



ΕΠΙΤΡΟΠΗ
ΚΕΦΑΛΑΙΑΓΟΡΑΣ
ΚΥΠΡΟΥ

CYPRUS SECURITIES AND EXCHANGE COMMISSION

ANNUAL STATISTICAL BULLETIN

Data for the period
01/01/2018 – 31/12/2018

RISK MANAGEMENT &
STATISTICS DEPARTMENT

TABLE OF CONTENTS

Message from Chairwoman.....	3
Disclaimer	4
Acronyms	5
List of Figures	6
List of Tables	7
1 Introduction.....	8
1.1 Overview	9
1.2 Outline.....	10
2 Statistics for CIFs, ASPs and Mgt Cos.....	11
2.1 Overview of the Market of CIFs, ASPs and Mgt Cos.....	12
2.1.1 Number of REs for which data was collected.....	12
2.1.2 Number of Clients.....	14
2.1.3 Number of Employees.....	15
2.2 Cyprus Investment Firms ('CIFs') Sector	16
2.2.1 Number of CIFs.....	16
2.2.2 Number of Clients.....	16
2.2.3 Number of Employees.....	17
2.2.4 Financial Information.....	17
2.3 Administrative Service Providers ('ASPs') Sector.....	19
2.3.1 Number of ASPs.....	19
2.3.2 Number of Clients.....	19
2.3.3 Number of Employees.....	20
2.3.4 Financial Information.....	20
2.4 Management Companies ('Mgt Cos') and Undertakings of Collective Investments ('UCIs') Sector.....	22
2.4.1 Companies that were dealing with the Management of Collective Investments.....	22
2.4.2 Assets under Management ('AUM').....	24
2.4.3 Undertakings of Collective Investments ('UCIs').....	25
2.4.4 Investment Strategy of UCIs.....	26
2.4.5 Domicile of UCIs under Management (Collective Investment Scheme Sector)	27
2.4.6 AUM invested in Cyprus and abroad (Collective Investment Scheme Sector)	29
2.4.7 Categorisation of Unit-holders (Collective Investment Scheme Sector).....	30
3 Statistics for Listed Companies.....	31
3.1 Local Listed Companies	32
3.2 International Listed Companies	34

MESSAGE FROM CHAIRWOMAN

Welcome to our second edition of the Cyprus Securities and Exchange Commission ('CySEC') Statistical Bulletin.

In our second Statistical Bulletin, we seek to provide key findings about our Regulated Entities, based on the data collected for the purpose of the Risk Based Supervision Framework ('RBS-F'), for the years 2015 to 2018.

The RBS-F is a comprehensive and structured approach that assesses risks in CySEC's ecosystem, and provides guidance to CySEC for adjusting the intensity of supervision, while focusing where risks are greater. Furthermore, the RBS-F provides CySEC with important information about its Regulated Entities, which among others, relates to their activities, clients, assets etc. and allows CySEC to act in an effective and proactive manner.

The Statistical Bulletin is built with the RBS-F in mind, and serves as the vehicle to accessing the main figures and key points about the Regulated Entities, while enabling interested parties to understand the dynamics of the market that CySEC regulates.

Additionally, this edition has been enriched with a summary of the Cyprus Fund and Management industry for the year 2018.

Our aim remains to enrich and update the following editions further, with findings, as these materialise over time.

Kind regards,

Demetra Kalogerou

Chairwoman of the Cyprus Securities and Exchange Commission



DISCLAIMER

This Statistical Bulletin is prepared based on data collected by CySEC, provided by Regulated Entities that are under its supervision. The Risk Management and Statistics Department of CySEC only performs analysis of the data and does not verify in any way whatsoever the said data as to its accuracy and/or truthfulness and/or currency.

CySEC is not liable for any errors or omissions.

Any discrepancy may be brought to the notice of CySEC at:
risk.statistics@cysec.gov.cy.

CySEC is the copyright holder of this Statistical Bulletin. It should not be reproduced, published, distributed or displayed in whole or in part, in any form or by any means without the prior written permission of CySEC.

