



HELLENIC REPUBLIC
HELLENIC CAPITAL MARKET
COMMISSION



ANNUAL REPORT 2019

MARCH 2020

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A NOTE FROM THE CHAIR

In the second half of 2019, there was a remarkable improvement in economic sentiment and the recovery prospects of the Greek economy. The country has gradually been returning to normality, and has been addressed to international sovereign debt markets to draw funds in order to finance its needs with significantly lower cost funding compared to the past. The yields of long-term Greek government bonds were substantially reduced –for the first time after many years–, with the average yield of the ten-year bond falling to 1.42% in December 2019 from 4.28% in the corresponding period in 2018.

According to preliminary estimates by the Hellenic Statistical Authority (ELSTAT) for the year 2019, GDP growth stood at 1.9% year-on-year, slightly lower than the relevant forecast of the 2020 Budget. This growth is mostly due to the increase in consumer spending (private by 0.8% and public by 2.2%) and the fact that the growth of exports of goods and services exceeded that of imports (4.8% compared to 2.5% respectively), leading to the reduction of the trade deficit by 1.5 billion euros, according to the latest data by the Bank of Greece. Tourism played a key role in reducing the deficit, as demonstrated by the yearly increase of the travel balance of payments surplus by 1.5 billion euros compared to that of 2018.

As regards fiscal management, there was a remarkable improvement in the execution of the Budget. More specifically, the surplus of the General Government Budget rose to 4,890 million euros from 897 million euros in 2018, mostly as a result of increased social security contributions and the growth of privatisation revenues. As regards the State Budget balance, the deficit was reduced to 168 million euros from 4,580 million euros in 2018, thus exceeding the target for a deficit of 839 million euros. Finally, the primary surplus of the State Budget amounted to 5,017 million euros, against a primary surplus target of 4,400 million euros and a primary surplus of 91 million euros for 2018.

Labour market fundamentals have been steadily improving, as the unemployment rate continued to decrease in 2019, albeit more slowly, and stood at 16.3% as compared to 18.5% in 2018. At the end of 2019 employment increased as compared to December 2018, albeit the continued contraction of the labour force is a cause of concern.

Dealing with the large volumes of Non-Performing Loans (NPLs) accumulated in banks' assets over the years of the crisis, continued to pose a great challenge for the course of the Greek economy. It should be noted, though, that the state undertook a concerted effort to establish a framework that will significantly help dealing with this issue, always taking into account the current economic situation.

International economic conditions were not favourable in 2019, as they were greatly affected, among others, by conflicts between powerful states on international trade issues, as well as geopolitical instability. Growth rates fell compared to those of previous years, in most developed and emerging economies.

The year 2020 turns out to be a year of upheaval for the global economy, due to the outbreak of the pandemic. There is no doubt that the pandemic will have negative repercussions on both national and global levels, the severity of which will depend to a great extent on its spread and duration, as well as the intensity of the

necessary measures that are taken, or will need to be taken in the future, for protecting public health from COVID-19 (suspension of business operations, restrictions in movement, etc.). The effectiveness of policy measures taken at national and supranational levels for supporting the economies, as well as the degree of each economy's dependence on sectors industries that are most severely hit by the coronavirus, will also be instrumental in this. Based on the above, the estimates for the course of the Greek economy in 2020 need to be revised compared to the initial targets set before crisis.

In the 2019 Annual Report special reference must be made to the Greek capital market, which showed a strong upwards trend during the previous year. In particular, the total market capitalisation of shares listed on the equity market of the Athens Exchange increased yearly by 36.39%, while the Composite Share Price Index rose by 49.47%, and all main and sectoral indices of the ATHEX registered gains. There was strong growth in both the trading and issuing activity in Greek equity and bond markets. Another fact that is worth noting is the increase in the total net assets, as well as the net capital inflows recorded in the Greek mutual fund market.

The positive course of the Athens Exchange in 2019 was interrupted in the beginning of 2020 as a result of the concerns regarding the consequences from the coronavirus pandemic and the measures adopted for containing its spread, which had a strong effect on both international and Greek markets, mainly manifested in abrupt decrease in prices and increased volatility.

As part of the 2019 report, it should also be noted that in the previous year the Hellenic Capital Market Commission (hereinafter HCMC) continued to actively participate 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.

The HCMC also continued to actively contribute to the formation of our country's positions towards the European framework, with specific proposals regarding individual European legislation, as well as to prepare, as part of its regulatory responsibilities, new draft laws for strengthening the capital market.

Indeed, in order to achieve further modernisation of the capital market and the development of a more secure framework, in line with the requirements of the single European capital market, the new Management of the HCMC that was appointed in September 2019 set new targets, based on the triptych a) enhancing prudential supervision, b) utilising technology, and c) establishing the necessary conditions for the capital market to operate as a source of funding for enterprises and as a growth driver, which will, among other things, encourage innovation through a series of actions, including Fintech/Regtech support.

The new Management is confident that the capital market can be a key growth driver for the Greek economy, by financing essential business needs and meaningful investment plans for the real economy, which may be deployed once the COVID-19 threat is successfully contained.

To this end, in the second half of 2019 the new Management of the HCMC presented the competent Ministries a series of proposals designed to further enhance the capital market and provide for reforms in certain fields, with the aim of modernising the existing legal framework, wherever considered necessary, as in the case of issues pertaining to the corporate governance of listed companies. Among others, it has been working on innovative interventions in the operation of the capital market as a growth driver for the Greek economy, through the

analysis of new products that, if properly designed, could help the capital market function as an alternative source of funding.

As regards corporate governance in particular, it is worth noting that the legislative initiatives currently underway aim at strengthening of internal and external company audit mechanisms, increasing the efficiency of companies boards of directors, establishing more independence criteria regarding independent directors and ensuring their meaningful intervention in a company's operations, as well as improving and streamlining the organisation of companies themselves, in order to fully cover transparency requirements and enhance the rights of minority shareholders.

In general, the aim of the initiatives that have been undertaken by the Hellenic Capital Market Commission, and currently are at various stages of elaboration, is to contribute to the establishment of an attractive regulatory framework, which is, at the same time, safe for all market participants.

As regards direct active supervision, one of the main tasks of the HCMC as regards ensuring the orderly functioning of the market, it should be noted that in 2019 the Hellenic Capital Market Commission levied total fines of €29,375,500 on a total of 130 cases of violation of capital market legislation by individuals and legal persons (53 Investment Firms, FIFs, MFMFs, and Banks; 40 listed companies; 30 individuals and 7 other legal persons).

In general, the ultimate goal of the Management of the Hellenic Capital Market Commission, both in terms of supervisory and regulatory perspectives, will continue to be the establishment of the appropriate conditions that will render the Greek capital market – to the extent possible - safer, more attractive and more competitive in the European and international scene. This is where our efforts are focused, as we look forward to the improvement of conditions in the global economy.

This ambitious plan can only be realised by highly qualified executives, such as those comprising the staff of the Hellenic Capital Market Commission. Today, the requirements for regulators are increased, as a result of the plethora of the European and national financial sector legislation adopted in the past few years, which led to a significant increase of the workload of the HCMC personnel. I would like to praise their excellent work, since, despite increased workload and staff shortage, they exhibit professionalism and diligence, effectively carrying out the operations of the Hellenic Capital Market Commission. A warm thank to all of them.

Vassiliki Lazarakou

Chair of the Hellenic Capital Market Commission

PART ONE

THE HELLENIC CAPITAL MARKET COMMISSION

BOARD OF DIRECTORS

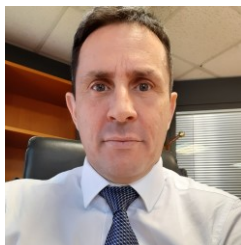
As of September 5th, 2019, the Board of the Hellenic Capital Market Commission comprised the following members:



VASSILIKI LAZARAKOU

Chair, Lawyer,

*Chairperson of the Joint Committee Sub-Committee on
Securitisation, as of 21 February 2020*



NIKOS KONTAROUDIS

1st Vice-Chair, Economist



ANASTASIA STAMOU

2nd Vice-Chair, Lawyer



CHRISTINA PAPAKONSTANTINOY

Member, Lawyer, Bank of Greece Representative



NIKOLAOS PORFIRIS

Member, Economist, Athens Exchange Representative



SPYROS SPYROU

Member, Professor of Finance-Athens University of Economics and Business



ANASTASIOS VIRVILIOS

Member, Lawyer

Till August 31st, 2019, the Board of the Hellenic Capital Market Commission comprised the following members:

CHARALAMPOS GOTSIS,	Chair, Economics Professor
NIKOLAOS TROULINOS,	1 st Vice-Chair, Economist
XENOPHON AVLONITIS,	2 nd 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.

OBJECTIVES AND TASKS

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

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

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

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

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

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

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

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

EXECUTIVE COMMITTEE

The Executive Committee consists of the Chairperson and the two Vice-Chairs 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

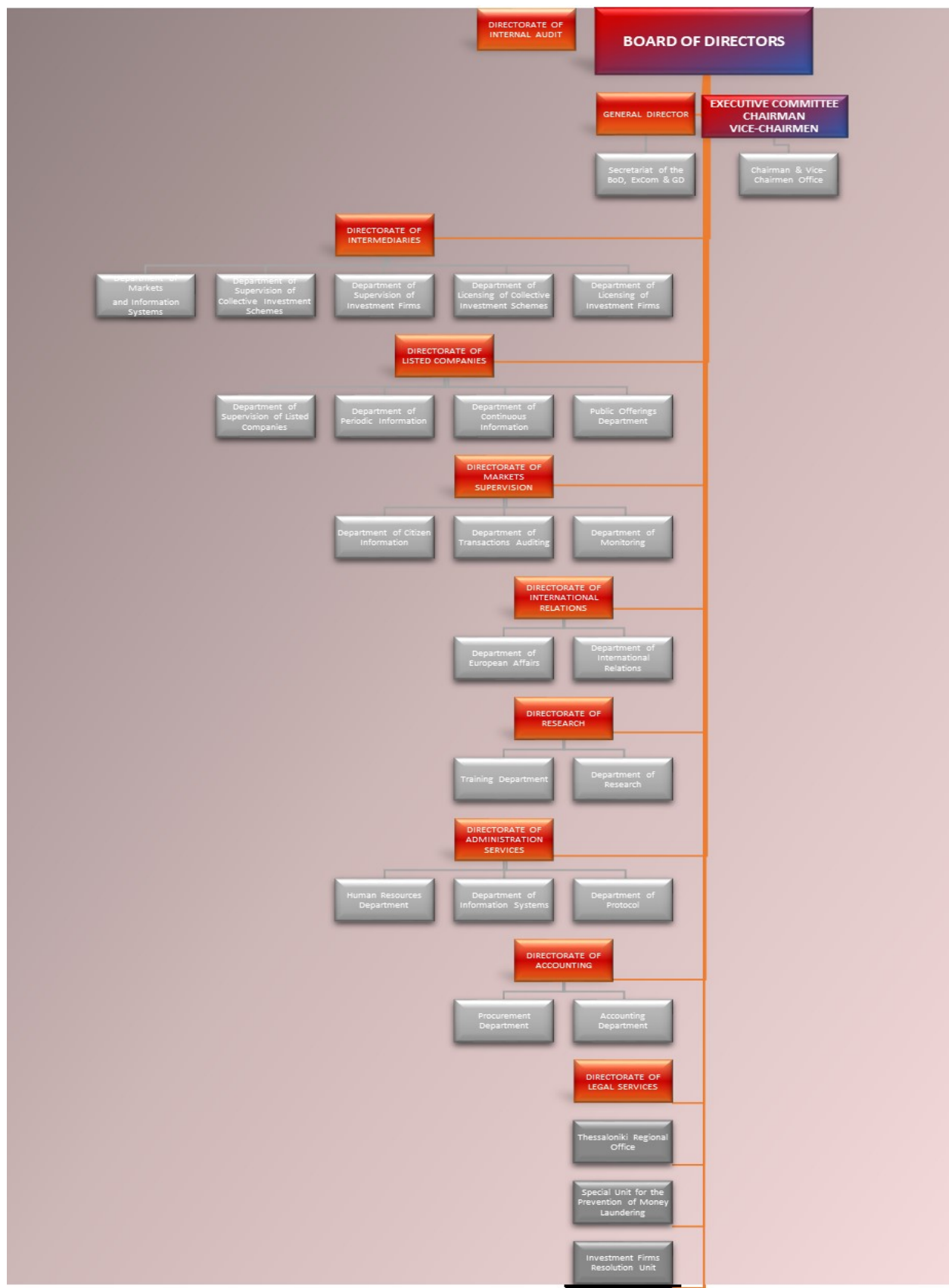
The organisation structure (Figure 1) and the responsibilities of the departments of the HCMC are specified by Presidential Decree 65/2009 (Government Gazette 88/9.6.2009).

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.

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



PART TWO

MARKET DEVELOPMENTS

MACROECONOMIC DEVELOPMENTS

The Greek economy

The third fiscal adjustment programme was completed in August 2018, and the Greek economy has since then enjoyed increased freedom to grow, albeit remaining under the enhanced supervision regime. Supervision covers six areas, which include fiscal policy (fiscal targets and fiscal structural policies), social welfare, financial stability, labour and product markets, and public administration. Moreover, in 2019 the Greek economy's aggregates were reviewed as part of the Macroeconomic Imbalance Procedure, which revealed macroeconomic imbalances related, in particular, with persistently high public debt and unemployment levels, the country's negative net investment position, the volume of the stock of non-performing loans, as well as the obstacles to productivity and potential growth. As mentioned in the State Budget Proposal for 2020, in the period from 2009 to 2018 the country's main growth driver was the external sector of the economy, while the year 2019 saw the launching of policies designed to combat the country's adverse population trend and very high long-term unemployment rate, boost investment, and rationalise primary surpluses, as well as other targeted policies, such as the Hercules project for supporting the reduction of non-performing loans or the reforms aimed at enhancing entrepreneurship, and the new growth-enhancing institutional framework.

Undoubtedly, apart from domestic economic policy and the endogenous evolution of the Greek economy, the aggregates of the Greek economy are also affected by the uncertainty prevailing worldwide especially in regard to macroeconomic prospects, the challenges posed by the adaptation to the new digital growth and the requirements of environmentally sustainable growth, the tensions in international trade in conjunction with the looming geopolitical risks, as well as the restructuring of the EU following the exit of the UK. In 2019, the economic sentiment indicator in Greece, which is compiled by the European Commission, increased substantially after the first half of the year, whereas the corresponding indicator for the eurozone during the same period moved to the opposite direction.

In 2019, 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 terms of volume. Seasonally-adjusted ELSTAT data, also indicate an improvement during the year, as the quarterly change in terms of volume stood at 0.2%, 1%, 0.4%, and -0.7% in the 1st, 2nd, 3rd, and 4th quarters of 2019 respectively, while GDP change on a year-on-year basis stood at 1.6%, 2.8%, 2.3%, and 1% in the 1st, 2nd, 3rd, and 4th quarters of 2019 respectively. As far as the year-on-year percentage change in GDP components in terms of volume (seasonally adjusted data, market prices) for the year 2019 is concerned, total consumer spending increased by 1.03%, gross fixed capital formation increased by 4.5%, and imports and exports increased by 2.5% and 5% respectively.

In 2019, unemployment was further reduced, remaining, however, the highest among EU member states. Based on seasonally adjusted results, it stood at 16.3% in December 2019, as compared to 18% at the end of 2018 and

16.5% in November 2019. On a twelve-month basis it averaged at 17.3% in 2019, as compared to 19.4% at the end of 2018. More specifically, total employment (including paid employment) increased by 2.07% in 2019, as compared to 2% in the previous year. According to December 2019 data from the “ERGANI” IT system of the Ministry of Labour, Social Security & Social Solidarity, paid employment in the private sector showed a cumulative year-on-year decrease of 13,359 jobs in 2019.

The average Harmonised Index of Consumer Prices (HICP) in Greece for the twelve-month period from January 2019 to December 2019 increased by 0.5% year-on-year, as compared to a 0.8% year-on-year increase for the twelve-month period from January 2018 to December 2018.

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 168 million euros for the period January-December 2019, against a target of 839 million euros (in the State Budget Proposal for 2020), and as compared to a 4,580 million euro deficit for the corresponding period of 2018. The primary balance amounted to a surplus of 5,017 million euros, against a primary surplus target of 4,400 million euros and a primary surplus of 91 million euros for the same period of 2018.

Ordinary Budget expenditure stood at 55,097 million euros, overshooting the target by 72 million euros. The revenues of the Public Investment Budget (PIB) stood at 2,857 million euros, missing the target by 691 million euros, and increased as compared to the corresponding revenues in 2018 (2,638 million euros). State Budget expenditure for the period January-December 2019 stood at 55,265 million euros, 599 million euros lower than the target (55,865 million euros). State Budget expenditure for the period January-December 2019 was reduced by 1,107 million euros as compared to the corresponding period of 2018.

According to estimates included in the State Budget Proposal for 2020, General Government debt stood at 329,300 million euros in 2019, as compared to 334,721 million euros in 2018, reduced by 1.6%. As a percentage of national output, it stood at 175.6% at the end of 2019, as compared to 181.2% at the end of 2018. There was also a 7,426 million euro decrease in Central Government debt, compiled on an ESA basis (estimated at 343,800 million euros by the end of 2019), which as a percentage of GDP fell to 183.4% in 2019 from 190.14% in 2018. The above calculations have been based on a nominal GDP of 187,456 million euros for 2019 and 184,714 million euros for 2018.

According to provisional data from the Bank of Greece, the current account showed a deficit of 2.5 billion euros. The balance of goods and services deficit was reduced by 1.4 billion euros to -1.7 billion euros. The primary income deficit was reduced by almost 300 million euros to 1.4 billion euros, while the secondary incomes balance showed a surplus of 591 million euros (as compared to a 321-million-euro deficit in 2018). The capital account surplus almost doubled in 2019, to 679.8 million euros from 353.2 million euros in 2018. The total current account and capital balance showed a deficit of 1.9 billion euros in 2019, as compared to a 4.8-billion-euro deficit in 2018. In 2019, the financial account deficit was substantially reduced from -3.9 billion euros in 2018 to -354.8 million euros at the end of 2019. Greece's foreign exchange reserves registered a slight year-on-year increase (to 83.6 billion euros at the end of 2019, from 77.1 billion euros in 2018).

According to Bank of Greece data, the annual change of total financing provided to the domestic economy stood at -1.2% in December 2019. The annual change of lending to the General Government stood at -5.5%,

while the annual change of total financing to the private sector stood at -0.5%. In 2019, the annual change of total deposits stood at 4.6%, as compared to 10.4% at the end of the previous year. Total private sector deposits increased by 6.7% year-on-year in 2019, as compared to 6.3% in 2018. In 2019, household deposits increased by 6% year-on-year (as compared to 5.6% at the end of 2018), while the deposits held by non-financial undertakings increased by 9.3% (9.2% at the end of 2018).

Finally, there was a significant reduction in the yields of the ten-year Greek Government reference bond, from 4.21% at the beginning of 2019 to 1.42% at the end of the year, the lowest level being that of October 2019, at 1.34% (monthly averages).

TABLE 1. Macroeconomic indicators of Greece, 2017-2019

Amount - Indicators	2019	2018	2017
GDP and its components (ESA 2010, $\Delta\%$)(y-o-y changes, %) (at market prices, seasonally adjusted data, volume changes)			
GDP	1.9%	1.92	1.45
Private consumption	0.8	1	0.9
Public consumption	2.19	-2.5	-0.5
Gross fixed capital formation	4.55	-12	9.4
Exports of goods & services	4.93	8.8	7
Imports of goods & services	2.48	3	7.5
Employment and unemployment			
Employment (total, average % change from previous year)	2.07	2	2.17
Unemployment rate (Annual averages, %)	17.3	19.4	21.5
Prices and wages			
Harmonised Index of Consumer Prices – average y-o-y change, %)	0.5	0.8	1.1
Public finances			
General Government Balance (ESA basis, % of GDP)	-1.18	1	0.7
General Government Primary Balance (ESA basis, % of GDP)	4.2	4.27	3.45
Primary balance State Budget (real. million €) [(-) deficit]	5,017	91	1,940
State budget balance (cash basis. million €) [(-) deficit]	-168	-4,580	-4,267
Central Government Debt, ESA basis (€ million)	343,800	351,226	328,320
(% of GDP)	(183.4)	(190.1)	(182.1)
General Government Debt (€ million)	329,300	334,721	317,484
(% of GDP)	(175.6)	(181.2)	(176.2)
Balance of payments (€ million)			
Current account	-2,572.4	-5,232.2	-3,406.2
Capital account	679.8	353.2	914.5
Financial account	-354.8	-3,923.7	-1,949.1
Monetary conditions			
Private sector deposits with dom. fin. institutions (annual % change, end of period)	6.7%	6.3	4.7
Domestic private sector financing (% y-o-y change, end of period) by domestic financial institutions	-0.5	-1.1	-0.8

Amount - Indicators	2019	2018	2017
GDP in current market prices (€ million)	187,456	184,714	180,218

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

Notes

- Data on the General Government Balance (2019) and the Government Debt concern the estimate of the State Budget Proposal for 2020.
- The rates of change regarding deposits and financing are derived from balance changes, corrected for loan impairment, security value write offs, exchange rate differences, and reclassifications (Bank of Greece data).

The International Economy

In 2019, the global economy remained sluggish, without any strong indication of a substantial recovery in key macroeconomic aggregates, according to the relevant reports by the International Monetary Fund (IMF, World Economic Outlook, January 2020), the World Bank (World Bank, Global Economic Prospects, January 2020), the Organisation for Economic Cooperation and Development (OECD, Economic Outlook, November 2019), and the European Commission (European Economic Forecast, Winter 2020).

The annual global growth rate for the year 2019, on the basis of the most recent estimates by the IMF, is set at 2.9%, revised downwards as compared to previous forecasts, and at the lowest level of the period following the Global Financial Crisis. Positive signs may include the mitigation of uncertainty regarding Brexit, certain intermediate news about the US-China trade negotiations, the implementation of supportive monetary policy, and the trend towards some stabilisation of consumer and investment expenditure. Downward pressures persist, however, especially in relation to the ongoing political developments and economic friction between various states, especially on the issue of global trade, within an environment of increasing digitisation in all fields, while climate change and the demographic problem continue to pose major challenges. Such an environment gives rise to uncertainty and the threat of long-term economic stagnation. Recently, there was a downwards revision of economic aggregates regarding certain developing countries, such as India. Inflation in developed economies is down to 1.4% in 2019 from 2% in 2018, and is down to 5.1% and 4.8% in the case of developing and emerging economies respectively. The volume of global trade in goods and services increased by 1%, as compared to 3.7% in the previous year.

In 2019, the US economy registered lower growth levels than in previous years, as it was deprived of the positive effects of fiscal policy and faced less favourable financial conditions. The estimated growth rate stands at 2.3%, as compared to 2.9% in 2018.

In the United Kingdom, the growth rate for the year 2019 has been estimated at 1.2%, lower than the 1.4% growth rate of the previous year. The main cause of this during 2019 was, once again, the settlement of Brexit, an issue that had a detrimental effect on investment decisions, as well as on the overall international economic-trading environment. At the same time, this period also saw the enhancement of public consumption through the implementation of supportive monetary policy, focused on meeting the inflation target (1.9% at the end of 2019). External trade pressures persisted in 2019, leading to an increase in the current account deficit of the UK.

Japan's economy grew at an estimated 1% in 2019 (as compared to 0.3% in 2018), on the back of strong investment expenditure and sound domestic private consumption, combined with the fiscal measures taken in response to a consumption tax hike. There were also major revisions concerning national accounting issues.

Emerging and developing economies experienced a slowdown, as their growth rate is estimated at 3.7% in 2019 (as compared to 4.5% in 2018), partly reflecting the continuing structural slowdown of China's growth (from 6.6% in 2018 to 6.1% in 2019). There was also a slowdown in India, where the growth rate fell to 4.8% in 2019 from 6.8% in 2018, as well as in Russia, where the growth rate fell to 1.1% in 2019 from 2.3% in 2018.

In 2019, Europe remained on a steady, moderate growth course, within an environment of supportive monetary policy and persistent external challenges. Despite the clarity achieved in regard to trade between Europe and the UK, there are still some elements of uncertainty regarding the establishment of a long-term relationship. The main elements of a fragile global balance, such as international trade tensions and geopolitical risks, were also evident in 2019, underlying the importance of improving key aggregates within the EU, as well as the importance of the appropriate policy mix. Based on EU growth estimates for the year 2019, gross domestic product in terms of volume increased by 1.5% in the EU and by 1.2% in the eurozone, as compared to 2.1% and 1.9% respectively in 2018. The highest growth rate among EU countries was that of Ireland (5.7% in 2019, from 8.2% in 2018), while the lowest was that of Italy (0.2% in 2019, as compared to 0.8% in 2018). All countries saw reduced growth rates, with the exception of Bulgaria, Croatia, Lithuania, and Greece. The following table presents individual annual aggregates for EU countries. Moreover, based on the latest EUROSTAT estimates, in the final quarter of the year growth in the eurozone fell to 0.1% on a quarterly basis, the lowest level since 2013. In the final quarter of the year there was a decrease in the growth rates of France and Italy, while, contrary to initial forecasts, there was an improvement in the growth rate for Germany, especially during the third quarter of the year.

In 2019, unemployment was reduced in the EU. It fell to 7.6% in the eurozone and 6.8% in the EU-27, from 8.2% and 7.3% respectively in 2018. Once again, the highest unemployment rate for 2019 was recorded in Greece (17.3%, as compared to 19.4% in 2018). Unemployment was also high in Spain, where it stood at 13.9%, as compared to 15.3% in 2018, and in Italy, where it stood at 10%, as compared to 10.6% in 2018. The lowest unemployment rate in the EU-27 was recorded in the Czech Republic (2.2%). As regards the Harmonised Index of Consumer Prices, in 2019 its highest value was recorded in Romania (3.9%) and the lowest in Portugal (0.3%), against an average of 1.2% for the eurozone (as compared to 1.8% in 2018) and 1.4% for the EU (as compared to 1.8% in 2018).

In 2019, the highest public debt-to-GDP ratio was that of Greece (173.3%), while Italy and Portugal also exceeded the 100% threshold (136.2% and 119.5% respectively). The average debt-to-GDP ratio stood at 86.4% in the eurozone (as compared to 87.39% in 2018) and at 79.8% in the EU-27 (as compared to 81.4% in 2018).

The Economic Sentiment Indicator, which is published by the European Commission for the eurozone and the entire EU, continued to decrease in 2019, as it did in the previous year, albeit showing some signs of stabilisation by the end of the year.

As far as exchange rates are concerned, in 2019 the average value of the euro relative to the US dollar decreased on a monthly basis, with the highest exchange rate being recorded in January 2019 and the lowest in September 2019. The average annual exchange rate stood at 1.12. The value of the euro relative to the British pound fluctuated wildly in August 2019, ending the year at an average annual exchange rate of 0.87, as compared to 1.11 in the previous year. Finally the annual average exchange rate against the Japanese yen at the end of the year stood at 122.01 as compared to 130.4 at the end of 2018.

TABLE 2. Macroeconomic indicators of the EU, 2017-2019

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)		
	2019	2018	2017	2019	2018	2017	2019	2018	2017	2019	2018	2017
Austria	1.6	2.4	2.5	4.6	4.9	5.5	1.5	2.1	2.2	69.9	74	78.3
Belgium	1.4	1.5	2	5.5	6	7.1	1.2	2.3	2.2	99.5	100	101.8
France	1.2	1.7	2.3	8.5	9.1	9.4	1.3	2.1	1.2	98.9	98.4	98.4
Germany	0.6	1.5	2.5	3.2	3.4	3.8	1.4	1.9	1.7	59.2	61.9	65.3
Greece	1.9	1.9	1.5	17.4	19.4	21.5	0.5	0.8	1.1	175.6	181.2	176.2
Estonia	3.8	4.8	5.7	5.1	5.4	5.8	2.3	3.4	3.7	8.7	8.4	9.3
Ireland	5.7	8.2	8.1	5.2	5.8	6.7	0.9	0.7	0.3	59	63.6	67.8
Spain	2	2.4	2.9	13.9	15.3	17.2	0.8	1.7	2	96.7	97.6	98.6
Italy	0.2	0.8	1.7	10	10.6	11.2	0.6	1.2	1.3	136.2	134.8	134.1
Cyprus	3.2	4.1	4.4	7.2	8.4	11.1	0.5	0.8	0.5	93.8	100.6	93.9
Latvia	2.1	4.6	3.8	6.6	7.4	8.7	2.7	2.6	2.9	36	36.4	38.6
Luxembourg	2.7	3.1	1.8	5.3	5.5	5.6	1.6	2	2.1	19.6	21	22.3
Malta	4.5	7	6.7	3.6	3.7	4	1.5	1.7	1.3	43.3	45.8	50.3
Netherlands	1.7	2.6	2.9	3.5	3.8	4.9	2.7	1.6	1.3	48.9	52.4	56.9
Portugal	2	2.4	3.5	6.3	7	9	0.3	1.2	1.6	119.5	122.2	126
Slovakia	2.3	4	3	5.8	6.5	8.1	2.8	2.5	2.8	48.1	49.4	51.3
Slovenia	2.5	4.1	4.8	4.4	5.1	6.6	1.7	1.9	1.6	66.7	70.4	74.1
Finland	1.4	1.7	3.1	6.7	7.4	8.6	1.1	1.2	0.8	59.2	59	60.9
Bulgaria	3.7	3.1	3.5	4.4	5.2	6.2	2.5	2.6	1.2	21.1	22.3	25.3
Czech Republic	2.5	2.8	4.4	2.1	2.2	2.9	2.6	2	2.4	31.5	32.6	34.7
Croatia	3	2.7	3.1	6.9	8.4	11	0.8	1.6	1.3	71.2	74.8	78
Lithuania	3.9	3.6	4.2	6.2	6.2	7.1	2.2	2.5	3.7	36.3	34.1	39.3
Hungary	4.9	5.1	4.3	3.4	3.7	4.2	3.4	2.9	2.4	68.2	70.2	72.9
Poland	4	5.1	4.9	3.5	3.9	4.9	2.1	1.2	1.6	47.4	48.9	50.6
Romania	3.9	4.4	7.1	3.9	4.2	4.9	3.9	4.1	1.1	35.5	35	35.1
Sweden	1.2	2.2	2.4	6.8	6.3	6.7	1.7	2	1.9	34.6	38.8	40.7
Denmark	2.1	2.4	2	4.9	5.1	5.8	0.7	0.7	1.1	33	34.2	35.5

Source: European Commission and Eurostat; ELSTAT.

Notes: GDP and HCPI data for 2019 are estimates concerning the EU (European Economy, Winter 2020) and Greece (ELSTAT).

Unemployment rates and government debt data are estimates for the year 2019, included in the Autumn 2019 edition of the “European Economic Forecast” (ELSTAT, as regards GDP at current prices).

International Capital Markets

- ***The priorities of the new European Commission in the area of financial services for the next five years***

Following the formation of the new European Commission by its newly-elected president, Ursula von der Leyen, the following main priorities were set in the area of financial services.

Green finance

In order to meet its 2030 climate and energy targets, the EU needs additional annual investments of 180 billion to 290 billion euros over the next decade. To reach climate-neutrality by 2050, even more investment will be needed – not just from public funding, but also from private sources. Therefore, the new Commission will focus on encouraging more people to invest in green projects – and making it easier for them to do so.

