens Exchange, asking them to answer questions pertaining to corporate governance issues. Responses were received by 142 companies, including 24 of the 25 companies comprising the FTSE Large Cap index (based on its composition during the period the HCMC survey was conducted).

This information focuses on few, albeit important, aspects of corporate governance, such as the role and structure of the Board of Directors, the remuneration policy for Board members, the exercising of internal controls, and the formation and operation of special-purpose sub-committees of the Board. This information was provided in the form of answers to the 101 questions of the questionnaire.

The analysis of these data includes, among other things, 101 tables of information, each corresponding to each question of the questionnaire. More specifically:

The Board of Directors

As regards the ownership structure of the companies, in 3.5% of the companies main shareholders (with ownership stakes of at least 5%) hold a total of 0-25% of shares with voting rights; in 16.9% of the companies they hold 26 -50% of shares with voting rights; in 40.8% of the companies they hold 51-75% of shares with voting rights; and in 38.78% of the companies they hold 76-100% of shares with voting rights.

As regards the structure, operation, and effectiveness of the Board of Directors, 47.9% of companies report that the chairman of the Board has also been appointed as chairman of an affiliated company, while 48.6% of companies say this is not the case. Moreover, 37.3% of companies report that the chairman of the Board has also been appointed as CEO of the company, 60.6% of companies say that this is not the case, and a small percentage of 2.1% indicates a different, mainly transient, arrangement. Moreover, in 63.4% of companies there is clear segregation duties between the chairman of the Board and the CEO of the company, while no such segregation exists in 28.9% of companies. In addition, in 41.5% of companies the segregation of duties between the chairman of the Board and the CEO is mandated by the internal rules of operation, in 13.4% this segregation is mandated by the company's Articles

² For example, through the introduction of the corporate governance statement, the requirement to refer to the implemented corporate government code, the adoption of Directive 2017/828/EU on shareholder rights (II), the issuance of relevant Recommendations by the HCMC etc.

of Association, and in 45.1% it is mandated in some other manner. Finally, in 57.0% of companies the CEO participates as an executive director in the Board of an affiliated company, while this is not the case in 34.5% of the companies.

As regards the evaluation of the chairman, in the majority of companies (68.3%) this is not carried out, while 16,2% of the companies say that it is carried out.

As regards the composition of the Board of Directors, 38.7% of companies reported that executive directors are not, at the same time, shareholders (holding at least 0.5%). In 9% of companies one (1) Board member is also a shareholder, 23.2% of companies has two (2) such members, 12% of companies has three (3) such members, 4.2% of companies has four (4) such members, and 2.8% of companies has five (5). The majority of companies have no non-executive directors who are, at the same time, shareholders with stakes of at least 0.5% (66.2%), while the largest percentage of companies has no independent director who is, at the same time, a shareholder with a stake of at least 0.5% (78.9%). Moreover, 60.6% of companies have no executive directors of affiliated companies who are, at the same time, shareholder in the company, while 85.2% of companies have no non-executive directors of affiliated companies who are, at the same time, shareholders. In addition, the Board of Directors of 12% of companies comprises 3-5 members, in 38.7% of companies it comprises 6-7 members, in 26.1% of companies it comprises 8-9 members, in 15.5% of companies it comprises 10-12 members, and in 7.7% of companies it comprises more than 12 members.

As regards the distribution of responsibilities and tasks within the companies, almost half of the companies (41.5%) have explicitly specified duties and responsibilities for each Board member. Companies that have specified duties and responsibilities specifically for the chairman of the Board, have done so through the internal rules of operation (35.9%), the Articles of Association (12.7%), or other arrangements (51.4%). Procedures for replacing Board member have been established in 41.5% of companies, while 39.4% of companies has not done so. Moreover, the representatives of minority shareholders participate as members in the Board of Directors of 9.2% of companies, while they do not participate in 83.8% of companies.

As regards the term and replacement of Board members, the maximum term of office (in years) of executive directors varies. In 8.6% the term lasted for less than a year, in 2.9% of companies the term is 1 year, in 4.3% of companies the term is 2 years, in 21.4% of companies the term is 3 years, in 11.4% of companies the term is 4 years, in 36.4% the term is 5 years, and in 15.0% of companies the term is 6 years. Furthermore, 89.4% of companies report only one term for Board members.

The composition of the Board of Directors also varies. The Board of 47.9% of companies includes 2-4 non-executive members, in 36.6% of companies it includes 5-7 members, in 9.9% of companies it includes 8-9 members, in 4.9% of companies it includes 10-11 members, and in 0.7% of companies it includes more than 12 members. There are also differences as regards the ratio of non-executive members to total Board members. Two point one percent (2.1%) of companies report a ratio of 0-20%, 10.6% of companies report a ratio of 20-40%, 29.6% of companies report a ratio of 60-80%, and 16.9% of companies report a ratio of 80-100%. In 78.2% of companies the Board includes 2-3 independent non-executive members and in 16.2% of companies it includes 4-5 such members. The independence of Board members is periodically assessed in 70.4% of companies, as compared to 25.4% of companies. In addition, only in 5.6% of companies the independent non-executive members have submitted, during the past two years, separate reports from those of the Board to the General Meeting of the shareholders, while no such thing has been done in 89.4% of companies.

The Board Member Remuneration Policy

A remuneration policy for Board members has been established in 34.5% of companies, 50.7% of companies have not done so, while a different arrangement applies to 14.8%. In 54.9% of companies, executive members participate in the procedure for determining Board member remuneration, while they do not participate in 1/3 of companies. In 47.2% of companies the determination of Board member remuneration has been previously put to consultation with the chairman of the Board, while this has not been done in 41.5% of companies.

In 26.8% of companies Board member remuneration depends on the achievement of performance targets, while in 2/3 of companies it does not, and in almost 80% of companies the remuneration of executive members includes a fixed element (monthly salary, compensation). Board member remuneration includes a variable component (bonus etc.) in 1/3 of companies, while no such component exists in 62% of companies.

In the majority of companies (85.2%) Board member remuneration is disclosed, in 7.7% of companies this is not the case, while some other arrangement was reported in 7% of companies.

Internal audit, risk management, and conflicts of interest

In 21.8% of companies the internal audit function is accountable to the Board of Directors, in 67.6% of companies to the Audit Committee, in 2.1% of companies to the CEO, and in 8.5% of companies to a different corporate body.

Moreover, 9.9% of companies report that the frequency of the provision of written information to the Board of the company regarding the internal audits that are performed is not explicitly specified, 2.1% of companies report that it is monthly, 76.8% of companies report that it is quarterly, and 11.3% of companies report some other arrangement. Most companies have established procedures for the supervision of their internal auditors upon the exercising of their duties, while 16.2% report that this is not the case.

A risk management system has been established in 69.7% of companies, 23.2% report that this has not been done, and 7.0% of companies report some other arrangement.

A method for evaluating the risk management system has been established in 58.5% of companies, 33.1% report that this has not been done, and 8.5% of companies report some other arrangement. Moreover, 71.1% of companies report that they have established the obligation to perform internal audit in accordance with the International Standards for the Professional Practice of Internal Auditing, 22.5% reports that this has not been done, and 6.3% of companies report some other arrangement. Almost half of the companies have established procedures for the resolution of internal and external conflicts of interest, in contrast to the other half. In 72.5% of companies the members of the Board of Directors and the senior executives must notify the company about changes in their shareholding on a regular basis, while this is not done in 9.9% of the companies.

Individual Committees

a. The Audit Committee

In 93% of companies the Audit Committee comprises 3 members, in 4.2% of companies it comprises 4 members, and in 2.1% of companies it comprises 5 members. Moreover, in 60.6% of companies the audit committee includes 3 non executive directors, and, more specifically, in 57.7% of companies the audit committee includes 2 independent non-executive directors and in 25.4% of companies it includes 3 independent directors. In addition, in most companies (84.5%) three (3) members of the audit committee have been elected by the General Meeting of the Shareholders. Also, in 38.7% of companies the audit committee includes 1 member with adequate accounting-auditing knowledge,

in 33.8% of companies the audit committee includes 2 members with adequate accounting-auditing knowledge, and in 25.4% of companies the audit committee includes 3 members with adequate accounting-auditing knowledge

b. The Board of Directors Nominations Committee

In 21.8% of companies a nominations committee has been established in regard to Board of Directors members, while this is not the case in 68.3% of companies. In 1/3 (33.8%) of companies only current Board members are eligible for participation in the nominations committee, while 30.3% of companies report that the nominations committee does not include any independent non-executive director.

In 19.0% of companies, the chairman of the Board of Directors is also the chairman of the nominations committee, while this is not the case in 26.8% of companies. In almost 1/3 (30.3%) of companies the nominations committee periodically evaluates the structure, size, composition, and performance of the Board of Directors and presents it with recommendations about any changes that need to be made.

c. The Board of Directors Remuneration Committee

As regards the remuneration committee, 25.4% of companies report that they have established a remuneration committee for Board members, 58.5% of companies has not done so, and 16.2% of companies reports some other arrangement. In 33.1% of companies only non-executive Board members are eligible for participation in the remuneration committee, in 16.9% no such restriction exists, while 50.0% of companies report some other arrangement.

In 35.2% of companies that have established a remuneration committee the remuneration policy is finally decided on by the Board of Directors, in 24.6% of companies it is decided on by the stockholders, in 14.8% it is decided on by the audit committee, and in 25.4% of companies it is decided on in some other manner.

HCMC Survey on Mutual Fund Charges in Greece

As part of supervising the Greek capital market, the Hellenic Capital Market Commission collects and processes semi-annually statistical data pertaining to the charges imposed by mutual funds authorised by the HCMC. The Hellenic Capital Market Commission (HCMC) collected from MFMCs data on charges taken from mutual funds (MFs) authorised by the HCMC for the years 2016 and 2017. The findings of the study prepared by the Research Department have been posted on the website of the Hellenic Capital Market Commission.

HCMC Survey on the Provision of Investment Services to Retail Investors in Greece

The Hellenic Capital Market Commission collects and processes semi-annual data on the demand for financial instruments and investment services by retail investors, the way these instruments are advertised by the supervised companies, and the methods selected by retail customers and/or unit-holders to communicate with supervised companies. Moreover, it records investor interest and the provision of innovative investment products by the supervised companies. The results from the processing of the statistical data are used in order to form an opinion on the trends regarding the provision of investment services in the Greek market. Moreover, these findings are submitted to the European Securities and Markets Authority (ESMA) in the form of answers to relevant questionnaires, in the same manner that relevant information is submitted by the other national competent

authorities of the EU to ESMA, with the purpose of forming an opinion on the trends prevailing in EU member-state markets.

More specifically, the companies that are supervised by the HCMC (investment firms, collective investment management firms, banks that have been authorised and provide investment services) are asked to submit semi-annual data on their turnover from the provision of specific investment services (execution of orders on behalf of clients, provision of investment advice, and portfolio management), the value of investment product transactions by their clients, the number of retail investors, on an ad hoc basis, the method selected by these customers/ unit-holders for communicating with the companies, and, finally, the means used for the promotion/advertisement of investment products. Moreover, the supervised companies are asked to report the number of their retail customers who demanded, or expressed interest for, specific innovative products, or to whom they offered or intend to offer the said innovative products.

More specifically, as regards the first half of 2018, data were submitted by 44 investment firms, 6 banks, 13 mutual fund management companies and 2 alternative investment fund managers. The data that were submitted reveal the following changes from the second half of 2017:

- A drop in demand for all financial instruments (shares, bonds, mutual funds, derivatives), except structured securities (i.e. products using predetermined performance assessment and risk assessment formulas) and money market securities (i.e. types of instruments that are usually traded in the money market, such as treasury bills, deposit certificates and commercial paper, excluding payment instruments), the demand for which increased.

