

Survey on fees and charges applicable on UCITS in Greece

October 2018

The Hellenic Capital Market Commission has undertaken a research project collecting and analyzing data submitted by supervised Mutual Fund Management Companies (MFMCs) related to the fees and charges (the actual /realised ones and not the maxima) applied by MFMCs on the UCITS they manage (only funds that have been authorized by the HCMC) for the years 2016-2017. The analysis of said data by the Research Division has been made both per category of mutual funds (equity, bond, money market, structured) and per type of charges (Distribution Fees, Entry/Exit Fees (Redemption Fees), Ongoing Charges, Performance Fees).

Survey Results:

In 2017 15 MFMCs (UCITs management companies) were active in Greece vs. 14 in 2016. These 15 companies distributed 173 funds in 2017 (or 150 funds, without taking into account the different shares classes) vs. 161 funds in 2016 (160 funds, without taking into account the different shares classes).

More specifically, in 2017 the distribution of UCITs was as following: 53 equity funds vs. 50 in 2016, 42 bond funds vs 33 in 2016, 31 balanced funds for 2017 and 2016, 18 money market funds vs 16 in 2016, 17 equity funds of funds (FoFs) vs 12 in 2016, 7 balanced FoFs vs 8 in 2016, 3 bond FoFs both in 2016 and 2017 and finally, 2 structured funds vs 8 in 2016.

Average charges for 2016/2017 for all mutual fund categories, total and by fund type (Balanced, Bond, Equity, Balanced Fund of Funds, Bond FoFs, Equity FoFs, Money Market and Structured), are given in the Table below:

AVERAGE FEES AND CHARGES						
Category of Funds	Time Period	Distribution fee (%) per fund category	Entry/Exit Fee (Redemption Fee (%) per fund category	Ongoing Charges (%)	Performance Fee (%) per fund category	Number of Funds
ALL FUNDS	2017Y	0,40%	0,30%	2,35%	0,09%	173
	2016Y	0,47%	0,36%	2,28%	0,03%	161
BALANCED ALL FUNDS	2017Y	0,77%	0,45%	2,33%	0,22%	31
	2016Y	0,61%	0,47%	2,28%	0,04%	31
BOND ALL FUNDS	2017Y	0,23%	0,23%	1,53%	0,05%	42
	2016Y	0,33%	0,26%	1,56%	0,03%	33
EQUITY ALL FUNDS	2017Y	0,41%	0,36%	3,13%	0,12%	53
	2016Y	0,45%	0,38%	3,10%	0,05%	50
FOF BAL ALL FUNDS	2017Y	0,26%	0,19%	2,39%	0,15%	7
	2016Y	0,04%	0,33%	2,04%	0,00%	8
FOF BO ALL FUNDS	2017Y	0,10%	0,34%	1,71%	0,00%	3
	2016Y	0,00%	0,36%	1,56%	0,00%	3
FOF EQ ALL FUNDS	2017Y	0,32%	0,33%	3,97%	0,01%	17
	2016Y	0,58%	0,51%	3,89%	0,00%	12
MM ALL FUNDS	2017Y	0,00%	0,03%	0,65%	0,00%	18
	2016Y	0,00%	0,03%	0,65%	0,00%	16
STRUCT. FUNDS	2017Y	3,00%	0,50%	1,87%	0,00%	2
	2016Y	2,00%	0,62%	1,43%	0,00%	8

According to the findings the average charges for 2016/2017 were as follows: the **distribution fees** as well as the **entry/exit fees (redemption fees)** for all UCITS of any category were lowered in 2017, from 0,47% and 0,36% respectively in 2016 to 0,40% and 0,30% in 2017. In contrast, **ongoing charges** for all UCITs of any category increased on average, from 2.28% in 2016 to 2,35% in 2017.

As per the **distribution fees** per fund category in 2017, those of Balanced, Balanced FoFs, Bond FoFs and Structured were increased whereas, those of Bond, Equity and Equity FoFs were decreased, while the MMFs remained unchanged.

The **entry/exit fees (redemption fees)** for all UCITs of any category, decreased in 2017, except for Bond FoFs, while the **ongoing charges** increased in all fund categories except, Bond Funds.

Performance fees presented an increase overall for 2017 for all fund categories applied (Balanced, Bond and Equity Funds).

In terms of **distribution fees** applied by individual MFMCs, for all funds managed (on average annual basis), 5 management companies increased them in 2017, 6 decreased them, while 3 left them unchanged. Similarly, in terms of entry/exit fees (redemption fees), 3 management companies increased them, 6 decreased them while 5 left them unchanged. Ongoing charges for all fund types in 2017 have been increased by 11 management companies, and decreased by 3 management companies.

Finally, **performance fees** were increased by all management companies for which comparative data were available.

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