A fundamental part of this will be the work on a unified EU classification system (taxonomy). This classification system (taxonomy) will contribute to the fight against “greenwashing”. Greenwashing, a practice that occurs is when a company or organisation uses public relations or marketing to make something appear more environmentally friendly than it actually is, is currently widespread in the financial sector. This taxonomy will also form the basis for the ongoing work on standards and labels, such as the standard for Green bonds, or an EU Ecolabel.

In the future, the Commission will prepare a Sustainable Europe Investment Plan, which will unlock 1 trillion euros of sustainable investments over the next decade. It is possible that the European Investment Bank will be transformed into an EU Climate Bank, with a total financing capacity of up to 50% of its resources dedicated to climate by 2025. The EU will keep on working together with international partners in order to mobilise private finance for the realisation of green and climate-friendly investments on a global scale. In this context, the EU and a number of other countries launched the International Platform on Sustainable Finance in October 2019.

FinTech, payments and cryptocurrencies

Another key policy area that falls under the mandate of the new European Commission is FinTech and the transition to a digital economy. A FinTech strategy will be developed, to ensure that Europe’s approach keeps up with the digital transformation of the financial sector and that companies, consumers and investors are able to embrace these new opportunities, remaining protected at the same time. Crypto-assets, including stablecoins – a form of cryptocurrency, the value of which is fixed by pegging them to that of another asset – present many challenges. Although they may make it easier to offer cheap, fast payments, and help ensure that financial products and services are accessible and affordable to the public, at the same time, digital technologies pose serious challenges, and make it necessary to address a number of issues, such as cybersecurity, unfair competition, money laundering and terrorist financing, privacy, consumer protection, and possible threats to financial stability.

Banks and the banking union

The continuation of the work to make the banking sector more resilient and complete the banking union will be a major focal point of the operations of the new European Commission in the forthcoming years. A particular priority is reaching an agreement on a European insurance deposit scheme, in order to ensure that bank deposits are protected at all times. Of equal importance is to finalise the common backstop to the Single Resolution Fund – a last-resort insurance measure to shield taxpayers in the event of a bank failure. These are the missing elements needed to complete the banking union.

In the banking sector more generally, work will continue on issues related to dealing with non-performing loans. Non-performing loan levels have been reduced by more than half since 2014, albeit still remain too high in certain member states. Another priority will be to implement the final set of Basel III global banking standards, in a way that improves the solidity, stability and resilience of the banking sector, ensuring, at the same time, that it plays an essential role in financing the real economy.

The capital markets union and access to financing for companies

EU companies remain overly reliant on bank financing and too often small and medium-sized enterprises (SMEs) have to move abroad to get the funding they need. So the ongoing effort to create a genuine capital markets union will continue to be a priority of the new European Commission. To support this initiative, there are plans to create a private-public fund designed to facilitate the SMEs' access to public equity. The single market for capital needs to work not only for businesses, but also for consumers. Trust in the financial system in general – and in the financial systems of other member states in particular – remains low. Consumers seldom make use of the opportunities offered by the single market for financial services, such as looking outside their own country to find the best savings product for their retirement. Making the rules clearer and more consistent across different products and delivery channels could help change this.

Moreover, the new Commission will explore ways for facilitating cross-border investments. For example, investors have frequently cited a need for greater harmonisation of insolvency laws and tax proceedings. The new Commission will also look at ways of improving the supervisory system, including an assessment of the effectiveness of the recently agreed rules governing the three European Supervisory Authorities (ESMA, EBA, EIOPA).

Fight against money laundering/Sanctions/role of the euro

There will be a new, comprehensive approach to fighting money laundering and the financing of terrorist activities. It will primarily focus on strengthening supervision and on enforcing legislation across borders. The new Commission will continue to work for a multilateral, rules-based global financial order, and for ensuring its effective enforcement. It will also focus on strengthening the international role of the euro. The euro is already the second most important currency in the international financial system, next to the US dollar. The targeted measures to make the euro more attractive could be implemented, for example, in the areas of payments services, benchmarks, and foreign exchange markets.

- **The Withdrawal of the United Kingdom from the EU (Brexit):**

January 31st, 2020 is a crucial date for capital markets, since it marks the withdrawal of the United Kingdom from the EU. Concerns regarding the terms that will finally apply following the expiration of the transitional period on December 31, 2020, dampen economic expectations, and intermediaries are called to be prepared for extreme scenarios. In 2019, Brexit negotiations continued to exacerbate investor uncertainty and led to portfolio rebalancing and intense market price fluctuations, as investors appear to be more sensitive to Brexit-related news. It is telling that the FTSE 100 and EuroStoxx 50 indices had lost almost 12% in early 2019, as compared to the first half of 2018.

Brexit-related political risk remains a key source of concern for European financial markets, and is reflected on an increase in the implied volatility of the exchange rate of the pound. The focus is on the risk of potential cliff effects (i.e. disproportionate negative consequences), which continues to warrant close vigilance by both intermediaries and regulators. Such potential negative consequences might concern:

- *central counterparties;*
- *trading venues (as it may be necessary to redesign the transparency approach applicable under MiFID II);*
- *investment firms (loss of passporting rights for the cross-border provision of investment services and establishment of branches by UK undertakings in member states and, similarly, branches by EU-27 undertakings in the UK);*
- *mutual funds-UCITS and UCITS management companies (UK UCITS become non-EU AIFs, therefore they will lose the “EU Passport” for the distribution and management of European UCITS funds – there may be issues pertaining to the assignment of portfolio, or risk, management to UK firms in case there are not cooperation agreements between the EU-27 and the UK);*
- *Trade Repositories (potential disruption in the reporting of trading on derivatives);*
- *depositories (non-clearing of Irish securities currently cleared by the British depository);*
- *Credit Rating Agencies (ratings issued by UK CRAs will not be eligible based on the CRA Regulation); and*
- *Alternative Investment Fund Managers (UK AIFMs will become non-EU AIFMs, with the consequent loss of the “EU Passport” for distribution to EU professional managers).*

The risks emanating from Brexit are also a key issue for central clearing agencies in Europe. In particular, any obstacle to the access of EU counterparties to UK CCPs, as well of UK counterparties to EU-27 CCPs, would reduce the pool of assets available to central clearing for EU undertakings, with a negative effect on liquidity and netting efficiency.

Several measures have been taken to limit the risk of disruption in central clearing and avoid any negative impact on the financial stability of the EU. In December 2018, the European Commission adopted a temporary and conditional equivalence decision, deeming that the regulatory framework applicable in the United Kingdom is equivalent to that of the EU. On December 19, 2018, ESMA expressed its support for continued access to UK CCPs and therefore, aims to recognise UK CCPs and adopt recognition decisions in a timely manner.¹ The forthcoming period leaves no room for complacency to all capital market participants and regulators, as the landscape remains in flux as far as imminent developments are concerned.

New Financial is a think tank, which believes that Europe is in need of bigger and better capital markets, to assist the development and prosperity of its citizens. In October 2019, New Financial published an updated report on the impact from Brexit, which can be found at: <https://newfinancial.org/wp-content/uploads/2019/10/2019.10-Update-on-the-impact-of-Brexit-New-Financial-FINAL.pdf>

Here are some highlights from the report:

- New Financial identified more than 300 firms that “responded to Brexit by relocating part of their business, moving some staff, or setting up new entities in the EU.” This corresponds to an increase of 63 firms or 23% since the previous report, issued by New Financial in March 2019.
- Dublin is the “winner in terms of attracting business from the UK, with 115 firms choosing the Irish capital as a post-Brexit location.” This represents approximately 30% of all relocations. Dublin is followed by Luxembourg with 71 firms, Paris with 69 firms, Frankfurt with 45 firms, and Amsterdam with 40 firms. “[N]o single financial centre has dominated these relocations” as many firms have deliberately been splitting their business and “chosen separate cities as hubs for different divisions.”
- In case of an orderly Brexit, New Financial does not expect firms to reverse their decisions, although there will be a pause in relocation activity: firms will wait for the dust to settle on what Brexit actually will be, on the basis of the agreements, before making their final decisions by the end of 2020.

New Financial expects that, with the passage of time, the numbers of top firms, staff, and business activities will increase, as Brexit will have been completed and the temporary arrangements between the EU and the United Kingdom will expire, in which case national regulatory authorities will demand from firms to increase their local operation and presence in the other European countries.

• **Developments in Capital Markets**

The sustained pressure on key macroeconomic aggregates of the global economy, the entrenchment of a low-interest environment, world trade tensions, and the overall geopolitical instability of the past few years, are among the factors that had an impact on international financial and commodity markets. In response to the macroeconomic situation, central banks adapted their monetary policies. The US Federal Reserve reduced its

¹ <https://www.esma.europa.eu/press-news/esma-news/esma-ready-review-uk-ccps%E2%80%99-and-csds%E2%80%99-recognition-applications-no-deal-brexit>

base rate, while in November 2009 the ECB re-launched its, previously discontinued, bond purchase programme (20 billion euros per month), and reduced its base rate as well. At the same time, the need for fiscal intervention to the extent possible, as well as for the implementation of other growth-inducing policies, became manifest. In addition, tensions persisted in US-China relationships on trade and technology issues, while the geopolitical problems related to the withdrawal of the United Kingdom from the EU (Brexit) and the continuation of local conflicts were intensified.

In the first half of 2019, international equity markets were up as compared to 2018, mostly due to an environment of low interest rates and on the back of investor expectations for the pursuit of supportive monetary policy by central banks. Later in the year there was further upheaval in international trade (such as the increase in US tariffs), which increased volatility of stock prices, also exerting significant pressure on them by mid-2019. At the end of the year, stock prices worldwide were at higher levels than in the beginning of the year. Overall, in 2019 European, as well as US and Japanese equity markets, saw major price increases, while volatility indicators (VIX US and VSTOXX EU) remained lower than the five-year average. As regards the evolution of prices in European equity markets, it is worth noting that the increase in banking stock prices was less than that of other stocks (non-banking sector, insurance and financial services) throughout 2019, reflecting the overall contraction of economic activity and a low-interest rate environment.

In European markets, in particular, the indices that registered gains included Euronext 100 (24.85%), FTSE100 (12.11%), Dax Performance Index (25.48%), and CAC40 (26.37%), as well as STOXX Europe600 (23.16%) and FTSE EURO TOP 100 (21.90%). Similarly, in US markets the NASDAQ index rose by 35.28%, and the Dow Jones Industrial Average rose by 22.3%, while the S&P500 rose by 28.9%. Similar gains were registered by price indices in Asian markets, such as the FTSE China A50 (38.47%), Japan's Topix index (15.21%), Hang Seng (9.07%), and the Shanghai composite index (22.30%).

In contrast, the indices of certain, mainly emerging, markets sustained losses in 2019. Cases in point include the index of the Dhaka Stock Exchange, which fell by 17.32%, and the index of the Santiago Stock Exchange (Chile), which fell by 9.85%. In the European Union, the index of the Cyprus Stock Exchange fell by 2.56% and the index of the Luxembourg Stock Exchange fell by 2.11%.

The global equity market increased in size. According to data by the World Federation of Exchanges (WFE), the total market capitalisation of listed shares worldwide stood at 91.8 trillion US dollars, increased by almost 20% year-on-year. In terms of market capitalisation, the largest stock exchanges worldwide were those of New York with a capitalisation of 23.3 trillion US dollars (and a y-o-y increase of 12.81%); the Nasdaq with a capitalisation of 13 trillion US dollars (and a y-o-y increase of 33.26%); the Tokyo Stock Exchange with a capitalisation of 6.2 trillion US dollars (and a y-o-y increase of 16.88%); the Shanghai Stock Exchange with a capitalisation of 5 trillion US dollars (and a y-o-y increase of 30.27%); and the Hong Kong exchange with a capitalisation of 4.9 trillion US dollars (and a y-o-y increase of 28.28%).

Worldwide trading activity on equities was reduced. More specifically, the total value of transactions on stocks, as recorded in the electronic orderbook, stood at 86.78 trillion US dollars, reduced by -10.86% year-on-year. The stock exchanges with the largest trading values were those of the NASDAQ (15.9 trillion US dollars, reduced by -5.24% year-on-year); New York (12.25 trillion US dollars, reduced by -36.67% y-o-y); Shenzhen (11.5 trillion US dollars, increased by 81.97% y-o-y); and Shanghai (7.93 trillion US dollars, increased by 35.88% y-o-y).

There was also an increase in market interconnectedness indices. According to analyses by ESMA, there are indications that in the past few years the factors affecting the price volatility of European stocks can be mostly sought in the conditions prevailing in global trade and, possibly, less in the monetary policy expectations. In that sense, the equity markets that are most exposed to US-China trade relations underperformed in comparison to other markets throughout 2019.

The total value of funds raised worldwide (through the issuance of new, and the sale of existing, equities) stood at 778.62 billion US dollars, of which 211.3 billion euros were raised through initial public offerings, while the funds raised by already listed companies stood at 567.3 billion US dollars. The stock exchanges where the largest amounts of funds were raised through initial public offerings were the Hong Kong Stock Exchange (40 billion US dollars), the Saudi Stock Exchange (26.7 billion US dollars), the Shanghai Stock Exchange (26.5 billion US dollars), and the NASDAQ (26.15 billion US dollars). Correspondingly, the stock exchanges with the largest amounts of funds raised by already listed companies are the Santiago Stock Exchange (109 billion US dollars), the Shenzhen Stock Exchange (57.4 billion US dollars), the New York Stock Exchange (54.2 billion US dollars), the Shanghai Stock Exchange (48.3 billion US dollars), and the Euronext (42.3 billion US dollars). Moreover, the shares of 2,466 companies were admitted for trading for the first time. Of these, 1,345 undertook initial public offerings, while the remaining 1,121 were listed through other means (e.g. merger, listing of shares already issued). The stock exchanges with the largest numbers of listings through initial public offerings are the Hong Kong Stock Exchange (161 listings), NASDAQ (145 listings), and the Shanghai Stock Exchange (123 listings). The Shanghai Stock Exchange was the stock exchange with the largest number of listings through means other than initial public offerings (719 listings).

Investment activity through participation in investment funds presented a mixed picture. According to WFE data, in December 2019 the number of investment funds under management stood at 16,542, reduced by -26% year-on-year, while the total value of trading stood at 291.2 billion US dollars, increased by 30%. Correspondingly, the number of exchange traded funds (ETFs) stood at 10,232 at the end of the year (a year-on-year reduction of -14.34%), while the total value of trading stood at 12.2 billion US dollars (reduced by -25.91% y-o-y).

The total value of new bond issues worldwide was reduced by almost 24%, and stood at 6.5 trillion US dollars. The largest issuing activity was recorded in the exchanges of Luxembourg (1.35 trillion US dollars), Costa Rica (818.3 billion US dollars), Johannesburg (544 billion US dollars), Korea (522.5 billion US dollars) and London (LSE Group) (516 billion US dollars).

It is worth noting that in 2019 government bond yields tended to fall, especially in Europe, turning negative in some countries. The significant decrease in the spreads of (government and non-government) bonds rekindled search-for-yield strategies, and was accompanied by a deterioration of the average quality of bonds in the past few years. For example, the yield on the 10-year German government bond (bund) turned negative since April 2019 (-0.04%), and was reduced to -0.30% at the end of the year, from +0.13% in the beginning of the year. French (10-year) government bonds also offered negative yields since the middle of the year (from July to November 2019). At the end of 2019 negative yields were also offered by the government bonds of the Netherlands, Belgium, Austria, Finland, Luxembourg, and Denmark. However, after the European Central Bank announced in September 2019 that it would resume its bond purchase programme, the steep drop in the yields

of both government and corporate bonds since the beginning of the year showed signs of moderation. The yield curve for German government bonds (Bunds) was moderately upwards sloping, especially for securities with maturities of more than five years, albeit remaining in negative territory for maturities up to thirty years. The corresponding curve for US Treasury bonds was also moderately upwards sloping, albeit remaining above the 1.5% level for all bond maturities.

As far as the quality of corporate bonds in the EU is concerned, the increase in the share of lower-rated bonds, which had begun in previous years, continued in 2019. Based on the most recent data for the year 2019, bonds with credit ratings of BBB or below account for almost 50% of existing securities, whereas AAA-rated bonds account for only 5%. That said, the issuance of hybrid securities was reduced in 2019. It is also worth noting the limited, albeit steady, growth of “green bonds”, which at the end of 2019 corresponded to new issues worth 270 billion euros (as compared to less than 200 billion euros at the end of 2018 and a mere 20 billion euros at the end of 2014), reflecting the new trend towards investment on securities that promote the targets of sustainability and sustainable activities. More specifically, the issues of such bonds at the end of the year accounted for just 2% of the European corporate bond market (albeit with less liquidity and with credit ratings of A and above for 75% of those securities), but there are indications (based on the ESG Leaders index) that securities reflecting sustainable activities enjoyed higher returns than conventional ones during the past two years.

In 2019, fund-raising through the issuance of securities in Europe was dominated by the offering of investment grade corporate bonds, which accounted for 44% of the total issues of bonds (corporate, government, and covered), shares, and other hybrid products. The corresponding percentage stood at 22% for government bonds, 12% for high-yield corporate bonds, and just 1% for initial public offerings (4% in the case of subsequent share offerings). In 2019, the total value of securities issued for capital raising purposes in Europe stood at 1,847.3 billion euros.

In general, the percentage of funds raised through capital markets by non-financial companies in Europe, continued to increase in 2019, albeit at a slower pace. Securitisation activity showed signs of recovery, although there was no major shift of SMEs towards non-bank financing, while the liquidity of the listed shares of such companies remained limited.

The Greek Capital Market

The course of the Greek capital market in 2019 was marked by a) an increase in the total market capitalisation of ATHEX-listed shares, with the returns of the main and sectoral indices of the Athens Exchange moving upwards; b) the growth of trading activity in the Securities Market and the Alternative Market, as well as the decrease of trading activity in the Derivatives Market of the ATHEX; c) the increase of issuing activity in long-term Greek Government bonds, and the marked drop in their yields; d) the growth of issuing activity in corporate securities (shares and bonds); and e) net inflows, and the increase in total net assets and returns recorded for all mutual fund categories (excluding money market mutual funds).

In the market for Greek Government bonds, yields across most maturities were markedly lower at the end of 2019 than they were at the end of 2018, with the (average monthly) yield on the 10-year benchmark bond falling to 1.42% from 4.28% in December 2018.

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 increased year-on-year (32.27%) to 365 billion euros, from 275.96 billion euros in 2018. The average monthly nominal value of trading stood at 30.42 billion euros, as compared to 23 billion euros in 2018. The value of transactions in the Electronic Secondary Government Bonds Market (HDAT) rose to 8.54 billion euros from 5 billion euros in 2018.

Activity in the primary market for long-term debt securities consisted of eight syndicated and special issues worth 12.8 billion euros, as compared to one special issue worth 3 billion euros in 2019. As regards the issuance of Treasury bills, the total amount raised in 2018 stood at 27.86 billion euros, as compared to 35 billion euros in 2018. The average cost of borrowing rose to 1.7%, from 1.4% in 2018.

As regards the transferable securities market, in 2019 the total market capitalisation of shares listed on the Securities Market registered a significant year-on-year increase of 36.39%, and stood at 61,217.27 million euros in December, as compared to 44,884.04 million euros at the end of 2018. Its highest value (monthly data) was recorded at the end of December (61,217.27 million euros) and its lowest value at the end of January (47,098.54 million euros). The ratio of the total market capitalisation to Greece's GDP stood at 32.66% at the end of 2019, as compared to 24.18% at the end of 2018 and 30.27% in 2017. Finally, the market capitalisation of shares listed for trading in the Alternative Market of the ATHEX stood at 145.04 million euros at the end of 2019, as compared to 107.73 million euros at the end of 2018, increased by 34.63% year-on-year.

The ATHEX Composite Share Price Index closed at the year's end at 916.67 units, from 613.30 units, registering a year-on-year gain of 49.47%. All main stock market indices registered year-on-year gains. The largest y-o-y gains were registered by the FTSE/Athex-CSE Index (101.34%), followed by the ATHEX Mid & SmallCap Price Index (49.84%) The sectoral indices also registered gains. The largest gains were registered by the FTSE/ATHEX Banks Index (101.34%), followed by the FTSE/ATHEX Basic Resources index (96.84%).

Overall, average monthly price volatility of the shares traded in the Main Market of the Athens Exchange stood at 11.79% in 2019, as compared to 11.30% in 2018. Its highest value for the year was recorded in July (15.57%), while the lowest value was recorded in February (8.81%).

Trading activity in the Securities Market of the Athens Exchange increased in 2019. More specifically, the annual value of trading in all securities amounted to 16,618 billion euros, increased by approximately 19.91% year-on-year. In particular, the annual value of trading in all equity instruments rose to 16,384.53 million euros from 13,697.44 million euros in 2018, up by 19.62% y-o-y, while the value of trading in bonds surged (by 50.85%) to 238.66 million euros from 158.21 million euros in 2018. The average monthly value of equity trading rose to 1.365 million euros from 1.141 million euros in 2018. Finally, the value of trading in the Alternative Market of the ATHEX was significantly increased by 184.94% year-on-year, and stood at 5.13 million euros, as compared to 1.80 million euros in 2018.

As regards liquidity, the (value-weighted) monthly average bid-ask spread was reduced to 3.47% from 4.19% in 2018. Moreover, the average monthly turnover velocity for Main Market stocks increased, and stood at 0.106%, as compared 0.085% in 2018. Its values registered strong growth during the second half of the year, with the highest value being recorded in May (0.163%) and the lowest in January (0.070%).

The participation of foreign investors to the market capitalisation of the Securities Market of the ATHEX increased year-on-year and stood at 66.35%, as compared to 63.26% in 2018, mainly due to the increase in the participation of financial firms (to 43.44% from 39.93% in 2019). In 2019, foreign investors were net buyers, with inflows of 274.5 million euros, as compared to inflows of 252.52 million euros in 2018. Domestic investor participation (including the Hellenic Financial Stability Fund – HFSF) rose to 33.62% from 36.70% in 2018. Among domestic investors with the highest participation rates, there was a decrease in the participation of Retail Investors (to 14.86% in 2019 from 17.45% in 2018), while the participation of the HFSF was increased (to 3.64% in 2019 from 2.04% in 2018). Domestic investors were net sellers in 2019, with outflows of 274.51 million euros, as compared to outflows of 252.84 million euros in 2018. There was a significant increase in the monthly average number of active shares to 21,292 from 17,106 shares in 2018.

Issuing activity in the Greek equity market was up, compared with 2018. More specifically, there were eight share capital increases (SCIs) through issuance of new shares by ATHEX-listed companies, as compared to six in 2018, and two SCIs due to merger, as compared to one in 2018. However, there were no share capital increases through the initial public offering of stock for trading, whereas one such share capital increase had taken place in 2018. Total funds raised through these share capital increases amounted to 976.18 million euros, as compared to 298.88 million euros in 2018. Finally, in 2019 there were three issues of corporate bonds, as in 2018. All issues concerned common bond loans, which were listed for trading in the Debt segment of the Securities Market of the ATHEX. The total amount of funds raised through corporate bond issues stood at 525 million euros, as compared to 235 million euros in 2018.

As regards trading activity in the derivatives market, the downward trends of the last two years persisted in 2019. According to ATHEX data, the average daily volume of trading in stock and index futures and options stood at 41,895 contracts, as compared to 56,008 contracts in 2018, reduced by 25.20% year-on-year. The share of stock futures in the average daily volume of trading in all derivative products was reduced to 93.31% from 94.74% in 2018, while the corresponding share of futures on the FTSE/ATHEX Large Cap index rose to 5.87% from 4.59% in 2018.

The average monthly number of accounts that performed trades in 2019 rose to 2,005 from 1,925 in 2018, with the respective share on the total number of end investor-client accounts marginally rising to 5.64%, from 5.34% in 2018. The ratio of ATHEX-member to client transaction value for all the products traded in the derivatives market decreased and stood at approximately 45:55, as compared 51:49 in 2018.

The ratio of the value of transactions in the derivatives market to the value of transactions in the underlying transferable securities market of the ATHEX was reduced year-on-year, while its average value stood at 30%, as compared to 34% in 2018. Finally, the call:put ratio concerning trading in options was more in favour of call options on an annual basis, and stood at 0.98, slightly increased from 0.94 in 2018.

As regards capital market participants, forty-six (46) investment firms were operating in the Greek capital market in 2019, as compared to fifty-five (55) in 2018. Trading activity on Investment Firm shares in the Athens Exchange stood at 26.12 billion euros in 2019, as compared to 21.01 billion euros in 2018. The share of the five ATHEX members with the largest value of transactions as a percentage of the total value of translations (the first four of which are Investment Firms) rose to 62.52% from and 62.52% in 2018.

In 2019, the total number of mutual fund management companies (MFMCs) remained unchanged to 14. The total number of mutual funds under management, which is affected by the creation of new categories of units in existing mutual funds, increased once again, to 327 at the end of the year, from 316 in 2018. Finally, concentration in the Greek mutual fund market remained high, with the five largest MFMCs having funds under management of 6.90 billion euros (as compared to 5.30 billion euros in 2018), which accounted for 87.82% of the total net assets of mutual funds (87.41% in 2018).

The total net assets of mutual funds increased by 29.13% year-on-year and stood at 7.85 billion euros at the end 2019, as compared to 6.06 billion euros in 2018. More specifically, there was an increase in the net assets of all individual mutual fund categories (excluding the net assets of money market mutual funds, which were reduced by -98.17%; bond funds by 54.62%; equity funds by 53.09%; balanced mutual funds by 36.54%; funds of funds by 12.62%; and specialist mutual funds by 52.07%. It should be noted that, in accordance with Regulation (EU) 2017/1131 on money market funds, money market mutual funds and short-term money market mutual funds, have been converted to variable net asset value (VNAV) money market funds (MMFs), the net assets of which stood at 336.02 million euros.

All mutual funds registered net year-on-year inflows, which amounted to 580.56 million euros, as compared to net outflows of 256.51 million euros in 2018. As far as individual mutual fund categories are concerned, apart from money market funds, which suffered net outflows of 785.78 million euros, bond funds registered inflows of 736.50 million euros, equity funds had inflows of 133.76 million euros, balanced funds had inflows of 67.30 million euros, funds of funds had inflows of 13.22 million euros, and specialist funds registered inflows of 79.45 million euros.

All mutual fund categories offered positive annual returns (excluding money market funds, which had negative returns at -96.93%), as follows: bond mutual funds 10.78%; equity mutual funds 32.35%; balanced mutual funds 22.57%; equity funds of funds 19.22%; balanced funds of funds 11.81%; bond funds of funds 4.51%; and, finally, specialist mutual funds 11.69%.

European and national regulatory framework

European regulatory framework

Concerning the legislative proposal first presented by the European Commission three years ago, on the revision of the legislative framework that governs the three European Supervisory Authorities (**ESAs**/ESMA, EBA, EIOPA) as regards supervisory convergence, the trilogue among European institutions took place in 2019, leading to a political agreement on March 21, 2019, and the text was passed by the European Parliament in November 2019.

As regards the *completion of the Capital markets union (CMU)*, at the end of 2019 the European Commission presented its top priorities in the field of financial services. These include green financing and sustainable growth, the FinTech sector - payments and cryptocurrencies and the improvement of access to financing especially for *small and medium sized Enterprises (SMEs)*.

*More specifically, as part of the European Commission's Action Plan on **sustainable finance**, Regulations (EU) 2019/2088 and EU 2019/2089 were issued at the end of 2019, respectively concerning a) sustainability-related disclosures in the financial services sector and b) the amendment of Regulation (EU) 2016/1011 as regards low-carbon benchmarks and positive carbon impact benchmarks. Moreover, in December 2019 the European Parliament and the Council reached an agreement on the text of a European Commission-proposed Directive on an EU Taxonomy for sustainable activities.*

The FinTech sector –payments and cryptocurrencies– and transition to a digital economy is also a key policy area on the European level. As stated by the EU, crypto-assets, including stablecoins – a form of cryptocurrency, the value of which is fixed by pegging them to that of another asset – present many challenges. Although they may make it easier to offer cheap, fast payments, and help ensure that financial products and services are accessible and affordable to an as wider base as possible, at the same time, digital technologies pose serious challenges, and make it necessary to address a number of issues, such as cybersecurity, unfair competition, money laundering and terrorist financing, privacy, consumer protection, and possible threats to financial stability. This was the overall direction of work carried out in 2019, with the relevant Action Plan focusing on the need to establish a Digital Single Market.

As regards institutional initiatives for promoting the use of markets for the growth of small and medium-sized enterprises (SMEs), in 2019 consultation at the Council and the European Parliament was completed regarding a draft Regulation amending Regulations (EU) No 596/2014 (market abuse) and (EU) 2017/1129 (on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market). The adoption of this Regulation is part of the overall Capital Market Union initiative, which aims at reducing dependence on bank financing, the differentiation of financing sources through the use of the market for all SMEs, and promoting the issuance of bonds and shares by SMEs in public markets, taking, however, into account the fact that the size of these companies must not be an obstacle to their regulatory compliance. SME growth markets were enshrined in Directive MiFID II, and subsequently the EU recorded the regulatory barriers to the establishment of these markets, through a "Review of regulatory barriers for SME access to public markets", which was completed in 2017. Moreover, the amending Regulation on MiFID II had already been issued at the end of 2018, in order to resolve technical issues and promote the use of SME growth markets.

*An important initiative in relation to the above developments, was the framework proposed by the European Commission in 2018 as regards the providers of **crowdfunding** services, to ensure that this activity is subject to targeted EU action, given that up to now crowdfunding service providers have been adapting their business models to very different national frameworks and are subject to the implementation of existing EU and national regimes by national competent authorities. The key purpose of the proposed arrangements is to enable the providers of these services to apply for a "European label", which will allow them to expand their activity throughout the Union under certain conditions. They will also be registered with ESMA. The draft Regulation was passed in March 2019 by the European Parliament and its finalisation is expected within the next year. The*

completion of an EU directive amending Directive 2014/65 /EC (MiFID II) is also underway, to ensure that the legal entities that are authorised to provide crowdfunding services in accordance with the aforementioned regulation are exempt from the scope of Directive 2014/65 /EC.

As regards the **prudential supervision of investment firms**, Directive (EU) 2019/2034 amending Directives 2002/87/EC, 2009/65/EC, 2011/61/EU, 2013/36/EU, 2014/59/EU and 2014/65/EU was issued on November 27, 2019, as well as Regulation (EU) 2019/2033 on the **prudential requirements of investment firms** and amending Regulations (EU) No 1093/2010, (EU) No 575/2013, (EU) No 600/2014 and (EU) No 806/2014. Investment firms are mainly governed by the markets in financial instruments directive and regulation (MiFID II and MiFIR) as well as the prudential rules under the capital requirements directive and regulation (CRD4 and CRR). The review of this framework by the EU led to the adaptation of the relevant regulations, on order to take into account the size and type of the firms, with the aim of enhancing competition, and increasing the number of options available to market participants. Firms are also provided with a more flexible risk management framework. The adaptation of the legislative framework is one of the aims of the Capital Markets Union (CMU). More specifically, consultations were completed in 2019 on the proposals of the European Commission concerning changes in the way investment firms are required, depending on their size, nature, and inherent complexity to evaluate their risks, with the aim of simplifying prudential rules and facilitate supervision. For this reason investment firms are divided into systemic and non-systemic firms. The latter will be subject to all regulations applicable to Banks (CRD4/VRR), while, as regards their operations in countries that participate in the banking union, they will be subject to supervision by the European Central Bank and the Single Supervisory Mechanism (SSM). Non-systemic investment firms will be split into two categories: smaller and lower-risk investment firms, will be subject to a lighter regulatory framework, and will be exempt from any additional requirements on corporate governance or remuneration. Larger non-systemic firms will be subject to a new way of measuring their risks, based on their business models, while a more specific approach will apply in the case of firms which trade in financial Instruments.