The contents of this Statistical Bulletin are for information purposes only and should not be relied upon for the fulfilment and/or performance of business, commercial and/or investment decisions or activities, or for any other purpose whatsoever.

CySEC reserves the right to revise any information published in this Statistical Bulletin.



Cyprus Securities and Exchange Commission
19 Diagorou, 1097, Nicosia, Cyprus
Telephone: +357 22 506 600
Website: www.cysec.gov.cy

Cyprus Securities and Exchange Commission 2019
All rights reserved

ACRONYMS

AIFLNPs	Alternative Investment Funds with Limited Number of Persons
AIFMs	Alternative Investment Fund Managers
AIFs	Alternative Investment Funds
ASPs	Administrative Service Providers
AUM	Assets under Management
CBA	Cyprus Bar Association
CIFs	Cyprus Investment Firms
CSE	Cyprus Stock Exchange
CySEC	Cyprus Securities and Exchange Commission
EEA	European Economic Area
EUVECA	European Venture Capital (Fund)
ICPAC	Institute of Certified Public Accountants of Cyprus
Mgt Cos	Management Companies
MTF	Multilateral Trading Facility
RBS-F	Risk Based Supervision Framework
REs	Regulated Entities
SPEs	Special Purpose Entities
UCIs	Undertakings of Collective Investments
UCITSs	Undertakings for Collective Investment in Transferable Securities
UCITS MC	Management Companies of Undertakings for Collective Investment in Transferable Securities
YoY	Year-on-Year (comparison)

LIST OF FIGURES

Figure 1:	Total Number of Regulated Entities for years 2012-2018	10
Figure 2:	Total Number of Authorised REs for years 2015-2018	12
Figure 3:	Breakdown of REs by Sector for year 2018.....	13
Figure 4:	Number of REs by Sector for each year 2015-2018.....	13
Figure 5:	Total Number of Clients for years 2015-2018.....	14
Figure 6:	Number of Clients by Sector for each year 2015-2018.....	14
Figure 7:	Total Number of Employees for years 2015-2018	15
Figure 8:	Breakdown of Employees by Sector as at 31/12/2018	15
Figure 9:	Total Number of CIFs for years 2015-2018.....	16
Figure 10:	Total Number of CIFs' Clients for years 2015-2018.....	16
Figure 11:	Total Number of CIFs' Employees for years 2015-2018	17
Figure 12:	CIFs' Trading Income for years 2015-2018.....	17
Figure 13:	CIFs' Net Income after Tax for years 2015-2018	18
Figure 14:	CIFs' Total Assets for years 2015-2018.....	18
Figure 15:	Total Number of ASPs for years 2015-2018	19
Figure 16:	Total Number of ASPs' Clients for years 2015-2018	19
Figure 17:	Total Number of ASPs' Employees for years 2015-2018	20
Figure 18:	ASPs' Trading Income for years 2015-2018.....	20
Figure 19:	ASPs' Net Income after Tax for years 2015-2018.....	21
Figure 20:	ASPs' Total Assets for years 2015-2018	21
Figure 21:	Total Number of Mgt Cos and UCIs for years 2015-2018	22
Figure 22:	Number of Mgt Cos and UCIs for 2018.....	23
Figure 23:	Total AUM for years 2016-2018.....	24
Figure 24:	Breakdown of AUM by Category of Mgt Cos as at 31/12/2018.....	24
Figure 25:	Breakdown of UCIs by Category of Mgt Cos for year 2018	25
Figure 26:	Breakdown of AUM by Type of UCIs as at 31/12/2018	26
Figure 27:	Breakdown of UCITSs' AUM by Investment Strategy as at 31/12/2018.....	26
Figure 28:	Breakdown of AIFs' and AIFLNPs' AUM by Investment Strategy as at 31/12/2018.....	26
Figure 29:	AUM Based on Domicile of UCIs under Management as at 31/12/2018.....	27
Figure 30:	Domicile of UCITSs' UCIs under Management as at 31/12/2018.....	28
Figure 31:	Domicile of AIFs' UCIs under Management as at 31/12/2018.....	28