Demand for specific financial instruments/services

	<i>Significantly increased</i>	<i>Increased</i>	<i>Remained unchanged</i>	<i>Decreased</i>	<i>Significantly decreased</i>
<i>Shares</i>				✓	
<i>Bonds</i>				✓	
<i>Structured securities</i>		✓			
<i>Money-market securities</i>		✓			
<i>Mutual funds</i>				✓	
<i>Derivatives (options, futures, etc.)</i>				✓	
<i>CFDs</i>				✓	

- A decrease in the use of services pertaining to client order execution and provision of investment services, and an increase in portfolio management.

Use of channels for the distribution of financial instruments

	<i>Significantl y increased</i>	<i>Increased</i>	<i>Remained unchanged</i>	<i>Decreased</i>	<i>Significantl y decreased</i>
<i>Only execution</i>				✓	
<i>Provision of advice</i>				✓	
<i>Wealth/portfolio management</i>		✓			

- Increase in the use of all available means of communication (personal contact, telephone, online).

Means of communication of supervised companies with their clients

	<i>Significantly increased</i>	<i>Increased</i>	<i>Remained unchanged</i>	<i>Decreased</i>	<i>Significantly decreased</i>
<i>Face to face</i>		✓			
<i>Over the telephone</i>		✓			
<i>Online</i>		✓			

- The advertising of the aforementioned financial instruments by the companies remained unchanged.
- Increased interest for innovative investment products.

FINANCIAL POSITION

According to the published data concerning the execution of the Budget for the fiscal year 2018, which are prepared on the basis of the Public Accounting System, total revenues fell to 8,370 thousand euros from 10,487 thousand euros in 2017, reduced by 20%, mainly due to the fact that the revenues from contributions and fees paid by supervised entities in the previous fiscal year were significantly increased as a result of the payment of previous years' overdue contributions.

Expenses for the fiscal year 2018 fell to 8,828 thousand euros from 8,860 thousand euros in 2017, reduced by -0.7%. This figure resulted from the reduction of payroll and staff costs, and rent and public use expenses, which was offset by a corresponding increase in expenses for the purchase of equipment, subscriptions to international organisations and other expenses.

As a result of the above, the result for the fiscal year 2018 was a deficit of 458 thousand euros, as compared to a surplus of 1,627 thousand euros in 2017.

TABLE 30. HCMC Financial position, 2016-2018

RESULTS	2018 (Amounts in €)	2017 (Amounts in €)	2016 (Amounts in €)	% change 2018-2017
<i>Total income</i>	8,369,888.60	10,487,310.62	8,150,545.75	-20.2%
• Contributions by supervised entities	6,830,722.31	8,878,823.98	6,612,150.23	-23.1%
• Financial income	1,354,235.12	1,321,381.71	1,363,554.10	2.5%
• Other income	184,931.17	287,104.93	174,841.42	-35.6%
<i>Total expenses</i>	8,827,685.12	8,859,503.38	9,500,047.97	-0.7%
• Payroll and Staff Costs	6,378,513.57	6,506,241.05	6,486,344.95	-2.0%
• Rents-public use expenses	776,481.41	810,740.08	807,662.34	-4.2%
• Capital expenditures	30,753.60	12,303.67	473,862.00	+150.0%
• Subscriptions to International Organisations	722,063.14	630,461.18	584,863.88	14.5%
• Operating and other expenses	919,873.40	899,757.40	1,147,314.80	+2.2%
<i>Net Result</i>	-457,796.52	1,627,807.24	-1,349,502.22	-220.62%

(*) It should be noted that the data for the fiscal years 2017 and 2016 are according to the reports approved by the Ministry of Finance, while the data for 2018 are according to the published data concerning the execution of the Budget. 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), as well as the national competent authorities.

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

Supervisory Convergence Standing Committee

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

In 2018, the Standing Committee focused on, and completed, one peer review, and ESMA published the final report: the review concerned the ESMA Guidelines on Exchange Traded Funds (ETFs) and other UCITS issues (ESMA42-111-4479/30.7.2018).

Moreover, in 2018 and in the context of the work of the Standing Committee, ESMA published the report with the results of a follow-up peer review, regarding the implementation of certain guidelines on MiFID I suitability requirements (ESMA42-111-4653/24.7.2018).

This Standing Committee also focused on the revision of the peer review methodology (ESMA42-111-4661/20.7.2018), the preparation of the 2019 Supervisory Convergence Work Programme of ESMA, and monitored the progress of the implementation of the 2018 Supervisory Convergence Work Programme, the latter two in collaboration with the competent internal supervising convergence team of ESMA.

Post-Trading Standing Committee

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

In 2018, the Standing Committee focused on, and prepared, the following documents, which were published by ESMA:

- a final report on guidelines concerning the management of conflicts of interests by central counterparties (CCPs)(ESMA70-151-1094/7.2.2018);*
- a consultation paper (ESMA70-151-1013/8.1.2018) and a final report on guidelines on central counterparty anti-procyclicality margin measures (ESMA 70 -151-1293/28.5.2018);*
- a report on supervisory measures and penalties under EMIR (ESMA70-151-1400/13.6.2018);*
- an opinion on central counterpart liquidity risk assessment under article 44, para. 1 of EMIR (ESMA70-151-1149/22.6.2018);*
- publication of an updated list of third-country central counterparties recognised to offer services and activities in the European Union under article 25 of EMIR (ESMA70-152-348/8.1.2019);*
- a consultation paper no.6 (ESMA70-151-1530/11.7.2018) and a final report no. 6 (ESMA70-151-1768/27.9.2018) on the clearing obligation;*
- a public statement on clearing and trading obligations (ESMA70-151-1773/31.10.2018);*
- a final report on the clearing obligation regarding novated trades to the European Union (ESMA70-151-1854/8.11.2018);*
- an ESMA proposal for regulatory change to support the Brexit preparations of counterparties to uncleared OTC derivatives (ESMA71-99-1055/8.11.2018);*

- a public statement on managing the risks of a no-deal Brexit in the area of central clearing (ESMA70-151-1948/23.11.2018);
- a communication on the clearing obligation for pension scheme arrangements (ESMA70-151-1462/3.7.2018);
- guidelines for internalised settlement reporting under article 9 of the Central Securities Depositories Regulation (CSDR) (ESMA70-151-1258/28.3.2018);
- a consultation paper on guidelines on settlement fails reporting (ESMA70-151-1855/20.12.2018);
- an ESMA statement on the recognition of UK central counterparties and central securities depositories in case of a no-deal Brexit (ESMA70-151-2032/19.12.2018);
- guidelines on position calculation by trade repositories under EMIR (ESMA70-151-1272/27.3.2018);
- an updated Q&A concerning the implementation of EMIR (ESMA70-1861941480-52/3.12.2018);
- an updated Q&A concerning the implementation of CSDR (ESMA70-708036281-2/12.11.2018);
- a consultation paper of the Joint Committee of European Supervisory Authorities on amendments to the clearing obligation under Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse (Securities Financing Transactions Regulation, SFTR) (JC 2018-14/4.5.2018).

Investor Protection & Intermediaries Standing Committee

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

In 2018, the Standing Committee focused on, and prepared, the following documents, which were published by ESMA:

- a consultation paper on potential product intervention measures on contracts for differences and binary options (SMA35-43-904/18.1.2018);
- a warning by the European Supervisory Authorities (ESAs) to the investing public on virtual currencies (ESMA50-164-1284/12.2.2018);
- additional information on ESMA product intervention measures relating to contracts for differences and binary options (ESMA35-43-1000/27.3.2018);
- a final report concerning guidelines on certain aspects of the MiFID II suitability requirements (ESMA35-43-869/28.5.2018) and a final text of the guidelines (ESMA35-43-1163/6.11.2018);
- a statement of the EBA and ESMA on the treatment of retail holdings of debt financial instruments subject to the bank recovery and resolution directive (ESMA71-99-991/30.5.2018);

- a report documenting the need to prohibit the sale of binary options (ESMA50-162-214/1.6.2018);
- a report documenting the need to prohibit the sale of CFDs (ESMA50-162-215/1.6.2018);
- a supervisory briefing on the implementation of suitability rules under MiFID II (ESMA35-43-1206/13.11.2018);
- a consultation paper on integrating sustainability risks and factors in MiFID II (ESMA35-43-1210/19.12.2018);
- an updated Q&A on MiFID II and MIFIR investor protection (ESMA35-43-349/3.10.2018).

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 2018, the Standing Committee focused on, and prepared, the following documents, which were published by ESMA:

- a consultation paper on draft guidelines on stress test scenarios under the money market funds (MMF) regulation (ESMA34-49-131/28.9.2018);
- ESMA letter to EIOPA regarding the Alternative Investment Fund Managers Directive (AIFMD) (ESMA34-32-427/7.8.2018);
- a consultation paper on draft guidelines on the reporting to competent authorities under the money market funds (MMF) regulation (ESMA34-49-144/13.11.2018);
- a consultation paper on integrating sustainability risks and factors in the UCITS Directive (Directive 2009/65/EC) and AIFMD (Directive 2011/61/EU) (ESMA34-45-569/19.12.2018);
- updated Q&As on the application of the AIFMD (ESMA34-32-352/4.10.2018) and UCITS (ESMA34-43-392/23.7.2018) directives.

Market Data Standing Committee

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

In 2018, the Standing Committee focused on, and prepared, the following documents, which were published by ESMA:

- an updated Q&A concerning transaction reporting under MiFIR (ESMA70-1861941480-56/25.5.2018);
- designed, monitored, assessed the data of, and drew conclusions from a Data Quality Review of the data submitted by responsible parties to Trade Repositories as part of EMIR, with the aim of improving the quality of the data and the reliability of the system.

Market Integrity Standing Committee

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

In 2018, the work of the Standing Committee focused on the preparation of the following documents that were published by ESMA:

-ESMA opinion on AMF (French Capital Market Regulator) accepted market practice on liquidity contracts (ESMA70-145-442/13.4.2018);

-a list of national competent authorities that have increased the thresholds for the notification of transactions of persons discharging managerial responsibilities and closely associated persons (ESMA70-145-1020/7.11.2018);

-annual report on administrative and criminal sanctions and other administrative measures under Regulation (EU) 596/2014 (Market Abuse Regulation, MAR) (ESMA70-145-1081/15.11.2018);

-an updated Q&A concerning the implementation of MAR (ESMA70-145-111/12.11.2018);

-an updated Q&A concerning the implementation of the BMR (ESMA70-145-114/18.12.2018).

Committee for Economic and Markets Analysis (CEMA)

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

- the quarterly “Risk Dashboard”, which provides the institutional bodies of the EU, market participants, and the wider public with information about financial market risks, and

- the bi-annual “Trends, Risks and Vulnerabilities” report, on the trends, potential risks and vulnerabilities of the financial system across all markets.

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

In 2018, apart from working on the periodic publications mentioned above, CEMA focused on studies concerning issues such as:

- the cost/return analysis for collective investments (with reference to the preparation of the relevant statistical data by the Hellenic Capital Market Commission);*
- risk-based analysis of the structure and features of European derivatives markets in 2017, based on the data submitted to Trade Repositories registered with ESMA;*
- statistical presentation of the market on alternative investments (AIFs);*
- developments in supervision technologies (Reg Tech & Sup Tech) and how these can contribute to the activities on one hand of supervised entities, and on the other hand of supervisory authorities;*
- the results from the implementation of the Double Volume Cap (DVC) mechanism in European markets following the implementation of MiFID II. The analysis focused on issues pertaining to changes in the liquidity, depth, and width of markets;*

- the guidelines on stress tests in money market mutual fund markets (MMF Stress Testing).

Finally, in 2018 it was decided to create three Task Forces within CEMA, on issues pertaining to the institutional framework 1) EMIR, 2) AIFMD, 3) MiFIDII.