Moreover, Regulation (EU) 2019/1238 was issued on June 20, 2019, on the establishment of a **pan-European Personal Pension Product (PEPP)**, which, after coming into force, will extend the scope of the Commission's supervisory work to pension funds. The information provided for the national and EU legislation will be collected at national level and then reviewed, and the Commission will propose the registration or deletion of a pan-European personal pension product (PEPP) produced either by an investment firm or an investment entity or a UCITS management company or an undertaking for collective investment, authorised in accordance with the relevant EU and national law. Moreover, registration or deletion decisions shall be notified to the European Insurance and Occupational Pensions Authority (EIOPA), while the Commission shall also monitor the compliance of the providers and distributors of a PEPP in Greece with the applicable legislation.

Also, Directive (EU) **2019/1160** amending Directives 2009/65/EC and 2011/61/EU with regard to cross-border distribution of **collective investment undertakings**, as well as Regulation (EU) **2019/1156** on facilitating cross-border distribution of collective investment undertakings and amending Regulations (EU) No 345/2013, (EU) No 346/2013 and (EU) No 1286/2014, were published on June 20, 2019.

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, a proposal first presented in 2017, was completed in 2019. Among others, the commercial terms governing clearing members and clients shall be fair, reasonable and non-discriminatory (FRAND), while new methods will be applied for determining the positions that make a counterparty subject to the clearing obligation. Moreover, the EU will be able to temporarily suspend the clearing obligation in exceptional cases and subject to specific conditions.

Moreover, as regards the amendment of Regulation (EU) 648/2012, Regulation (EU) 2019/2099 of the European Parliament and of the Council of 23 October 2019, was also published, concerning the procedures and authorities involved for the authorisation of central counterparties and requirements for the recognition of third-country central counterparties. This Regulation will come into force on 1.1.2020, and will differ from the EMIR REFIT Regulation, which will come into force on 17.6.2020. EMIR 2.2 entrusts ESMA with the supervision of systemically significant third country central counterparties, and establishes a “CCP Supervisory Committee” within the ESMA, responsible for both European and third-country CCPs. This body will also include the competent national regulator whenever a depository within its jurisdiction is concerned. In any case, the relevant decisions will be made by the Board of Supervisors of the ESMA, of which the HCMC is also a member.

In 2019, the European Commission also adopted **proposals for a regulation** on the enhancement of the central counterparty (CCP) framework in the EU, which provides ESMA with increased powers as regards the supervision of these entities, as well as regulations in the form of a Directive and a Regulation (amending the CRR regulation) on covered bonds.

It should also be noted that **Regulation (EU) No 909/2014** on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012 (CSDR), came into force on 1.7.2019. More specifically, as of July 1, 2019 quarterly reports on settlement internalisers must be submitted to the Hellenic Capital Market Commission, pursuant to article 9, para. 1 of the CSDR, which are forwarded by the HCMC to ESMA, while the authorisation of the Greek depository had to be renewed in accordance with the provisions of Regulation (EU) 909/2014. The introduction of the ability to maintain collective accounts changed the manner of supervision and monitoring, creating new supervisory requirements.

The year 2019, also saw the launching of the gradual implementation (which will continue in 2020) of Regulation (EU) 2015/2365 of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 (SFTR). Key HCMC responsibilities provided for by Regulation (EU) 2015/2365 include a) the evaluation of internal procedures for the submission of reports on the reporting of security financing transactions and reuse thereof to the relevant ESMA register by specific entities supervised by the Hellenic Capital Market Commission; b) the ongoing supervision of the compliance of these entities with the obligations emanating from the relevant provisions of the said Regulation; and c) the supervision of issues pertaining to the aforementioned activity of supervised entities.

Moreover, on 1.1.2019, Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 came into force, laying down a general framework for securitisation, creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012 (**Securitisation**).

Finally, as part of the above European legislation many level 2 legislative texts are expected within the next year, further specifying the implementation of the new provisions.

National regulatory framework

During the course of the year, the regulatory framework of the Greek capital market was substantially improved through the introduction of legislation on listed companies. More specifically, article 40 of law 4640/2019 (Gov. Gaz. 190/30.11.2019) titled “Competences of the Hellenic Capital Market Commission concerning the convention of the General Meeting of a company and the appointment of provisional management in that company” was published and came into force on November 30, 2019, enabling the Hellenic Capital Market Commission:

A. To call a company, which has shares listed for trading in a regulated market, or shares admitted for trading in a multilateral trading facility, to **convene a general meeting**, in accordance with article 121, paragraphs 2 to 4 of Law 4548/2018 (A 104).

B. To call for the **appointment of a provisional management** in accordance with article 89 of the Civil Code, as well as interim measures for the **complete or partial replacement of the Board of Directors or certain members thereof**, in case of absence of management of a company listed in a regulated market etc., which has not been remedied by the provisions governing the operation of the said company; or in case of obstruction, by members of the Board of Directors of the company, of a management, or other, audit to which the company is subject in accordance with the applicable legislation; or in case of conflicts of interest of one, or more, members of the Board of Directors with those of the company; or in case there are reasonable grounds to suspect that the continued presence of a member of the Board of Directors in the company would threaten the orderly operation and reliability of the market and/or investor interests. The work of the provisional management will be restricted to **performing the administrative actions necessary** for the continuation of the company’s operation until the election of a Board of Directors by the General Meeting and/or the resolution of the company in accordance with the applicable legislation.

The Hellenic Capital Market Commission participates, through its executives, in the law-drafting committees for the incorporation into national law of European Directives and Regulations pertaining to capital market legislation. In 2019, 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, and 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), as well as the law-drafting committee for the incorporation of Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement .

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 2019, the market capitalisation of shares listed on the Securities Market of the Athens Exchange stood at 61,217.27 million euros, increased by 36.39% as compared to 2018, when it stood at 44,884.04 million euros. The market capitalisation of shares listed on the Main Market category as per the last trading day of the year amounted to 60,923.98 million, as compared to 44,678.55 million in 2018, accounting for 99.52% of the total market capitalisation of ATHEX-listed stocks, as compared to 99.54% at the end of the previous year. The market capitalisation of the under surveillance category rose to 293.29 million euros at the end of 2019 from 205.49 million euros at the end of 2018, and accounted for 0.48% of total market capitalisation, as compared to 0.46% in 2018. The ratio of the total market capitalisation to Greece's GDP rose to 32.66%, from 24.18% in 2018 and 30.27% in 2017.

The top ten shares in terms of market capitalisation at the end of 2019 were the following (their share in total market capitalisation is shown in brackets): Coca Cola HBC AG (18.07%), Hellenic Telecommunication Organization (OTE) (11.10%), Greek Organization of Football Prognostics (OPAP SA) (6.05%), EUROBANK (5.54%), ALPHA Bank (4.82%), National Bank of Greece (4.48%), Hellenic Petroleum (4.35%), Jumbo SA (4.09%), Motor Oil (Hellas) Corinth Refineries SA (3.71%), and Titan Cement International S.A. (2.54%). The market capitalisation of these ten companies' shares stood at 39.91 billion euros as per the end of 2019 and accounted for 64.73% of the total market capitalisation of shares listed in the Athens Exchange. Similarly, at the end of 2018, the ten largest companies in terms of market capitalisation had a market cap of 29.19 billion euros and accounted for 64.48% 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 145.04 million euros at the end of 2019, increased by 34.63% year-on-year.

TABLE 3. Market Capitalisation of shares traded in the Securities Market and the Alternative Market of the Athens Exchange (€ million), 2019

Month*	Securities Market			Alternative Market
	Main market	Surveillance	Total	
Jan.	46,892.95	205.59	47,098.54	113.35
Feb.	49,989.88	211.22	50,201.10	118.43
Mar.	51,236.48	198.49	51,434.97	119.77
Apr.	53,498.62	207.44	53,706.06	122.67
May	55,703.32	217.91	55,921.23	122.07
Jun.	58,996.96	245.52	59,242.48	129.69
Jul.	60,824.60	294.51	61,119.11	133.02

Aug.	57,350.30	307.50	57,657.80	135.32
Sep.	57,087.74	332.73	57,420.47	133.03
Oct.	57,647.50	289.99	57,937.49	143.39
Nov.	60,197.16	294.92	60,492.08	145.20
Dec.	60,923.98	293.29	61,217.27	145.04

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, 2010-2019

End of year	Market Capitalisation (€ million)	ATHEX Composite Share Price Index	No. of Listed Companies	Market Capitalisation (% of GDP)
2019	61,217.27	916.67	169	32.66%
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%

Source: ATHEX, HCMC

Note: GDP is calculated at current market prices

At the end of 2019, the ATHEX Composite Share Price Index closed at 916.67 units, registering a year-on-year gain of 49.47% (613.30 units in 2018). During 2019, the Index followed an upward path, with the exception of August (when it fell by 3.54%, as compared to July). The index registered its low for the year in January (600.12); this value was higher than the corresponding low for the year 2018 (592.70). The index reached its high for the year in December (921.87); this value was higher than the corresponding highest value for the year 2018 (895.64).

The cumulative return of the ATHEX Composite Share Price Index for the period 2009-2019 is shown on Table 5.

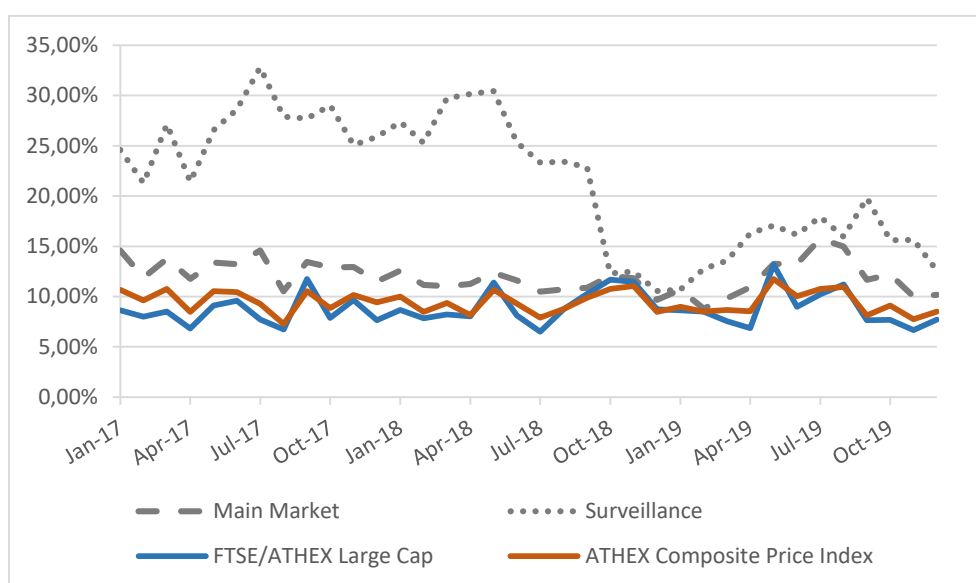
TABLE 5. Cumulative Return (%) of the ATHEX Composite Share Price Index, 2009-2019

	Return Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Base year										
2018	49.47%									
2017	14.25%	-23.56%								
2016	42.42%	-4.71%	24.66%							
2015	45.19%	-2.86%	27.09%	1.95%						
2014	10.95%	-25.77%	-2.88%	-22.09%	-23.58%					
2013	-21.16%	-47.25%	-30.99%	-44.64%	-45.70%	-28.94%				

2012	0.97%	-32.45%	-11.62%	-29.11%	-30.46%	-9.00%	28.06%			
2011	34.72%	-9.86%	17.92%	-5.41%	-7.21%	21.42%	70.88%	33.43%		
2010	-35.17%	-56.62%	-43.25%	-54.48%	-55.35%	-41.57%	-17.77%	-35.79%	-51.88%	
2009	-58.26%	-72.07%	-63.46%	-70.69%	-71.25%	-62.38%	-47.06%	-58.66%	-69.02%	-35.62%

The volatility of the ATHEX Composite Share Price Index, the FTSE/ATHEX Large Cap index, the Main Market and Surveillance Segments of the Securities Market of the Athens Exchange for each month of the period 2017-2019 is presented in Figure 2.

FIGURE 2. Monthly volatility in the Athens Exchange, 2017-2019



Source: ATHEX

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

In 2019, all main indices of the ATHEX registered gains. The largest y-o-y gains were registered by the FTSE/Athex-CSE Index (101.34%), followed by the ATHEX Mid & SmallCap Price Index (49.84%), the ATHEX Composite Share Price Index (49.47%), the FTSE/ATHEX Large Cap index (42.88) and the FTSE/ATHEX Market Index (42.50%).

Sectoral indices also registered gains. More specifically, the FTSE/ATHEX Banks Index registered the largest gains (101.34%), followed by the FTSE/ATHEX Basic Resources index (96.84%), the FTSE/ATHEX Utilities index (81.09%), and the FTSE/ATHEX Real Estate Index (80.96%). Table 6 presents the closing values and the percentage year-on-year changes for main indices of the Athens Exchange at the end of 2019. Table 7 presents ATHEX sectoral index data per month and for the entire year 2019.

TABLE 6. ATHEX Main Indices, 2018-2019

Athens Exchange Indices	2019	2018	Annual change (%)
<i>Composite Share Price Index</i>	916.67	613.3	49.47%
<i>FTSE/ATHEX Large Cap</i>	2298.02	1608.4	42.88%
<i>FTSE/Athex-CSE Banking</i>	669.94	332.74	101.34%
<i>FTSE/ATHEX MID&SMALL CAP Factor-Weighted</i>	2975.68	2215.2	34.33%
<i>ATHEX Mid & SmallCap Price Index</i>	5936.94	3962.08	49.84%
<i>FTSE/ATHEX Market index</i>	568.83	399.17	42.50%
<i>Hellenic Mid & Small Cap Index</i>	1253.49	906.65	38.26%
<i>Comp. Share Price Index, Total Return</i>	1495.5	973.38	53.64%
<i>FTSE/Athex-CSE Banking, Total Return</i>	586.69	313.47	87.16%

Source: ATHEX

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

TABLE 7. Sectoral Share-price Indices in the ATHENS EXCHANGE, FTSE/ATHEX, 2019

Month	Banks	Fin. Services	Real Estate	Basic Resources	Travel & Leisure	Telecoms	Utilities
Jan.	380.15	769.64	3213.45	3536.74	1468.88	3014.06	1867.45
Feb.	545.99	887.88	3629.40	3796.38	1549.31	3069.12	2070.34
Mar.	552.20	901.33	3870.13	3916.30	1587.62	3286.57	2039.51
Apr.	638.58	955.70	4083.46	3740.65	1643.63	3407.68	2058.85
May	786.69	1029.80	4613.04	3966.30	1613.37	3371.90	2336.18
Jun.	806.28	1099.02	5561.65	5086.99	1680.14	3578.34	2446.57
Jul.	828.24	1165.37	5853.97	7575.96	1739.30	3424.20	2854.19
Aug.	781.99	1103.50	5734.37	6818.84	1638.67	3341.62	2819.76
Sep.	830.19	1071.86	4905.29	7894.84	1626.80	3479.25	2878.82
Oct.	886.24	1005.76	4556.36	6681.79	1680.21	3743.49	2889.57
Nov.	903.89	998.40	4848.83	6605.58	1879.14	3754.51	2878.28
Dec.	885.16	996.89	5465.04	6458.00	1939.68	3925.16	3185.42
Annual % change	101.34%	27.76%	80.96%	96.84%	46.60%	49.79%	81.09

Month	Banks	Fin. Services	Real Estate	Basic Resources	Travel & Leisure	Telecoms	Utilities
Max	924.17	1191.69	6158.58	11171.7	2003.28	3985.72	3260.05
Min.	363.54	744.92	2928.7	3146.82	1309.57	2614.94	1729.19

Source: ATHEX

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

Value of Trading

In 2019, the value of equity trading in the Securities Market of the Athens Exchange stood at 16.38 billion euros, increased by 19.62% year-on-year. Its average monthly value stood at 1.37 billion euros, while the highest value for the year (2.42 billion euros) was recorded in May. The value of share trading in the two trading categories (Main Market and Surveillance) stood at 16.36 billion euros, as compared to 13.58 billion euros in 2018, increased by 20.45%. The value of trading in exchange-traded funds fell to 10.90 million euros from 11.83 million euros in 2018, reduced by 7.86%.

The value of trading in the Alternative Market of the Athens Exchange stood at 5.13 million euros, as compared to 1.80 million euros in 2018.

TABLE 8. Value of equity trading in the Securities Market and the Alternative Market of the Athens Exchange (€ million), 2019

Month	Securities Market					
	Shares		Exchange Traded Funds	Suspension of trading	Total	Alternative Market
	Main market	Surveillance				
Jan.	823.79	0.22	0.02	0.00	824.03	0.08
Feb.	876.90	0.36	0.04	0.00	877.30	0.35
Mar.	1,046.65	0.86	0.06	0.00	1,047.57	0.05
Apr.	1,096.71	0.64	0.20	1.12	1,098.67	0.16
May	2,422.29	0.71	0.50	0.00	2,423.50	0.29
Jun.	1,622.14	1.05	1.87	0.00	1,625.06	0.51
Jul.	1,698.66	1.60	3.40	0.00	1,703.66	0.91
Aug.	1,353.07	1.73	0.42	14.58	1,369.80	0.25
Sep.	1,281.88	2.34	0.85	0.00	1,285.07	0.33
Oct.	1,350.99	1.35	1.13	0.00	1,353.47	0.63
Nov.	1,463.12	1.17	1.72	0.00	1,466.01	0.86

Dec.	1,307.44	2.26	0.69	0.00	1,310.39	0.71
Total 2019	16,343.64	14.29	10.90	15.70	16,384.53	5.13

Source: ATHEX

In 2019, average turnover velocity for shares traded in the Main Market stood at 0.11%, as compared to 0.085% in 2018. Its highest value was recorded in May (0.163%) and its lowest value was recorded in January (0.070%). Similarly, the average annual turnover velocity for shares in the Surveillance category stood at 0.022%, as compared to 0.012% in 2018. Its highest value was recorded in September (0.039%) and its lowest value was recorded in January (0.005%).

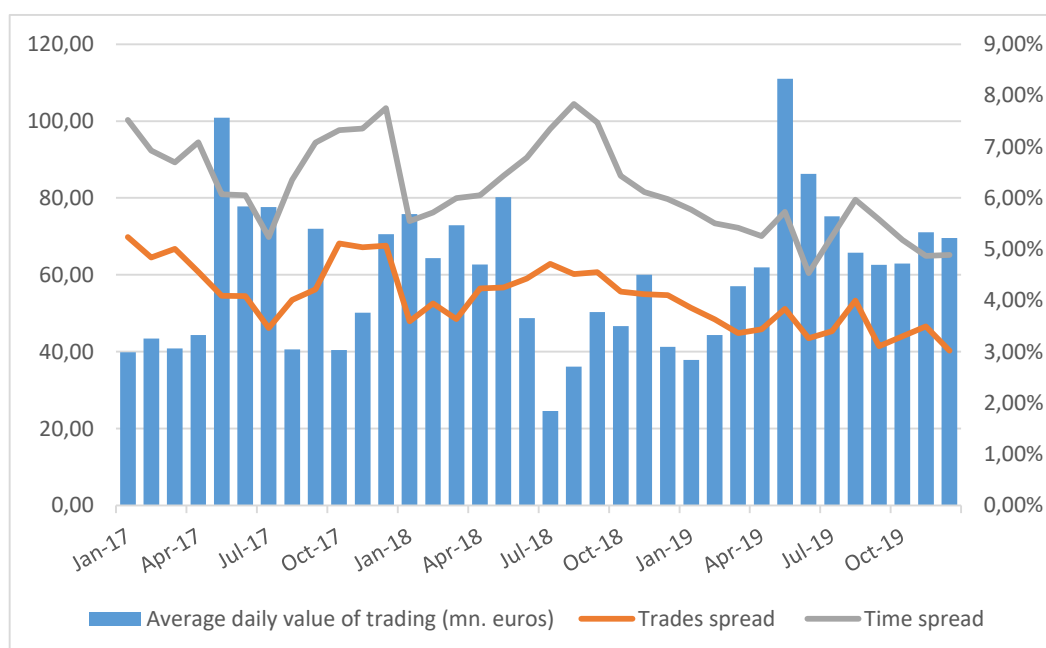
TABLE 9. Average turnover velocity, per month, 2019

Month	Main market	Surveillance	FTSE/ATHEX Large Cap	ATHEX Composite Price Index
Jan.	0.070%	0.005%	0.081%	0.076%
Feb.	0.082%	0.009%	0.095%	0.090%
Mar.	0.091%	0.022%	0.105%	0.100%
Apr.	0.103%	0.017%	0.115%	0.112%
May	0.163%	0.015%	0.190%	0.178%
Jun.	0.138%	0.024%	0.154%	0.148%
Jul.	0.114%	0.024%	0.125%	0.122%
Aug.	0.108%	0.027%	0.123%	0.116%
Sep.	0.098%	0.039%	0.109%	0.105%
Oct.	0.097%	0.021%	0.110%	0.105%
Nov.	0.107%	0.018%	0.122%	0.115%
Dec.	0.102%	0.042%	0.114%	0.110%

Source: ATHEX

The bid-ask spread in relation to the value of trading for the period 2017-2019 is presented in Figure 3.

FIGURE 3. Average monthly bid-ask spread and average daily value of trading, 2017-2019



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 2019, 9,207 new accounts were opened in the Dematerialized Securities System (DSS), as compared to 8,307 in 2018, and 10,885 in 2017, representing a 10.83% year-on-year increase, while 25,787 accounts were deactivated, as compared to 18,097 in 2018 and 4,000 in 2017. The number of active accounts in December 2019 stood at 18,785, as compared to 12,545 in the same month of 2018 and 16,965 in December 2017, with the average number of active accounts for 2019 standing at 21,292, as compared to 17,106 in 2018 and 18,331 in 2017.

TABLE 10. Number of new Investor Shares in the DSS by month, 2017-2019

Month / Year	2019		2018		2017	
	Active accounts	New accounts	Active accounts	New accounts	Active accounts	New accounts
January	14,170	569	21,767	888	16,869	584
February	15,120	594	18,694	672	15,858	543
March	22,421	1,444	21,520	1,023	23,159	2,543
April	25,874	617	16,945	681	13,967	522
May	27,504	770	22,850	948	22,181	735
June	22,554	783	15,347	656	28,186	2,200

July	28,661	1,117	12,584	590	21,612	840
August	20,135	626	13,896	584	13,742	579
September	18,440	582	15,473	599	17,524	590
October	23,546	942	16,525	621	14,351	566
November	18,291	576	17,131	618	15,556	595
December	18,785	587	12,545	427	16,965	588
Average active accounts	21,292		17,106		18,331	
Total new investor		9207		8,307		10,885
Account deactivations	25,787		18,097		4,000	

Source: Hellenic Exchanges

In 2019, domestic investor participation (including the Hellenic Financial Stability Fund – HFSF) to the market capitalisation of the Athens Exchange was reduced year-on-year (to 33.62% from 36.70%). Correspondingly, according to trading data by the Athens Exchange, domestic investors were net sellers, i.e. the value of their sales exceeded the value of their purchases by 274.51 million euros. The participation of private domestic investors rose to 14.86% (7,483.98 million euros) of the total market capitalisation in the Athens Exchange from 17.45% (6,146.65 million euros) in 2018, while the participation of the HFSF fell to 3.64% (1,833.50 million euros) from 2.04 % (717.55 million euros) in 2018. The participation of foreign investors to the market capitalisation of the ATHEX increased year-on-year (to 66.35% from 63.26% in 2018). In 2019, foreign investors were net buyers (the value of their purchases exceeded the value of their sales by 274.75 million euros).

TABLE 11. Investor participation in the total capitalisation of the Athens Exchange, 31.12.2019

	Investor Accounts with balances		Capitalisation	
	Number	Percentage (%)	Value (€ million)	Percentage (%)
I. Domestic Investors	548,644	98.17%	16,927.68	33.62%
Private	545,481	97.61%	7,483.98	14.86%
Private financial undertakings	323	0.06%	2,599.24	5.16%
.Private non-profit institutions	539	0.10%	250.57	0.50%
Non-financial undertakings	2,044	0.37%	3,561.94	7.07%
Public Sector	99	0.02%	1198.19	2.38%
Other Investors	157	0.03%	0.27	0.00%
.Hellenic Financial Stability Fund	1	0.00%	1,833.50	3.64%
II. Foreign Investors	10,041	1.80%	33,408.29	66.35%
Private	6,592	1.18%	475.4	0.94%
Private financial undertakings	2,739	0.49%	21,870.43	43.44%
.Private non-profit institutions	30	0.01%	64.70	0.13%
Non-financial undertakings	636	0.11%	9,615.80	19.10%
Public Sector & Organisations	85	0.02%	1,381.95	2.74%
Other Investors	2	0.00%	0.01	0.00%
III. Other Investors	179	0.03%	14.19	0.03%
Total I +II + III	558,864	100.00%	50,350.16	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 2019, the weighted with the sector's market capitalisation price to (after-tax) earnings ratio (P/E) for the entire market was equal to 12.9, down from the corresponding value of December 2018 (18). The lowest P/E was that of the General Mining sector (0.9). The sector capitalisation-weighted dividend yield (D.Y.) of all companies listed in the ATHEX stood at 5% in December 2019, up from the corresponding value of December 2018 (3.4%). The highest dividend yield was that of the General Mining sector (8.7%).

The ten shares with the lowest after-tax P/E ratios as per the end of 2019, were the following: MERMEREN KOMB. A.D. PR (GDR) (0.95), PERSEUS (CR) (5.49), REVOIL (CR) (6.10), ADMIE (IPTO) HOLDING (CR) (8.49), BRIQ PROPERTIES (CR) (8.86), PPA (CR) (13.14), FLOUR MILLS KEPENOS (CR) (13.52), GEKE (CR) (13.76), KRI-KRI (CR) (13.88), OLTH (CR) (14.93).

The ten shares with the highest dividend yields are the following: MERMEREN KOMB. A.D. PR (GDR) (8.69%), HELLENIC PETROLEUM (CR)(8.55%), COCA COLA HBC AG (CR) (8.52%), AEGEAN AIRLINES (CR) (7.14%), MOTOR OIL (CR)(6.30%), OPAP (CR)(6.04%), GEKE (CR)(5.82%), AUTOHELLAS (CR)(5.12%), INTERCONTINENTAL (CR)(5.03%), PRODEA (CR)(4.73%)

TABLE 12. Price to Earnings (P/E) ratio and listed company dividend yields, 2010-2019

End of year	Weighted P/E (after taxes)	Weighted Dividend yield Percent
2019	12.9	5.0
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

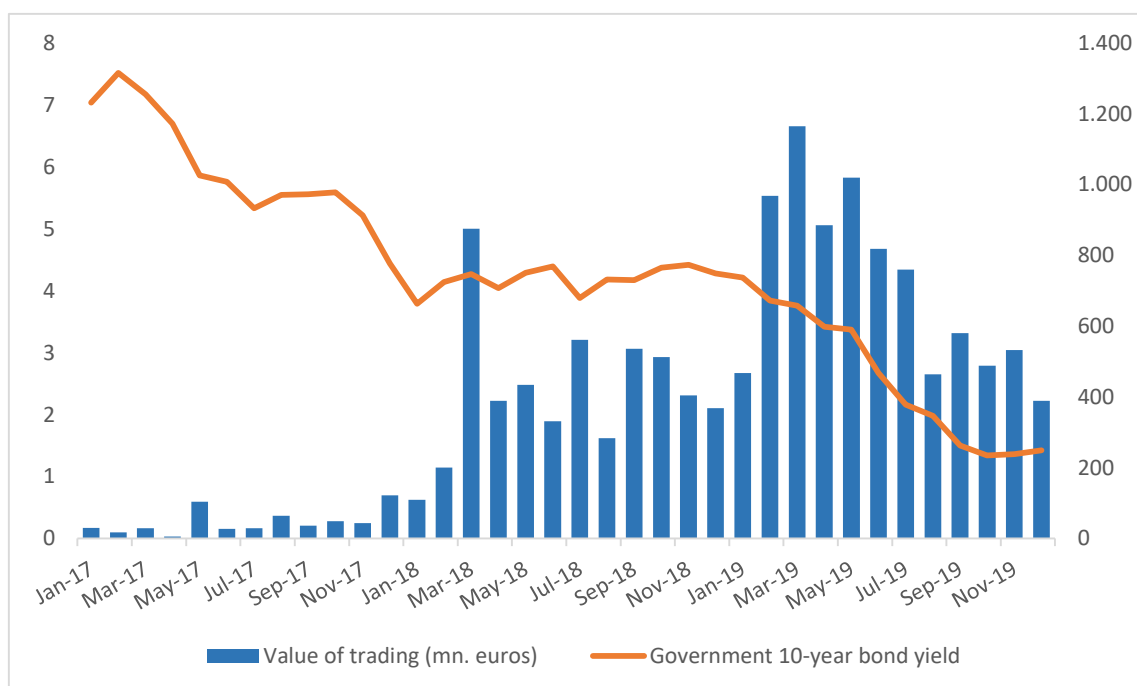
In 2019, trading in the Greek Government bond market was increased. Based on data from the System for Monitoring Transactions in Book-entry Securities of the Bank of Greece (BoG), the nominal value of secondary market trading on Greek Government bonds stood at 365 billion euros (as compared to 275.96 billion euros in 2018 and 1,532.78 billion euros in 2017), increased by 32.27% year-on-year. The average monthly value of trades stood at 30.42 billion euros. The highest value of trading was recorded in June (44.74 billion euros), followed by that in March (35.77 billion euros), while the lowest value was recorded in April (22.92 billion euros), followed by that in August (25.15 billion euros). There was also a 19.35% y-o-y increase in the number of trades, which stood at 76,643 (as compared to 64,218 trades in 2018 and 90,200 in 2017).

The annual value of trading in the Electronic Secondary Government Bonds Market (HDAT) amounted to 8.54 billion euros, as compared to 5 billion euros in 2018, and 555 million euros in 2017. The average monthly value of trading stood at 711 million euros, and March was the month with the highest value of trading (1,165 million euros), while December was the month with the lowest value of trading (389 million euros) for the year.

At the end of 2019 the ratio of negotiable debt (bonds and T-bills) to total debt stood at 19.16%, as compared to 18.62% at the end of 2018 and 19.9% at the end of 2017.

In December 2019, the average yield of the ten-year benchmark bond stood at 1.42%, markedly reduced as compared to December 2018 (4.28%). The lowest yield for the year was recorded in October (1.34%), while the highest yield was recorded in January 2019 (4.21%). The average yield of five-year bonds in December 2019 stood at 0.54%, and that of twenty-year bonds stood at 2.21%.

