

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 shareholders 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 customers and/or shareholders, on an ad hoc basis, the method selected by these customers/shareholders for communicating with the companies, and, finally, the means used for the promotion/advertisement of investment products. Moreover, the supervised companies are asked to report the number of their retail customers who demanded, or expressed interest for, specific innovative products, or to whom they offered or intend to offer the said innovative products.

More specifically, as regards the first half of 2018, data were submitted by 44 investment firms, 6 banks, 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 2017:

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

Demand for specific financial instruments/services

	<i>Significantly increased</i>	<i>Increased</i>	<i>Remained unchanged</i>	<i>Decreased</i>	<i>Significantly decreased</i>
<i>Shares</i>				✓	

<i>Bonds</i>				✓	
<i>Structured securities</i>		✓			
<i>Money-market securities</i>		✓			
<i>Mutual funds</i>				✓	
<i>Derivatives (options, futures, etc.)</i>				✓	
<i>CFDs</i>				✓	

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

Use of channels for the distribution of financial instruments

	<i>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.*