Corporate Finance Standing Committee (CFSC)

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

In 2018, the Standing Committee focused on, and prepared, the following documents, which were published by ESMA in regard to prospectuses:

- a final report on technical advice regarding the format and content of the prospectus to be published when securities are offered to the public or admitted to trading in a regulated market under Regulation (EU) 2017/1129 (ESMA31-62-800/3.4.2018);
- a consultation paper on the minimum information content for prospectus exemption (ESMA31-62-962/13.7.2018);
- a consultation paper on guidelines on risk factors under Regulation (EU) 2017-1129 on Prospectuses (ESMA31-62-996/13.7.2018);
- ESMA letter to the European Commission under new Regulation (EU) 2017/1129 on minimum information content of documents in the case of exemptions concerning the publication of a prospectus (ESMA31-59-995/13.7.2018);
- a report containing statistical data on the number of prospectuses approved and passported in the EEA in 2017 (ESMA31-62-1114/15.10.2018);
- an updated Q&A on the prospectus (ESMA31-62-780/28.3.2018).

As regards the Transparency Directive, a practical guide was published, concerning the notifications of major holdings in companies listed in EU member states (ESMA31-67-535/25.5.2018).

Secondary Markets Standing Committee

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

In 2018, the Standing Committee prepared the following documents, which were published by ESMA:

- double volume cap data (ESMA71-99-953/7.3.2018);
- ESMA opinion on package orders' trading obligation under MiFID II (ESMA70-156-322/21.3.2018);
- final report amendments to Commission Delegated Regulation (EU) 2017/587 (RTS 1) (ESMA70-156-354/26.3.2018);

- public statement on the use of the Legal Entity Identifier (LEI) (ESMA70-145-872/20.6.2018);
- ESMA opinion on amendments to Commission Delegated Regulation (EU) 2017/587 (RTS 1) (ESMA70-156-769/20.9.2018);
- ESMA opinion on the ancillary service of calculating market size (ESMA70-156-478/2.10.2018);
- consultation paper on periodic auctions for equity instruments (ESMA70-156-785/9.11.2018);
- consultation paper on amendments to the tick size under Commission Delegated Regulation 2017/588 (RTS 11) (ESMA70-156-357/13.7.2018) and final report (ESMA70-156-834/14.12.2018);
- an updated Q&A on MiFIR data reporting (ESMA70-1861941480-56/26.9.2018);
- an updated Q&A on MiFIR transparency topics (ESMA70-872942901-35/4.1.2019);
- an updated Q&A on MiFIR commodity derivatives topics (ESMA70-872942901-36/4.1.2019);
- an updated Q&A on market structure topics (ESMA70-872942901-38/14.11.2018).

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 2018, the Standing Committee focused on, and prepared, instructions to national competent authorities concerning product intervention, the new supervisory power provided for by MiFIR.

Moreover, the Standing Committee carried out research and prepared the relevant document published by ESMA concerning an ESMA advice to European institutional bodies –the European Commission, the Council, and the Parliament– on initial coin offerings and crypto-assets (ESMA50-157-1391/9.1.2019).

Corporate Reporting Standing Committee

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

In 2018, the Standing Committee focused on the following activities:

- processing of letters sent by ESMA to the International Accounting Standards Board, the European Financial Reporting Advisory Group, and the IFRS Interpretation Committee, concerning the position of ESMA on the

development of new, and the amendment of existing, financial reporting standards, their consistent implementation, and other supervisory issues;

-statement on accounting for the effects of the United States Tax Cuts and Jobs Act on income tax in accordance with the IFRS (ESMA32-63-423/26.01.2018);

-report on enforcement and regulatory activities of IFRS enforcers in 2017 (ESMA32-63-424/3.4.2018);

-publication of selected enforcement decisions from ESMA's database of decisions on financial statements taken by national regulators in the period August 2016-July 2017 (ESMA32-63-427/19.4.2018);

-assistance to the work of the Corporate Finance Standing Committee on the preparation of Regulatory Technical Standards under the Prospectus Directive (ESMA31-62-1002/17.7.2018);

-a statement on European common enforcement priorities for 2018 IFRS financial statements (ESMA32-63-503/26.10.2018);

-assistance to the preparation of the ESMA response to the European Commission consultation on the Fitness Check of the EU framework for public reporting by companies (ESMA32-51-522/17.7.2018);

-preparation and posting on the ESMA website of the first video tutorial on the European Single Electronic Format (ESEF), the electronic format that shall be used by all issuers for the submission of the annual financial reports for the fiscal years starting on January 1, 2020, in accordance with the provisions of Transparency Directive (2004/109/EC, as amended by Directive 2013/50/EU), with the aim of facilitating the accessibility, analysis and comparability of annual financial reports (ESMA32-60-403/19.11.2018).

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 on CRs (as amended), and the performance of credit rating activities by third-country CRAs (CRA Regulation). It is also dealing with issues pertaining to the Securitisations Regulation (SR) (Regulation (EU) 2017/2402).

In 2018, the Technical Committee worked on:

-its annual report for 2017 and its work programme for the supervision of credit rating agencies, trade repositories, and monitoring of third party central counterparties (ESMA80-199-153/8.2.2018);

-a consultation paper on guidelines on the application of the endorsement regime under Article 4(3) of the CRA Regulation (ESMA33-9-235/27.3.2018) and final report (ESMA33-9-246/18.7.2018);

-a consultation paper on revised guidelines on periodic reporting by CRAs (2nd edition) (ESMA33-9-252/19.7.2018);

-ESMA public statement on contingency plans for credit rating agencies and trade repositories in the context of the UK withdrawing from the European Union (ESMA80-187-149/9.11.2018);

-annual report on the calculation of CRA market shares (ESMA33-9-281/30.11.2018);

-a consultation paper on guidelines on the transparency obligations of CRAs (ESMA70-9-290/19.12.2018).

In the field of securitisations, the Technical Committee worked on the final report on draft regulatory technical standards on the authorisation of firms providing STS verification services under the SR (ESMA33-128-473/16.7.2018), and the final report on STS notification under the SR (ESMA33-128-477/16.7.2018).

IT Management and Governance Group

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

The work of the Group during 2018 mainly consisted in the following:

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

Moreover, in 2018 ITMG operated the Pan-European Financial Instruments Reference Data System (FIRDS). FIRDS collects, manages, and discloses financial instruments reference data and trading transparency data under MiFID II and the MiFIR and MAR regulations. In the context of FIRDS, and under the supervision of ITMG, the following sub-systems are also in operation 1|FITRS: calculations of pre- and post-trading transparency data, 2| SARIS: suspension of trading X/M, 3|DVCAP: collection and disclosure of trading volume data in the EEA. The implementation and operation of this IT project was assigned to ESMA by 27 national regulators of the European Economic Area (EEA).

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

Finally, the single electronic register of ESMA (ESMA Registers) was launched during the same year under the technical supervision of ITMG.

The HCMC and European institutional bodies and instruments

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 2018, the Hellenic Capital Market Commission monitored, on the technical level the following dossiers that were submitted to the European Council: the proposal for a regulation on the Pan-European Personal Pension Product; the proposal for the amendment of EMIR in regard to the authorisation of third country central counterparties and authorities involved in, and the requirements for, the recognition of third country central counterparties; the proposal for the amendment of EMIR in regard to the clearing obligation, the suspension of the clearing obligation,

reporting requirements, risk mitigation techniques for OTC derivatives contracts not cleared by a central counterparty, the registration and supervision of trade repositories and the requirements for trade repositories (EMIR REFIT), the proposal for the amendment of Directive 2007/36/EC on the encouragement of long-term shareholder involvement and Directive 2013/34/EU on certain elements of the corporate governance statement, the proposal for a directive and a regulation on the prudential supervision of investment firms, the proposal for a Regulation on enhancing the cross-border distribution of collective investment funds and the amendment of Regulations 345/2013 and 346/2013, the proposal package on sustainable finance, the proposal for a Regulation on the amendment of Regulations 596/2014 and 2017/1129 on the promotion of SME listing, the proposal for a Regulation on the European providers of crowdfunding services, as well as the proposal for the amendment of the founding legislation of the three European Supervisory Authorities (ESFS Review Package).

In addition, in 2018 the Hellenic Capital Market Commission participated in the work of the Expert Group of the European Securities Committee (EGESC), the Informal Company Law Expert Group, and the College for Critical Benchmarks.

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 129 ordinary members from more than 100 countries. The Hellenic Capital Market Commission is represented by its Chairman in the proceedings of the European Regional Committee, as well as the Presidents Committee, which comprises all Presidents (Chairs) of IOSCO members. The Hellenic Capital Market Commission is also actively involved in the work of IOSCO Committee 4, whose work concerns the prevention and detection of capital market violations on the international level, mainly through the enhancement and encouragement of collaboration among regulators. Moreover, the Hellenic Capital Market Commission participates in the work of the IOSCO Screening Group, which evaluates potential signatories of the IOSCO Multilateral Memorandum of Understanding (IOSCO MMoU), as well as the new Enhanced Multilateral Memorandum of Understanding (Enhanced MMoU – EMMoU), which was adopted by IOSCO in April 2017. The EMMoU extends the scope of mutual assistance among regulators, by adding, among other things, new types of confidential information regulators will be able to exchange. These new types of information and/or assistance are the following: information about persons owning or controlling other persons or assets; information about audits, especially the audits of financial statements; compelling physical attendance for testimony in front of the assisting authority; power to freeze assets, when allowed by the law; and data traffic records.

The Hellenic Capital Market Commission and other international bodies

Mediterranean Partnership of Securities Regulators

The Mediterranean Partnership of Securities Regulators (MPSR) comprises Algeria, Cyprus, Egypt, Greece, Italy, Morocco, Portugal, Spain, Tunisia, and Turkey, and its purpose is to develop complementary actions and ensuring the implementation of IOSCO's principles by the securities regulators of this region. In 2018, the annual meeting of the chairs of the national capital market regulators that participate in the programme, as well as the seminar that is conducted alongside the annual meeting, were held in Athens by the Hellenic Capital Market Commission.

Organisation of Economic Cooperation and Development

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

Financial Action Task Force

The Financial Action Task Force is an international policy-making body, which establishes international standards for suppressing money laundering and terrorist financing. The Hellenic Capital Market Commission monitors the work of the Task Force both on the plenary, and on the individual working group levels.

Bilateral Memoranda of Understanding

The purpose of Memoranda of Understanding (MoU) is to establish and implement a procedure for the provision of assistance among competent authorities for the supervision of the capital market, in order to help them perform their functions. Up to this date, the Hellenic Capital Market Commission has signed 26 bilateral and 2 multilateral Memoranda of Understanding for the exchange of information and, in general, the provision of assistance.

PASSPORTING

Provision of investment services as part of Directive 2014/65/EU on markets in financial instruments (MiFID)

At the end of 2018, 2,564 undertakings from EEA countries provided investment services in Greece, as compared to 2,452 at the end of 2017 (see Table 31).

As regards the distribution of undertakings per country, the United Kingdom is first with 1,892 firms, followed by Cyprus with 224, Germany with 60, Luxembourg with 52, the Netherlands with 50 firms, and France with 48 firms.

Twenty (20) 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, 2016-2018

Country	Total of Active Companies		
	2018	2017	2016
Austria	31	30	28
Belgium	10	9	10
Bulgaria	8	6	6
France	48	44	40
Germany	60	55	50

Country	Total of Active Companies		
	2018	2017	2016
Denmark	11	9	9
Estonia	1	1	1
United Kingdom	1,892	1,836	1,831
Ireland	45	38	39
Italy	16	16	16
Iceland	1	0	0
Spain	14	13	11
Croatia	1	1	0
Cyprus	224	206	178
Latvia	2	2	1
Lithuania	1	1	1
Lichtenstein	14	13	12
Luxembourg	52	49	52
Malta	26	22	20
Norway	29	27	29
Netherlands	50	44	43
Hungary	1	1	1
Poland	1	1	2
Portugal	2	2	1
Romania	1	2	2
Slovakia	3	2	2
Slovenia	1	1	1
Sweden	6	8	8
Czech Republic	3	3	3

Country	Total of Active Companies		
	2018	2017	2016
<i>Finland</i>	10	10	9
Total	2,564	2,452	2,406

Source: HCMC

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

At the end of 2018, 76 AIFMs from the EU offered investment services in Greece under Directive 2011/61/EC (MiFID), as compared to 68 in 2017 (see table 32).