LIST OF FIGURES

Figure 32:	Domicile of AIFLNPs' UCIs under Management as at 31/12/2018	28
Figure 33:	AUM invested in Cyprus and Abroad as at 31/12/2018	29
Figure 34:	Investment Strategy of UCIs invested in Cyprus - 2018.....	29
Figure 35:	UCITs' type of Unit-holders - 2018.....	30
Figure 36:	AIFs' and AIFLNPs' type of Unit-holders - 2018	30
Figure 37:	Total Number of Local Listed Companies for years 2015-2018	32
Figure 38:	Breakdown of Local Listed Companies by Market in which they were listed in 2018.....	32
Figure 39:	Breakdown of Shareholders by Market in which they were listed in 2018.....	33
Figure 40:	Breakdown of Market Capitalisation by Market in which they were listed in 2018	33
Figure 41:	Total Number of International Listed Companies for years 2015-2018	34
Figure 42:	Regulated Market on which International Listed Companies were listed in 2018.....	34
Figure 43:	Industry in which International Listed Companies were operating in 2018.....	35

LIST OF TABLES

Table 1:	Number of Regulated Entities by Sector for years 2012-2018	9
Table 2:	Number of Mgt Cos and UCIs by Category for 2018.....	23
Table 3:	Number of UCIs by Category of Mgt Cos as at 31/12/2018	25
Table 4:	AUM Based on Domicile of UCIs under Management as at 31/12/2018.....	27

1 INTRODUCTION

1 INTRODUCTION

1.1 OVERVIEW

Cyprus Securities and Exchange Commission ('CySEC') is responsible for the supervision of the operations of its Regulated Entities ('REs') and their compliance with the relevant legislation.

Table 1 provides a detailed analysis of the total number of REs for the years 2012 to 2018.

Table 1: Number of Regulated Entities by Sector for years 2012-2018

REGULATED ENTITIES		31/12/12	31/12/13	31/12/14	31/12/15	31/12/16	31/12/17	31/12/18
A	Cyprus Investment Firms ('CIFs')	129	152	182	205	214	235	248
B	Administrative Service Providers ('ASPs')	5	19	113	148	167	164	160
C	Trading Venues							
C1	Regulated Market - Cyprus Stock Exchange ('CSE')	1	1	1	1	1	1	1
C2	Multilateral Trading Facility ('MTF')	1	1	1	1	1	1	1
	SUBTOTAL	2						
D	Management Companies and UCIs							
D1	<u>AIFMs</u>							
D1.1	AIFM - External Fund Managers (Note a)	0	0	5	12	12	16	23
D1.2	AIFM - Internally Managed Funds (Note a)	0	0	0	1	1	1	1
D2	<u>Sub-threshold AIFMs</u>							
D2.1	AIF (Internally Managed) (Note a)	0	0	0	0	0	1	1
D2.2	AIFLNP (Internally Managed) (Note a)	0	0	2	12	37	55	62
D2.3	Special Purpose Entities (Note a) (Note c)	0	0	0	2	6	9	9
D3	<u>UCITS Management Companies (Note a)</u>	2	2	2	2	5	4	4
D4	<u>Externally Managed UCIs</u>							
D4.1	UCITS	0	3	3	4	5	7	9
D4.2	AIF (Externally Managed)	0	0	0	6	9	16	27
D4.3	AIFLNP (Externally Managed) (Note b)	0	0	1	14	27	36	38
	SUBTOTAL	2	5	13	53	102	145	174
	TOTAL NUMBER OF REGULATED ENTITIES LICENCED BY CYSEC	138	178	310	408	485	546	584
E	Listed Companies							
E1	Issuers of securities trading in the regulated market of CSE (Note d)	111	105	103	87	81	73	65
E2	Issuers of securities listed on foreign regulated markets (Note d)	N/A*	13	12	11	12	13	13
	SUBTOTAL	111	118	115	98	93	86	78
	TOTAL NUMBER OF REGULATED ENTITIES BY CYSEC	249	296	425	506	578	632	662