FIGURE 4. Government 10-year Bond yield and Value of trading in HDAT, 2017-2019



Source: Bank of Greece

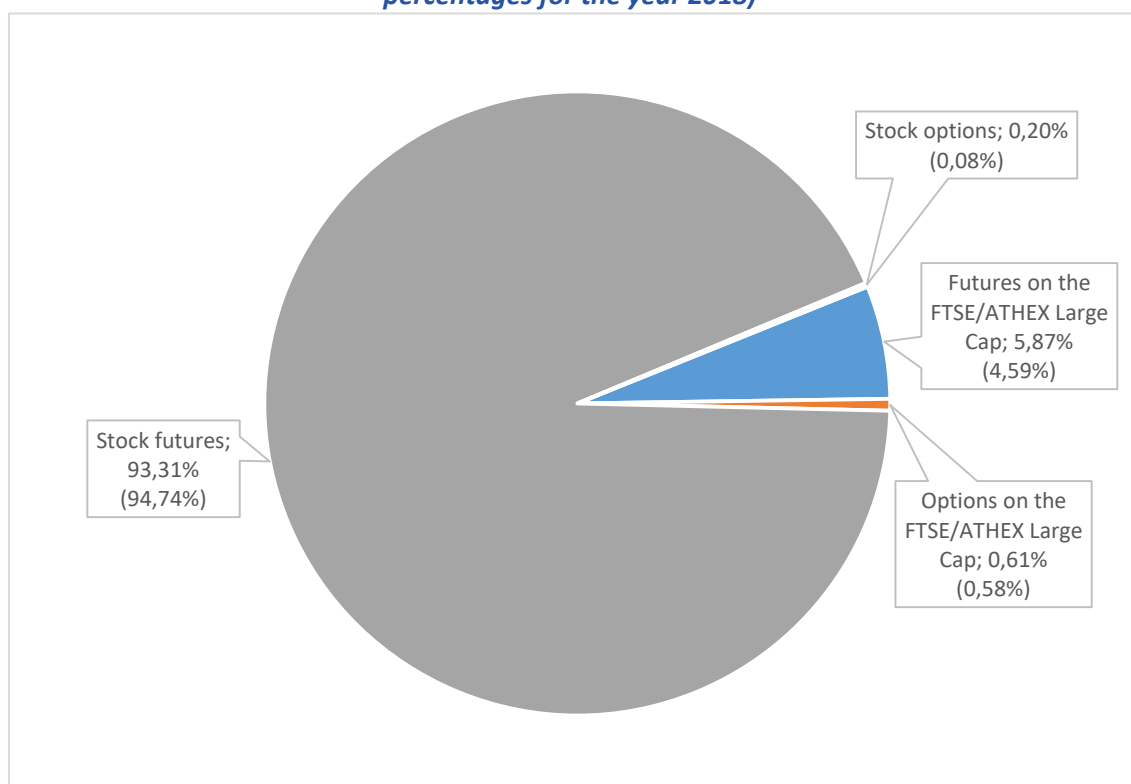
Finally, trading activity in the corporate bond market of the ATHEX continued its upward path in 2019. The value of trading rose to 238.66 million euros from 158.21 million euros in 2018, and 135.24 million euros in 2017. This increase is mainly due to the increased number and volume of corporate bond issues during the past three years.

The Derivatives Market

In 2019, the Derivatives Market of the Athens Exchange sustained the trends of the past two years, i.e. a decrease in trading activity, an increase in the number of accounts that performed trades, a reduction of the share of stock futures in the total derivatives market, as well as a 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 41,895 contracts, as compared to 56,008 contracts in 2018 and 77,479 contracts in 2017, reduced by 25.20% year-on-year. On a monthly basis, the average daily volume of trading showed intense fluctuations during the year, registering its highest value in June (80,904 contracts) and its lowest value in January (19,063 contracts). The share of stock futures in the average daily volume of trading in all derivative products was reduced to 93.31% from 94.74% in 2018, while the corresponding share of futures on the FTSE/ATHEX Large Cap index rose to 5.87% from 4.59% in 2018 (Figure 5).

FIGURE 5. Distribution of the Volume of Trading in the derivatives market per product, 2019 (in brackets the percentages for the year 2018)



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 (7,744 contracts), followed by stock futures for Alpha Bank (7,713 contracts) and for Eurobank Ergasias (6,240 contracts). The largest percentage increase of average daily trading volume was that of stock futures for PPA SA (499%), followed by the stock futures for LAMDA DEVELOPMENT SA (446.91%), GEK TERNA HOLDING SA (274.61%), and ADMIE (IPTO) HOLDING SA (258.08%).

The number of end investor-client accounts fell to 35,391 at the end of December 2019 from 35,406 at the end of December 2018 and 37,189 accounts at the end of December 2017 (Table 13). Moreover, the average monthly number of investor accounts fell to 35,559 from 35,998 in 2018. At the same time, the average monthly number of accounts that performed trades rose to 2,005 in 2018 from 1,925 accounts in 2017. As a result, the corresponding percentage of the total number of end investor-client accounts rose to 5.64% from 5.35% in 2018 and 4.89% in 2017.

TABLE 13. Derivatives market data, 2017-2019

	Dec. 2019	Dec. 2018	Dec. 2017
Trading Members	28	31	32
Clearing Members	19	19	19
- Direct Clearing Members	12	12	12
- General Clearing Members	7	7	7
Client Accounts	35,391	35,406	37,189
Products (Index & Equity)	36	37	37

Source: ATHEX.

The ratio of ATHEX member to client transaction value for all the products traded in the derivatives market continued to decrease and stood at approximately 45:55, as compared to 51:49 in 2018 and 54:46 in 2017. A remarkable year-on-year change in this ratio was recorded as regards futures on the FTSE/ATHEX Large Cap index, at approximately 44:56 as compared to almost 51:49 in 2018 and 59:41 in 2017 (Table 14).

TABLE 14. Distribution of Contracts in the Derivatives market, 2017-2019

Derivative products	Distribution of trades					
	Average 2019		Average 2018		Average 2017	
	Members	Clients	Members	Clients	Members	Clients
Futures on the FTSE/ATHEX LARGE CAP index	44.37%	55.63%	51.13%	48.87%	58.80%	41.20%
Options on the FTSE/ATHEX LARGE CAP index	55.54%	44.48%	66.55%	33.45%	69.71%	30.29%
Stock futures	34.59%	65.41%	39.69%	60.31%	43.43%	56.57%
Stock options	45.58%	54.44%	45.19%	54.81%	44.57%	55.43%
TOTAL PRODUCTS	45.02%	54.99%	50.64%	49.36%	54.13%	45.87%

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 Exchange was reduced 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 30%, as compared to 34% in 2018 and 33% in 2017. The highest value of this ratio was 43% and was recorded in September 2019, while the lowest value was 19% and was recorded in May 2019. 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 19%, as compared to 24% in 2018 and 22% in 2017, while the average ratio of transactions on stock futures and options to the total value of stock trading rose to 13%, from 12% in 2018 and 11% in 2017 (Table 15).

TABLE 15. Value of trading in the derivatives market and the underlying transferable securities market, 2019

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-19	84	20	15	7
Feb-19	90	27	16	12
Mar-19	88	34	15	19
Apr-19	90	24	15	10
May-19	78	19	13	8
Jun-19	91	39	21	20
Jul-19	88	30	24	9
Aug-19	94	36	26	10
Sep-19	93	43	23	20
Oct-19	94	29	21	8
Nov-19	96	25	17	8
Dec-19	95	36	16	20
Avg. 2019	90	30	19	13
Avg. 2018	89	34	24	12
Avg. 2017	94	33	22	11

Source: ATHEX.

The call:put ratio concerning trading in options, on an annual basis (i.e. total volume of call options to total volume of put options for 2019), stood at 0.98, as compared to 0.94 in 2018 and 1.81 in 2017. The ratio showed fluctuations on a monthly basis (maximum value: 1.42 in June; minimum value: 0.54 in April), with the average value of the ratio standing at 0.93, as compared to 1.05 in 2018 and 2.24 in 2017.

SECURITY ISSUANCE

Greek Government security issuance

In 2019, the Greek Government issued Treasury bills (13, 26, and 52 weeks), of a total value of approximately 27.86 billion euros as compared to 35 billion euros in 2018. Moreover, there were eight syndicated and special bond issues, with maturities of 5 years (January), 4, 6, and 7 years (February), 7 years (July), 2 years (August), and 10 years (March and October), amounting to approximately 12.8 billion euros. The average weighted cost of borrowing stood at 1.7%, as compared to 1.4% in 2018 and 2.2% in 2017.

In 2019, new Greek Government debt originated by 49% from the issuance of Treasury bills, and 50% from the issuance of bonds (48% fixed rate bonds and 2% floating-rate bonds), while the remaining 1% consisted in loans extended by the European Investment Bank. Moreover, the average-weighted maturity of central government debt was increased in 2019: to 20.53 years from 18.17 years at the end of 2018, and 18.32 years at the end of 2017.

Corporate Security Issuance

In 2019, there were eight share capital increases through issuance of new shares by ATHEX-listed companies, and two share capital increases due to merger. Moreover, there were three corporate bond issues. Total funds raised through the issuance of shares and bonds stood at 976.18 billion euros and 525 billion euros respectively.

Share issuance

During the year, there were eight share capital increases by ATHEX-listed companies, as compared to six in 2018 and seven in 2017. The funds raised amounted to 740.48 million euros, as compared to 186.86 million euros in 2018 and 132.53 million euros in 2017. In addition, there were no share capital increases through the public offering of stock for trading, as compared to one in 2018 and none in 2017. Finally, there were two share capital increases due to merger, as compared to one in 2018. Table 16 presents the funds raised per company through the issuance of shares in 2019.

TABLE 16. Funds raised through share issuances, 2019

Company	Trading category	Total Funds Raised
<i>(A) Share capital increase with admission to trading</i>		
CRETA FARM SA	Main market	1,238,160.00

Company	Trading category	Total Funds Raised
VARVARESSOS SA	Surveillance	1,407,497.40
CARS MOTORCYCLES AND MARINE ENGINE TRADE AND IMPORT COMPANY SA	Main market	9,828,000.00
INTERTECH SA INTER. TECHNOLOGIES	Main market	1,404,150.00
TRASTOR REIC	Main market	22,783,243.20
UNIBIOS HOLDING	Main market	3,750,555.60
BRIQ PROPERTIES REIC	Main market	50,070,430.20
LAMDA DEVELOPMENT S.A.	Main market	650,000,098.00
Total funds raised with listing of shares		740,482,134.40
(B) Share capital increase due to merger and listing of stock for trading		
Merger by absorption by "ELAKTOR SA" of "EL. TECH. ANEMOS SA" with share capital increase.	Main market	38,388,810.70
Merger by absorption by "Eurobank Ergasias SA" of "Grivalia Properties REIC" with share capital increase.	Main market	197,307,596.46
Total funds raised due to merger with listing of shares		235,696,407.16
Grand Total of Funds Raised (A) + (B)		<u>976,178,541.56</u>

Source: HCMC

Table 17 presents data on the number of share capital increases by ATHEX-listed companies during 2013-2019, as well as the corresponding amount of funds raised.

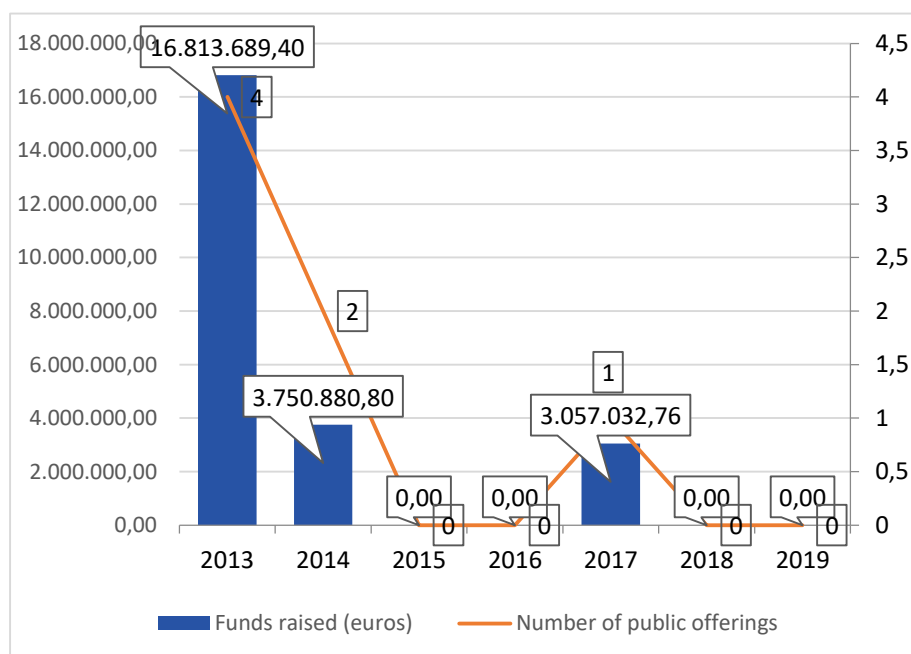
TABLE 17. Share Capital Increases by ATHEX-listed companies, 2013-2019.

	Number of Share Capital Increases	Total Funds Raised (€ million)
2019	8	740.48
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

Source: HCMC

Figure 6 presents data on the public offering of shares without admission to trading in ATHEX during the period 2013-2019. More specifically, it presents the total number of public offerings per year, as well as the amount of funds raised.

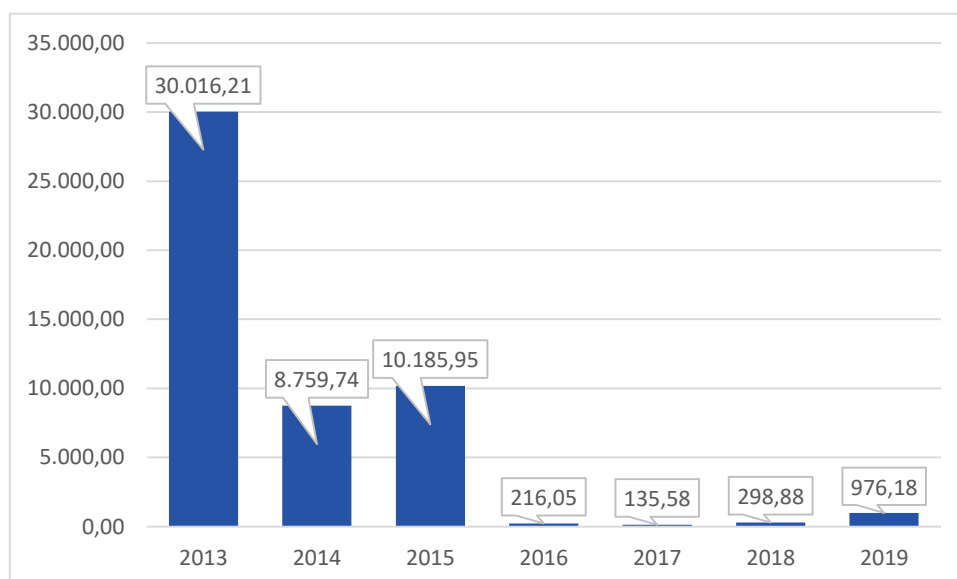
FIGURE 6. Public offering of shares without admission to trading, 2013-2019



Source: HCMC

Figure 7 presents the total amount of funds raised per year through share issuance during 2013-2019.

FIGURE 7. Total funds raised through share issuance (€ mn), 2013-2019



Source: HCMC

The quarterly distribution of share capital increases by ATHEX-listed companies in the period 2017-2019, 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, 2017-2019

Quarter	Number of issues			Total Funds Raised (€ mn)		
	2019	2018	2017	2019	2018	2017
1st	2	1	-	2.65	41.32	-
2nd	2	3	1	11.23	140.47	23.27
3rd	2	1	2	26.53	5.07	33.6
4th	2	1	5	700.07	-	79.25
Total	8	6	8	740.48	186.86	132.53

Source: HCMC

Bond Issuance

In 2019, there were three corporate bond issues, as in 2018, while two corporate bond issues had been carried out in 2017. Two of the issues concerned seven-year bonds and one concerned a five-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 525 million euros (as compared to 235 million euros in 2018 and 610 million euros in 2017).

TABLE 19. Funds raised through corporate bond issuances, 2018

Company	Trading category	Total Funds Raised
AEGEAN AIRLINES SA	Fixed-income securities	200,000,000
ATTICA HOLDINGS SA	Fixed-income securities	175,000,000
TERNA ENERGY SA FINANCE	Fixed-income securities	150,000,000
Total		525,000,000.00

Source: HCMC

Corporate restructuring in the capital market

In 2019, the corporate restructuring of companies listed in the Athens Exchange through mergers remained at almost 2018 levels. More specifically, 9 listed companies absorbed 11 non-listed and 2 listed companies in 2019

(Table 20 & Figure 8), while 9 listed companies had absorbed 13 non-listed companies in 2018. Of the acquirer listed companies, 1 came from the Banks' sector, 2 from the Construction and Materials sector, 1 from the Industrial Goods & Services sector, 1 from the Food, Beverage & Tobacco sector, 1 from the Consumer Products & Services sector, 1 from the Personal Care, Drug & Grocery Stores sector, 1 from the Media sector and 1 from the Travel & Leisure sector. Moreover, the 2 listed target companies, the shares of which were de-listed from the Athens Exchange as a result of the merger, came from the Real Estate and Utilities sectors.

Moreover, it should be noted that in 2019 there was a relative increase in corporate restructuring through spin-offs and acquisitions of business sectors. More specifically, in 2019, 2 business sectors were spun-off from 2 ATHEX-listed companies and were acquired by 2 non-listed companies (Table 21), as compared to 2 spin-offs by 1 ATHEX-listed company in 2018. The spin-offs that took place in 2019 concerned companies from the Consumer Products & Services and Industrial Goods & Services super sectors. Finally, on 31.12.2019, out of a total of 157 companies with shares and bonds listed in the Athens Exchange, 124 companies (79.0%) comprised groups and prepared consolidated financial statements, as compared to 133 companies comprising groups (79.2%) out of a total of 168 as per 31.12.2018 (Figure 9).

TABLE 20. Mergers among companies listed and non-listed in the ATHEX, 2019

No	Acquirer	Industry	Target Company
1	EFG EUROBANK ERGASIAS	Banks	- GRIVALIA PROPERTIES REIC
2	ELVE SA	Consumer Products & Services	-KAR. MA. Energy Private Company
3	SELONDA AQUACULTURE SA	Food, Beverage & Tobacco	- NIMOS SA - SPARFISH SA - CALYMNOS AQUACULTURE SA
4	ELLAKTOR SA	Construction & Materials	-ELLINIKI TECHNODOMIKI ANEMOS SA
5	AVAX SA	Construction & Materials	-IOANNOU & PARASKEVAIDIS SA ENERGY AND INDUSTRIAL PROJECTS
6	MYTILINEOS SA	Industrial Goods & Services	- DELTA ENERGY SA RES HOLDING AND TRADING - MOVAL SA
7	OPAP SA	Travel & Leisure	-OPAP SERVICES SA
8	G. SARANTIS SA	Personal Care, Drug & Grocery Stores	- GR SARANTIS CYPRUS LTD
9	AUDIO VISUAL ENTERPRISES SA	Media	-HELLENIC AMUSEMENT PARKS SA - INTERNATIONAL GAMING AND ENTERTAINMENT SA

Source: HCMC

TABLE 21. Listed company business sector spin-offs and acquisitions by companies non-listed in the Athens Exchange, 2019

No	Listed Company	Industry	Company to which the business sector is transferred
1	AUTOHELLAS SA	Consumer Products & Services	- TECHNOCAR SA (SEAT automobiles and automotive parts import and trading sector)
2	INFORM P. LYCOS SA	Industrial Goods & Services	INFORM P. LYKOS (HELLAS) (production, processing, development and trading of printed IT systems)

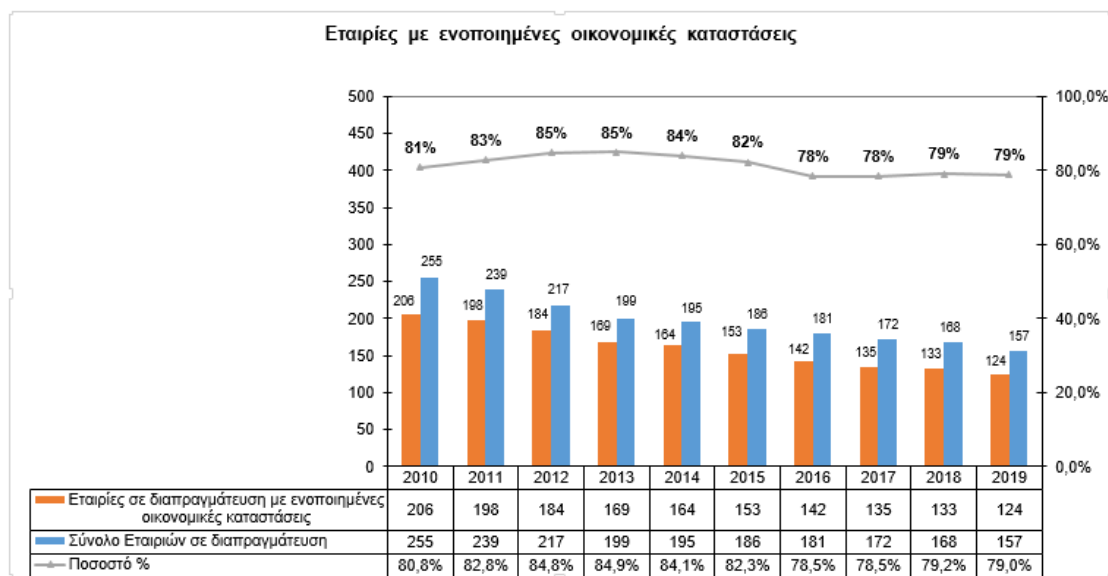
Source: HCMC

FIGURE 8. Mergers of ATHEX-listed Companies, 2010-2019



Source: HCMC

FIGURE 9. Listed companies and groups of listed companies traded in the Athens Exchange, 2010-2019



Source: HCMC

PART THREE

CAPITAL MARKET INTERMEDIARIES

INVESTMENT FIRMS AND FINANCIAL INTERMEDIATION FIRMS

Trading activity

In 2019, forty-six (46) investment firms licensed by the HCMC were operating in the Greek capital market, as compared to fifty-five (55) in 2018 and sixty-one in 2017. Moreover, twenty-seven (27) Financial Intermediation Firms (FIFs) licensed by the HCMC were operating in 2019.

Trading activity of the aforementioned investment firms in equity instruments listed in the Athens Exchange increased year-on-year, and stood at 26.12 billion euros, as compared to 21.01 billion euros in 2018. Their share in the total value of trading of all companies-members of the ATHEX (Investment Firms, Credit Institutions, and remote members) rose to 79.78% from 76.80% in 2018. 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) remained almost unchanged y-o-y at 62.91%, as compared to 62.52% in 2018 and 59.49% in 2017. Similarly, the share of the ten-largest, in terms of trading activity, members of the Athens Exchange remained unchanged y-o-y at 81.50% as compared to 81.90% in 2018 and 80.67% in 2017.

TABLE 22. Trading by firms-members of the Athens Exchange, 2015-2019

Trading by ATHEX members (€ mn)	2019	2018	2017	2016	2015
Value of Equity Trading	32,740.40	27,354.67	29,212.62	30,072.16	38,169.40
Value of Bond Trading	493.64	327.40	276.82	13.37	0.08
Total Trading Value	33,234.04	27,682.07	29,489.44	30,085.53	38,169.48
Share (%) of top-5 ATHEX members	62.91	76.80	59.49	56.68	54.90
Share (%) of top-10 ATHEX members	81.50	81.90	80.67	79.02	79.27

Source: ATHEX

Margin Account Trading

Table 23 presents the development of margin account trading for the year 2019, according to data submitted by investment firms to the Hellenic Capital Market Commission on the last trading day of each month. The average (monthly) number of firms actually active in this field stood at 26, while 31 firms submitted the relevant notification. The average number of active open-end contracts rose to 11,290 from 4,866 in 2018, and as compared to 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 rose to 51.16 million euros from 36.39 million euros in 2018, 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 728.17 million euros, as compared to 639.66 million euros in 2018, 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, 2019

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)
2019						
Dec.	31	24	11,200	42,613	58,865.01	851,172.65
Nov.	31	25	11,977	42,952	55,459.05	799,691.85
Oct.	31	26	11,197	54,143	55,919.31	793,204.68
Sep.	31	26	11,241	54,119	56,511.20	667,031.61
Aug.	31	26	11,248	54,086	55,994.71	746,889.43
Jul.	31	26	11,233	54,065	61,485.26	772,976.64
Jun.	31	26	11,225	53,952	59,625.26	727,354.53
May	31	27	11,216	53,853	49,380.89	746,291.86
Apr.	31	27	10,838	53,776	43,284.64	728,577.18
Mar.	31	27	11,372	53,072	41,912.55	696,913.90
Feb.	31	27	11,363	53,693	38,823.04	571,845.18
Jan.	31	28	11,366	53,852	38,763.58	636,202.19
Mean	31	26	11,290	52,015	51,168.71	728,179.31

Source: HCMC

COLLECTIVE INVESTMENT MANAGEMENT FIRMS

Collective Investments in Transferable Securities (UCITS)

In 2019, the total number of mutual fund management companies (MFMCs) remained unchanged to 14. The total number of mutual funds under management, which is affected by the creation of new categories of units in existing mutual funds, increased once again, to 327 at the end of the year, of which 159 were licensed by the Hellenic Capital Market Commission, from 316 in 2018 and 286 in 2017.

At the end of the year, the total net assets of mutual funds increased by 29.13% year-on-year and stood at 7.85 billion euros, as compared to 6.06 billion euros in 2018 and 6.66 billion euros in 2017. According to the classification of mutual funds, MFMCs managed 78 equity mutual funds, 102 bond mutual funds, 45 balanced mutual funds, 37 equity funds of funds, 39 balanced funds of funds, 4 bond funds of funds, 13 specialist mutual funds, as well as 1 short-term money market fund and 2 money market mutual funds; in accordance with Regulation (EU) 2017/1131 on money market funds, money market mutual funds and short term money market

mutual funds, have been converted to variable net asset value (VNAV) money market funds (MMFs). At the end of the year there were 9 VNAV MMFs.

The three largest mutual fund management companies had funds under management of 5.16 billion euros, which accounted for 65.74% of total mutual fund assets, as compared to assets of 3.99 billion euros and a corresponding market share of 65.81 % in 2018, and 4.41 billion and 66.33% in 2017. Similarly, the five largest MFMCs had funds under management of 6.90 billion euros that accounted for 87.82% of total mutual fund assets, as compared to 87.41 % in 2018 and 87.96% in 2017.

TABLE 24. Net assets and Number of Mutual Funds, 2017-2019

MF Classification	31.12.2019		31.12.2018		31.12.2017	
	Value (€ mn)	No. of M/F	Value (€ mn)	No. of M/F	Value (€ mn)	No of M/F
Money market	11.21	3	783.48	31	1,176.35	32
Bond	2,929.85	102	1,894.84	76	1,856.39	58
Equity	1,360.91	78	888.96	76	1,086.74	74
Balanced	1,804.90	45	1,321.86	45	1,360.72	33
Funds of Funds	1,121.67	80	995.97	78	952.48	75
Specialist	306.12	13	174.84	10	224.21	14
VNAV MMFs	336.02	9				
Total	7,859.50	327	6,059.95	316	6,656.89	286

Source: Hellenic Fund & Asset Management Association

TABLE 25. Net Mutual Funds Assets and macroeconomic aggregates, 2009-2019

Date	Resident deposits and repurchase agreements of non-MFIs to other MFIs in Greece (€ mn) ¹	ATHEX Market Capitalisation (Total shares) (€ million)	Net Mutual Funds Assets (€ mn)
Dec. 2019	-	61,217.27	7,859.5
Dec. 2018	159,474	44,884.04	6,059.9
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 asset value of short term money market mutual funds stood at 11.21 million euros, reduced by 98.17% year-on-year, while their annual return was at 0.163%, as compared to a y-o-y asset value decrease of 50.09% and a marginal negative return of 0.26% in 2018. In

accordance with Regulation (EU) 2017/1131 on money market funds, money market mutual funds and short-term money market mutual funds, have been converted to variable net asset value (VNAV) money market funds (MMFs), the net assets of which stood at 336.02 million euros.

The net assets of bond mutual funds stood at 2,929.85 million euros, registering a y-o-y increase of 54.62%, as compared to a 2.07% increase in 2018. Their market share rose to 37.28% of the total mutual fund market at the end of the year, from 31.27% in 2018 and 27.89% in 2017, while their annual return was positive at 10.78%, as compared to 0.15% in 2018.

The net assets of equity mutual funds stood at 1,360.91 million euros, increased by 53.09% year-on-year, and registering a positive y-o-y return of 32.35%, as compared to a decrease in net assets by 18.20% and a positive annual return of 13.23% in 2018. The market share of equity mutual funds stood at 16.91% as per 31.12.2019, as compared to 14.67% in 2018 and 16.32% in 2017. It should be noted that the ATHEX Composite Share Price Index gained 49.47% y-o-y, the FTSE/ATHEX Large Cap Index gained 42.88% and the FTSE/ATHEX Market Index gained 42.50%.

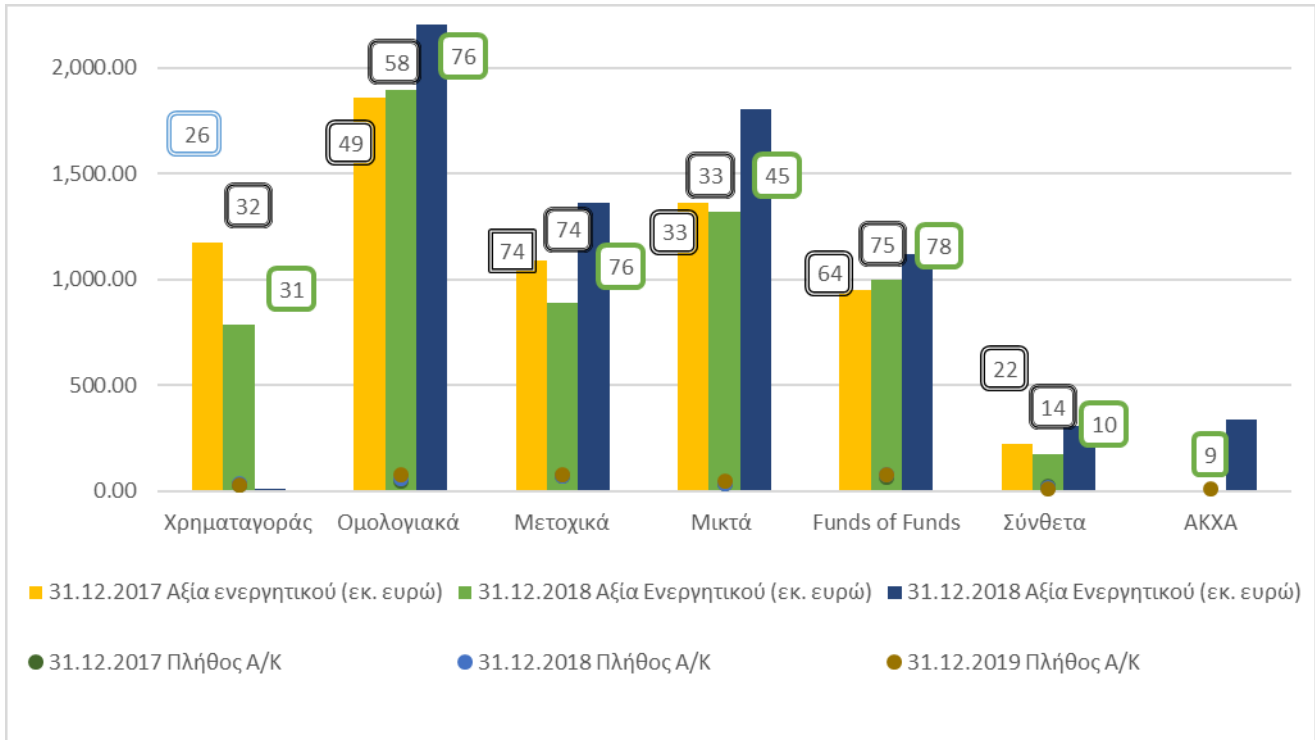
The net assets of balanced mutual funds increased by 36.54% year-on-year to 1,804.90 million euros, as compared to a 2.86% decrease in 2018, while their market share as per 31.12.2019 accounted for 22.96% of the total mutual fund market, as compared to 21.81% in 2018 and 20.44% in 2017. Their annual returns were positive, at 22.57%, as compared to negative annual returns of 7.84% in 2018.