As regards the distribution of AIFMs per country, the United Kingdom is ranked first with 62 AIFMs.

TABLE 32. Provision of Investment Services (MiFID) by EU AIFMs in Greece, 2016-2018

Country	Total EU AIFMs		
	2018	2017	2016
<i>France</i>	4	2	2
<i>Germany</i>	2	1	0
<i>Cyprus</i>	1	0	0
<i>United Kingdom</i>	62	61	56
<i>Luxembourg</i>	3	0	0
<i>Malta</i>	2	2	2
<i>Netherlands</i>	2	2	2
Total	76	68	62

Source: HCMC

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

At the end of 2018, 65 EEA AIFMs marketed shares in 201 EEA AIFs in Greece, as compared to 69 and 205 respectively in 2017 (see tables 33 and 34).

As regards the distribution of EEA AIFMs per country, the United Kingdom is ranked first with 30 AIFMs.

As regards the distribution of EEA AIFs per country, Luxembourg is ranked first with 129 AIFs.

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

TABLE 33. EEA AIFMs marketing shares in EEA AIFs in Greece, 2016-2018

Country	Total EEA AIFMs		
	2018	2017	2016
<i>France</i>	2	1	1
<i>Denmark</i>	1	1	0
<i>United Kingdom</i>	30	37	32
<i>Ireland</i>	6	6	6
<i>Italy</i>	0	0	1
<i>Cyprus</i>	1	4	3
<i>Lichtenstein</i>	1	0	0
<i>Luxembourg</i>	18	13	14
<i>Malta</i>	2	2	0
<i>Norway</i>	1	1	2
<i>Netherlands</i>	2	1	1
<i>Slovenia</i>	0	1	0
<i>Sweden</i>	1	2	4
Total	65	69	64

Source: HCMC

TABLE 34. EEA AIFs marketed in Greece by EEA AIFMs, 2016-2018

Country	Total EEA AIFs		
	2018	2017	2016
<i>France</i>	0	1	1
<i>United Kingdom</i>	14	37	46
<i>Ireland</i>	50	65	113
<i>Italy</i>	0	0	1

Country	Total EEA AIFs		
	2018	2017	2016
<i>Cyprus</i>	1	3	2
<i>Lichtenstein</i>	2	0	0
<i>Luxembourg</i>	129	92	76
<i>Malta</i>	4	3	3
<i>Norway</i>	0	0	1
<i>Netherlands</i>	1	2	3
<i>Slovenia</i>	0	1	0
<i>Sweden</i>	0	1	4
Total	201	205	250

Source: HCMC

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

At the end of 2018, 29 EU EuVECA Managers marketed 47 EU EuVECAs in Greece, as compared to 20 and 26 respectively in 2017 (see tables 35 and 36). As regards the distribution of EuVECA Managers per country, the United Kingdom is ranked first with 11 EuVECA Managers. As regards the distribution of EuVECAs per country, the United Kingdom is also ranked first with 23 EuVECAs.

TABLE 35. EU EuVECA Managers marketing EUVECAs in Greece, 2016-2018

Country	Total EuVECA Managers		
	2018	2017	2016
<i>Austria</i>	2	1	0
<i>France</i>	1	1	1
<i>Germany</i>	4	2	3
<i>United Kingdom</i>	11	8	7
<i>Ireland</i>	2	2	2
<i>Latvia</i>	0	0	1
<i>Luxembourg</i>	1	1	1

Country	Total EuVECA Managers		
	2018	2017	2016
<i>Netherlands</i>	2	1	0
<i>Portugal</i>	1	0	0
<i>Sweden</i>	5	4	2
Total	29	20	17

Source: HCMC

TABLE 36. EuVECAs marketed in Greece by EU EuVECA Managers, 2016-2018

Country	Total EuVECAs		
	2018	2017	2016
<i>Austria</i>	3	1	0
<i>France</i>	2	1	1
<i>Germany</i>	4	2	3
<i>United Kingdom</i>	23	13	9
<i>Ireland</i>	2	2	2
<i>Latvia</i>	0	0	1
<i>Netherlands</i>	3	1	0
<i>Luxembourg</i>	3	3	2
<i>Portugal</i>	1	0	0
<i>Sweden</i>	6	3	2
Total	47	26	20

Source: HCMC

Marketing of EU European Social Entrepreneurship Funds (EuSEF) in Greece by EU European Social Entrepreneurship Fund Managers (EuSEF Managers)

At the end of 2018, 1 EuSEF Manager from the United Kingdom marketed 1 UK EuSEF in Greece.

Source: HCMC

ANNEX 1. HCMC DECISIONS

No. Of Rule / Gazette	Title	Summary
1/808/7.2.2018 (Gov. Gaz. B/ 812/7.2.2018)	Organisational requirements for the protection of clients' financial instruments and funds, the monitoring of products, and the provision or receipt of fees, commissions or other monetary or non-monetary benefits.	On the transposition of Commission Delegated Directive (EU) 2017/593 of 7 April 2016 "supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to safeguarding of financial instruments and funds belonging to clients, product governance obligations and the rules applicable to the provision or reception of fees, commissions or any monetary or non-monetary benefits."
2/808/7.2.2018 (Gov. Gaz. B / 59622.2.2018)	Registration of tied agents	On the maintenance of a investment firm, FIF tied agent register by the Hellenic Capital Market Commission.
18/809/21.2.2018 (Gov. Gaz. B/ 859/12.3.2018)	Certification of suitability of persons providing services, in accordance with article 93 of Law 4514/2018	On the certification of suitability of persons providing services, in accordance with article 93 of Law 4514/2018
19/809/21.2.2018 (Gov. Gaz. B 5992/31.12.2018)	Syllabus of the examinations for the certification of suitability of persons providing services, in accordance with article 93 of Law 4514/2018	On the syllabus of the examinations for the certification of suitability of persons providing services, in accordance with article 93 of Law 4514/2018
5/820/30-5-2018 (Gov. Gaz. B 2732/10.7.2018)	Amendment of paragraph 2 of article 10 of HCMC Decision 1/506/8.4.2009 "Prevention of the use of the financial system for the purpose of money laundering and terrorist financing" (Gov. Gaz. B/834/6.5.2009) (COMPLIANCE OFFICER ANNUAL REPORT).	On the amendment of paragraph 2, of article 10 of HCMC Decision 1/506/8.4.2009 "Prevention of the use of the financial system for the purpose of money laundering and terrorist financing."
15/824/19.7.2018 (Gov. Gaz. B/ 3879/7.9.2018)	Approval of the amendment to the Rulebook of the Athens Exchange	On the amendments to the Rulebook of the Athens Stock Exchange, as decided at meetings No. 163/04.05.2018 and 164/29.06.2018 16 of the Stock Markets Steering Committee
16/824/19.7.2018 (Gov. Gaz. B/ 3879/7.9.2018)	Amendment of HCMC Decision 3/304/10.06.2004 (gazette 901 B/16.6.2004) on the "Regulation for the Operation of the Dematerialized Securities System"	On the replacement of paragraph 2 of article 36 of the Rulebook of the Athens Exchange
4 /831/ 11/6/2018 (Gov Gaz. B 5645/2018)	Amendment of HCMC Decision 2/621/12.07.2012 "Increase of the investment limit of paragraph 1 of article 24 of Law 3283/2004 regarding the mutual funds that reproduce the composition of the ATHEX Composite Index."	On the increase of the investment limit of paragraph 1 of article 24 of Law 3283/2004 regarding the mutual funds that reproduce the composition of the ATHEX Composite Index.

No. Of Rule / Gazette	Title	Summary
17/834/ 12/20/2018 (Gov Gaz. B 6056/2018)	<i>Suspension of the redemption of UCITS shares on December 24th, 2018.</i>	<i>On the suspension of the redemption of shares in all types of UCITS on December 24th, 2018.</i>

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

- *January 17, 2018, Paris, Meeting of ESMA's Supervision Co-ordination Network;*
- *January 18, 2018, Brussels, Meeting of the expert group at the Council, concerning the amendment of the founding legislation of the European Supervisory Authorities;*
- *January 23, 2018, Brussels, Meeting of the European Commission Panel on the transportation of Directive 2016/2341 in the national legislation of the member states;*
- *January 26, 2018, Paris, Meeting of ESMA's IT Management and Governance Group;*
- *January 29 and 30, 2018, Paris, Meeting of ESMA's Market Integrity Standing Committee;*
- *January 30, 2018, Brussels, Meeting of the expert group at the Council, concerning the amendment of the founding legislation of the European Supervisory Authorities;*
- *January 30, 2018, Brussels, European Commission meetings of the EU Corporate Governance Working Group concerning the amendment of Directive 2007/36/EC, and the Company Law expert group;*
- *January 31, 2018, Paris, Meeting of the Plenary of the Board of Supervisors of ESMA;*
- *February 02, 2018, Paris, Meeting of ESMA's Post-Trading Standing Committee;*
- *February 06, 2018, Madrid, Meeting of the European Regional Committee of IOSCO;*
- *February 13, 2018, Paris, Meeting of ESMA's Supervisory Convergence Standing Committee;*
- *February 14, 2018, Brussels, Meeting of the College of Supervisors for Euribor;*
- *February 15, 2018, Paris, Meeting of the task force on initial coin offerings and crypto-assets of the Financial Innovation Standing Committee of ESMA;*
- *February 16, 2018, Paris, Meeting of the ESMA Enforcement network;*
- *February 19, 2018, Brussels, Meeting of the expert group at the Council, concerning the amendment of the founding legislation of the European Supervisory Authorities;*
- *February 19 to 23, 2018, Paris, Meetings of the working groups and the plenary of the Financial Action Task Force (FATF);*
- *February 21, 2018, Frankfurt, Meeting of the sub-committee on PRIIPS of the Committee of the European Supervisory Authorities (ESAs) on Investor Protection and Financial Innovation;*
- *February 21, 2018, Paris, Meeting of ESMA's Investor Protection and Intermediaries Standing Committee;*
- *February 22, 2018, Brussels, Meeting of the expert group at the Council, concerning the amendments on the supervision of systemic investment firms;*
- *February 26, 2018, Brussels, Meeting of the expert group at the Council, concerning the proposal of the European Commission on the supervision of central counterparties and the recognition of third-country CCPs;*
- *February 27, 2018, Paris, Meeting of ESMA's Secondary Markets Standing Committee;*
- *February 27, 2018, Brussels, Meeting of the expert group at the Council, concerning the proposal on the Pan-European Personal Pension Product;*
- *February 28, 2018, Paris, Meeting of ESMA's Investment Management Standing Committee;*
- *March 1, 2018, Paris, Meeting of ESMA's Financial Innovation Standing Committee;*
- *March 5, 2018, Paris, Meeting of ESMA's Corporate Finance Standing Committee;*
- *March 6 to 7, 2018, Paris, Meeting of the "European Enforcers Coordination Sessions (EECS)" Sub-committee of ESMA's Corporate Reporting Standing Committee;*
- *March 7 to 8, 2018, Milan, Meeting of ESMA's Market Integrity Standing Committee;*
- *March 8, 2018, Paris, Meeting of ESMA's Committee of Economic and Markets' Analysis;*
- *March 8, 2018, Brussels, Meeting of the expert group at the Council, concerning the amendment of the founding legislation of the European Supervisory Authorities;*