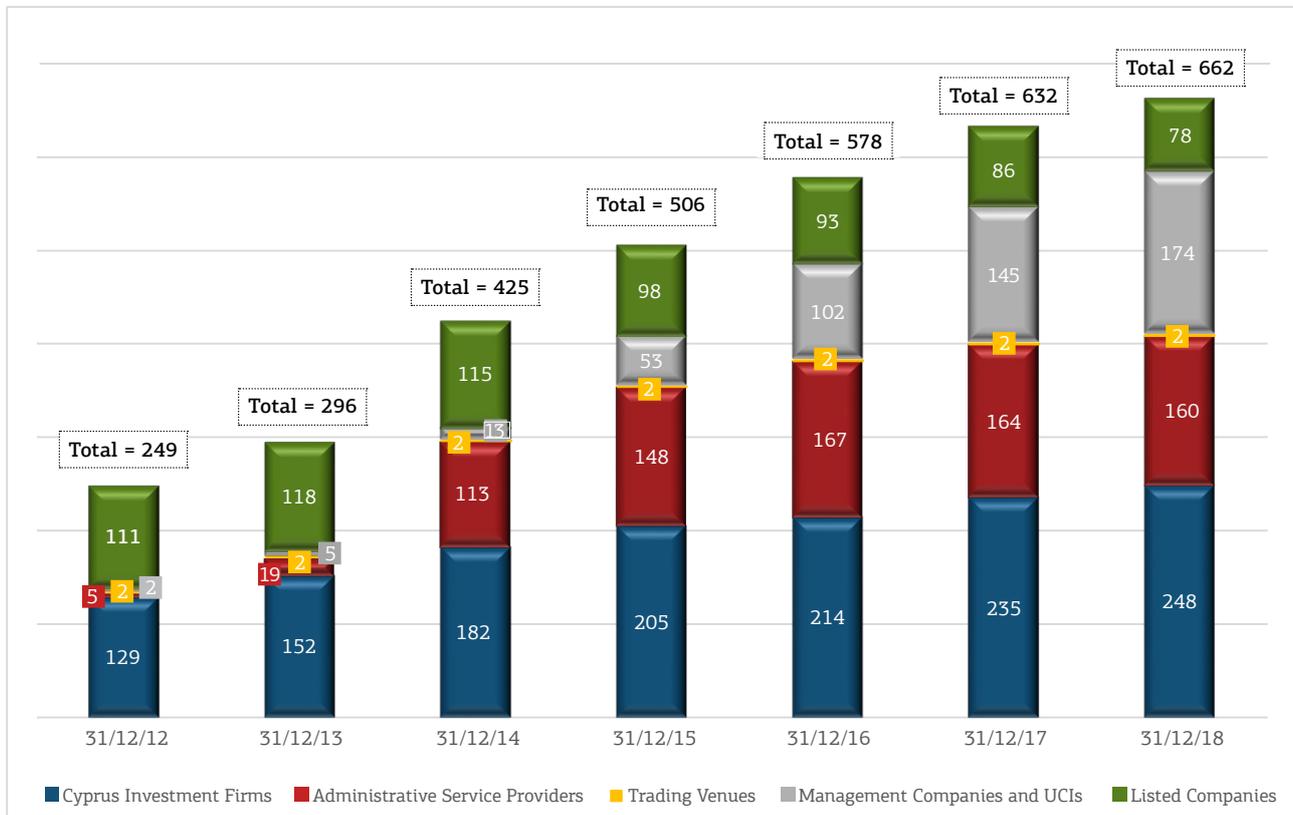
* N/A - Data not available for the year

Notes:

- (a) Companies which manage UCIs, include AIFM - External Fund Managers (D1.1), AIFM - Internally Managed Funds (D1.2), AIF (Internally Managed) (D2.1), AIFLNP (Internally Managed) (D2.2), Special Purpose Entities (D2.3) and UCITS Management Companies (D3)
- (b) It includes one EUVECA
- (c) Special Purpose Entities are entities which have been set up based on Article 116 (3)(b)(ii) of the AIF Law 131(I)/2014 and their sole purpose is the management of AIFLNP
- (d) Listed Companies are not licensed by CySEC

Likewise, **Figure 1** presents a detailed breakdown of the total number of REs, by sector, for each of the years 2012 to 2018. These findings demonstrate an evident increasing trend in the overall number of REs over the years, which originated from an increase in the number of REs in some of the sectors under CySEC’s supervision.