The net assets of funds of funds as a whole stood at 1,121.67 million euros at the end of the year, increased by 12.62% year-on-year, as compared to a 4.57% increase in 2018. Funds of funds as a whole accounted for 14.27% of the total mutual fund market as per 31.12.2019, as compared to a market share of 16.44% in 2018, and 14.31% in 2017. Equity funds of funds saw their net assets increase by 4.44%, while their annual returns were positive at 19.22%, as compared to a net asset decrease of 8.85% and a negative annual return of 8.71% in 2018. Balanced funds of funds saw their net assets increase by 12.91%, while their annual returns were positive at 11.81%, as compared to a 13.21% increase in net assets and a negative annual return of 4.14% in 2018. Bond funds of funds saw their net assets soar by 59.05%, while their annual returns were positive at 4.51%, as compared to a net asset decrease of 29.48% and a negative annual return of 0.07% in 2018.

The net assets of specialist mutual funds increased by 52.07% year-on-year to 306.12 million euros, as compared to a 22.02% decrease in 2018, while their market share as per 31.12.2019 accounted for 3.9% of the total mutual fund market, as compared to 2.89% in 2018 and 3.37% in 2017. The annual return of Absolute Return specialist mutual funds and specialist mutual funds was positive at 11.69%.

In 2019, mutual funds as a whole registered net inflows, which amounted to 580.56 billion euros, as compared to net outflows of 256.5 billion euros in 2018. The picture was mixed across mutual fund types. Net outflows were sustained by money market funds (-785.78 million euros), while specialist mutual funds registered inflows (79 million euros) as was also the case for equity mutual funds (133.76 million euros), Funds of Funds (13.22 million euros), balanced mutual funds (67.30 million euros) and bond mutual funds (736.50 million euros).

FIGURE 10. Net assets and Number of Mutual Funds per MF classification, 2017-2019



Source: Hellenic Fund & Asset Management Association

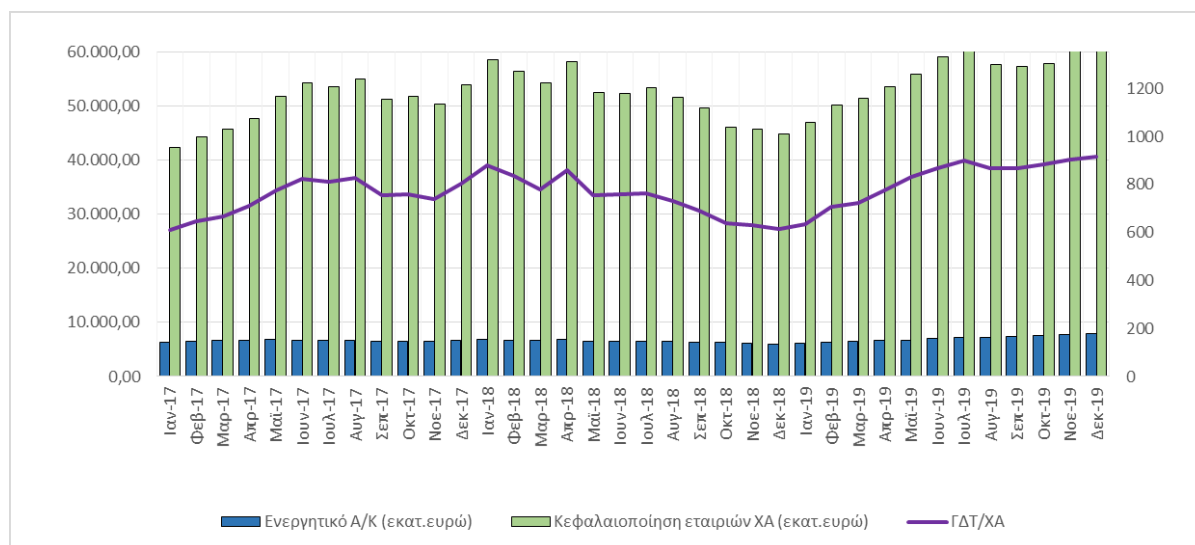
TABLE 26. Net assets and Number of Mutual Funds, 31.12.2019

MF Classification	Net Assets 31.12.2019 (€)	Change y-o-y (%)	No. of shares/units 31.12.2019	Change y-o-y (%)
Money Market	6,979,385.88	-98.73	578,334.80	-99.61
Short Term Money Market	4,231,426.09	-98.17	730,295.77	-96.93
Bond	2,929,856,430.02	36.50	532,792,052.90	28.05
Equity	1,360,911,295.70	53.09	450,090,845.11	42.18
Balanced	1,804,904,477.31	36.54	244,149,828.87	7.15
Bond Funds of Funds	61,345,697.78	59.05	6,008,763.69	39.94
Equity Funds of Funds	254,495,384.13	4.44	49,736,238.04	-13.91
Balanced Funds of Funds	806,836,424.86	12.91	148,858,754.99	10.24
Specialist	306,128,975.30	52.07	142,477,760.05	74.85
VNAV MMFs	336,025,917.68		60,381,335.92	-

Note: Data for the “Money Market Mutual Fund” category refer to the period up to 31.7.2019, while the data for “Short Term Money Market” category refer to the period up to June 2019. Since then, the aforementioned mutual funds have either changed category or name, in accordance with Regulation (EU) 2017/1131 and are named Variable NAV MMFs.

Source: Hellenic Fund & Asset Management Association

FIGURE 11. ATHEX Market Capitalization- mutual fund assets and the ATHEX Composite Index, 2017-2019



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

In 2019, foreign Undertakings for Collective Investments in Transferable Securities (UCITS), notified the HCMC about their intention to sell mutual fund units in the Greek market in one hundred and forty-four (144) cases, while six (6) new foreign UCITS offered notification concerning the sale of mutual fund units.

TABLE 27. Authorised foreign Undertakings for Collective Investments, 2004-2019

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
2019	6	144	0	0
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)

In 2019, there was one Portfolio Investment Company (PIC) in operation. Its net assets stood at 12.42 million euros, as compared to 10.66 million euros at the end of 2018, and its shares were traded in the Securities Market of the Athens Exchange at a 19.23% discount.

Moreover, there were seven (7) active Real Estate Investment Companies (REICs), four (4) of which are listed in the Athens Exchange. At the end of 2019, the total value of the investment portfolio of these seven companies stood at 2,750.08 million euros, as compared to 3,412.75 million euros at the end of 2018, while the value of properties under management stood at 2,383.71 million euros as compared to 3,035.31 million euros at the end of 2018.

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 2019, the Board of Directors of the Hellenic Capital Market Commission, having the competence, issued the following Decisions, which were directed towards ensuring fair competition and investor protection, as well as the orderly functioning of the UCITS market and the capital market.

Investment Services (Investment Firms, Financial Intermediation Firms)

Joint decision of the Bank of Greece and the HCMC (3/842/18.4.2019) Specific terms and conditions for the provision of credit by banks for the purchase of transferable securities in accordance with para. 5 of article 6 of Law 4141/2013. This decision modernises the framework governing the provision of credit by banks for the purchase of transferable securities and ensures fair competition among banks and investment firms in Greece (Gov. Gaz. B 2136/7.6.2019).

7A/847/28.6.2019 Restrictions in the offering, distribution, and sale of contracts for differences (CFDs) to retail customers. The decision is directed towards the protection of investors from the offering, distribution, and sale of contracts for differences (CFDs) to retail customers.

7B/847/28.6.2019 Prohibition of the offering, distribution, and sale of binary options to retail customers. This decision responds to the major concern about investor protection caused by the offering, distribution, and sale of binary options to retail customers. (Gov. Gaz. B 3024/26.7.2019).

Collective Investments (Investment Funds, Management Companies, PIFs)

7/839/8.3.2019 Suspension of the redemption of UCITS units on April 19th, April 22nd and December 24th 2019. The redemption of units in all categories is suspended, in order to safeguard the interests of UCITS unitholders, given that the aforementioned dates are holidays for the Athens Exchange and/or the Bank of Greece (Gov. Gaz B 1332/18.4.2019).

Trading, Clearing, Settlement

5/840/15.3.2019 Amendment of HCMC Decision 3/304/10.06.2004 (Gov. Gaz. 901 B/16.6.2004) on the "Regulation for the Operation of the Dematerialized Securities System" (Gov. Gaz. B 1086/2.4.2019).

16/846/18.6.2019 Amendment of HCMC Decision 5/840/15.3.2019 "Amendment of HCMC Decision 3/304/10.06.2004 (Gov. Gaz. 901 B/16.6.2004) on the 'Regulation for the Operation of the Dematerialized Securities System'" (Gov. Gaz. B 3140/7.8.2019).

LICENSING

The work of the Hellenic Capital Market Commission in the field of licensing during 2019 includes the following:

Investment Firms

- *Authorisation of the operation of Investment Firms in one (1) case.*
- *Assessment of the suitability of new Investment Firm board members in sixteen (16) cases.*
- *Assessment of the suitability of the actual managers of Financial Intermediation firms in six (6) cases.*
- *Approval of the acquisition of qualified holdings in Investment Firms in two (2) cases.*
- *Approval of share capital decreases of Investment Firms in three (3) cases.*

Financial Intermediation Firms

- *Authorisation of the operation of one (1) FIF.*
- *Assessment of the suitability of new Financial Intermediation Firm board members in two (2) cases.*
- *Assessment of the suitability of the new actual managers of Financial Intermediation firms in two (2) cases.*
- *Assessment of a shareholder who acquired/increased a qualified holding in a FIF in three (3) cases.*

Mutual Fund Management Companies

- *Number of operating MFMCs (31.12.2019): Fourteen (14).*
- *Revoking of the operating license of MFMCs in one (1) case.*
- *Approval of charter modification in two (2) cases.*
- *Approval of the qualifying holdings in MFMCs in three (3) cases.*
- *Total number of UCITS under management by MFMCs: 327*
- *Approval of the regulations and the formation of mutual funds in two (2) cases.*
- *Approval of the modification of mutual fund internal rules in twenty-four (24) cases.*
- *Granting of license for merger between mutual funds in two (2) cases.*
- *Approval of share capital changes in two (2) cases.*

- Approval of the new composition of the board of directors in six (6) cases.

Portfolio Investment Companies

- Number of operating PICs (31.12.2019): One (1).
- Approval of share capital changes in three (3) cases.

Real Estate Investment Companies

- Number of operating REICs (31.12.2019): Seven (7).
- Authorisation of the operation of two (2) REICs.
- Approval of the new composition of the board of directors in five (5) cases
- Approved the modification of REIC charters in four (4) cases.
- Approval of share capital changes in four (4) cases.

Alternative Investment Fund Managers

- Number of operating AIFMs (31.12.2019): Seven (7).
- Approval of the new composition of the board of directors in two (2) cases.

Foreign UCITS

- Receipt of notification concerning the sale of shares in new foreign UCITS in six (6) cases.
- Receipt of notification concerning the sale of new funds by foreign UCITS (compartments) in one hundred and forty-four (144) cases.

Trading venues and clearing and settlement systems

- 5/840/19.7.2018 Approval of amendment of HCMC Decision 3/304/10.06.2004 on the “Regulation for the Operation of the Dematerialised Securities System”
- 16/846/18-06-2019 Approval of amendment of HCMC Decision 5/840/15-03-2019 "Amendment of HCMC Decision 3/304/10.06.2004 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 Company Prospectuses for Public Offerings and/or listing of transferable securities

- *Approval of the prospectus of seven (7) 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 Athens Exchange.*

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

- *Approval of the Prospectus and the public offering of bonds of three (3) companies in the Securities Market of the Athens Exchange.*

Corporate actions of listed companies (article 4, Law 3401/2005 and article 1 of Regulation (EU) 2017/1129)

- *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 two (2) companies intending to increase their share capitals due to merger by absorption of other companies.*
- *Receipt of Notification of eight (8) 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 and dividends paid in the form of the distribution of shares of the same type with those on which the dividend is paid.*

Cross-border public offerings (articles 17 & 18, Law 3401/2005 and articles 24 & 25 of Regulation (EU) 2017/1129).

- *Receipt of Notification of twenty one (21) prospectuses, seventy eight (78) addendums to prospectuses, and one (1) document of final terms, in implementation of the community framework regarding cross-border public offerings, in accordance with articles 17 and 18 of Law 3401/2005, and articles 24 & 25 of Regulation (EU) 2017/1129, concerning the approval certificates issued by the competent authorities of the home member-state.*

ENFORCEMENT AND COMPLIANCE

During 2019, 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 measures.

Revoking of License

- *Revoking of the operating licenses of Investment Firms in three (3) cases.*
- *Revoking of the operating licenses of Investment Firms in regard to specific investment services in one (1) case.*
- *Revoking of the licenses of two (2) Financial Intermediation Firms in implementation of article 8 of Law 4514/2018.*

Supervision & Monitoring of the Behaviour of Listed Companies

Supervision & Monitoring of the Behaviour of Listed Companies

On July 3 2016 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, i.e. 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 2019 the HCMC sent 59 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 (EU) 596/2014, the Hellenic Capital Market Commission in 2019 levied fines worth a total of 40,000 euros, for failure to disclose, and delays in the disclosure of, privileged information against one (1) company.

Furthermore, as part of supervising compliance with the provisions of article 15, as specified in article 12, para. 1c of Regulation (EU) 596/2014 by the issuers of transferable securities in regard to their financial data, the HCMC monitors issues related to the compliance of companies with the rules that prohibit market manipulation 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 2019 the HCMC levied fines worth a total of 3,000,000 euros for market manipulation through corporate announcements on one individual and one legal entity and 25,340,000 euros for market manipulation through financial statements in one legal entity and eleven individuals. Moreover, in 2019 the HCMC levied fines worth a total of 12,000 euros for market manipulation on an individual, for violating the provisions of L. 3340/2005.

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 2019, 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 24 published financial statements of 15 issuers. More specifically, it audited 16 annual and 9 interim financial statements and reviewed certain issues related to 15 annual and 2 interim financial statements.

In the context of the above audits, the HCMC called 7 issuers to make certain corrections, or add notifications to forthcoming financial statements.

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

IAS 1 – Presentation of Financial Statements

IAS 17 – Leases

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

IAS 40 – Investment property

IFRS 7 – Financial Instruments: Disclosures

IFRS 13 – Fair Value Measurement

IAS 39 – Financial Instruments: Recognition and measurement

In 2019, the HCMC levied total fines of 39,000 euros to three companies for the non-compliance of their financial statements with the IFRS, and 70,000 euros for non-disclosure or non-timely disclosure of financial reports (annual or semi-annual). Moreover, focusing on investor protection and the orderly functioning of the market, in 2 cases where the external auditors expressed qualified opinions, and in 2 cases of non-disclosure of financial reports, the HCMC requested the ATHEX to place the shares of these companies under suspension.

Moreover, the HCMC levied total fines of 18,000 euros for violation of the provisions of article 17, para. 1 of Regulation (EU) 596/2014, in conjunction with the provisions of article 7 of Regulation (EU) 596/2014 and article 27, para. 8 of Law 4443/2016 on three companies which failed to disclose their annual financial statements as soon as possible after their approval by their Boards of Directors.

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 390 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 39,000 euros on nine 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 extent 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 11 letters. The above actions are aimed at the provision of investors with proper and complete information. In addition, the Hellenic Capital Market Commission levied fines of 2,000 euros on one individual for violating Law 3556/2007 and HCMC Decision 8/754/14.4.2016.

Furthermore, 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 4 cases imposed sanctions on 12 members of the Board of Directors of 3 listed companies.

Finally, in the context of the supervision of compliance with the provisions of Law 4449/2017 concerning the new rules for the establishment, structure, and staffing of an audit committee with increased powers and responsibilities, and appointing the Hellenic Capital Market Commission as the authority responsible for the supervision of companies with transferable securities listed in the Athens Exchange, the former, 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, has been monitoring the compliance of companies with the provisions of article 44, of L. 4449/2017. In order to assess the proper and full enforcement of the legal framework as regards the composition of the audit committee since the date the law came into force (24.01.2017), in 2019 the Hellenic Capital Market Commission sent letters to listed companies (173) requesting the relevant information. Moreover, in the context of prudential supervision for the proper implementation of Law 3016/2002 and article 44 of Law 4440/2017, the HCMC proceeded to communications and a series of meetings with most listed companies, offering clarifications regarding the makeup of the audit committee and the fulfilment of the relevant criteria by its members.

Supervision & Monitoring of Takeover Bids

In 2019, eleven (11) requests regarding takeover bids for securities traded in the ATHEX were submitted to the Hellenic Capital Market Commission in accordance with Law 3461/2006, and eight (8) of these requests were approved (Table 28).

As part of the supervision of the supervised persons' compliance with the provisions of the above law, in 2019 the HCMC imposed a fine of 20,000 euros on one individual for the violation of the provisions of said law.

In addition, the Hellenic Capital Market Commission received five (5) requests for the execution of squeeze-out rights, i.e. the right of the Bidder that, after the end of the bid, possesses transferable securities representing at least ninety percent (90%) of the Target Company's voting rights to demand the transfer of all the remaining transferable securities of the Target Company. More specifically, in 2019 the following requests were submitted to, and approved by, the Board of the Hellenic Capital Market Commission: (i) the request by "ORKLA FOOD INGREDIENTS AS" for the execution of its squeeze-out right on the shares of "STELIOS KANAKIS SA" (approved on 1.8.2019); (ii) the request by "TITAN CEMENT INTERNATIONAL S.A." for the execution of its squeeze-out right on the shares of "TITAN SA" (approved on 1.8.2019); (iii) the request by Mr. Stavros Takis for the execution of his squeeze-out right on the shares of "SFAKIANAKIS SA" (approved on 23.9.2019); (iv) the request by "SILANER INVESTMENTS LIMITED" for the execution of its squeeze-out right on the shares of "FG EUROPE SA" (approved on 19.12.2019); and (v) the request by "ELTRAK CP LIMITED" for the execution of its squeeze-out right on the shares of "ELTRAK SA" (approved on 10.1.2020).

Moreover, it should be noted that in 2019 the Board of the Hellenic Capital Market Commission approved the following three (3) requests for the execution of squeeze-out rights, which had been submitted in the previous year (2018): (i) the request by "NEXANS PARTICIPATIONS S.A." for the execution of its squeeze-out right on the shares of "NEXANS HELLAS SA" (approved on 15.3.2019); (ii) the request by "HELLENIC HEALTHCARE HOLDING S.A." for the execution of its squeeze-out right on the shares of "DIAGNOSTIC AND THERAPEUTIC CENTRE OF ATHENS HYGEIA SA" (approved on 15.3.2019); and (iii) the request by "KAZAR INVESTMENT S.A." for the execution of its squeeze-out right on the shares of "DRUCKFARBEN HELLAS SA" (approved on 15.3.2019).

TABLE 28. Take-over bids in the capital market, 2019

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	29/3/2019	OPTIONAL	ORKLA FOOD INGREDIENTS AS	STELIOS KANAKIS SA	30/5/2019	4/6/2019 - 2/7/2019	0.00%	98.57%
2	2/4/2019	COMPULSORY	Mr. STAVROS TAKIS	SFAKIANAKIS SA	30/5/2019	4/6/2019 - 2/7/2019	91.92%	96.98%
3	11/4/2019	OPTIONAL	OCM LUXEMBOURG HEALTHCARE GREECE S.a r.l.	IASO SA	30/5/2019	4/6/2019 - 2/7/2019	0.00%	83.37%

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
4	16/4/2019	OPTIONAL	TITAN CEMENT INTERNATIONAL S.A.	TITAN CEMENT CO SA	18/6/2019	19/6/2019 - 17/7/2019	22.49%	93.00% ²
5	8/5/2019	COMPULSORY	SILANER INVESTMENTS LIMITED	FG EUROPE SA	16/7/2019	18/7/2019 - 16/8/2019	91.01%	97.20%
6	24/6/2019	COMPULSORY	INVEL REAL ESTATE(NETHERLANDS) II B.V.	ETHNIKI PANGEA REIC	28/6/2019	3/7/2019 - 31/7/2019	98.15%	98.15%
7	8/7/2019	OPTIONAL	SAZKA GROUP A.S.	OPAP SA	30/9/2019	1/10/2019 - 29/10/2019	32.73%	39.98%
8	19/8/2019	COMPULSORY	ELTRAK CP LIMITED	ELTRAK SA	8/10/2019	11/10/2019- 22/11/2019	76.92%	92.54%
9	17/12/2019	COMPULSORY	ANDROMEDA SEAFOOD SOCIEDAD LIMITADA	SELONDA AQUACULTURE SA	PENDING			
10	17/12/2019	COMPULSORY	ANDROMEDA SEAFOOD SOCIEDAD LIMITADA	NIREFS SA	PENDING			
11	20/12/2019	COMPULSORY	ANDROMEDA SEAFOOD SOCIEDAD LIMITADA	PERSEUS SA	PENDING			

Source: HCMC

De-listing of shares from the Athens Exchange

In accordance with the provisions of article 17 para. 5 of Law 3371/2005, as currently in force, and after requests of the companies themselves, the Board of the HCMC decided to de-list the shares of seven (7) companies. More specifically, (i) "MINOAN LINES 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 18.4.2019; (ii) "DIAGNOSTIC AND THERAPEUTIC CENTRE OF ATHENS HYGEIA 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 7.5.2019; (iii) "DRUCKFARBEN HELLAS S.A." 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 7.5.2019; (iv) "NEXANS HELLAS SA" submitted a

² During the period set for the acceptance of the takeover bid: (a) 71,672,737 common shares, which represent almost 93% of the common stock and voting rights of TITAN, and (b) 6,990,335 preferred shares, which represent almost 92.36% of the preferred stock of TITAN, were legally and validly offered.

request to the HCMC, concerning the de-listing of its shares from the Athens Exchange, which was approved by the Board of the Hellenic Capital Market Commission on 28.6.2019, (v) “TITAN CEMENT CO” 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 23.9.2019, (vi) “STELIOS KANAKIS SA” submitted a request to the HCMC, concerning the de-listing of its shares from the Athens Exchange, which was approved by the Board of the Hellenic Capital Market Commission on 8.10.2019, (vii) “SFAKIANAKIS AUTOMOTIVE CONSTRUCTION HOTEL AND TOURISM ENTERPRISES” 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 10.12.2019.

Fines

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

- A fine was levied on one (1) firm for violating article 25 of Law 2778/1999 on the obligation of REICs to publish, at the end of each calendar semester, a semi-annual investment report, itemizing different categories of investment.
- A fine was levied on one (1) firm 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 sixteen (16) 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 non-misleading information to their clients.
- A fine was levied on one (1) firm for violating article 27 of Law 3606/2007 on the obligation to execute orders on terms most favourable to the client.
- A fine was levied on one (1) firm for violating articles 13 & 41 of Law 3691/2008 concerning implementation of usual due diligence measures towards their clients.
- 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 article 6 of Law 4141/2013 on the terms of the provision of credit to clients.

- *A fine was levied on one (1) investment firm for violating article 43 of Law 4443/2016 on its obligation to maintain client information.*
- *Fines were levied on two (2) firms for violating article 25 of Law 4514/2018 on their obligations regarding the assessment of suitability and appropriateness and reporting to clients in accordance with Directive 2014/65/EU.*
- *A fine was levied on one (1) firm for violating HCMC Decision 1/347/12.7.2005 on indications of market abuse.*
- *Fines were levied on fourteen (14) firms for violating HCMC Decision 1/452/1.11.2007 on the code of conduct for investment firms.*
- *A fine was levied on one (1) firm for violating HCMC Decision 2/452/1.11.2007 on the mandatory disclosure of transactions and information by Investment Firms.*
- *A fine was levied on one (1) firm for violating HCMC Decision 3/452/1.11.2007 concerning the assessment of qualifying holdings.*
- *A fine was levied on one (1) firm for violating HCMC Decision 1/506/2009 concerning money laundering.*
- *A fine was levied on one (1) Investment firm for violating HCMC Decision 1/808/2018 on the organizational requirements for the protection of their clients' financial instruments and funds. (Article 2 of Commission Delegated Directive (EU) 2017/593).*
- *A fine was levied on one (1) firm for violating Regulation 648/2012/EU on the reporting obligation of Counterparties and CCPs to ensure that the details of any derivative contract they have concluded, as well as every modification or termination of this contract, is reported to a trade repository, and that the details are reported no later than the working day following the conclusion, modification or termination of the contract.*
- *Fines were levied on six (6) firms for violating Regulation 565/2017/EU, on the organisational requirements of internal audits, the information provided upon the provision of services and portfolio management, the maintenance of records on the assessment of compatibility and the provision of clients with information about the handling of their orders.*

Listed Companies

- *Fines were levied on eight (8) listed companies for violating article 4 of Law 3556/2007 on the issuers' obligation to publish annual financial reports.*
- *Fines were levied on six (6) listed companies for violating article 5 of Law 3556/2007 on the issuers' obligation to publish semi-annual financial reports.*

- *Fines were levied on ten (10) listed companies for violating article 19 of Law 3556/2007 regarding the submission of information about the listing of transferable securities.*
- *Fines were levied on ten (10) listed companies for violating article 21 of Law 3556/2007 regarding issuer access to regulated information.*
- *Fines were levied on four (4) listed companies 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.*
- *Fines were levied on two (2) listed companies for violating article 15 of Regulation (EU) 596/2014 that prohibits market manipulation or attempts thereof through the use of financial statements.*

Legal Entities

- *Fines were levied on three (3) legal entities for violating Regulation 236/2012/EU on the short selling of shares.*
- *Fines were levied on two (2) legal entities for violating article 7 of Law 3340/2005 that prohibits market manipulation.*
- *Fines were levied on two (2) 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 five (5) individuals for violating article 7 of Law 3340/2005 that prohibits market manipulation.*
- *A fine was levied on one (1) individual for violating article 7 of Law 3461/2006 on failure to submit compulsory take-over bids.*
- *Fines were levied on two (2) 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 their possession.*
- *Fines were levied on eight (8) 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.*
- *A fine was levied on one (1) individual for violating article 16 of L. 4514/2018 the obligation of investment firms, when holding financial instruments belonging to clients, 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 twelve (12) individuals 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) individual for violating article 12 regulation 236/2012EC regarding the limitations on the naked short selling of stock.

The total fines levied by the Hellenic Capital Market Commission in 2019 stood at € 29.375.500,00. The allocation of fines among supervised entities is presented in Table 29.

TABLE 29. Number and value of fines, 2019.

<i>Number of cases</i>	<i>Entity</i>	<i>Fines (€)</i>
53	Investment Firms, FIFs, MFMCs, and Banks	254,500
40	Listed Companies	769,000
7	Other legal entities	186,500
30	Individuals	28,165,500
<i>Total: 130</i>		<i>Total: 29,375,500</i>

Source: HCMC

OTHER ACTIVITIES

Tackling Money Laundering and Terrorist Financing

The Special Anti-Money Laundering and Terrorist Financing Unit, which operates pursuant to art. 6, paragraph 6 of Law 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 four (4) reports to the Anti-Money Laundering Authority on issues possibly pertaining to money laundering activities.

In 2019, the Special Unit continued its work, performing audits on twelve (12) Investment Firms, three (3) on Mutual Fund Management Companies, two (2) Financial Intermediation Firms, and one (1) Alternative Investment Fund Manager.

Of the companies audited during the year, no violations were detected in four (4) companies, whereas the administrative procedures for the remaining fourteen (14) have not been yet completed.

Moreover, in the same year the administrative procedure was completed in the case of one (1) investment firm that had been audited in the previous year, and was found not to implement adequate procedures, therefore a 40,000 fine was levied for four violations.

As part of remote supervision, in July 2019 the supervised firms submitted to the HCMC the Compliance Officers' Annual Report on the prevention of money laundering and terrorist financing for the year 2018, in accordance with paragraph 2 of article 10 of Decision 1/506/8.4.2009.

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.

Excluding three (3) Investment Firms, which are deemed to be “low risk” by the Risk Assessment Report, all remaining firms are “very low risk”, as regards money laundering.

The findings of the said risk assessment were taken into account during the preparation of the Audit Programme and the selection of the firms to be audited in the forthcoming period.

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.
- Commission Delegated Regulation (EU) 2019/758 of 31 January 2019 (minimum action and additional measures taken in regard to certain third countries).
- The Joint Opinion of October 4, 2019, of the European Supervisory Authorities on the risks of money laundering and terrorist financing affecting the European Union’s financial sector.

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

- The law-drafting committee for the incorporation of the 5th AML/CFT Directive (2018/843) into the regulatory framework.
- The review of the implementation of the United Nations Convention against Corruption, which took place in Athens in February 2019.
- The presentation of the operation of the Special Unit to peers from the National Securities Commission of Georgia, which took place in the premises of the Hellenic Capital Market Commission.
- The seminar of the Association of Investment Services Companies, which was held at the Athens Exchange in September 2019, as lecturers on “Money Laundering”.
- The training seminar of the International Organization of Securities Commissions (IOSCO) and the capital market regulator of Luxembourg, titled “Seminar/Workshop on AML/CFT supervision for the Securities sector”, which was held in Luxembourg in October 2019.

- *The OECD country review on Transparency and Exchange of Information for Tax Purposes, which was conducted in Athens in December 2019.*
- *The training of FATF assessors, which was held in Athens in December 2019.*
- *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 provision of replies to the comments of FATF assessors, which resulted from the on-site visit of the assessors and up to the discussion of the Mutual Evaluation Report at the FATF Plenary of June 2019, in Orlando.*

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 clients, of orders on transferable securities, shares/units in collective investment undertakings, and money market instruments; (α2): Receipt, transmission and execution, on behalf of clients, 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): Clients' portfolio 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 on the fulfilment of additional suitability criteria, such as the fulfilment of minimum personal reliability requirements and, depending on the certificate, of specific minimum qualifications.