- *March 9, 2018, Paris, Meeting of ESMA's Post-Trading Standing Committee;*
- *March 9, 2018, Frankfurt, Meeting of the sub-committee of the European Supervisory Authorities (ESAs) on Investor Protection and Financial Innovation;*
- *March 15, 2018, Paris, Meeting of ESMA's IT Management and Governance Group;*
- *March 20 to 21, 2018, London, Participation in a seminar by the European Banking Authority, on: Workshop and training on the risk-based approach to anti-money-laundering and counter-terrorist financing,*
- *March 20 to 22, 2018, Singapore, Meetings of the IOSCO Screening Group and the IOSCO Policy Committee 4;*
- *March 21, 2018, Paris, Meeting of a sub-working group of ESMA's Investor Protection and Intermediaries Standing Committee;*
- *March 22 to 23, 2018, Sofia, Meeting of the Plenary of the Board of Supervisors of ESMA;*
- *March 26, 2018, Paris, Meeting of the task force on initial coin offerings and crypto-assets of the Financial Innovation Standing Committee of ESMA;*
- *March 26, 2018, Brussels, Meeting of the expert group at the Council, concerning the amendment of the founding legislation of the European Supervisory Authorities;*
- *March 27, 2018, Brussels, Meeting of the expert group at the Council, concerning the amendments on the supervision of systemic investment firms;*
- *March 28, 2018, Brussels, Meeting of the expert group at the Council, concerning the proposal on the Pan-European Personal Pension Product;*
- *April 12, 2018, Brussels, Meeting of the expert group at the Council, concerning the amendment of the founding legislation of the European Supervisory Authorities;*
- *April 13, 2018, Brussels, Meeting of the expert group at the Council on the cross-border distribution of investment funds;*
- *April 16, 2018, Paris, Meeting of ESMA's Supervisory Convergence Standing Committee;*
- *April 17 to 18, 2018, Paris, Meeting of ESMA's Market Integrity Standing Committee;*
- *April 17 to 18, 2018, Paris, Meeting of the "European Enforcers Coordination Sessions (EECS)" Sub-committee of ESMA's Corporate Reporting Standing Committee;*
- *April 19, 2018, Paris, Meeting of ESMA's Investor Protection and Intermediaries Standing Committee;*
- *April 20, 2018, London, Meeting of the sub-committee of the European Supervisory Authorities (ESAs) on the cross-border supervision of the provision of financial services to private investors;*
- *April 23 to 24, 2018, Frankfurt, Meeting of the sub-committee on PRIIPS of the Committee of the European Supervisory Authorities (ESAs) on Investor Protection and Financial Innovation;*
- *April 24, 2018, Paris, Meeting of ESMA's Supervision Co-ordination Network;*
- *April 24, 2018, Paris, Meeting of ESMA's Secondary Markets Standing Committee;*
- *April 25 to 27, 2018, Sofia, Participation at the Eurofi High Level Seminar 2017;*
- *May 3 to 4, 2018, Paris, Meeting of ESMA's Investment Management Standing Committee;*
- *May 7 to 11, 2018, Budapest, IOSCO Annual Conference;*
- *May 16, 2018, Paris, Meeting of ESMA's IT Management and Governance Group;*
- *May 17, 2018, Brussels, Meeting of the expert group at the Council on the cross-border distribution of investment funds;*
- *May 18, 2018, Frankfurt, Meeting of the sub-committee of the European Supervisory Authorities (ESAs) on the cross-border supervision of the provision of financial services to private investors;*
- *May 22, 2018, Paris, Meeting of the task force on initial coin offerings and crypto-assets of the Financial Innovation Standing Committee of ESMA;*

- *May 23, 2018, Brussels, Meeting of the expert group at the Council, concerning the amendment of the founding legislation of the European Supervisory Authorities;*
- *May 23 to 24, 2018, Paris, Meeting of the Plenary of the Board of Supervisors of ESMA;*
- *May 29 to 30, 2018, Paris, Meeting of ESMA's Market Integrity Standing Committee;*
- *May 29 to 30, 2018, Prague, Meeting of the "European Enforcers Coordination Sessions (EECS)" Sub-committee of ESMA's Corporate Reporting Standing Committee;*
- *June 06, 2018, Paris, Meeting of the Committee of the European Supervisory Authorities (ESAs) on Investor Protection and Financial Innovation;*
- *June 6 to 7, 2017, Paris, Meeting of ESMA's Committee of Economic and Markets' Analysis;*
- *June 7 to 8, 2018, Lisbon, Participation in a seminar on ESMA/CMVM Training on Key Issues Regarding the Detection and Enforcement of the Market Abuse Regime under the New Regulatory Framework;*
- *June 8, 2018, Paris, Meeting of ESMA's Investment Management Standing Committee;*
- *June 11 2018, Brussels, Meeting of the European Commission's transposition workshop (for the transposition of Directive (EU) 2016/2341 of the European Parliament and the Council on the activities and supervision of institutions for occupational retirement provision;*
- *June 11 to 12, 2018, Stockholm, Participation in the International Takeover Regulators Conference Stockholm;*
- *June 12, 2018, Paris, Meeting of ESMA's Secondary Markets Standing Committee;*
- *June 12, 2018, Paris, Meeting of ESMA's Supervisory Convergence Standing Committee;*
- *June 13, 2018, Paris, Meeting of ESMA's Corporate Finance Standing Committee;*
- *June 14, 2018, Paris, Meeting of ESMA's Post-Trading Standing Committee;*
- *June 13 to 14, 2018, Paris, Meeting of ESMA's Investor Protection and Intermediaries Standing Committee;*
- *June 18 to 20, 2018, New York, Participation in the "6th Greek Investment Forum in New York";*
- *June 19, 2018, Paris, Meeting of the ESMA Enforcement network;*
- *June 20, 2018, Paris, Meeting of ESMA's Financial Innovation Standing Committee;*
- *June 20, 2018, Paris, Meeting of ESMA's Corporate Reporting Standing Committee;*
- *June 21, 2018, Paris, Meeting of the ESEF Working Group of ESMA's Corporate Reporting Standing Committee;*
- *June 21, 2018, Paris, Meeting of ESMA's Supervision Co-ordination Network;*
- *June 22, 2018, Lisbon, Participation in a conference on "Joint ESAs Consumer Protection Day";*
- *June 24 to 29, 2018, Paris, Meetings of the working groups and the plenary of the Financial Action Task Force (FATF);*
- *June 26, 2018, Paris, Meeting of ESMA's Technical Committee on Credit Rating Agencies;*
- *June 28, 2018, Frankfurt, 30th meeting of the plenary of the European Systemic Risk Board;*
- *July 2 to 3, 2018, Frankfurt, Meeting of the sub-committee on PRIIPS of the Committee of the European Supervisory Authorities (ESAs) on Investor Protection and Financial Innovation;*
- *July 3 to 4, 2018, Paris, Meeting of ESMA's Market Integrity Standing Committee;*
- *July 5, 2018, Brussels, Meeting of the expert group at the Council, concerning the amendment of the founding legislation of the European Supervisory Authorities;*
- *July 10, 2018, Estoril, Participation in the EurAfrican Forum on "Crafting Coalition for Change";*
- *July 10 to 11, 2018, Paris, Meeting of the Plenary of the Board of Supervisors of ESMA;*
- *July 10 to 11, 2018, Paris, Meeting of the "European Enforcers Coordination Sessions (EECS)" Sub-committee of ESMA's Corporate Reporting Standing Committee;*
- *July 17, 2018, Paris, Meeting of ESMA's Supervision Co-ordination Network;*
- *July 18, 2018, Paris, Meeting of ESMA's Investment Management Standing Committee;*
- *July 19, 2018, Paris, Meeting of the task force on initial coin offerings and crypto-assets of the Financial Innovation Standing Committee of ESMA;*

- September 03, 2018, Amsterdam, Meeting of ESMA's Investor Protection and Intermediaries Standing Committee;
- September 5 to 7, 2018, Amsterdam, Meetings of the IOSCO Screening Group and the IOSCO Policy Committee 4;
- September 5 to 7, 2018, Vienna, Participation at the Eurofi High Level Seminar 2017;
- September 6 to 7, 2018, Frankfurt, Meeting of the sub-committee on PRIIPS of the Committee of the European Supervisory Authorities (ESAs) on Investor Protection and Financial Innovation;
- September 11, 2018, Paris, Meeting of ESMA's Supervision Co-ordination Network;
- September 12, 2018, Paris, Meeting of ESMA's Committee of Economic and Markets' Analysis;
- September 13, 2018, Paris, Meeting of ESMA's Financial Innovation Standing Committee;
- September 14, 2018, Paris, Meeting of a sub-working group of ESMA's Investor Protection and Intermediaries Standing Committee;
- September 18 to 18, 2018, Paris, Meeting of ESMA's Market Integrity Standing Committee;
- September 19, 2018, Brussels, Meeting of the expert group at the Council, concerning the proposal of the European Commission on the supervision of central counterparties and the recognition of third-country CCPs;
- September 19 to 20, 2018, London, Participation in the "13th Annual Greek Roadshow";
- September 20 to 21, 2018, Paris, Meeting of ESMA's Post-Trading Standing Committee;
- September 24 to 28, 2018, Moscow, Participation in a training seminar for Financial Action Task Force (FATF) assessors;
- September 26, 2018, Vienna, Meeting of the Plenary of the Board of Supervisors of ESMA;
- September 26, 2018, Brussels, Meeting of the expert group at the Council, concerning the amendment of the founding legislation of the European Supervisory Authorities;
- September 27, 2018, Frankfurt, 31st meeting of the plenary of the European Systemic Risk Board;
- September 28, 2018, Frankfurt, Participation in the 3rd Conference of the European Systemic Risk Board;
- September 28, 2018, Brussels, Meeting of the expert group at the Council on crowdfunding issues;
- October 2, 2018, Meeting of the sub-group on investor protection and financial innovation of the Joint Committee of the European Supervisory Authorities (ESAs);
- October 3, 2018, Lisbon, Meeting of ESMA's Supervisory Convergence Standing Committee;
- October 4, 2018, Luxembourg, Meeting of the European Regional Committee of IOSCO;
- October 4, 2018, Paris, Meeting of ESMA's Investment Management Standing Committee;
- Friday, October 05, 2018, Participation in an ESMA seminar on the protection of personal data;
- October 10 to 11, 2018, Paris, Meeting of ESMA's Investor Protection and Intermediaries Standing Committee;
- October 15, 2018, Paris, Meeting of the expert group at the Council, concerning the amendments on the supervision of systemic investment firms;
- October 16 to 17, 2018, Paris, Meeting of the "European Enforcers Coordination Sessions (EECS)" Sub-committee of ESMA's Corporate Reporting Standing Committee;
- October 16 to 19, 2018, Paris, Meetings of the working groups and the plenary of the Financial Action Task Force (FATF);
- October 17, 2018, Paris, Meeting of ESMA's IT Management and Governance Group;
- October 18, 2018, Paris, Meeting of the ESMA Enforcement network;
- November 05, 2018, Brussels, Meeting of the expert group at the Council, concerning the proposal on crowdfunding;
- November 6 to 7, 2018, Paris, Meeting of ESMA's Market Integrity Standing Committee;
- November 7 to 8, 2018, Paris, Meeting of the Plenary of the Board of Supervisors of ESMA and Joint Meeting with the representatives of the Securities and Markets Stakeholders Group (SMSG) of ESMA;
- November 6 to 8, 2018, Madrid, Participation in the 2018 IOSCO Seminar Training Program;
- November 14, 2018, Paris, Meeting of ESMA's Technical Committee on Credit Rating Agencies;