Figure 1: Total Number of Regulated Entities for years 2012-2018



For the purpose of the Risk Based Supervision Framework (the ‘RBS-F’), CySEC requires data from the REs, in order to capture the key risk drivers in each sector. Key information is extracted using Year-on-Year (‘YoY’) comparison metrics for 2015 to 2018, while great emphasis is placed on 2018. As the methodology matures over time and data becomes richer, the analysis will also be enhanced to include in-depth historical patterns and other time-series trends.

It is important to note that the following analysis does not cover any REs which had their licenses revoked, suspended or they were under liquidation.

1.2 OUTLINE

CySEC’s Regulated Market data is presented in two Sections. The analysis of CIFs, ASPs and Mgt Cos for the years 2015 to 2018 is presented in **Section 2**, while the corresponding analysis for Listed Companies (Local Listed Companies and International Listed Companies) is presented separately in **Section 3**.



2 STATISTICS FOR CIFS, ASPS AND MGT COS

STATISTICS FOR CIFS, ASPS AND MGT COS

2.1 OVERVIEW OF THE MARKET OF CIFS, ASPS AND MGT COS

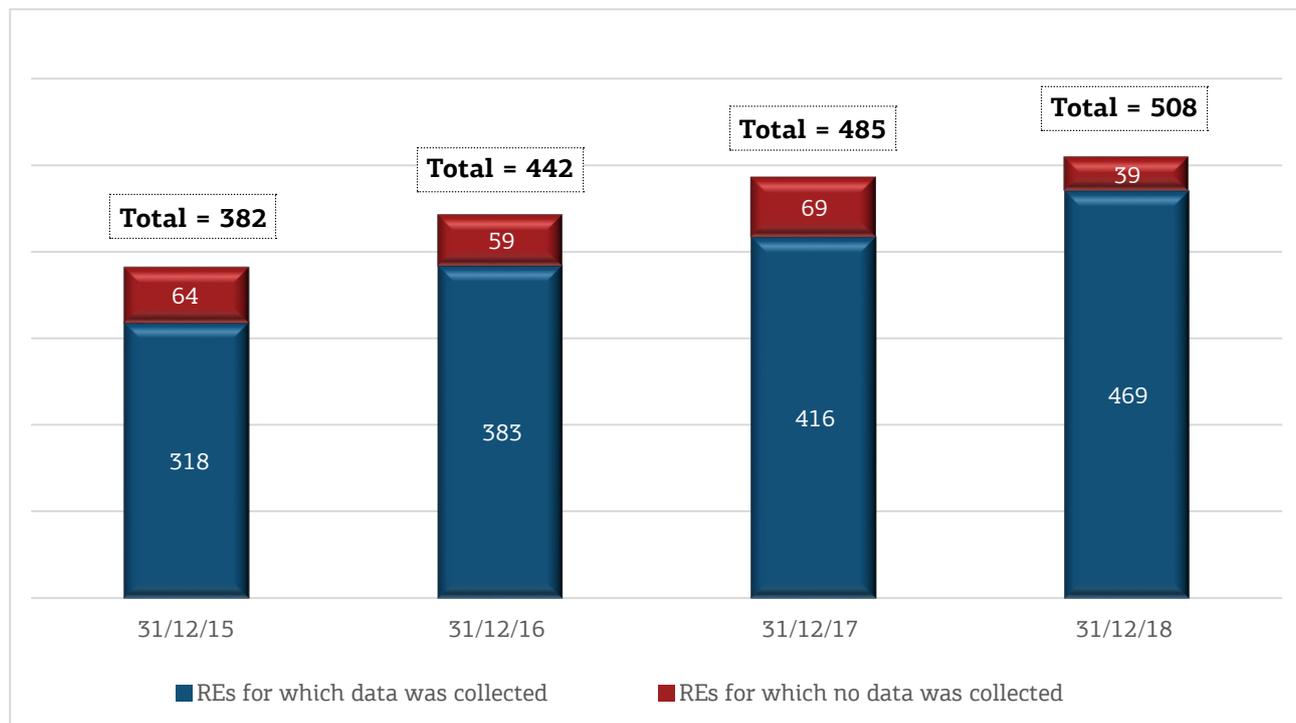
This Section focuses on CIFS, ASPs and Mgt Cos and presents a descriptive analysis for the years 2015 to 2018, with further comprehensive analysis for the year 2018.