The certificated bestowed by the Hellenic Capital Market Commission is valid for five years, renewable either via attendance to a training seminar on developments in the regulatory framework of the capital market, 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, 274 applications for participation in the exams or the seminars that were organised during the year (March, May, September, November) were submitted in 2019, and 174 certificates were granted, as compared to 318 applications submitted and 188 certificates granted in 2018. More specifically, 42 certificates were granted in specialty (α1), 32 certificates in specialty (α2), 28 certificates in specialty (β1), 21 certificates in specialty (β), 12 certificates in specialty (γ), 12 certificates in specialty (δ), 18 certificates in specialty (σ1), 6 certificates in specialty (σ2) and 3 certificates in specialty (ε). Moreover, 2 certificates were granted in 2019 without participation in the exams, following the submission of requests for exception due to equivalence and participation in the exams on the “Capital Market Regulatory Framework” module. In 2019, finally, 68 certificates were renewed, which expired on 31.12.2018, while 98 persons were deleted from the certified persons' list, since their certificates expired on 31.12.2019 and were not renewed. The total number of persons certified by the Hellenic Capital Market Commission as per the end of 2019 stood at 3497.

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 2019, 116 complaints/reports were submitted to the Hellenic Capital Market Commission as compared to 116 complaints/reports in 2018, 280 in 2017, 225 in 2016, and 197 in 2015, while 188 complaints were processed as compared to 189 complaints in 2018, 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 €101,000 due to violations of capital market legislation.

Sale of transferable securities listed for trading in the Athens Exchange

Forced sales of transferable securities

In 2019, twenty-three (23) requests were submitted for the granting of licenses and/or the appointment of ATHEX-members for the forced sale of pledged or seized transferable securities. Of these, nine (9) requests concerned Greek Government Bonds (GGBs) listed for trading in the Athens Exchange. Moreover, sixteen (16) forced sales were completed during the year (of which six (6) concerned GGBs), as compared to equal numbers (23) of requests and sales (16) in 2018 (of which four (4) concerned GGBs), and eleven (11) requests and four (4) sales in 2017. 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.

The total value of transferable securities sold amounted to 13,433,646.60 euros (of which 9,253,485.81 euros concerned GGBs), as compared to 32,934,259.52 euros (of which 9,470,518.91 euros concerned GGBs) in 2018, and 5,093,174.53 euros in 2017. Since the transfer of competence concerning the forced sale of transferable securities to the HCMC (2003), and till the end of 2019, the HCMC has received a total of 245 requests for the forced sale of pledged or seized transferable securities.

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

In 2019, 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 2018, two requests had also been submitted and completed. In 2017 no requests for the sale of shares that result from fractional balances had been submitted, while one sale was completed

ACTIVITIES OF THE DIRECTORATE OF LEGAL SERVICES

In 2019, 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 2019, 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 109 cases. These include 14 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. Four 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.

Three (3) cases were discussed with the presence of DLS attorneys and the assistance of an external attorney.

c. DLS attorneys were present at civil courts during the hearings of 9 cases.

d. The attorneys of the DLS prepared and filed written arguments or memoranda with the administrative courts in another 76 cases, not adjudicated nevertheless during 2019, as a result of adjournment due to the abstention or because of other reasons.

e. A further 21 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 on the submission or non-submission of 10 petitions for negation.

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

3. Provision of legal support

The DLS provided legal aid to the competent departments of the HCMC in 260 cases. More specifically, DLS attorneys:

- Drafted **17** legal opinions on various serious legal issues.
- Prepared **123** notes answering various legal questions.

4. Involvement in the legislative and regulatory work

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

5. Court rulings delivered to the HCMC during 2019

In **2019**, **127** court rulings were delivered to the Hellenic Capital Market Commission. Of these:

- **90** 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.
- **17** rulings were partly in favour of the HCMC, partly approving appeals and caveats against it, mainly by reducing the fines imposed.
- **10** rulings were against the HCMC, approving appeals, caveats or actions against it or rejecting requests for rescission, appeal or motions submitted by the HCMC.
- **10** 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 47 **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 2019 were the following:

1. Ruling 1710/2019 of the Council of the State. Contracts for differences (CFDs) are subject to Law 3340/2005.
2. Ruling 4347/2018 of the Administrative Appellate Court of Athens. Accepted the HCMC's interpretation of Regulation 236/2012/EU on short selling;

STUDIES BY THE HELLENIC CAPITAL MARKET COMMISSION

HCMC Survey on Corporate Governance in Greece

The Hellenic Capital Market Commission was actively involved in the procedures for amending the provisions of L. 3016/2002 on the Corporate Governance of Greek listed companies. Updating the 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 legislation³, 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, in 2019 the Directorate of Research completed a study based on the responses of companies listed in the Athens Exchange, on a questionnaire it had prepared and sent on September 18, 2018. 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).

The 101 questions of the questionnaire and the consequent responses given by the companies, focus 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.

The analysis of these responses reveals the overall picture of, and prevailing trends in, corporate governance. Depending on the perspective from which the responses are reviewed, important conclusions may be drawn as regards both the areas where good practice is implemented and good corporate governance exists, and the areas that are in need of improvement. This improvement may result either from the adaptation of

³ 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.

institutional arrangements or from other actions, by means of which proper corporate governance becomes central to the business “culture” of companies. Out of the many responses to the questions, here are some major points regarding the qualitative evaluation of the findings:

- 1. The segregation of the roles of the Chairman of the Board and the CEO is important for the existence of good corporate governance. The responses to the questionnaire show that in almost ¼ of FTSE-25 companies, the Chairman of the Board is also the company's Chief Executive Officer, while this was reported by 37.3% of the companies that replied to the questionnaire. In general, however, it was reported that there is, indeed, segregation of the two roles (in more than 85% of FTSE 25 companies and 63.4% of all companies) and that this segregation is reflected on the company's internal rules of operation, or Articles of Association, or some other means. In any case it is useful to adopt arrangements offering further and meaningful clarification of the responsibilities of these two professional positions.*
- 2. Similarly, the further clarification of the responsibilities of executive and non-executive Board members helps improve corporate governance, thus avoiding any overlapping that may seriously jeopardize its reliability.*
- 3. It is deemed helpful to further enhance the independence of independent non-executive Board members. This independence must become more substantial. According to the findings of the survey, only 5.6% of companies report that 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. In addition, the findings of the survey show that in FTSE25 companies the independent non-executive members have very rarely submitted, in the recent past, separate reports from those of the Board to the General Meeting of the shareholders. Finally, only ¼ of all the companies surveyed reported that the independence of independent non-executive members is evaluated by the company in regular intervals (however, 80% of FTSE25 companies report doing so).*
- 4. The further enhancement of the (quantitative, qualitative, and timely) disclosure of transactions (commercial and financing – related to the company) of Board members (related party transactions) to the Board of Directors (without exceptions) and to the investing public (above a certain threshold) is conducive to good corporate governance. It would be useful to consider additional areas in which increased disclosure may be required, also taking into account other similar arrangements introduced by other institutional provisions (market abuse, transparency, major shareholdings etc.)*
- 5. It would be useful to further enhance the participation of minority shareholders in the companies' Board of Directors. According to the findings of the survey, the representatives of minority shareholders participate as members in the Board of Directors of only 9.2% of the companies, while they do not participate in 83.8% of companies. Increased minority shareholder participation in the Board of Directors could help improve the supervision of its executive members, ensuring that the Board is efficiently performing its supervisory role.*

6. *It would be helpful to further improve the formulation of a remuneration policy for executive and non-executive Board members, through the establishment of Remuneration Committees. According to the findings of the survey, 25.4% of companies report that they have established a remuneration committee for Board members, whereas 58.5% of companies has not done so. The existence of a recorded remuneration policy is also important, since the existence of a remuneration committee does not guarantee per se that remuneration is reasonable and somehow linked to the company's performance.*
7. *It would be helpful to further improve the formulation of a nomination policy for Board members, through the establishment of Nominations Committees. According to the findings of the survey, 21.8% of companies report that they have established a nominations committee for Board members, whereas 68.3% of companies has not done so. The existence of a written nominations policy for Board members, alongside the nominations committee, is also important, given that the existence of the latter does not guarantee per se that the candidate members will be the most fit for duty.*
8. *The establishment and efficient operation of the companies' Audit Committee and internal audit function is crucial for ensuring proper corporate governance. Any action towards: (a) enhancing the independence and expertise of auditors, so that they are able (dare) to audit senior executives, (b) the full implementation of International Standards on Auditing, and (c) ensuring the professional qualifications of the auditors, would be helpful. According to the findings of the survey, 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.*

Apart from the analysis of these data, the survey includes, among other things, 101 tables of statistics, 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 companies the 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 of 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 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 report 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, shareholders 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 members have been established in 41.5% of companies, while 39.4% of companies has no such arrangement. 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

Remuneration policy is already stipulated by company law 4548/2018. 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 Board member.

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-annual statistical data pertaining to the charges imposed by mutual funds authorised by the HCMC. The Hellenic Capital Market Commission (HCMC) collected from MFMCs data for the years 2016, 2017, and 2018, concerning the fees charged by mutual funds (MFs) authorised by the HCMC. The analysis of these data by the Directorate of Research was performed on both the aggregate level, and per M/F category (equity, bond,

money market, funds of funds, specialist), as well as per type of charge (subscription fees, redemption fees, ongoing charges, and performance fees).

The analysis of the data submitted by MFMFs shows that:

In 2018, 15 MFMCs were operating in Greece, of which 14 had M/Fs under management at the end of the year, as compared to 15 MFMCs operating in 2017 and 14 in 2016. The total number of mutual funds under management at the end of 2018 stood at 203 (145 M/Fs without taking account the different unit classes), as compared to 173 M/Fs in 2017 (150 M/Fs without taking account the different unit classes) and 161 M/Fs in 2016 (160 M/Fs without taking account the different unit classes). More specifically, the following table presents the total number of mutual funds in 2018, 2017, and 2016, both taking and not taking into account different classes of units as different M/Fs.

M/F Category:	2018 Number of M/Fs (with unit classes)	2018 Number of M/Fs (without different unit classes)	2017 Number of M/Fs (with unit classes)	2017 Number of M/Fs (without different unit classes)	2016 Number of M/Fs (with unit classes)	2016 Number of M/Fs (without different unit classes)
Balanced	39	31	31	29	31	30
Bond	54	36	42	36	33	33
Equity	56	39	53	45	50	50
Balanced FoFs	9	7	7	7	8	8
Bond FoFs	4	3	3	3	3	3
Equity FoFs	18	12	17	12	12	12
Money market	22	16	18	16	16	16
Specialist	1	1	2	2	8	8
Total M/Fs	203	145	173	150	161	160

Source: HCMC

The following table presents the averages of the aforementioned charges for the years 2016, 2017, and 2018, both for M/Fs of all categories (Total M/Fs), and for individual M/F categories (i.e. Balanced, Bond, Equity, Balanced FoFs, Bond FoFs, Equity FoFs, Money Market, and Specialist).

AVERAGE CHARGES PER M/F CATEGORY & M/F NUMBER					
Category	Period	Subscription fee (%) per unit class	Redemption fee (%) per unit class	Ongoing Charges (%) ⁴	Performance fee (%) per unit class
TOTAL M/Fs	2018Y	0.310%	0.243%	2.078%	0.147%
	2017Y	0.396%	0.304%	2.353%	0.095%
	2016Y	0.470%	0.355%	2.279%	0.029%
BALANCED	2018Y	0.536%	0.343%	2.151%	0.032%
	2017Y	0.742%	0.447%	2.333%	0.223%
	2016Y	0.614%	0.467%	2.280%	0.045%
BOND	2018Y	0.206%	0.211%	1.441%	0.000%
	2017Y	0.233%	0.226%	1.532%	0.047%
	2016Y	0.329%	0.261%	1.563%	0.025%
EQUITY	2018Y	0.343%	0.280%	2.833%	0.512%
	2017Y	0.405%	0.360%	3.128%	0.119%

⁴ Ongoing Charges include tax charges, as specified by the provisions of article 103 of Law 4099/2012. More specifically, paragraph 3 of this article stipulates that:

“3. The management company, in the name and on behalf of the mutual fund or the SICAV, or on an ad hoc basis, the SICAV provided for by article 40, is obliged to pay a tax, which is calculated on a daily basis on the six-month average of the net assets of the UCITS or any individual investment departments thereof. The payment of the tax the tax obligation of the UCITS and its unitholders or shareholders is exhausted.

The tax rate is set at ten percent (10%) over the interest rate on the main refinancing operations of the Eurosystem of the European Central Bank (hereinafter the Reference Rate), with the following surcharges, depending on the category of each UCITS or any investment departments thereof, based on a relevant Decision by the Board of the Hellenic Capital Market Commission:

- a) money market UCITS, no surcharge;*
- b) bond UCITS, twenty five basis points (0.25);*
- c) balanced UCITS, five basis points (0.5);*
- d) equity UCITS, and all other UCITS categories, excluding the ones mentioned above, one percentage point (1).*

“The tax due for each semester can not be less than:

- a) 0.025% of the six-month average net assets in the case of money market UCITS;*
- b) 0.175% of the six-month average net assets in the case of bond UCITS;*
- c) 0.25% of the six-month average net assets in the case of balanced UCITS;*
- d) 0.375% of the six-month average net assets in the case of equity and other UCITS;*

	2016Y	0.448%	0.378%	3.103%	0.048%
BALANCED FoFs	2018Y	0.110%	0.169%	2.191%	0.004%
	2017Y	0.255%	0.191%	2.388%	0.148%
	2016Y	0.036%	0.325%	2.037%	0.000%
	2018Y	0.043%	0.250%	1.451%	0.000%
BOND FoFs	2017Y	0.103%	0.341%	1.709%	0.000%
	2016Y	0.003%	0.357%	1.562%	0.000%
	2018Y	0.398%	0.294%	3.414%	0.000%
	2017Y	0.362%	0.369%	3.965%	0.006%
EQUITY FoFs	2016Y	0.585%	0.509%	3.895%	0.000%
	2018Y	0.013%	0.023%	0.573%	0.000%
	2017Y	0.000%	0.028%	0.652%	0.000%
	2016Y	0.000%	0.031%	0.649%	0.000%
MONEY MARKET	2018Y	3.000%	0.500%	1.870%	0.000%
	2017Y	3.000%	0.500%	1.865%	0.000%
	2016Y	2.000%	0.616%	1.431%	0.000%
	2018Y				
SPECIALIST FUNDS	2017Y				
	2016Y				
	2018Y				
	2017Y				

Source: HCMC

Based on the above data, in 2018 subscription fees and redemption fees on **M/Fs of all categories** were **reduced** (by -21.82% and -20.03% year-on-year, respectively), and on average stood at 0.310% and 0.243% respectively, as compared to 0.396% and 0.304% in 2017 and 0.470% and 0.355% in 2016.

Ongoing charges on **M/Fs of all categories** were also **reduced**, by almost -11.70% as compared to 2017, and on average stood at 2.078%, as compared to 2.353% in 2017 and 2.279% in 2016.

The y-o-y change in subscription fees was **negative in 2018 for most M/F categories** (Balanced, Bond, Equity, and Bond FoFs). **Positive** y-o-y changes were registered only by the subscription fees on **Equity FoFs**, while there was no change in the case of **Money Market M/Fs and Specialist M/Fs**.

Redemption fees and ongoing charges were **reduced in 2018 across all M/F Categories, excluding Specialist M/Fs**.

As regards, performance fees, there were y-o-y **decreases** in 2018 **across all M/F categories for which there were available data** (Balance, Bond, Balanced FoFs and Equity FoFs), **excluding Equity M/Fs**, with the change for **all M/F categories** standing at +55.80% (to an average of 0.147% in 2018 as compared to 0.095% in 2017).

Finally, if the calculations take into account only M/Fs that provided for a performance fee, the average performance fee across **all M/Fs** stands at 1.996% in 2018, as compared to 0.819% in 2017, i.e. is **increased by 143.76%**.

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.

In the first half of 2019, data were submitted by 42 investment firms, 6 banks, 14 mutual fund management companies, and 2 alternative investment fund managers. The data that were submitted reveal the following changes from the second half of 2018:

- A drop in (net) demand for most financial Instruments (shares, bonds, money market securities, derivatives, contracts for differences), except structured securities and mutual fund units), demand for which increased.

Demand for financial Instruments

	<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>Significantly increased</i>	<i>Increased</i>	<i>Remained unchanged</i>	<i>Decreased</i>	<i>Significantly decreased</i>
<i>Money market securities</i>				✓	
<i>Mutual fund units</i>		✓			
<i>Derivatives</i>				✓	
<i>Contracts for differences</i>				✓	

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

Demand for investment services and activities

	<i>Significantly increased</i>	<i>Increased</i>	<i>Remained unchanged</i>	<i>Decreased</i>	<i>Significantly 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.

Innovation Hub

The European-wide, as well as international, growth of companies that employ state-of-the art information technologies in the field of financial services (i.e. Fintech) has also affected Greek reality, leading to the establishment of a local Fintech ecosystem. More specifically, many financial service providers and, in general,

financial institutions, have started considering the use of Fintech products and services, or are already providing such products and services, with the aim of gaining a competitive advantage, while an increasing number of investors is interested in, or is already using, digital innovative products and financial services through digital communication channels, mainly via the Internet and mobile phones.

In this context, and focusing on investor protection, and the orderly operation and integrity of the market, in July 2019, the HCMC established an Innovation Hub, with the following objectives:

(a) provision of support to firms offering financial technology products and services, in their effort to understand the implementation of the existing regulatory framework and any compliance obligations;

(b) interaction with the said firms, in order to detect, and deal with, the risks, as well as highlight the potential benefits, which accompany new products and services, and promote the sound growth of the financial innovation sector; and

(c) determination of the need to submit legislative proposals for the establishment of a beneficial, appropriate, and proportionate national legislative framework.

Therefore, through the operation of the Innovation Hub, the HCMC looks forward to the development of an innovative technology environment within the financial services sector, which will be based on secure solutions so that, on one hand, investor confidence in the financial market is not undermined and, on the other hand, Fintech firms are allowed to grow in a sustainable manner.

The Innovation Hub is addressed to:

- Start-up entities, which are planning to operate in the financial sector, in areas of competence of the HCMC, and have created an innovative product or service through the use of modern information technology; or*
- Companies that are already supervised by the HCMC, and plan to introduce an innovative Fintech product or service, through the use of modern information technology.*

For example, the aforementioned entities or companies may be operating in Fintech fields related to Artificial Intelligence applications, Distributed Ledger Technologies, and activities such as Equity-based Crowdfunding, and Crypto-currencies/ crypto-assets.

In 2019, the Innovation Hub of the Hellenic Capital Market Commission received five (5) requests for assistance, concerning domestic and foreign companies with proposals for innovative products or services or business activities. One request has already been replied to, following the relevant internal procedure. The remaining requests are under consideration.

FINANCIAL POSITION

According to the published data concerning the execution of the Budget for the fiscal year 2019, which are prepared on the basis of the Public Accounting System, total revenues rose to 9,938 thousand euros from 8,370 thousand euros in 2018, increased by 18.7%. This result is attributed to the 25.6% increase in contributions and

fees paid by supervised entities, mostly resulting from corporate actions pertaining to take over bids and share capital increases performed in 2019.

Expenses for the fiscal year 2019 rose to 9,637 thousand euros from 8,828 thousand euros in 2018, increased by 9.2%. This figure resulted from the increase in rent-public area use expenses, as well as operating and other expenses.

As a result of the above, the result for the fiscal year 2019 was a surplus of 301 thousand euros, as compared to a deficit of 458 thousand euros in 2018.

TABLE 30. HCMC Financial position, 2017-2019

RESULTS	2019 (Amounts in €)	2018 (Amounts in €)	2017 (Amounts in €)	% change 2019- 2018
<i>Total income</i>	9,937,987.95	8,369,888.60	10,487,310.62	18.7%
• <i>Contributions by supervised entities</i>	8,582,401.51	6,830,722.31	8,878,823.98	25.6%
• <i>Financial income</i>	1,090,482.78	1,354,235.12	1,321,381.71	-19.5%
• <i>Other income</i>	265,103.66	184,931.17	287,104.93	43.4%
<i>Total expenses</i>	9,636,712.26	8,827,685.12	8,859,503.38	9.2%
• <i>Payroll and Staff Costs</i>	6,407,719.19	6,378,513.57	6,506,241.05	0.5%
• <i>Rents - public use expenses</i>	1,231,421.64	776,481.41	810,740.08	58.6%
• <i>Capital expenditures</i>	33,854.76	30,753.60	12,303.67	10.1%
• <i>Subscriptions to international Organisations</i>	696,747.33	722,063.14	630,461.18	-3.5%
• <i>Operating and other expenses</i>	1,266,969.34	919,873.40	899,757.40	37.7%
<i>Net Result</i>	301,275.69	-457,796.52	1,627,807.24	- 165.81%

(*) It should be noted that the data for the fiscal years 2018 and 2017 are according to the reports approved by the Ministry of Finance, while the data for 2019 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 2019, the Standing Committee focused on, and completed, in cooperation with the competent ad hoc review groups, two peer reviews, and ESMA published the final reports:

- a peer review on the quality of data submitted to Trade Repositories under EMIR (ESMA42-111-4895/17.10.2019); and*
- a peer review on the implementation of the framework concerning the submission of Suspicious Transactions and Orders Reports (ESMA42-111-4916/12.12.2019).*

The Standing Committee monitored the progress of the implementation of the 2019 Supervisory Convergence Work Programme, in collaboration with the competent internal supervising convergence team of ESMA, and also deal with issues that will arising as part of the achievement of the supervisory convergence objective, following the amendments to the ESAs Review framework, a major ESMA objective since January 1, 2020

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, while in 2019 the agenda also included the consequences from the BREXIT.

In 2019, the Standing Committee focused on, and prepared, the following documents, which were published by ESMA:

- a public statement on REFIT implementation issues (ESMA70-151-2050/31.1.2019);*

- a statement on reporting requirements under article 9 EMIR (ESMA70-151-1997/01.02.2019);
- guidelines on position calculation by trade repositories under EMIR (ESMA70-151-1350/28.3.2019);
- a public statement on REFIT implementation issues (ESMA70-151-2181/28.3.2019);
- technical guidance for settlement internalisers, as part of the implementation of CSDR article 9 (ESMA65-8-6561/3.4.2019);
- guidelines on central counterparty conflict of interest management (ESMA70-151-1439/5.4.2019);
- guidelines on anti-procyclicality margin measures for central counterparties under EMIR (ESMA70-151-1496/15.4.2019);
- guidelines on internalised settlement reporting under article 9 of the Central Securities Depositories Regulation (CSDR) (ESMA70-151-367/30.4.2019);
- consultation paper on guidelines on periodic information and notification of material changes to be submitted to ESMA by Trades Repositories (ESMA70-145-1145/27.5.2019);
- consultation paper on the alignment of MIFIR with the changes introduced by EMIR REFIT (ESMA70-156-1555/4.10.2019);
- consultation paper on tiering criteria under EMIR 2.2 (ESMA70-151-2138/28.5.2019) and final technical advice (ESMA70-151-2682/11.11.2019);
- consultation paper on comparable compliance under EMIR 2.2 (ESMA70-151-2179/28.5.2019) and final technical advice (ESMA70-151-2649/11.11.2019);
- consultation paper on Central Counterparty fees under EMIR 2.2 (ESMA70-151-1663/28.5.2019) and final technical advice (ESMA70-151-2650/11.11.2019);
- publication of updated list of central counterparties authorised to offer services and activities in the union (ESMA70-148-523/12.11.2019);
- publication of an updated list of third-country central counterparties recognised to offer services and activities in the European Union (ESMA70-152-348/5.12.2019);
- a report on supervisory measures and penalties under articles 4, 9, 10 and 11 EMIR (ESMA70-151-2820/9.12.2019);
- an updated Q&A concerning the implementation of EMIR (ESMA70-1861941480-52/2.10.2019);
- an updated Q&A concerning the implementation of CSDR (ESMA70-708036281-2/3.12.2019).

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 2019, the Standing Committee focused on, and prepared, the following documents, which were published by ESMA:

- MiFID II supervisory briefing on the use of third-country branches by EU firms (ESMA35-43-1493/11.2.2019);*
- MiFID II supervisory briefing on appropriateness (ESMA35-36-1640/4.4.2019);*
- final ESMA report to the EU on integrating sustainability risks and factors in MiFID II (ESMA35-43-1737/3.5.2019);*
- Statement of ESMA on the prohibition of binary options and the application of product intervention measures by CFD providers under MiFIR (ESMA35-36-1743/12.7.2019);*
- consultation paper on compliance function guidelines (ESMA35-43-2019/15.7.2019);*
- report of sanctions and measures imposed by national regulators under MiFID II in 2018 (ESMA35-36-1711/17.7.2019);*
- call for evidence on the Impact of the inducements and costs and charges disclosure requirements under MiFID II (ESMA35-43-1905/17.7.2019);*
- call for evidence on product intervention powers (ESMA35-43-2090/30.9.2019);*
- an updated Q&A on MiFID II and MiFIR investor protection topics (ESMA35-43-349/4.12.2019).*

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. The Committee is responsible for addressing issues related to Directive (EC) 2009/91 on undertakings for collective investment in transferable securities (UCITS), as well as Directive (EU) 2011/61 on Alternative Investment Fund Managers. The Standing Committee is also responsible for developing ESMA policy in relation to Regulation (EU) 345/2013 on European venture capital funds (EuVECA), Regulation (EU) 346/2013 on European social entrepreneurship funds (EUSEF), the Regulation (EU) on European long-term investment funds (ELTIF), and Regulation (EU) 2017/1131 on money market funds.

In 2019, the Standing Committee focused on, and prepared, the following documents, which were published by ESMA:

- a consultation paper on liquidity stress test guidance for investment funds (ESMA71-99-1106/5.2.2019);*

- a consultation Paper Draft regulatory technical standards under Article 25 of the ELTIF Regulation(ESMA34-46-89/28.3.2019);
- a report on the penalties and measures imposed under the UCITS Directive in 2016-2017 (ESMA70-45-651/4.4.2019);
- a final report on integrating sustainability risks and factors in the UCITS and AIFMD Directives (ESMA35-45-588/3.5.2019);
- a consultation paper concerning guidelines on performance fees in UCITS (ESMA34-39-881/16.7.2019);
- a report on MMF reporting requirements (ESMA34-49-168/19.7.2019);
- a final report on MMF stress tests guidelines (ESMA34-49-164/19.7.2019);
- a final report on guidelines on liquidity stress testing in UCITS and AIFs (ESMA34-39-882/2.9.2019) and the corresponding consultation paper ESMA34-39-784/5.2.2019);
- stress test scenario framework for investment funds (ESMA71-99-2458/5.9.2019);
- Draft regulatory technical standards under Article 25 of the ELTIF Regulation(ESMA34-46-91/10.12.2019);
- a report on the penalties and measures imposed under the UCITS Directive in 2018 (ESMA70-45-756/12.12.2019);
- updated Q&As on the application of the AIMFD (ESMA34-32-352/4.12.2019) and UCITS (ESMA34-43-392/29.3.2019) directives.

Market Data Standing Committee

The Data Standing Committee (DSC) is the successor of the Market Data Standing Committee, and in its widened capacity assists ESMA's work on issues pertaining to 1) the improvement of the quality of both regulatory data, as well as market data disclosed to national authorities, and 2) basic data infrastructure, ensuring stability and consistency among different data reporting regimes.

More specifically, the DSC contributes to the work of ESMA on issues pertaining to the reporting of investment positions in derivatives, transactions in financial Instruments, record-keeping of orders, instrument reference data, transparency data, cap data, alternative investment fund manager reporting requirements, approved prospectuses and the relevant meta-data, as well as money market fund reporting requirements.

In 2019, the Standing Committee focused on, and prepared, the following documents, which were published by ESMA:

- a report on the cost of market data and consolidated tape equity (ESMA70-156-1065/12.7.2019);
- 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;

- designed, monitored, assessed the data of, and drew conclusions from a TREM Data Quality Review of the data submitted by responsible parties to national regulators as part of EMIR, with the aim of improving the quality of reported transactions;
- an updated Q&A concerning transaction reporting under MiFIR (ESMA70-1861941480-56/6.12.2019);
- an updated Q&A concerning transaction reporting under EMIR (ESMA70-1861941480-52/28.5.2019);
- the final report and the guidelines on reporting under the Securities Financing Transactions Regulation (SFTR), the consolidated SFTR validation rules, and a statement on Legal Entity Identifiers (ESMA70-151-2703, ESMA70-151-2838, ESMA70-151-1019, ESMA74-362-388).

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 2019, the work of the Standing Committee focused on the preparation of the following documents that were published by ESMA:

- a report on the application of accepted market practices (ESMA70-145-1184/16.1.2019);
- an opinion on the accepted market practice on liquidity contracts notified by the Spanish regulator (ESMA70-155-8524/19.9.2019);
- a consultation paper on the revision of Regulation (EU) 596/2014 (Market Abuse Regulation, MAR) (ESMA70-156-1459/3.10.2019);
- a final report on draft regulatory technical standards on cooperation arrangements under Regulation (EU) 596/2014 (Market Abuse Regulation, MAR) (ESMA70-145-457/8.10.2019);
- annual report on administrative and criminal sanctions and other administrative measures under article 33 of Regulation (EU) 596/2014 (Market Abuse Regulation, MAR) (ESMA70-156-2005/12.12.2019);
- a report on the application of accepted market practices on market abuse (ESMA70-156-1823/13.12.2019);
- 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 (ESMA70-145-1020/19.12.2019);
- an updated Q&A concerning the implementation of MAR (ESMA70-145-111/29.3.2019);
- an updated Q&A concerning the implementation of Regulation (EU) 2016/1011 on benchmarks (BMR) (ESMA70-145-114/11.12.2019).

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, processes 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 2019, apart from working on the periodic publications mentioned above, CEMA focused on studies concerning issues such as:

- risk-based analysis of the structure and features of European derivatives markets in 2018, based on the data submitted to Trade Repositories registered with ESMA;*
- preparation of its 2nd Annual Statistical Report on the European Alternative Investment Funds (AIF) market;*
- 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 cost/return analysis for collective investments (with reference to the preparation of the relevant statistical data by the Hellenic Capital Market Commission);*
- the guidelines on stress tests in money market mutual fund markets (MMF Stress Testing).*

Finally, in 2019 the three Task Forces established within CEMA, started their work on issues pertaining to the institutional framework 1) EMIR, 2) AIFMD, 3) MiFID II.

Corporate Finance Standing Committee (CFSC)

The Corporate Finance Standing Committee is responsible for addressing all issues related to the Prospectus 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 2019, the Standing Committee focused on, and prepared, the following documents, which were published by ESMA in regard to prospectuses:

- a consultation paper on guidelines on risk factors under Regulation (EU) 2017-1129 on Prospectuses (ESMA31-62-1217/29.3.2019);*

- a final report on technical advice under prospectus exemption (ESMA31-62-1207/29.3.2019);
 - a consultation paper on guidelines on prospectus disclosure under the Prospectus Regulation (ESMA31-62-1239/12.7.2019);
 - guidelines on risk factors under the Prospectus Regulation (ESMA31-62-1293/1.10.2019);
 - a report containing statistical data on the number of prospectuses approved and passported in the EEA in 2018 (ESMA31-62-1360/31.10.2019);
 - a report of national thresholds below which the obligation to publish a prospectus does not apply under Regulation (EU) 2017/1129 on prospectuses (ESMA31-62-1193/2.12.2019);
 - a report on amendments to draft RTS under Regulation (EU) 2017-1129 on Prospectuses (ESMA31-59-1417/4.12.2019);
 - an updated Q&A on the prospectus regulation (ESMA31-62-780/11.04.2019);
 - an updated Q&A on the prospectus regulation (ESMA31-62-1258/4.12.2019);
- Moreover, an updated Q&A was published on the Transparency Directive (ESMA31-67-127/11.4.2019).