- *November 14 to 15, 2018, Paris, Participation in ESMA Workshops: 1) EU Alternative Investment Funds Market, and 2) ESMA on costs and past performance of retail investment;*
- *November 15 to 16, 2018, Paris, Meeting of ESMA's Investment Management Standing Committee;*
- *November 16, 2018, Brussels, Meeting of the expert group at the Council, concerning the amendments on the supervision of systemic investment firms;*
- *November 17, 2018, Paris, Meeting of ESMA's Supervision Co-ordination Network;*
- *November 21, 2018, Paris, Meeting of ESMA's Market Data Standing Committee;*
- *November 22, 2018, Paris, Meeting of ESMA's Investor Protection and Intermediaries Standing Committee;*
- *November 23, 2018, Paris, Meeting of ESMA's Supervisory Convergence Standing Committee;*
- *November 23, 2018, Paris, Meeting of ESMA's Corporate Finance Standing Committee;*
- *November 27, 2018, Paris, Meeting of ESMA's IT Management and Governance Group;*
- *November 27 to 29, 2018, Madrid, Meetings of the IOSCO Screening Group and the IOSCO Policy Committee 4;*
- *November 28, 2018, Brussels, Meeting of ESMA's Financial Innovation Standing Committee;*
- *November 28 to 29, 2018, Paris, Participation in ESMA seminars on 1) MIFID II – Information to clients on costs and charges – Investor Protection and Intermediaries, and 2) Advance Training on MIFID II;*
- *November 29 to 30, 2018, Frankfurt, Meeting of the sub-committee on PRIIPS of the Committee of the European Supervisory Authorities (ESAs) on Investor Protection and Financial Innovation;*
- *December 4 to 5, 2018, Paris, Meeting of ESMA's Committee of Economic and Markets' Analysis;*
- *December 7, 2018, Frankfurt, 32nd meeting of the plenary of the European Systemic Risk Board;*
- *December 11, 2018, London, Participation in the Bloomberg Global Regulatory Forum 2018;*
- *October 11 to 17, 2018, Paris, Meeting of the "European Enforcers Coordination Sessions (EECS)" Sub-committee of ESMA's Corporate Reporting Standing Committee;*
- *December 14, 2018, London, Meeting of the sub-group of the EBA Standing Committee on the design of consolidation measures;*
- *December 18, 2018, Paris, Meeting of the Plenary of the Board of Supervisors of ESMA;*
- *December 19, 2018, Paris, Meeting of ESMA's Supervision Co-ordination Network;*
- *December 19 to 20, 2018, Paris, Meeting of ESMA's Market Integrity Standing Committee.*

TABLE I. Fundamentals of the ATHEX and foreign Exchanges, 2018

Stock Exchange	Market Capitalisation		Value of Transactions on shares (EOB) ¹		Turnover ratio ² (%)	No. of listed companies
	Amount (USD\$ mn)	Y-o-y % change	Amount (USD\$ mn)	Y-o-y % change		
NYSE (US)	20,679,476.9	-6.3%	19,340,917.9	33.1%	93.5%	2285
Nasdaq (US)	9,756,836.1	-2.8%	16,789,814.7	48.1%	172.1%	3058
Japan Exchange Group	5,296,811.1	-14.9%	6,296,851.2	8.3%	118.9%	3657
London Stock Exchange	3,919,420.3	-23.0%	6,116,030.5	-19.1%	156.0%	1450
Euronext ³	3,730,398.3	-15.1%	2,203,335.0	13.4%	59.1%	1208
Hong-Kong Exchanges	3,819,215.4	-12.2%	2,340,205.1	19.6%	61.3%	2315
LSE Group	3,637,996.0	-18.3%	2,547,770.6	9.4%	70.0%	2479
TMX Group	1,937,902.7	-18.1%	1,447,555.4	16.3%	74.7%	3383
Shenzhen Stock Exchange	2,405,459.5	-33.6%	7,562,568.9	-17.0%	314.4%	2134
Deutsche Boerse AG	1,755,172.8	-22.4%	1,818,479.4	22.7%	103.6%	514
SIX Swiss Exchange	1,441,160.5	-14.5%	965,716.1	2.4%	67.0%	270
Australian Securities	1,262,800.3	-16.3%	859,303.9	3.5%	68.0%	2146
Korea Exchange	1,413,716.5	-20.2%	2,520,790.6	31.3%	178.3%	2207
Nasdaq Nordic Exchanges ⁴	1,322,817.5	-13.7%	849,594.0	6.0%	64.2%	1019
BME Spanish Exchanges	723,691.0	-18.6%	649,890.1	-7.4%	89.8%	3006
Athens Stock Exchange	38,370.8	-24.2%	12,802.3	-11.7%	33.4%	187

Source: World Federation of Exchanges, LSE Group: Bloomberg

Notes:

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

TABLE II. Market Share and Total Assets per MFMC, 2016-2018

MFMF	31.12.2018				31.12.2017				31.12.2016			
	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)	114	1,808.38	29.84	-1.30	111	2,073.39	31.15	-7.17	119	2,460.85	38.32	-7.58
ALPHA ASSET MANAGEMENT	42	1,111.18	18.34	0.15	48	1,210.90	18.19	0.18	27	1,156.71	18.01	3.19
HELLENIC PENSION FUND MANAGEMENT	2	1,068.27	17.63	0.64	2	1,131.14	16.99	3.39	2	873.20	13.60	2.61
NBG ASSET MANAGEMENT	26	802.40	13.24	-0.02	24	882.60	13.26	-0.47	27	881.53	13.73	1.15
PIRAEUS ASSET MANAGEMENT	53	506.66	8.36	-0.02	28	557.63	8.38	2.94	28	349.48	5.44	-0.55
ALPHA TRUST	17	205.79	3.40	0.01	13	225.42	3.39	0.49	13	186.13	2.90	0.59
TRITON ASSET MANAGEMENT (HSBC)	6	143.53	2.37	0.42	6	129.59	1.95	0.39	6	99.85	1.56	0.23
METLIFE (ALICO)	12	128.02	2.11	-0.01	13	144.26	2.17	-0.29	14	158.17	2.46	0.25
ALLIANZ	7	72.56	1.20	-0.05	7	82.75	1.24	0.18	7	67.99	1.06	0.18
EUROPEAN RELIANCE ASSET MANAGEMENT	6	67.63	1.12	0.04	5	71.79	1.08	0.26	5	52.39	0.82	0.15
3K INVESTMENT PARTNERS (ING)	9	66.02	1.09	0.20	9	59.18	0.89	0.11	5	49.98	0.78	0.00
ATTICA WEALTH MANAGEMENT	5	35.63	0.59	-0.03	6	40.94	0.62	-0.04	6	42.08	0.66	-0.16
CPB ASSET MANAGEMENT (MARFIN GLOBAL)	4	29.15	0.48	-0.05	5	35.44	0.53	-0.01	5	34.86	0.54	-0.02
ATHOS ASSET MANAGEMENT	13	14.74	0.24	0.02	5	2.51	0.04	0.00	-	-	-	-
THETIS (ex INTERNATIONAL)	-	-	-	-	4	9.34	0.14	0.01	4	8.06	0.13	-0.01
TOTAL	316	6,059.95	100		286	6,656.89	100		268	6,421.29	100.00	-

Source: Hellenic Fund & Asset Management Association.

TABLE III Distribution of mutual fund assets (%) per MFMC, 31.12.2018

MFMF	Money market			Bond	Balanced	Equity	Funds of Funds	Index	Specialist
	Short term	Money market	Total						
3K INVESTMENT PARTNERS	4.62	-	4.62	9.11	10.17	76.09	-	-	-
ALLIANZ	-	6.77	6.77	30.86	44.61	17.76	-	-	-
ALPHA ASSET MANAGEMENT	-	10.54	10.54	28.50	20.36	20.34	18.43	0.93	0.90
ALPHA TRUST	2.53	-	2.53	18.93	24.69	36.61	17.24	-	-
ATHOS ASSET MANAGEMENT	-	9.02	9.02	41.66	33.93	15.40	-	-	-
ATTICA WEALTH MANAGEMENT	-	-	-	39.20	37.10	17.12	6.58	-	-
CPB ASSET MANAGEMENT	-	32.52	32.52	-	-	32.54	34.94	-	-
EUROBANK EFG ASSET MANAGEMENT	11.14	13.15	24.29	26.53	2.00	8.20	29.87	-	9.12
METLIFE	-	7.00	7.00	46.81	7.81	27.01	5.37	6.00	-
TRITON ASSET MANAGEMENT	-	36.92	36.92	14.14	12.81	36.13	-	-	-
HELLENIC PENSION FUND MFMC	-	-	-	29.36	70.64	-	-	-	-
NBG ASSET MANAGEMENT	-	2.58	2.58	50.03	16.55	18.94	11.90	-	-
EUROPEAN RELIANCE ASSET MANAGEMENT	-	-	-	44.88	7.61	47.50	-	-	-
PIRAEUS ASSET MANAGEMENT	4.35	19.44	23.79	36.58	5.98	13.80	19.86	-	-
MARKET SHARES	3.82	9.10	12.93	31.27	21.81	14.37	16.44	0.30	2.89

Source: Hellenic Fund & Asset Management Association.

TABLE IV. Annual Returns of Mutual Funds, 2016-2018

<i>M/F Classification</i>	<i>Annual return (%)</i>		
	<i>2018</i>	<i>2017</i>	<i>2016</i>
<i>EQUITY</i>			
<i>Equity Funds – North America</i>	-2.58	1.76	7.07
<i>Equity Funds - Developed Countries</i>	-8.34	6.53	7.55
<i>Equity Funds - Emerging Markets</i>	-9.18	3.92	19.21
<i>Index Equity Funds</i>	-22.63	20.41	-2.49
<i>Equity Funds - Global</i>	-7.79	-1.48	4.79
<i>Equity Funds - Greece</i>	-16.21	20.44	0.51
<i>Equity Funds - Euro zone</i>	-13.92	6.25	-4.29
<i>Bond Funds - Global</i>	1.28	-0.29	3.39
<i>Bond Funds - Greece</i>	-0.07	22.89	10.17
<i>Government Bond Funds - Developed Countries</i>	0.38	0.82	2.98
<i>Government Bond Funds – Emerging Countries</i>	-7.07	5.31	3.63
<i>Corporate Bond Funds - Investment Grade</i>	-0.85	-1.03	1.93
<i>Corporate Bond Funds - High Yield</i>	-	-	4.83
<i>Balanced Mutual Funds</i>	-7.84	16.85	3.99
<i>Short Term Money Market Funds</i>	-0.26	-0.08	0.02
<i>Money Market Funds</i>	1.20	0.14	3.00
<i>Specialist Funds - Absolute Return</i>	0.72	1.67	0.57
<i>Specialist Funds</i>	-1.51	7.31	6.71
<i>Equity FoFs</i>	-8.71	4.94	5.63
<i>Balanced FoFs</i>	-4.14	1.59	3.04
<i>Bond FoFs</i>	-0.07	-1.85	2.87

Source: Hellenic Fund & Asset Management Association.