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 2019, the Standing Committee prepared the following documents, which were published by ESMA:

- consultation paper on position limits under MiFID II (ESMA70-156-1101/24.5.2019);
- ESMA opinion on market size calculation (ESMA70-156-478/27.5.2019);
- supervisory briefing on pre-trade transparency requirements in non-equity instruments (ESMA70-156-835/3.6.2019);
- consultation paper on periodic auctions for equity instruments (ESMA70-156-1035/11.6.2019);
- public statement on the trading obligation under MIFIR (ESMA70-156-1436/12.7.2019);
- consultation paper on the alignment of MIFIR with the changes introduced by EMIR REFIT (ESMA70-156-1759/4.10.2019);
- statement on the impact of no-deal Brexit on the application of MiFID II/MiFIR and Regulation (EU) 2016/1011 on benchmarks (BMR) (ESMA70-155-8500/7.10.2019);

- statement on the Use of UK data in ESMA databases and performance of MiFID II calculations in case of a no-deal Brexit on 31 October 2019 (ESMA70-155-7658/7.10.2019);
- statement on ESMA's data operational plan under a no-deal Brexit on 31 October 2019 (ESMA65-8-6254/7.10.2019);
- annual report on the application of waivers and deferrals (ESMA70-156-1010/9.10.2019);
- consultation paper on position limits (ESMA70-156-1484/5.11.2019);
- a report on MiFID II/MIFIR review (ESMA70-156-1606/5.12.2019);
- a final report amending the implementing technical standards on main indices and recognised exchanges under Regulation (EU) 575/2013 on capital requirements CRR) (ESMA70-156-1535/11.12.2019) and the relevant consultation paper (ESMA70-156-864/24.5.2019);
- an updated Q&A on MiFIR transaction reporting topics (ESMA70-1861941480-56/6.12.2019);
- an updated Q&A on MiFIR transparency topics (ESMA70-872942901-35/5.12.2019);
- an updated Q&A on market structure topics (ESMA70-872942901-38/5.12.2019).

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, analyses, 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 2019, the Standing Committee mainly focused on, and prepared a report published by ESMA on the licensing of FinTech business models (ESMA50-164-2430/12.7.2019).

Moreover, the Standing Committee focused on the conduct of a survey and the preparation of a relevant text containing the technical advice published by the Joint Committee of European Supervisory Authorities on the costs and benefits of developing a coherent cyber resilience testing framework for significant market participants and infrastructures (JC2019-25/10.4.2019).

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 2019, the Standing Committee focused on the following activities:

- assistance in the revision of the European Commission’s non-binding guidelines on non-financial reporting (ESMA32-334-109/26.03.2019);*
- a report on the enforcement and regulatory activities of European Accounting Enforcers in 2018, as regards financial statement issuer compliance with the IFRS (ESMA32-63-672/27.3.2019);*
- assistance to the formation of the IAASB (International Auditing and Assurance Standards Board) strategy for the period 2020-2023 and the work plan for the period 2020-2021 (ESMA32-62-126/24.5.2019);*
- statement on the implementation of IAS 12–Income taxes, as regards deferred tax assets arising from the carry forward of unused tax losses, in accordance with the IFRS (ESMA32-63-743/15.7.2019);*
- -publication of selected enforcement decisions from ESMA's database of decisions on financial statements taken by national regulators in the period December 2016-December 2018 (ESMA32-63-717/16.7.2019);*
- -a statement on European common enforcement priorities for 2019 IFRS financial statements (ESMA32-63-791/22.10.2019);*
- assistance in the report on undue short-term pressure on corporations (ESMA30-22-762/18.12.2019), as part of the Action Plan of the European Commission for Financing Sustainable Growth;*
- Report on the use of Alternative Performance Measures (APMs) and on compliance with ESMA’s APM Guidelines (ESMA32-334-150/20.12.2019);*
- as regards the implementation of 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:*
 - publication of ESEF taxonomy documentation (ESMA32-60-417/21.3.2019);*
 - report on the draft regulatory technical standards for amending core taxonomy, in order to incorporate the latest IFRS updates (ESMA32-60-474/6.6.2019);*
 - revision of the ESEF Reporting Manual (ESMA32-60-254rev/12.7.2019);*
 - revision of ESEF taxonomy documentation, in order to incorporate amendments based on Commission Delegated Regulation (EU) 2019/2100 (ESMA32-60-534/20.12.2019);*
 - publication of ESEF validation rules (ESMA32-60-537/23.12.2019);*

- *posting of the second (28.2.2019) and third (11.9.2019) video tutorials on ESMA's YouTube channel;*
- *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.*

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. It is also dealing with issues pertaining to Regulation (EU) 2017/2402 on Securitisation Regulation.

During 2019, the Technical Committee mainly worked on:

- guidelines on the submission of periodic information to ESMA by Credit Rating Agencies (2nd Edition) (ESMA 33-9-295/5.2.2019);*
- an ESMA statement on the endorsement of UK credit ratings in case of a no-deal Brexit (ESMA 33-5-735/15.3.2019);*
- guidelines on the application of the endorsement regime under Article 4(3) of the CRA Regulation (ESMA33-9-282/18.7.2018);*
- guidelines on disclosure requirements applicable to credit ratings (ESMA 33-9-320/18.7.2019);*
- guidelines on CRA Regulation requirements regarding internal controls for CRAs (ESMA 33-9-355/5.12.2019).*

In the field of securitisation, the Technical Committee focused on the guidelines for reporting under articles 4 and 12 of Regulation (EU) 2015/2365 on transparency of securities financing transactions (ESMA 70-151-1985/27.5.2019).

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 2019 mainly consisted in the following:

- multi-annual IT work programme, IT strategy and methodology, and technical guidance relating to operational and technical requirements, testing requirements for IT projects and interfaces.*

Moreover, in 2019 ITMG continued to run 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 2019, 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 (EMIR 2.2.); the proposal for the regime governing the recovery and consolidation of 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 a directive and a regulation on the prudential supervision of investment firms, the proposal for the amendment of Regulation 575/2013 (CRD V); 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 2019 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 President 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.

Organisation of Economic Cooperation and Development

The Organisation for Economic Cooperation and Development (OECD) aims at promoting policies for the improvement of economic and social welfare. The Hellenic Capital Market Commission monitors the work of the Corporate Governance Committee, as well as 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 2019, 2,614 undertakings from EEA countries provided investment services in Greece, as compared to 2,564 at the end of 2018 (see Table 31).

As regards the distribution of undertakings per country, the United Kingdom is first with 1,874 firms, followed by Cyprus with 231, Germany with 86, Ireland with 66, Luxembourg with 61, and the Netherlands with 60 firms.

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

TABLE 31. Provision of Investment Services (MiFID) in Greece, 2017-2019

Country	Total of Active Companies		
	2019	2018	2017
Austria	14	31	30
Belgium	10	10	9
Bulgaria	9	8	6
France	53	48	44
Germany	86	60	55
Denmark	9	11	9
Estonia	0	1	1
United Kingdom	1,874	1,892	1,836

<i>Country</i>	<i>Total of Active Companies</i>		
	<i>2019</i>	<i>2018</i>	<i>2017</i>
<i>Ireland</i>	66	45	38
<i>Italy</i>	18	16	16
<i>Iceland</i>	1	1	0
<i>Spain</i>	15	14	13
<i>Croatia</i>	1	1	1
<i>Cyprus</i>	231	224	206
<i>Latvia</i>	3	2	2
<i>Lithuania</i>	1	1	1
<i>Lichtenstein</i>	15	14	13
<i>Luxembourg</i>	61	52	49
<i>Malta</i>	29	26	22
<i>Norway</i>	29	29	27
<i>Netherlands</i>	60	50	44
<i>Hungary</i>	3	1	1
<i>Poland</i>	0	1	1
<i>Portugal</i>	4	2	2
<i>Romania</i>	0	1	2
<i>Slovakia</i>	4	3	2
<i>Slovenia</i>	0	1	1
<i>Sweden</i>	7	6	8
<i>Czech Republic</i>	3	3	3
<i>Finland</i>	10	10	10

Country	Total of Active Companies		
	2019	2018	2017
Total	2,616	2,564	2,452

Source: HCMC

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

At the end of 2019, 101 AIFMs from the EU offered investment services in Greece under Directive 2011/61/EC (MiFID), as compared to 76 in 2018 (see table 32).

As regards the distribution of AIFMs per country, the United Kingdom is ranked first with 68 AIFMs.

TABLE 32. Provision of Investment Services (MiFID) by EU AIFMs in Greece, 2017-2019

Country	Total EU AIFMs		
	2019	2018	2017
France	6	4	2
Germany	2	2	1
Denmark	1	0	0
Ireland	6	0	0
Cyprus	1	1	0
United Kingdom	68	62	61
Luxembourg	12	3	0
Malta	2	2	2
Netherlands	3	2	2
Total	101	76	68

Source: HCMC

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

At the end of 2019, 80 EEA AIFMs marketed shares in 255 EEA AIFs in Greece, as compared to 65 and 201 respectively in 2018 (see tables 33 and 34).

As regards the distribution of EEA AIFMs per country, Luxembourg is ranked first with 32 AIFMs.

As regards the distribution of EEA AIFs per country, Luxembourg is ranked first with 189 AIFs.

Four (4) AIFMs that have been authorised by the Hellenic Capital Market Commission are marketing 5 EU AIFs in EU member states.

TABLE 33. EEA AIFMs marketing shares in EEA AIFs in Greece, 2017-2019

Country	Total EEA AIFMs		
	2019	2018	2017
<i>France</i>	4	2	1
<i>Denmark</i>	1	1	1
<i>United Kingdom</i>	21	30	37
<i>Ireland</i>	10	6	6
<i>Italy</i>	0	0	0
<i>Cyprus</i>	3	1	4
<i>Lichtenstein</i>	1	1	0
<i>Luxembourg</i>	32	18	13
<i>Malta</i>	3	2	2
<i>Norway</i>	1	1	1
<i>Netherlands</i>	2	2	1
<i>Slovenia</i>	0	0	1
<i>Sweden</i>	2	1	2
<i>Stockholm</i>	0	0	0
Total	80	65	69

Source: HCMC

TABLE 34. EEA AIFs marketed in Greece by EEA AIMFs, 2017-2019

Country	Total EEA AIFs		
	2019	2018	2017
<i>France</i>	1	0	1
<i>United Kingdom</i>	11	14	37
<i>Ireland</i>	43	50	65
<i>Italy</i>	0	0	0
<i>Cyprus</i>	2	1	3
<i>Lichtenstein</i>	2	2	0
<i>Luxembourg</i>	189	129	92
<i>Malta</i>	6	4	3
<i>Norway</i>	0	0	0
<i>Netherlands</i>	1	1	2
<i>Slovenia</i>	0	0	1
<i>Sweden</i>	0	0	1
Total	255	201	205

Source: HCMC

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

At the end of 2019, 20 EU EuVECA Managers marketed 73 EU EuVECAs in Greece, as compared to 29 and 47 respectively in 2018 (see tables 35 and 36). As regards the distribution of EuVECA Managers per country, the United Kingdom is ranked first with 12 EuVECA Managers. As regards the distribution of EuVECAs per country, the United Kingdom is also ranked first with 34 EuVECAs.

TABLE 35. EU EuVECA Managers marketing EUVECAs in Greece, 2017-2019

Country	Total EuVECA Managers		
	2019	2018	2017
Austria	2	2	1
France	1	1	1
Germany	6	4	2
Denmark	1	0	0
United Kingdom	12	11	8
Ireland	2	2	2
Latvia	0	0	0
Luxembourg	2	1	1
Netherlands	2	2	1
Portugal	1	1	0
Sweden	7	5	4
Finland	1	0	0
Total	37	29	20

Source: HCMC

TABLE 36. EuVECAs marketed in Greece by EU EuVECA Managers, 2017-2019

Country	Total EuVECAs		
	2019	2018	2017
Austria	4	3	1
Belgium	1	0	0
France	2	2	1
Germany	8	4	2
Denmark	2	0	0

Country	Total EuVECAs		
	2019	2018	2017
United Kingdom	34	23	13
Ireland	2	2	2
Latvia	0	0	0
Netherlands	6	3	1
Luxembourg	4	3	3
Portugal	1	1	0
Sweden	8	6	3
Finland	1	0	0
Total	73	47	26

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 2019, 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
5/840/15.3.2019 (Gov. Gaz. B/1086/2.4.2019)	Amendment of HCMC Decision 3/304/10.6.2004 "Rulebook of the Dematerialized Securities System, as currently in force."	On the amendment of the "Rulebook of the Dematerialized Securities System" in accordance with the provisions of article 29 of Law 4569/2018 (Gov. Gaz. A 179/11.10.2018) "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", following a request made by "Greek Central Securities Depository SA" by means of a letter with protocol number HCMC 2875/12.3.2019.
7/839/8.3.2019 (Gov. Gaz. B/1332/18.4.2019)	Suspension of the redemption of UCITS units on 19 April, 22 April, and 24 December 2019	On the suspension of the redemption of UCITS shares on 19 March, 22 April and 24 December 2019.
3/842/18.04.2019 (Gov. Gaz. B/2136/7.6.2019)	Specific terms and conditions for the provision of credit by banks for the purchase of transferable securities in accordance with para. 5 of article 6 of Law 4141/2013	On the Joint Decision of the Executive Committee of Bank of Greece and the HCMC dated 13.5.2019 on the specific terms and conditions for the provision of credit by banks for the purchase of transferable securities by a) credit institutions based in Greece; b) credit institutions based in EEA member states and operating in Greece, and c) branches of credit institutions based in countries outside the EEA and operating in Greece, in accordance with para. 5 of article 6 of Law 4141/2013
16/846/18-06-2019 (Gov. Gaz. B/3140/7.8.2019)	Amendment of HCMC Decision 5/840/15-03-2019 (Gov. Gaz. 1086 B/02-04-2019) "Amendment of HCMC Decision 3/304/10-06-2004 (Gov. Gaz. 901/ B/16-06-2004)"	On the amendment of HCMC Decision 5/840/15-03-2019 (Gov. Gaz. 1086 B/02-04-2019) "Amendment of HCMC Decision 3/304/10-06-2004 (Gov. Gaz. 901/ B/16-06-2004) 'Rulebook of the Dematerialized Securities System', as currently in force" pursuant to protocol number HCMC 6002/06-06-2019 letter from 'Greek Central Securities Depository SA' "
7A/847/28.06.2019 (Gov. Gaz. B/3140/7.8.2019)	Prohibition of the offering, distribution, and sale of binary options to retail customers.	On restrictions in the offering, distribution, and sale of contracts for differences (CFDs) to retail customers.

No. Of Rule / Gazette	Title	Summary
8 /862/19.12.2019 (Gov. Gaz. B/ 11/13.1.2020)	Determination of the price, the yield, and the nominal interest rate of bonds	On the determination of the price, the yield, and the nominal interest rate of bonds, when these are distributed to investors through public offering

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

- *January 9, 2019, Paris, Meeting of ESMA's Data Standing Committee;*
- *January 11, 2019, Paris, Meeting of the sub-committee on investor protection and financial innovation of the Joint Committee of the European Supervisory Authorities (ESAs);*
- *January 18, 2019, Dublin, Meeting of the European Regional Committee of IOSCO;*
- *January 23, 2019, Paris, Meeting of ESMA's Supervision Co-ordination Network;*
- *January 30, 2019, Paris, Meeting of a sub-working group of ESMA's Investor Protection and Intermediaries Standing Committee;*
- *January 30, 2019, Paris, Meeting of the Plenary of the Board of Supervisors of ESMA;*
- *February 6, 2019, Paris, Meeting of a sub-working group of ESMA's Financial Innovation Standing Committee;*
- *February 7, 2019, Paris, Meeting of the ESMA Enforcement network;*
- *February 12, 2019, Paris, Meeting of the MiFID II Task Force of ESMA's Committee of Economic and Markets' Analysis;*
- *February 17 to 20, 2019, Paris, Meeting of the plenary of the Financial Action Task Force (FATF);*
- *February 18 to 19, 2019, Paris, Meeting of ESMA's Market Integrity Standing Committee;*
- *February 20, 2019, Paris, Meeting of ESMA's Investor Protection and Intermediaries Standing Committee;*
- *February 21, 2019, Paris, Meeting of ESMA's Post-Trading Standing Committee;*
- *February 21, 2019, Paris, Meeting of ESMA's Supervision Co-ordination Network;*
- *February 21, 2019, Frankfurt, Meeting of the Advisory Technical Committee of the European Systemic Risk Board;*
- *February 27, 2019, Paris, Meeting of ESMA's Corporate Finance Standing Committee;*
- *February 28, 2019, Paris, Meeting of ESMA's Investment Management Standing Committee;*
- *March 1, 2019, Paris, Meeting of ESMA's Secondary Markets Standing Committee;*
- *March 12, 2019, Paris, Meeting of ESMA's Committee of Economic and Markets' Analysis;*
- *March 12 to 14, 2019, Buenos Aires, Meetings of the IOSCO Screening Group and the IOSCO Policy Committee 4;*
- *March 12, 2019, Meeting of the sub-group on artificial intelligence, and the sub-group on investor protection and financial innovation of the Joint Committee of the European Supervisory Authorities (ESAs);*
- *March 14, 2019, Paris, Meeting of ESMA's Financial Innovation Standing Committee;*
- *March 19, 2019, Paris, Meeting of ESMA's Supervision Co-ordination Network;*
- *March 19 to March 20, 2019, Frankfurt, Participation in meeting at the EIOPA, on: (1) ENW Pensions meeting and (2) Workshop on implementing EIOPA's reporting requirements regarding occupational pensions information,*
- *March 20, 2019, Brussels, Meeting of the expert group at the Council, concerning the proposal on crowdfunding;*
- *March 21, 2019, Frankfurt, 33rd meeting of the plenary of the European Systemic Risk Board;*

- *March 26 to 27, 2019, Paris, Meeting of ESMA's Corporate Reporting Standing Committee;*
- *March 25 to 26, 2019, Paris, Meeting of the OECD Task Force on Investor Protection;*
- *March 26, 2019, Paris, Meeting of the Plenary of the Board of Supervisors of ESMA;*
- *March 27, 2019, Paris, Meeting of the working group on takeover bids;*
- *March 29, 2019, Frankfurt, Meeting of the sub-group on investor protection and financial innovation of the Joint Committee of the European Supervisory Authorities (ESAs);*
- *April 2, 2019, Brussels Meeting of the European Forum for Innovation Facilitators (European Commission);*
- *April 3, 2019, Paris, Meeting of a sub-working group of ESMA's Financial Innovation Standing Committee;*
- *April 3 to 5, 2019, Bucharest, Participation at the Eurofi High Level Seminar 2019;*
- *April 8 to 9, 2019, Nicosia, Bilateral meeting with representatives from the Cyprus Securities and Exchange Commission;*
- *April 9 to 10, 2019, Paris, Meeting of ESMA's Market Integrity Standing Committee;*
- *April 10 to 12, 2019, Bratislava, Participation in a conference jointly organised by IAIS–IOPS–OECD–NBS, on synergies between insurance companies and pension plans;*
- *April 12, 2019, Paris, Meeting of ESMA's Standing Committee on Credit Rating Agencies;*
- *April 15, 2019, Paris, Participation in ESMA's Senior Supervisors Forum on Risk Based Approach;*
- *April 16 to 17, 2019, Paris, Meeting of ESMA's Supervisory Convergence Standing Committee;*
- *April 24 to 26, 2019, Madrid, Participation in an IOSCO training seminar titled: Retail investor: a securities regulator perspective;*
- *April 25 to 26, 2019, Paris, Meeting of ESMA's Investment Management Standing Committee;*
- *May 3, 2019, Paris, Meeting of ESMA's Data Standing Committee;*
- *May 6, 2019, Brussels, Meeting of the expert group at the Council, concerning the proposal on crowdfunding;*
- *May 7 to 8, 2019, Paris, Meeting of the "European Enforcers Coordination Sessions (EECS)" Sub-committee of ESMA's Corporate Reporting Standing Committee;*
- *May 13 to 17, 2019, Sidney, IOSCO Annual Conference;*
- *March 14, 2019, Paris, Meeting of a sub-working group of ESMA's Investor Protection and Intermediaries Standing Committee;*
- *May 21, 2019, Paris, Meeting of a sub-working group of ESMA's Financial Innovation Standing Committee;*
- *May 23, 2019, Bucharest, Meeting of the Plenary of the Board of Supervisors of ESMA;*
- *May 28, 2019, Paris, Meeting of the securitisations sub-committee of the Joint Committee of European Supervisory Authorities (ESAs);*
- *June 4, 2019, Brussels, Meeting of the expert group at the Council, concerning the proposal on crowdfunding;*
- *June 5, 2019, Paris, Meeting of the ESMA Enforcement network;*
- *June 11, 2019, Paris, Meeting of ESMA's Investment Management Standing Committee;*
- *June 12 to 13, 2019, Paris, Meeting of ESMA's Market Integrity Standing Committee;*
- *June 14, 2019, Paris, Meeting of ESMA's Secondary Markets Standing Committee;*
- *June 14, 2019, Paris, Meeting of ESMA's Corporate Reporting Standing Committee;*
- *June 18 to 19, 2019, Paris, Joint Meeting of ESMA's Corporate Reporting Standing Committee and Operational Working Group;*
- *June 18 to 19, 2019, Paris, Meeting of ESMA's Committee of Economic and Markets' Analysis;*

- *June 20, 2019, Paris, Meeting of ESMA's Financial Innovation Standing Committee;*
- *June 24, 2019, Paris, Meeting of ESMA's Data Standing Committee;*
- *June 27, 2019, Frankfurt, 34th meeting of the plenary of the European Systemic Risk Board;*
- *June 28, 2019, Dublin, Participation in a conference on "Joint ESAs Consumer Protection Day";*
- *July 2, 2019, Paris, Meeting of the sub-committee on investor protection and financial innovation of the Joint Committee of the European Supervisory Authorities (ESAs);*
- *July 9 to 10, 2019, Paris, Meeting of the "European Enforcers Coordination Sessions (EECS)" Sub-committee of ESMA's Corporate Reporting Standing Committee;*
- *July 11 to 12, 2018, Paris, Meeting of the Plenary of the Board of Supervisors of ESMA and Joint Meeting of the plenary with the representatives of the Securities and Markets Stakeholders Group (SMSG) of ESMA;*
- *July 16, 2019, Paris, Meeting of ESMA's Market Integrity Standing Committee;*
- *July 17, 2019, Paris, Meeting of the MiFID II Task Force of ESMA's Committee of Economic and Markets' Analysis;*
- *July 18, 2019, Paris, Meeting of ESMA's Investment Management Standing Committee;*
- *July 24, 2019, Paris, Meeting of ESMA's Supervisory Convergence Standing Committee;*
- *September 2, 2019, Paris, Meeting of ESMA's Investor Protection and Intermediaries Standing Committee;*
- *September 2 to 3, 2019, Paris, Meeting of ESMA's Market Integrity Standing Committee;*
- *September 5, 2019, Brussels, Meeting of ESMA's Financial Innovation Standing Committee;*
- *September 10, 2019, Paris, Meeting of the sub-committee on investor protection and financial innovation of the Joint Committee of the European Supervisory Authorities (ESAs);*
- *September 10, 2019, Paris, Meeting of ESMA's Committee of Economic and Markets' Analysis;*
- *September 10, 2019, Paris, Meeting of ESMA's Supervision Co-ordination Network;*
- *September 11, 2019, Paris, Meeting of the MiFID II Task Force of ESMA's Committee of Economic and Markets' Analysis;*
- *September 11 to 13, 2019, Helsinki, Participation at the Eurofi High Level Seminar 2014;*
- *September 12 to 13, 2019, Meeting of the European Forum for Innovation Facilitators;*
- *September 13, 2019, Paris, Meeting of ESMA's Supervisory Convergence Standing Committee;*
- *September 16 to 17, 2019, Brussels, Meeting of the expert group (Legal-Linguists Review) at the Council, concerning the amendment of the founding legislation of the European Supervisory Authorities;*
- *September 18, 2019, St. Petersburg, Meeting of the European Regional Committee of IOSCO;*
- *September 19, 2019, London, Participation in the "14th Annual Greek Roadshow";*
- *September 24, 2019, Prague, Meeting of the EU Passport Experts;*
- *September 24, 2019, Paris, Meeting of ESMA's Corporate Reporting Standing Committee;*
- *September 25, 2019, Paris, Meeting of the ESMA Enforcement network;*
- *September 30 to October 1, 2019, Paris, Meeting of the working group of the sub-committee on investor protection and financial innovation of the Joint Committee of the European Supervisory Authorities (ESAs) on artificial intelligence topics;*
- *October 1, 2019, Frankfurt, Participation in the EIOPA meeting on: ENW 7 Pensions meeting;*
- *October 1 to 2, 2019, Helsinki, Meeting of the Plenary of the Board of Supervisors of ESMA;*
- *October 1 to 3, 2019, London, Meetings of the IOSCO Screening Group and the IOSCO Policy Committee 4;*

- *October 10, 2019, Paris, Meeting of the Working Group of the Joint Committee of European Supervisory Authorities (ESAs) on securitisation;*
- *October 15 to 16, 2019, Paris, Meeting of the “European Enforcers Coordination Sessions (EECS)” Sub-committee of ESMA's Corporate Reporting Standing Committee;*
- *October 17 to 18, 2019, Paris, Meeting of the OECD Task Force on Investor Protection;*
- *October 21 to 22, 2019, Paris, Meeting of ESMA's Investment Management Standing Committee;*
- *October 21 to 22, 2019, Luxembourg, Participation in a seminar by the Luxembourg capital market regulator on the supervision of ML/TF in the financial sector;*
- *October 23, 2019, Paris, Meeting of ESMA's Supervision Co-ordination Network;*
- *October 28 to November 1, 2019, Washington, Participation in the “23rd Annual International Institute for Securities Enforcement and Market Oversight” of the US SEC;*
- *October 30 to 31, 2018, Paris, Meeting of ESMA's Investor Protection and Intermediaries Standing Committee;*
- *November 5, 2019, Paris, Meeting of ESMA's Standing Committee on Credit Rating Agencies;*
- *November 5, 2019, Brussels, Meeting at the European Commission on issues of financial stability;*
- *November 5 to 6, 2019, Paris, Meeting of ESMA's Corporate Finance Standing Committee;*
- *November 5 to 6, 2019, Paris, Meeting of ESMA's Market Integrity Standing Committee;*
- *November 6, 2019, Lisbon, Meeting of ESMA's Supervisory Convergence Standing Committee;*
- *November 10 to 12, 2019, Nicosia, Participation in the “5th International Funds Summit”;*
- *November 11 to 12, 2019, Paris, Meeting of ESMA's Data Standing Committee;*
- *November 12 to 15, 2019, Madrid, Participation in an IOSCO Seminar titled “Conference on securities trading issues and market infrastructure”;*
- *November 13, 2019, Paris, Meeting of ESMA's Financial Innovation Standing Committee;*
- *November 13, 2019, Paris, Participation in an EBA seminar titled “Introduction to STS Securitisation & the Securitisation Framework”;*
- *November 18 to 19, 2019, Rome, Meeting of ESMA's Committee of Economic and Markets' Analysis;*
- *November 20, 2019, Paris, Meeting of the ESMA Enforcement network;*
- *November 20, 2019, Paris, Meeting of the MiFID II Task Force of ESMA's Committee of Economic and Markets' Analysis;*
- *November 27, 2019, Paris, Meeting of the working group of the sub-committee on investor protection and financial innovation of the Joint Committee of the European Supervisory Authorities (ESAs) on artificial intelligence topics;*
- *November 28 to 29, 2019, Paris, Meeting of ESMA's Corporate Reporting Standing Committee;*
- *December 2, 2019, Paris, Meeting of the ESMA Takeovers Bid Network;*
- *December 2, 2019, Paris, Meeting of the Standing Committee of the Joint Committee of European Supervisory Authorities (ESAs) on securitisations;*
- *December 3 to 4, 2018, Paris, Meeting of the Plenary of the Board of Supervisors of ESMA;*
- *December 3 to 4, 2019, Paris, Meeting of the “European Enforcers Coordination Sessions (EECS)” Sub-committee of ESMA's Corporate Reporting Standing Committee;*
- *December 10, 2019, Meeting of the European Forum for Innovation Facilitators;*
- *December 11, 2019, Paris, Meeting of the ESMA Enforcement network;*
- *December 17, 2019, Paris, Meeting of ESMA's Investor Protection and Intermediaries Standing Committee;*
- *December 18, 2019, Paris, Meeting of ESMA's Supervision Co-ordination Network;*

ANNEX 3. TABLES

TABLE I. Fundamentals of the ATHEX and foreign Exchanges, 2019

Stock Exchange	Market Capitalisation		Value of Transactions on shares (EOB) ¹		Turnover ratio ²	No. of listed companies
	(USD\$ mn)	Y-o-y % Change	(USD\$ mn)	Y-o-y % Change	(%)	
Athens Exchange	53,653.98	42.76%	16,048.58	32.86%	29.91%	181
BME Spanish Exchanges	797,285.84	12.48%	408,764.87	-33.53%	51.27%	2889 ⁵
Borsa Istanbul	184,966.06	39.54%	347,680.35	5.83%	187.97%	379
CE ESG - Vienna	133,098.22	16.34%	26,348.77	-33.27%	19.80%	782 ⁵
Deutsche Boerse AG			1,506,507.40	-12.63%		521 ⁵
Euronext ³	4,701,705.16	28.68%	1,740,003.36	-16.77%	37.01%	1220
Hong-Kong Exchanges	4,899,234.58	27.60%	1,876,736.98	-20.29%	38.31%	2449
Japan Exchange Group Inc.	6,191,073.29	15.42%	5,098,664.91	-20.16%	82.36%	3708
LSE Group	4,182,873.43	17.39%	2,000,029.46	-17.16%	47.81%	2410
Nasdaq (US)	13,002,048.01	33.26%	15,909,551.10	-5.24%	122.36%	3140
Nasdaq Nordic and Baltics	1,612,576.96	24.46%	544,539.10	-32.40%	33.77%	1074 ⁵
NYSE (US)	23,327,803.87	12.81%	12,247,874.35	-36.67%	52.50%	2143
London Stock Exchange	5,105,840.94	31.91%	7,790,292.55	35.10%	152.58%	1572
SIX Swiss Exchange	1,834,453.27	27.29%	802,175.86	-17.54%	43.73%	275 ⁵

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.
5. November 2019 data.

TABLE II. Market Share and Total Assets per MFMC, 2017-2019

MFMF	31.12.2019				31.12.2018				31.12.2017			
	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)	126	2,152.47	27.39	-2.76	114	1,808.38	29.84	-1.30	111	2,073.39	31.15	-7.17
ALPHA ASSET MANAGEMENT	41	1,609.15	20.47	2.21	42	1,111.18	18.34	0.15	48	1,210.90	18.19	0.18
HELLENIC PENSION FUND MANAGEMENT	2	1,404.94	17.88	0.33	2	1,068.27	17.63	0.64	2	1,131.14	16.99	3.39
PIRAEUS ASSET MANAGEMENT	52	897.58	11.42	3.10	53	506.66	8.36	-0.02	28	557.63	8.38	2.94
NBG ASSET MANAGEMENT	25	837.92	10.66	-2.52	26	802.40	13.24	-0.02	24	882.60	13.26	-0.47
ALPHA TRUST	17	260.44	3.31	-0.07	17	205.79	3.40	0.01	13	225.42	3.39	0.49
TRITON ASSET MANAGEMENT (HSBC)	6	174.55	2.22	-0.14	6	143.53	2.37	0.42	6	129.59	1.95	0.39
METLIFE (ALICO)	12	140.69	1.79	-0.31	12	128.02	2.11	-0.01	13	144.26	2.17	-0.29
3K INVESTMENT PARTNERS (ING)	8	109.63	1.39	0.31	9	66.02	1.09	0.20	9	59.18	0.89	0.11
ALLIANZ	7	103.72	1.32	0.13	7	72.56	1.20	-0.05	7	82.75	1.24	0.18
EUROPEAN RELIANCE ASSET MANAGEMENT	5	78.98	1.01	-0.10	6	67.63	1.12	0.04	5	71.79	1.08	0.26
ATTICA WEALTH MANAGEMENT	5	39.81	0.51	-0.08	5	35.63	0.59	-0.03	6	40.94	0.62	-0.04
OPTIMA ASSET MANAGEMENT (ex CPB ASSET MANAGEMENT)	5	32.03	0.41	-0.07	4	29.15	0.48	-0.05	5	35.44	0.53	-0.01
ATHOS ASSET MANAGEMENT	16	17.52	0.22	-0.02	13	14.74	0.24	0.02	5	2.51	0.04	0.00
THETIS (ex INTERNATIONAL)	-	-	-	-	-	-	-	-	4	9.34	0.14	0.01
TOTAL	327	7,859.50	100		316	6,059.95	100		286	6,656.89	100	

Source: Hellenic Fund & Asset Management Association.

TABLE III Distribution of mutual fund assets per MFMC, 31.12.2019

MFMC	Money market			Bond	Balanced	Equity	MMF	Funds of Funds	Index	Specialist
	Short term	Money market	Total							
3K INVESTMENT PARTNERS				19.55	7.75	72.50				
ALLIANZ				33.53	39.58	26.90				
ALPHA ASSET MANAGEMENT	-			37.11	20.56	22.80	3.80	14.52	1.19	0.02
ALPHA TRUST				16.47	28.75	39.25	2.04	13.49		
ATHOS ASSET MANAGEMENT				41.76	30.65	27.59				
ATTICA WEALTH MANAGEMENT				36.26	37.35	21.19		5.20		
CPB ASSET MANAGEMENT				40.64	2.34	10.80	4.58	27.43		14.21
EUROBANK EFG ASSET MANAGEMENT				42.89	7.34	29.08	5.92	5.59	9.18	
METLIFE				26.86		42.77		30.37		
TRITON ASSET MANAGEMENT				21.95	11.02	39.44	27.60			
HELLENIC PENSION FUND MFMC				26.30	73.70					
NBG ASSET MANAGEMENT				48.38	16.34	22.92		12.36		
EVROPAIKI PISTI ASSET MANAGEMENT				39.94	6.02	54.04				
PIRAEUS ASSET MANAGEMENT				47.17	8.05	16.50	12.76	15.53		
MARKET SHARES				37.28	22.96	16.91	4.28	14.27	0.41	3.90

Source: Hellenic Fund & Asset Management Association.

TABLE IV. Annual Returns of Mutual Funds, 2017-2019

<i>M/F Classification</i>	<i>Annual return (%)</i>		
	<i>2019</i>	<i>2018</i>	<i>2017</i>
<i>EQUITY</i>			
<i>Equity Funds – North America</i>	24.86	-2.58	1.76
<i>Equity Funds - Developed Countries</i>	24.78	-8.34	6.53
<i>Equity Funds - Emerging Markets</i>	27.82	-9.18	3.92
<i>Index Equity M/Fs</i>	45.67	-22.63	20.41
<i>Equity Funds - Global</i>	29.08	-7.79	-1.48
<i>Equity Funds - Greece</i>	40.18	-16.21	20.44
<i>Equity Funds - Eurozone</i>	20.45	-13.92	6.25
<i>Bond Funds - Global</i>	5.33	1.28	-0.29
<i>Bond Funds - Greece</i>	21.94	-0.07	22.89
<i>Government Bond Funds - Developed Countries</i>	6.69	0.38	0.82
<i>Government Bond Funds – Emerging Countries</i>	6.13	-7.07	5.31
<i>Corporate Bond Funds - Investment Grade</i>	4.68	-0.85	-1.03
<i>Corporate Bond Funds - High Yield</i>	-	-	-
<i>Balanced Mutual Funds</i>	23.06	-7.84	16.85
<i>Short Term Money Market Funds</i>	0.16	-0.26	-0.08
<i>Money Market Funds</i>	4.01	1.20	0.14
<i>Specialist Funds - Absolute Return</i>	3.84	0.72	1.67
<i>Specialist Funds</i>	15.10	-1.51	7.31
<i>Equity FoFs</i>	20.32	-8.71	4.94
<i>Balanced FoFs</i>	11.52	-4.14	1.59
<i>Bond FoFs</i>	4.51	-0.07	-1.85

Source: Hellenic Fund & Asset Management Association.

TABLE V. M/F Net Assets, ATHEX-listed company capitalisation and the GD/ATHEX, 2017-2019

Month / Year	M/F net assets (€ mn)	Monthly Change (%)	Capitalisation of ATHEX-listed Companies (€ million)	ATHEX Composite Price Index	Monthly Change (%)
Dec-19	7,859.50	1.48	61,217.27	916.67	1.67%
Nov-19	7,745.05	1.50	60,492.08	901.58	2.15%
Oct-19	7,630.81	3.09	57,937.49	882.57	1.63%
Sep-19	7,401.79	2.01	57,420.47	868.42	0.04%
Aug-19	7,256.17	0.90	57,657.80	868.10	-3.54%
Jul-19	7,191.18	2.73	61,119.11	899.93	3.62%
Jun-19	7,000.01	4.16	59,242.47	868.48	4.61%
May-19	6,720.64	1.31	55,921.23	830.24	7.37%
Apr-19	6,633.94	2.90	53,706.06	773.24	7.19%
Mar-19	6,446.98	1.36	51,434.96	721.37	1.96%
Feb-19	6,360.77	2.25	50,201.10	707.51	11.48%
Jan-19	6,221.05	2.66	47,098.54	634.64	3.48%
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

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

TABLE VI. Listed PIC data, 31.12.2019

PIC	Share Price (€)	Book Value of Share (euros)	Premium / Discount (%)	Internal Rate of Return	Net Asset Value (€ million)
ALPHA TRUST ANDROMEDA	25	30.95	-19.23	24.36	12.42

Source: Hellenic Capital Market Commission.

TABLE VII. Net assets of investment funds in EU member-states, 2018-2019

Member state	Total Net Assets		UCITS market net assets		AIF market net assets	
	(€ million)		(€ million)		(€ million)	
	30.12.2019	31.12.2018	30.12.2019	31.12.2018	30.12.2019	31.12.2018
Austria	194,082.8	172,895	86,338.7	75,639	107,744.1	97,256
Belgium	165,380.4	147,588	143,662.4	124,752	21,718.1	22,837
Bulgaria	824.4	721	815.5	713	8.9	9
Croatia	3,605.1	3,078	3,034.8	2,579	570.3	499
Cyprus	5,232.0	4,025	357.0	198	4,875.0	3,827
Czech Republic	14,626.4	11,816	13,078.4	10,593	1,548.0	1,222
Denmark	315,591.6	273,197	144,199.0	124,882	171,392.7	148,316
Finland	124,709.5	110,050	109,741.2	97,005	14,968.3	13,044
France	1,956,090.0	1,812,731	822,808.0	783,481	1,133,282.0	1,029,250
Germany	2,357,739.7	2,037,195	407,949.4	347,604	1,949,790.3	1,689,591
Greece	8,836.4	7,629	6,086.3	4,553	2,750.1	3,077
Hungary	19,557.2	19,200	1,251.9	1,330	18,305.3	17,870
Ireland	3,048,404.0	2,421,457	2,315,504.0	1,810,825	732,900.0	610,632
Italy	320,653.6	302,489	244,539.5	237,233	76,114.1	65,257

Member state	Total Net Assets		UCITS market net assets		AIF market net assets	
	(€ million)		(€ million)		(€ million)	
	30.12.2019	31.12.2018	30.12.2019	31.12.2018	30.12.2019	31.12.2018
Lichtenstein	53,914.3	44,324	29,080.8	26,792	24,833.6	17,532
Luxembourg	4,718,914.0	4,064,644	3,920,828.0	3,360,468	798,086.0	704,176
Malta	15,351.1	11,666	3,086.3	2,654	12,264.9	9,013
Netherlands	947,476.0	827,540	43,215.0	33,779	904,261.0	793,761
Norway	134,605.9	113,482	134,605.9	113,482		-
Poland	62,957.1	59,674	28,146.6	25,452	34,810.5	34,222
Portugal	23,509.0	21,860	12,283.3	8,818	11,225.7	13,042
Romania	9,629.2	8,359	4,699.5	4,162	4,929.7	4,197
Slovakia	7,413.8	6,605	5,341.3	4,896	2,072.4	1,709
Slovenia	3,148.6	2,589	3,009.2	2,469	139.4	-
Spain	306,311.0	286,242	245,809.0	222,837	60,502.0	63,405
Sweden	421,208.7	333,037	398,370.9	312,874	22,837.8	20,162
Switzerland	714,293.5	539,710	564,510.0	444,780	149,783.5	94,930
Turkey	29,087.3	20,535	15,394.2	7,355	13,693.1	13,179
Un. Kingdom	1,751,302.1	1,492,836	1,282,530.9	1,092,186	468,771.2	400,649

Source: EFAMA

TABLE VIII. Structure of mutual fund assets in EU member-states, 2018-2019

<i>Type of M/F</i>	31.12.2019		31.12.2018	
	<i>Total Assets (€ billion)</i>	<i>% of Total (%)</i>	<i>Total Assets (€ billion)</i>	<i>% of Total (%)</i>
<i>Equity</i>	4,286	39	3,455	37
<i>Balanced</i>	1,997	18.17	1,728	19
<i>Bond</i>	3,054	27.79	2,536	27
<i>Money market</i>	1,275	11.6	1,190	13
<i>Guaranteed</i>	6.6	0.06	7	0.1
<i>Other</i>	247	2.25	368	4
<i>ARIS*</i>	125	1.14	-	-
TOTAL	10,990	100	9,284	100
<i>of which:</i>				
<i>ETFs</i>	<i>N/A</i>	<i>N/A</i>	624	7
<i>Funds of Funds</i>	-	-	-	-

EFAMA

**Absolute return innovative strategies (ARIS)*

TABLE IX. Capital Increases through issuance of new shares, and issuance of bonds by ATHEX-listed companies, 2019

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	CRETA FARM SA ⁽¹⁾	Main market	-	19/12/2018	27/12/2018-22/1/2019	18/2/2019	1,238,160.00	0.60	2,063,600	Public offering (7N-100E) in favour of existing shareholders	-
2	VARVARESSOS SA ⁽²⁾	Surveillance	8/3/2019	15/3/2019	20/3/2019-3/4/2019	25/4/2019	1,407,497.40	0.30	4,691,658	Public offering (3N-1E) in favour of existing shareholders	-
3	CARS MOTORCYCLES AND MARINE ENGINE TRADE AND IMPORT COMPANY SA ⁽³⁾	Main market	18/4/2019	25/4/2019	3/5/2019-17/5/2019	27/5/2019	9,828,000	0.56	17,550,000	Public offering (3N-2E) in favour of existing shareholders	-
4	INTERTECH SA INTER. TECHNOLOGIES ⁽⁴⁾	Main market	28/6/2019	4/7/2019	9/7/2019 – 23/7/2019	5/8/2019	1,404,150	0.50	2,808,300	Public offering (1N-2E) 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
5	TRASTOR REIC ⁽⁵⁾	Main market	16/7/2019	19/7/2019	24/7/2019-6/8/2019	13/8/2019	22,783,243.20	0.80	28,479,054	Public offering (6N-17E) in favour of existing shareholders	PIRAEUS BANK
6	UNIBIOS HOLDING ⁽⁶⁾	Main market	19/7/2019	24/7/2019	29/7-12/8/2019-	18/9/2019	3,750,555.60	0.30	12,501,852	Public offering (4N-1E) in favour of existing shareholders	-
7	BRIQ PROPERTIES REIC ⁽⁷⁾	Main market	21/11/2019	25/11/2019	28/11-12/12/2019	20/12/2019	50,070,430.20	2.10	23,843,062	Public offering (2N-1E) in favour of existing shareholders	ALPHA BANK, NATIONAL BANK OF GREECE, EUROXX SECURITIES, PANTELAKIS SECURITIES SA
8	LAMDA DEVELOPMENT S.A. ⁽⁸⁾	Main market	25/11/2019	27/11/2019	2/12/2019 – 16/12/2019	23/12/2019	650,000,098	6.70	97,014,940	Public offering (1.216918965991 410N-1E) in favour of existing shareholders	Eurobank Ergasias SA & PIRAEUS BANK
TOTAL OF FUNDS RAISED THROUGH THE LISTING OF TRANSFERABLE SECURITIES (€)							<u>740,482,134.40</u>				

Source: HCMC

Notes:

1. The share capital increase through payment in cash with pre-emptive rights in favour of existing shareholders as decided by the Extraordinary General Shareholders Meeting held on 28.08.2018 was subscribed by 92.51% by shareholders that exercised the pre-emptive right through the payment of a total of

€1,145,455.80, which corresponds to 1,909,093 new common registered shares, while 154,507 shares remained unsold. Pursuant to a resolution of the Board of Directors dated 28.01.2019, the aforementioned 154,507 unsold shares, were sold to the investors who exercised their subscription right, in proportion to the ratio of the number of unsold new shares each shareholder had requested to total amount of subscriptions, and until all unsold shares were taken up in full, bringing the final subscription ratio to 100.00% and the total amount raised to €1,238,160.

2. The share capital increase through payment in cash and by way of pre-emptive rights in favour of the company's existing shareholders, as decided by the Extraordinary General Meetings of the Shareholders held on 07.08.2018 and 04.01.2019, in conjunction with a resolution of the company's Board of Directors dated 4.6.2018, was subscribed by 95.46%, through the payment of a total amount of €1,407,497.40, which corresponds to 4,691,658 new common bearer shares, at a nominal value of €0.30 and a sale price of €0.30 each. Shareholders who exercised their pre-emptive right subscribed 95.33% of the SCI, through the payment of a total amount of €1,405,578.60, which corresponds to 4,685,262 new common bearer shares, while 229,770 shares remained unsold. Pursuant to a resolution of the Board of Directors dated 03.04.2019, 6,396 of the aforementioned 229,770 unsold shares were sold to the investors who exercised their subscription right, bringing the final subscription ratio to 95.46%. Following the above, the company's share capital was increased by €1,407,497.40.
3. The share capital increase through payment in cash and by way of pre-emptive rights in favour of the company's existing shareholders, as decided by the Extraordinary General Meeting of the Shareholders of 19.12.2018, in conjunction with a resolution of the company's Board of Directors dated 17.4.2019, was subscribed by 100%, through the payment of a total amount of €9,828,000, which corresponds to 17,550,000 new common registered shares, at a nominal value of €0.36 and a sale price of €0.56 each. Shareholders who exercised their pre-emptive right subscribed to 92.02% of the SCI, through the payment of a total amount of €9,043,303.36, which corresponds to 16,148,756 new common registered shares, while 1,401,244 shares remained unsold. Pursuant to a resolution of the Board of Directors dated 20.05.2019, the aforementioned 1,401,244 unsold shares were sold to the investors who exercised their subscription right, bringing the final subscription ratio to 100.00%. Following the above, the company's share capital was increased by €6,318,000 and an amount of €3,510,000 was credited to the "Share Premium Account."
4. The share capital increase through payment in cash and by way of pre-emptive rights in favour of the company's existing shareholders, as decided by the Repetitive Extraordinary General Meeting of the Shareholders of the company of 27.05.2019, in conjunction with a resolution of the company's Board of Directors dated 06.06.2019, was subscribed by 100%, through the payment of a total amount of €1,404,150, which corresponds to 2,808,300 new common registered shares, at a nominal value of €0.50 and a sale price of €0.50 each. Shareholders who exercised their pre-emptive right subscribed to 37.7% of the SCI, through the payment of a total amount of €539,255.0, which corresponds to 1,058,510 new common registered shares. Shareholders who exercised their subscription right subscribed to 11.7% of the SCI, through the payment of a total amount of €163,602.00, which corresponds to 327,204 new common registered shares. Following the above, 1,422,586 shares remained unsold. Pursuant to a resolution of the Board of Directors dated 25.07.2019, the aforementioned 1,422,586 unsold shares were sold to AMOIRIDIS-SAVVIDIS SA, bringing the final subscription ratio of the SCI to 100 %. Following the above, the company's share capital was increased by €1,404,150.

5. *The share capital increase through payment in cash and by way of pre-emptive rights in favour of the company's existing shareholders, as decided by the Extraordinary General Meeting of the Shareholders of the company of 9.5.2019, in conjunction with a resolution of the company's Board of Directors dated 18.4.2019, was subscribed by 100%, through the payment of a total amount of € 22,783,243.20, which corresponds to 28,479,054 new common registered shares, at a nominal value of €0.50 and a sale price of €0.80 for each new share. Shareholders who exercised their pre-emptive right subscribed to 97.5% of the SCI, through the payment of a total amount of €22,218,305.60, which corresponds to 27,772,882 new common registered shares. Shareholders who exercised their subscription right subscribed to 2.5% of the SCI, through the payment of a total amount of €564,937.60, which corresponds to 706,172 new common registered shares. Following the above, the company's share capital was increased by €14,239,527.00 and an amount of €8,543,716.20 was credited to the "Share Premium Account."*
6. *The share capital increase through payment in cash and by way of pre-emptive rights in favour of the company's existing shareholders, as decided by the 2nd Repetitive Extraordinary General Meeting of the Shareholders of 19.10.2019, in conjunction with a resolution of the company's Board of Directors dated 3.7.2019, was subscribed by 100%, through the payment of a total amount of € 3,750,555.60, which corresponds to 12,501,852 new common registered shares, at a nominal value of € 0.30 and a sale price of €0.30 per each new share. Shareholders who exercised their pre-emptive right subscribed to 77.57% of the SCI, through the payment of a total amount of €2,909,274.30, which corresponds to 9,697,581 new common registered shares. Following the above, 2,804,271 shares remained unsold. These shares were sold on the basis of subscriptions to shareholders that had already exercised their pre-emptive rights, bringing the subscription ratio after the fulfilment of subscriptions to 95.42% and the total amount of the share capital increase to € 3,578,878.20. Following the above, 572,258 shares remained unsold. Pursuant to a resolution of the Board of Directors dated 13.8.2019 these unsold shares were sold, at the discretion of the Board, on a priority basis, to the company's existing shareholders (with holdings <5%).*
7. *The share capital increase through payment in cash and by way of pre-emptive rights in favour of the company's existing shareholders, as decided by the Extraordinary General Meeting of the Shareholders of the company of 6.9.2019, in conjunction with a resolution of the company's Board of Directors dated 12.11.2019, was subscribed by 100%, through the payment of a total amount of € 50,070,430.20, which corresponds to 23,843,062 new common registered shares, at a nominal value of € 2.10 and a sale price of € 2.10 for each new share. Shareholders who exercised their pre-emptive right subscribed to 65.7% of the SCI, through the payment of a total amount of €32,905,838.70, which corresponds to 15,669,447 new common registered shares. Shareholders who exercised their subscription right subscribed to 8.22% of the SCI, through the payment of a total amount of €4,116,090.30, which corresponds to 1,960,043 new common registered shares. Following the above, 6,213,572 shares remained unsold. All these shares were sold by Private Placement, which took place on 13.12.2019, on the basis of investor bids, which fully subscribed to the shares on offer, and paid a total amount of €13,048,501.20. As a result of the above, the final subscription ratio reached 100% and the total funds raised reached €50,070,430.20.*
8. *The share capital increase through payment in cash and by way of pre-emptive rights in favour of the company's existing shareholders, as decided by the Extraordinary General Meeting of the Shareholders of 10.10.2019, and specified by the company's Board of Directors dated 21.11.2019, was subscribed by 100%, through the payment of a total amount of € 650,000,098, which corresponds to 97,014,940 new common registered shares, at a nominal value of €0.30 and a sale price of €6.70 each. A percentage of 99.14% was subscribed by the shareholders that exercised their pre-emptive rights, through the payment of €644,415,560.90,*

which corresponds to 96,181,427 new common registered shares. The exercising of the subscription right led to absorption of the remaining 0.86% through the payment of a total amount of €5,584,537.10, which corresponds to 833,513 new common registered shares sold (pursuant to a resolution of the aforementioned Board of Directors on 21.11.2019) in proportion to the number of the 9,556,145 unsold new shares requested by the investors. Following the above, no share remained unsold, bringing the final subscription ratio of the Share Capital Increase to 100.00%. Following the above, the company's share capital was increased by €29,104,482.00 and an amount of €620,895,616.00 was credited to the "Share Premium Account."

TABLE X. Public offering and initial public offering of transferable securities in the ATHEX, 2019

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.	AEGEAN AIRLINES SA	5-7/3/2019	13/3/2019	Fixed-income securities	3.50%-3.90%	1,000	200,000	200,000,000	PIRAEUS BANK, EUROBANK ERGASIAS SA, ALPHA BANK, EUROXX SECURITIES SA	EUROXX SECURITIES SA
2.	ATTICA HOLDINGS SA	22-24/7/2019	29/7/2019	Fixed-income securities	3.40%- 3.80%	1,000	175,000	175,000,000	ALPHA BANK, INVESTMENT BANK OF GREECE, EUROBANK ERGASIAS, PIRAEUS BANK	EUROBANK ERGASIAS, PIRAEUS BANK
3	TERNA ENERGY SA FINANCE	16-18/10/2019	23/10/2019	Fixed-income securities	2.60%	1,000	150,000 common bearer bonds	150,000,000	PIRAEUS BANK ALPHA BANK SA EUROBANK ERGASIAS SA NBG	PIRAEUS BANK
TOTAL FUNDS RAISED (€)								<u>525,000,000.00</u>		

No	Allocation to Private Investors	Allocation to Qualified Investors	Total Demand from Private Investors (no.)	Total Demand from Qualified Investors (domestic and international)	Oversubscription by Private Investors	Oversubscription by Qualified Investors	Total oversubscription	Participating Capital (€)
1.	120,000	80,000	311,475	196,583	2.60	2.46	2.54	508,058,000
2.	117,000	58,000	215,490	160,154	1.84	2.76	2.15	375,644,000
3	97,500	52,500	419,891	232,250	4.31	4.42	4.35	652,141,000

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 200,000 common bonds of a par value of €1,000 each of the company "AEGEAN AIRLINES SA" and a total value of €200,000,000 through the issuance of a seven-year common bond loan. The yield of the bonds upon maturity was set at 3.60%, the interest rate was set at 3.60%, 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 2.54 times and the total value of the participation of (participating) investors stood at €508 million.
2. 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 175,000 common bonds of a par value of €1,000 each of the company "ATTICA HOLDINGS SA" and a total value of €175,000,000 through the issuance of a seven-year common bond loan. The yield of the bonds upon maturity was set at 3.40%, the interest rate was set at 3.40%, 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 2.15 times and the total value of the participation of (participating) investors stood at €375.6 million.
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 150,000 common bonds of a par value of €1,000 each of the company "TERNA ENERGY SA FINANCE" and a total value of €150,000,000 through the issuance of a five-year common bond loan. The yield of the bonds upon maturity was set at 2.60%, the interest rate was set at 2.60%, 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 4.35 times and the total value of the participation of (participating) investors stood at €652.1 million.

TABLE XI. Share capital increases because of merger and listing of new shares for trading in the ATHEX, 2019

	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 "ELAKTOR SA" of "EL. TECH. ANEMOS SA" with share capital increase.	Main market	19/7/2019	-	-	25/7/2019	38,388,810.70	-		EL. TECH. ANEMOS Shareholders	-
2.	Merger by absorption by "Eurobank Ergasias SA" of "Grivalia Properties REIC" with share capital increase.	Main market	17/5/2019	-	-	23/5/2019	197,307,596,46	-	1,523,163,087	GRIVALIA Shareholders	-
GRAND TOTAL OF FUNDS RAISED							235,696,407.16				

Source: HCMC

1. The meetings of the Boards of Directors of the merged companies that were held on 15.3.2019 approved the draft Merger Agreement, which stipulated that each shareholder of EL. TECH. ANEMOS would trade 1 share held in the company with 1.27 of ELLAKTOR SA that resulted from the Merger. The resolutions of the Boards of Directors were approved by the General Meetings of the Merged Companies on 21.5.2019. The share capital of the Issuer prior to the merger stood at 182,311,352.39 euros (corresponding to 177,001,313 registered voting shares at a par value of 1.03 euros) and after the merger stood at 220,700,163.09 euros (an amount that corresponds to 214,272,003 common voting shares at a par value of 1.03 euros).
2. 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 GRIVALIA would trade 1 share held in GRIVALIA for 15.80000000414930 shares of EUROBANK that resulted from the Merger. The resolutions of the Boards of Directors were approved by the General Meetings of the Merged Companies on 5.4.2019. The share capital of the Issuer prior to the merger stood at 655,799,629.5 euros (corresponding to 2,185,998,765 registered voting shares at a par value of 0.30 euros) and after the merger stood at 853,107,225.96 euros (an amount that corresponds to 3,709,161,852 common voting shares at a par value of 0.23 euros).

TABLE XII. Trading Status of companies listed in the regulated market of the ATHEX, 31.12.2019

Market	Under regular trading	Under Suspension	Total
<i>Main market</i>	127		
<i>Under surveillance</i>	24		
Total number of companies with shares listed in the Securities Market	151	18	169
Total number of companies with bonds listed in the Debt Segment	11 *		5
Grand Total			174

* Out of 11 companies with bonds listed in the Securities Market, 6 also have shares listed in the same market.

Companies the shares of which were listed in the ATHEX in 2019	
Company	Date
-	-

Companies the common bonds of which were listed in the ATHEX in 2019			
Company	Date	Company	Date
AEGEAN AIRLINES SA	01.03.2019	ATTICA HOLDING S.A.	17.07.2019
TERNA ENERGY SA FINANCE	11.10.2019		

Companies the shares of which were de-listed from the ATHEX in 2019				
No	Company	Date	Reasoning	Previous status
1.	AEOLIAN INVESTMENT FUNDS SA	28.03.2019	The General Meeting of the company's Shareholders decided to dissolve the company and put it under liquidation, with the purpose of exchanging its portfolio assets with units in a mutual fund provided for by Law 4099/2012, which was established for this purpose.	Under Suspension
2.	MINOAN LINES	25.04.2019	HCMC Decision in accordance with par. 5, article 17 L.3371/2005	Main market
3.	DRUCKFARBEN HELLAS S.A.	08.05.2019	HCMC Decision in accordance with par. 5, article 17 L.3371/2005	Main market
4.	HYGEIA SA	8/5/2019	HCMC Decision in accordance with par. 5, article 17 L.3371/2005	Main market
5.	GRIVALIA PROPERTIES REIC	20.05.2019	Merger by absorption	Main market
6.	NEXANS HELLAS SA	01.07.2019	HCMC Decision in accordance with par. 5, article 17 L.3371/2005	Main market
7.	TERNA ENERGY SA FINANCE	18.07.2019	Early redemption of the total number of bonds by the company	Debt Segment
8.	ELLINIKI TECHNODOMIKI ANEMOS SA	22.07.2019	Merger by absorption	Main market

9.	TITAN CEMENT SA	24.09.2019	HCMC Decision in accordance with par. 5, article 17 L.3371/2005	Main market
10.	STELIOS KANAKIS SA	09.10.2019	HCMC Decision in accordance with par. 5, article 17 L.3371/2005	Main market
11.	SFAKIANAKIS SA	12.12.2019	HCMC Decision in accordance with par. 5, article 17 L.3371/2005	Under Probation

Companies under surveillance as per 31.12.2019					
No	Company	Date *	No	Company	Date *
1.	AEGEK SA	27.06.2008	13.	AKRITAS SA	08.04.2015
2.	VARVARESSOS SA	21.12.2009	14.	DIONIC SA	10.04.2014
3.	SATO SA	08.04.2011	15.	AVEPE VARANGIS	15.04.2016
4.	DUROS	06.09.2011	16.	LIVANIS PUBLISHING SA	15.04.2016
5.	FORTHNET SA	25.11.2011	17.	FRIGOGLASS SA	15.04.2016
6.	P. G. NIKAS S.A.	10.4.2012	18.	BITROS HOLDING SA	10.05.2017
7.	SIDMA SA	10.4.2012	19.	BIOTER SA	11.12.2017
8.	LAVIPHARM SA	31.7.2012	20.	PROODEFTIKI TECHNICAL COMPANY	15.02.2018
9.	ANEK SA	05.04.2013	21.	EUROCONSULTANTS SA	11.05.2018
10.	PASAL REAL ESTATE DEVELOPMENT SA	05.04.2013	22.	WOOL INDUSTRY TRIA ALFA SA	25.10.2018
11.	DOMIKI CRITIS SA	05.04.2013	23.	SELECTED TEXTILE IND. SA	07.11.2018
12.	KRE KA SA	05.04.2013	24.	SELONDA AQUACULTURE SA	13.05.2019

* The date when the company was excluded from normal trading status and put under surveillance.

Companies under suspension as per 31.12.2019					
No	Company	Date	No	Company	Date
1.	BABIS VOVOV INTNL CONSTR CORP.	2.4.2012	10.	EUROBROKERS SA	30.04.2018
2.	KERAMICS ALLATINI REAL ESTATE & HOLDING	31.8.2012	11.	CHATZIKRANIOTIS & SONS MILLS SA	30.04.2018
3.	NEORION SA HOLDING	31.8.2012	12.	EUROMEDICA SA	02.5.2018
4.	MARITIME COMPANY OF LESVOS (NEL)	01.09.2015	13.	FOLLI FOLLIE DUTY FREE SHOPS SA	25.05.2018
5.	TELETYPOS SA	08.03.2016	14.	J.BOUTARIS & SON HOLDING S.A.	02.10.2018
6.	ALPHA GRISSIN SA	18.04.2017	15.	G.E. DIMITRIOU SA	02.05.2019
7.	AXON SA HOLDING	02.05.2017	16.	CRETA FARM SA	02.05.2019
8.	PEGASUS PUBLISHING SA	03.10.2017	17.	ELVIEMEK SA	01.10.2019
9.	NAFTEMBORIKI P. ATHANASIADIS & CO SA	03.10.2017	18.	YALCO - SD CONSTANTINOU & SON SA	01.10.2019

Source: HCMC

Communication:

HELLENIC CAPITAL MARKET COMMISSION

1, Kolokotroni & Stadiou Str.,

105 62 ATHENS

Tel: (210) 33.77.100

<http://www.hcmc.gr>

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