TABLE V. M/F Net Assets, ATHEX-listed company capitalisation and the GD/ATHEX,2016-2018

Month / Year	M/F net assets (€ million)	Monthly Change (%)	Capitalisation of ATHEX-listed Companies (€ million)	ATHEX Composite Price Index	Monthly Change (%)
Dec-18	6,059.95	-2.28	44,884.04	613.30	-2.69
Nov-18	6,201.04	-0.94	45,731.51	630.23	-1.55
Oct-18	6,259.99	-2.33	46,108.53	640.15	-7.45
Sep-18	6,412.88	-0.75	49,714.12	691.69	-5.20
Aug-18	6,461.25	-1.74	51,653.39	729.62	-4.15
Jul-18	6,575.46	-0.17	53,426.67	761.23	0.48
Jun-18	6,586.78	0.57	52,447.18	757.57	0.23
May-18	6,549.52	-3.57	52,549.71	755.85	-11.93
Apr-18	6,791.81	2.76	58,296.75	858.22	9.96
Mar-18	6,609.61	-1.46	54,325.85	780.50	-6.60
Feb-18	6,707.43	-3.24	56,507.74	835.66	-4.91
Jan-18	6,931.99	4.13	58,545.48	878.83	9.53
Dec-17	6,656.89	2.04	54,055.32	802.37	8.40
Nov-17	6,523.77	-0.25	50,409.68	740.20	-2.52
Oct-17	6,540.03	0.33	51,842.66	759.30	0.49
Sep-17	6,518.24	-1.68	51,395.06	755.61	-8.46
Aug-17	6,629.88	-0.38	55,132.84	825.48	1.63
Jul-17	6,655.42	-1.44	53,714.09	812.21	-1.40
Jun-17	6,752.40	-0.67	54,338.74	823.74	6.26
May-17	6,798.11	0.70	51,791.16	775.24	8.86
Apr-17	6,750.76	2.17	47,802.24	712.17	6.92
Mar-17	6,607.07	1.10	45,854.51	666.06	3.12
Feb-17	6,534.93	3.23	44,371.94	645.88	5.58
Jan-17	6,330.51	-1.41	42,330.19	611.75	-4.95
Dec-16	6,421.29	-2.73	45,101.80	643.64	2.37
Nov-16	6,601.72	2.64	44,204.38	628.75	6.36
Oct-16	6,431.99	0.38	41,620.48	591.13	4.53
Sep-16	6,407.42	-1.87	40,186.46	565.53	-2.05
Aug-16	6,529.56	-0.22	41,253.94	577.39	1.06
Jul-16	6,543.96	0.32	40,562.76	571.33	5.39
Jun-16	6,523.28	-6.83	38,949.65	542.12	-16.21
May-16	7,001.38	3.10	46,109.85	646.97	10.85
Apr-16	6,791.07	0.22	41,843.34	583.65	1.13
Mar-16	6,775.89	2.33	41,239.27	577.12	11.69
Feb-16	6,621.91	-2.79	37,310.86	516.71	-6.53
Jan-16	6,812.04	-5.89	40,434.69	552.83	-12.44

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

TABLE VI. Listed PIC data, 31.12.2018

<i>PIC</i>	<i>Share Price (€)</i>	<i>Book Value of Share (euros)</i>	<i>Premium / Discount (%)</i>	<i>Internal Rate of Return</i>	<i>Net Asset Value (€ million)</i>
ALPHA TRUST ANDROMEDA	22.20	25.53	-13.04	-2.45	10.66

Source: Hellenic Capital Market Commission.

TABLE VII. Net assets of investment funds in EU member-states, 2017-2018

<i>Member state</i>	<i>Total Net Assets</i>		<i>UCITS market net assets</i>		<i>AIF market net assets</i>	
	<i>(€ million)</i>		<i>(€ million)</i>		<i>(€ million)</i>	
	<i>30.12.2018</i>	<i>31.12.2017</i>	<i>30.12.2018</i>	<i>31.12.2017</i>	<i>30.12.2018</i>	<i>31.12.2017</i>
<i>Austria</i>	172,895	182,882	75,639	82,228	97,256	100,654
<i>Belgium</i>	147,588	155,255	124,752	120,462	22,837	34,793
<i>Bulgaria</i>	721	654	713	645	9	9
<i>Croatia</i>	3,078	2,966	2,579	2,487	499	480
<i>Cyprus</i>	4,025	2,748	198	167	3,827	2,581
<i>Czech Republic</i>	11,816	11,674	10,593	10,746	1,222	928
<i>Denmark</i>	273,197	300,824	124,882	129,153	148,316	171,671
<i>Finland</i>	110,050	116,254	97,005	102,932	13,044	13,323
<i>France</i>	1,812,731	1,929,115	783,481	873,868	1,029,250	1,055,247
<i>Germany</i>	2,037,195	2,038,192	347,604	371,779	1,689,591	1,666,413
<i>Greece</i>	7,629	7,834	4,553	4,928	3,077	2,906
<i>Hungary</i>	19,200	19,768	1,330	1,579	17,870	18,189
<i>Ireland</i>	2,421,457	2,396,089	1,810,825	1,830,519	610,632	565,569
<i>Italy</i>	302,489	322,125	237,233	255,784	65,257	66,341

Member state	Total Net Assets		UCITS market net assets		AIF market net assets	
	(€ million)		(€ million)		(€ million)	
	30.12.2018	31.12.2017	30.12.2018	31.12.2017	30.12.2018	31.12.2017
Lichtenstein	44,324	46,396	26,792	28,132	17,532	18,263
Luxembourg	4,064,644	4,159,614	3,360,468	3,486,445	704,176	673,169
Malta	11,666	10,804	2,654	2,714	9,013	8,089
Netherlands	827,540	843,488	33,779	37,153	793,761	806,335
Norway	113,482	115,682	113,482	115,682	-	-
Poland	59,674	66,786	25,452	25,847	34,222	40,939
Portugal	21,860	23,080	8,818	8,827	13,042	14,252
Romania	8,359	9,164	4,162	4,874	4,197	4,289
Slovakia	6,605	6,578	4,896	4,926	1,709	1,652
Slovenia	2,589	2,657	2,469	2,657	-	-
Spain	286,242	295,265	222,837	225,419	63,405	69,846
Sweden	333,037	335,421	312,874	312,505	20,162	22,916
Switzerland	539,710	550,799	444,780	451,486	94,930	99,313
Turkey	20,535	25,649	7,355	10,994	13,179	14,656
Un. Kingdom	1,492,836	1,647,175	1,092,186	1,224,737	400,649	421,322

TABLE VIII. Structure of mutual fund assets in EU member-states, 2017-2018

Type of M/F	31.12.2018		31.12.2017	
	Total Assets (€ billion)	% of Total	Total Assets (€ billion)	% of Total
<i>Equity</i>	3,455	37	3,742	39
<i>Balanced</i>	1,728	19	1,748	18
<i>Bond</i>	2,536	27	2,625	27
<i>Money market</i>	1,190	13	1,190	12
<i>Guaranteed</i>	7	0.1	11	0.1
<i>Other</i>	368	4	398	4
TOTAL	9,284	100	9,714	100
<i>of which:</i>				
<i>ETFs</i>	624	7	613	6
<i>Funds of Funds</i>	-	-	384	4

EFAMA

TABLE IX. Capital Increases through issuance of new shares, and issuance of bonds by ATHEX-listed companies, 2018

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	TERNA ENERGY SA ⁽¹⁾	Main market	-	-	-	15/3/2018	41,325,000.00	4.35	9,500,000	Elimination of preemptive rights in favour of existing shareholders with private placement	-
2	PIPEWORKS L. TZIRAKIAN PROFIL SA ⁽²⁾	Surveillance	24/4/2018	-	-	30/4/2018	8,128,000.00	32.00	254,000	Elimination of preemptive right in favour of Creditors	-
3	ATTICA BANK SA ⁽³⁾	Main market	24/4/2018	30/4/2018	4/5/2018-18/5/2018	30/5/2018	88,883,536.80	0.30	296,278,456	Public offering (4N-1E) in favour of existing shareholders	PIRAEUS BANK
4	ATTICA HOLDING S.A. ⁽⁴⁾	Main market	-	-	-	31/07/2018	43,461,941.40	1.80	24,145,523	Capitalisation of third party claims and elimination of the preemptive rights in favour of existing shareholders	-
5	SFAKIANAKIS SA ⁽⁵⁾	Main market	19/7/2018	24/7/2018	27/7/2018-10/8/2018	22/8/2018	5,065,267.20	0.32	15,828,960	Public offering (2N-1E) in favour of existing shareholders	

No	Company	Trading category	Date of approval by HCMC	Right Coupon Cut-off Date	SCI Period	Initial Trading Day for new transferable securities	Total Funds Raised (euros)	Initial Share Price (€)	Number of shares	Beneficiaries	Inv. Firm Advisor / Underwriter
6	AUDIO VISUAL ENTERPRISES SA (6)	Main market	30/11/2018	-	-	7.12.2018	-	-	51,728,103	Conversion of preferred non-voting registered shares and listing of new shares for trading	-
TOTAL OF FUNDS RAISED THROUGH THE LISTING OF TRANSFERABLE SECURITIES (€)							186,863,745.40				

Source: HCMC

Notes:

1. The share capital increase of 9,500,000 new, common, dematerialised, registered voting shares of the company, of a nominal value of €0.30 and a sale price of €4.35 each, was carried out through payment in cash with elimination of the preemptive rights of existing shareholders through private placement in selected investors in Greece and abroad, as decided by the Extraordinary General Shareholders Meeting held on 9.2.2018.
2. The share capital increase of 254,000 new, common, dematerialised, bearer voting shares of the company, of a nominal value of €0.30 each, was carried out through the capitalisation of liabilities of an equal amount towards the principal shareholders/creditors, and with elimination of the preemptive rights of existing shareholders, as decided by the Extraordinary General Shareholders Meeting held on 31.7.2017. The total liabilities that were capitalised amounted to €8,128,000.
3. The share capital increase through payment in cash and by way of preemptive rights in favour of the Bank's existing shareholders, as decided by the 1st Repetitive Annual General Meeting of the Shareholders of 22.12.2017 and approved by the Self-Convened General Meeting of the Preferred Shareholders of the Bank, was subscribed by 44.90%, through the payment of a total amount of €88,883,536.80, which corresponds to 296,278,456 new common registered shares, at a nominal value and a sale price of €0.30 each. More specifically, 88,712,580.60 euros, an amount that corresponds to 295,708,602 new common voting shares (i.e. 44.81% of the Increase) was subscribed by the persons who exercised Preemptive Rights, 36,751.50 euros, an amount that corresponds to 122,505 shares (i.e. 0.002% of the Increase) was subscribed by the persons who exercised Preemptive Rights and expressed interest to subscribe for unsold shares, and 134,204.70 euros, an amount that corresponds to 447,349 new common voting shares (i.e. 0.07% of the Increase) was subscribed by other investors based on their applications at the discretion of the Board of Directors of the Bank. The resolution of the Board of Directors of the Bank, dated 21.05.2018, certified the partial subscription of the share capital increase up to the aforementioned amount without subscription for unsold shares, and the payment of the new share capital.
4. The share capital increase of 24,145,523 new, common, dematerialised, registered voting shares of the company, of a nominal value of €0.30 and a sale price each, was carried out through the capitalisation of third party claims and with elimination of the preemptive rights of existing shareholders, as decided by the General Shareholders Meeting held on 26.6.2018.
5. The share capital increase through payment in cash and by way of preemptive rights in favour of the company's existing shareholders, as decided by the Extraordinary General Meeting of the Shareholders of 30.01.2018, in conjunction with a resolution of the company's Board of Directors dated 4.6.2018, was subscribed by 100%, through the payment of a total amount of €5,065,267.20, which corresponds to 15,828,960 new common registered shares, at a nominal value of €0.30 and a sale price of €0.32 each. This increase was 91.91% subscribed by shareholders that exercised the preemptive rights, through the payment of a total amount of 4,655,701.76 euros that corresponds to 14,549,068 new common registered voting shares, while the remaining 1,279,892 unsold shares were allocated to investors that exercised their oversubscription right, in accordance with the resolution of the Board of Directors of the company dated 13.08.2018. Following the above, the company's share capital was increased by 4,748,688 euros and an amount of 316,579.20 euros was credited to the "Share Premium Account."

6. *The new 51,728,103 common registered shares that were listed for series A and B trading, after obtaining the relevant authorisations (for series A EGM 26.7.2013 and General Commercial Register registration no. 157730/13.02.2014, and for series B EGM 25.07.2014 and General Commercial Register registration no. 24801/05.03.2015), resulted from the conversion of an equal number of preferred non-voting registered shares, which had been issued as part of share capital increases during the fiscal years 2013 and 2014, with elimination of the preemptive rights of existing shareholders.*

TABLE X. Public offering and initial public offering of transferable securities in the ATHEX, 2018

No	Company	SCI Period	Initial Trading Day	Trading segment/Sector/Sub-sector	Initial Share Price Range (€) or Interest Rate Range	Sale price or initial trading price (€)	Number of new transferable securities with Pub. Offering and/or listing	Funds Raised (€)	Main Underwriter of the Pub. Offering	Advisors
1.	GEK TERNA SA	27/3/2018-29/3/2018	5/4/2018	Fixed-income securities	3.85%- 4.40%	1,000	120,000	120,000,000	NBG SECURITIES, ALPHA BANK, PIRAEUS BANK, EUROBANK	NBG Securities
2.	CORAL SA OIL PRODUCTS AND CHEMICALS	7/5/2018-9/5/2018	14/5/2018	Fixed-income securities	3.00%- 3.50%	1,000	90,000	90,000,000	ALPHA BANK, NBG SECURITIES, EUROBANK, PIRAEUS BANK	ALPHA BANK
3	B&F COMMERCIAL & GARMENT INDUSTRIES SA	20/6/2018-22/6/2018	27.6.2018	Fixed-income securities	4.95%	1,000	25,000 common bearer bonds	25,000,000	PIRAEUS BANK, INVESTMENT BANK OF GREECE, EUROXX SECURITIES SA	EUROXX SECURITIES SA
4	CNL CAPITAL EKES -AIFM	24/7/2018-26/7/2018	31/07/2018	Main market	€10.10 - €10.50	10.40	400,000	4,160,000	MERIT SECURITIES	INVESTMENT BANK OF GREECE
TOTAL FUNDS RAISED (€)								<u>239,160,000.00</u>		

No	Allocation to Private Investors	Allocation to Qualified Investors	Total Demand from Private Investors (no.)	Total Demand from Qualified Investors (domestic and international)	Oversubscription by Private Investors	Oversubscription by Qualified Investors	Total oversubscription	Participating Capital (€)
1.	78,000	42,000	147,450	101,740	1.89	2.42	2.08	249,190,000
2.	45,000	45,000	152,576	187,107	3.39	4.16	3.77	339,683,000
3	13,652	11,348	13,652	12,348	1.00	1.09	1.04	26,000,000
4	183,775	216,225	183,775	227,292	1.00	1.05	1.03	4,275,097

Source: HCMC

Notes:

1. Public offering in Greece by payment in cash and admission to trading in the Debt Segment of the regulated market of the Athens Exchange of 120,000 common bonds of a par value of €1,000 each of the company "GEK TERNA HOLDING REAL ESTATE CONSTRUCTION SA" and a total value of €120,000,000 through the issuance of a seven-year common bond loan. The yield of the bonds upon maturity was set at 3.95%, the interest rate was set at 3.95%, and the sale price of the bonds was set at €1,000 each, i.e. 100% of its par value. The public offering was oversubscribed by almost 2.077 times and the total number of participating investors stood at 4,481.
2. Public offering in Greece of a non secured bond loan by CORAL SA of an amount of up to €90,000,000, which was fully subscribed, raising €90,000,000 through the issuance of 90,000 dematerialized registered non-corporate bonds, at a par value of €1,000. The yield of the bonds upon maturity was set at 3.00%, the interest rate was set at 3.00%, and the sale price of the bonds was set at €1,000 each, i.e. 100% of its par value. The public offering was subscribed by 3.77 times and the total number of participating investors stood at 3,665.
3. Public offering in Greece by payment in cash and admission to trading in the Debt Segment of the regulated market of the Athens Exchange of 25,000 common bonds of a par value of €1,000 each of the company "B&F COMMERCIAL & GARMENT INDUSTRIES SA" and a total value of €25,000,000 through the issuance of a five-year common bond loan. The yield of the bonds upon maturity was set at 4.95%, the interest rate was set at 4.95%, and the sale price of the bonds was set at €1,000 each, i.e. 100% of its par value. The public offering was oversubscribed by 1.04 times and the total number of participating investors stood at 703.
4. Public offering in Greece of new shares of CNL CAPITAL EKES AIFM, which was fully subscribed, raising total funds of €4,160,000 through the issuance of 400,000 new common registered shares at a par value of €10.00 each and a sale price of €10.40. The public offering was subscribed by 1.03 times and the total number of participating investors stood at 339.

TABLE XI. Share capital increases because of merger and listing of new shares for trading in the ATHEX, 2018

	Company	Trading category	Date of HCMC notification	Right Coupon Cut-off Date	SCI Period	Initial Trading Day for new transferable securities	Total Funds Raised (euros)	Initial Share Price (€)	Number of shares	Beneficiaries	Inv. Firm Advisor / Underwriter
1.	Merger by absorption by "HALCOR SA" of "ELVAL ALUMINUM SA" through share capital increase.	Main market	26/1/2018	-	-	1/2/2018	107,857,960.28	-		ELVAL Shareholders	-
GRAND TOTAL OF FUNDS RAISED							107,857,960.28				

Source: HCMC

1. The meetings of the Boards of Directors of the merged companies that were held on 26.9.2017 approved the draft Merger Agreement, which stipulated that each shareholder of ELVAL would trade 0.0987220346164922 shares held in ELVAL for one (1) share of HALCOR that resulted from the Merger. The resolutions of the Boards of Directors were approved by the General Meetings of the Merged Companies on 22.11.2017. The share capital of the Issuer prior to the merger stood at 38,486,258.26 euros (corresponding to 101,279,627 registered voting shares at a par value of 0.38 euros) and after the merger stood at 146,344,218.54 euros (an amount that corresponds to 375,241,586 common voting shares at a par value of 0.39 euros).

TABLE XII. Trading Status of ATHEX-listed companies, 31.12.2018

Market	Under regular trading	Under suspension	Total
<i>Main market</i>	135		
<i>Under surveillance</i>	28		
Total number of companies with shares listed in the Securities Market	163	15	
Total number of companies with bonds listed in the Debt Segment	9		
Grand Total	172	15	187

Companies whose shares were listed in the ATHEX in 2018			
Company	Date	Company	Date
CNL Capital SA VENTURE CAPITAL AIMF	13.7.2018		

Companies the common bonds of which were listed in the ATHEX in 2018			
Company	Date	Company	Date
CORAL SA OIL PRODUCTS AND CHEMICALS	23.04.2018	GEK TERNA HOLDING REAL ESTATE CONSTRUCTION SA	21/3/2018
B&F GARMENT INDUSTRIES SA	14.06.2018		

<i>Companies the shares of which were de-listed from the ATHEX in 2018</i>				
No	Company	Date	Reasoning	Previous status
1.	KORRES SA NATURAL PRODUCTS	03.08.2018	HCMC Decision in accordance with par. 5, article 17 L.3371/2005	Under Suspension
2.	ATHENA SA	03.08.2018	HCMC Decision in accordance with par. 5, article 17 L.3371/2005	Under Suspension
3.	ALTEC HOLDING SA	12.12.2018	Decision of the BoD/ATHEX (para. 3 art. 2.6.12 of the ATHEX Rulebook)	Under Suspension
4.	ALCO HELLAS SA	12.12.2018	Decision of the BoD/ATHEX (para. 3 art. 2.6.12 of the ATHEX Rulebook)	Under Suspension
5.	ATTI-KAT SA	12.12.2018	Decision of the BoD/ATHEX (para. 3 art. 2.6.12 of the ATHEX Rulebook)	Under Suspension
6.	BALKAN REAL ESTATE SA	12.12.2018	Decision of the BoD/ATHEX (para. 3 art. 2.6.12 of the ATHEX Rulebook)	Under Suspension
7.	EDRASIS – C. PSALLIDAS SA	12.12.2018	Decision of the BoD/ATHEX (para. 3 art. 2.6.12 of the ATHEX Rulebook)	Under Suspension
8.	HELLENIC FISHFARMING SA	12.12.2018	Decision of the BoD/ATHEX (para. 3 art. 2.6.12 of the ATHEX Rulebook)	Under Suspension
9.	HELLENIC SUGAR INDUSTRY SA	12.12.2018	Decision of the BoD/ATHEX (para. 3 art. 2.6.12 of the ATHEX Rulebook)	Under Suspension
10.	MICHANIKI SA	12.12.2018	Decision of the BoD/ATHEX (para. 3 art. 2.6.12 of the ATHEX Rulebook)	Under Suspension
11.	TEXAPRET SA	12.12.2018	Decision of the BoD/ATHEX (para. 3 art. 2.6.12 of the ATHEX Rulebook)	Under Suspension
12.	TROPEA HOLDING SA (ex SANYO HELLAS HOLDING SA)	12.12.2018	Decision of the BoD/ATHEX (para. 3 art. 2.6.12 of the ATHEX Rulebook)	Under Suspension
13.	HELLENIC POSTBANK SA	12.12.2018	Decision of the BoD/ATHEX (para. 3 art. 2.6.12 of the ATHEX Rulebook)	Under Suspension
14.	T-BANK SA (ex Aspis Bank SA)	12.12.2018	Decision of the BoD/ATHEX (para. 3 art. 2.6.12 of the ATHEX Rulebook)	Under Suspension

Companies under surveillance					
No	Company	Date	No	Company	Date
1.	ELVIMEK SA	04.04.2006	15.	DOMIKI CRITIS SA	05.04.2013
2.	AEGEK SA	27.06.2008	16.	MEDICON HELLAS SA	05.04.2013
3.	VARVARESSOS SA	21.12.2009	17.	KRE.KA. SA	05.04.2013
4.	SATO SA	08.04.2011	18.	G.E. DIMITRIOU SA (ex INTERNATIONAL GROUP SA, ex SP. TASSOGLOU SA – DELONGHI)	08.04.2015
5.	YALCO - SD CONSTANTINO & SON SA	08.04.2011	19.	AKRITAS SA	08.04.2015
6.	DUROS SA	06.09.2011	20.	DIONIC SA	10.04.2014
7.	FORTHNET SA	25.11.2011	21.	AVEPE VARANGIS	15.04.2016
8.	VIOTER SA	10.4.2012	22.	LIVANIS SA	15.04.2016
9.	P. G. NIKAS S.A.	10.4.2012	23.	FRIGOGLASS SA	15.04.2016
10.	SIDMA SA	10.4.2012	24.	BITROS HOLDING SA	10.05.2017
11.	SFAKIANAKIS SA	10.4.2012	25.	PROODEFTIKI SA	15.02.2018
12.	LAVIPHARM SA	31.7.2012	26.	EUROCONSULTANTS SA	11.05.2018
13.	ANEK SA	05.04.2013	27.	WOOL INDUSTRY TRIA ALFA SA	25.10.2018
14.	PASAL DEVELOPMENT SA	05.04.2013	28.	SELECTED TEXTILE IND. SA	07.11.2018

Companies under suspension					
No	Company	Date	No	Company	Date
1.	BABIS VOVOS INTNL CONSTR CORP.	2.4.2012	12.	NAFTEMBORIKI P. ATHANASIADIS & CO SA	03.10.2017
2.	KERAMIA-ALLATINI S.A. REAL ESTATE MANAGEMENT & HOLDING COMPANY (ex KERAMIA-ALLATINI S.A.)	31.8.2012	13.	EUROBROKERS SA	30/4/2018
3.	NEORION HOLDINGS S.A (ex NEORION SHIPYARDS)	31.8.2012	14.	CHATZIKRANIOTIS & SONS MILLS SA	30/4/2018
4.	MARITIME COMPANY OF LESVOS (NEL)	01.09.2015	15.	EUROMEDICA SA	02.5.2018
5.	TELETYPOS SA	08.03.2016	16.	FOLLI FOLLIE DUTY FREE SHOPS SA	28.05.2018
6.	ALPHA GRISSIN SA (ex ALPHA GRISSIN INFOTECH SA)	18.04.2017	17.	AEOLIAN INVESTMENT FUNDS SA	20.07.2018
7.	AXON SA HOLDING	02.05.2017	18.	J.BOUTARIS & SON HOLDING S.A.	02.10.2018
8.	PEGASUS PUBLISHING SA	03.10.2017	19.		

Source: HCMC

Communication:

HELLENIC CAPITAL MARKET COMMISSION

1, Kolokotroni & Stadiou Str.,

105 62 Athens

Tel: (210) 33.77.100

<http://www.hcmc.gr>