2.1.1 NUMBER OF RES¹ FOR WHICH DATA WAS COLLECTED

Figure 2 shows the breakdown of the total number of authorised REs in the sectors of CIFS, ASPs and Mgt Cos² into two types, namely **REs for which data was collected** and **REs for which no data was collected**, for the years 2015 to 2018. As noted previously, no data was collected from any REs that had their licenses revoked, suspended or they were under liquidation.

The total number of authorised companies shows an overall 5% YoY increase between 2017 and 2018 (from 485 in 2017 to 508 in 2018). For 2018, the authorised REs for which data was collected (i.e. 469 companies), accounted to around 92% of the total number of authorised companies (i.e. 508 companies).

Figure 2: Total Number of Authorised REs for years 2015-2018



Sub-sections 2.1, 2.2 and 2.3 focus **on REs for which data was collected** and thus the subsequent results and key findings analysed, refer to REs under this category.

¹ REs include CIFS (A, Table 1), ASPs (B, Table 1) and Mgt Cos (D1-D3, Table 1).

² Mgt Cos do not include UCIs (D4, Table 1).

Figure 3 presents the breakdown of REs by sector for year 2018, while in **Figure 4** there is a detailed breakdown of the REs by sector for each of the years 2015 to 2018.

Figure 3: Breakdown of REs by Sector for year 2018

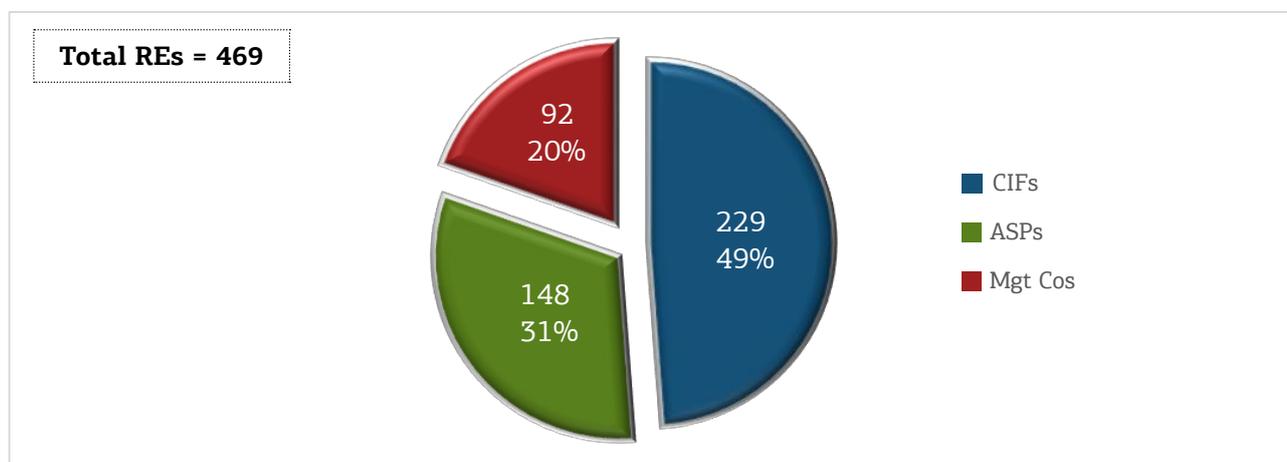
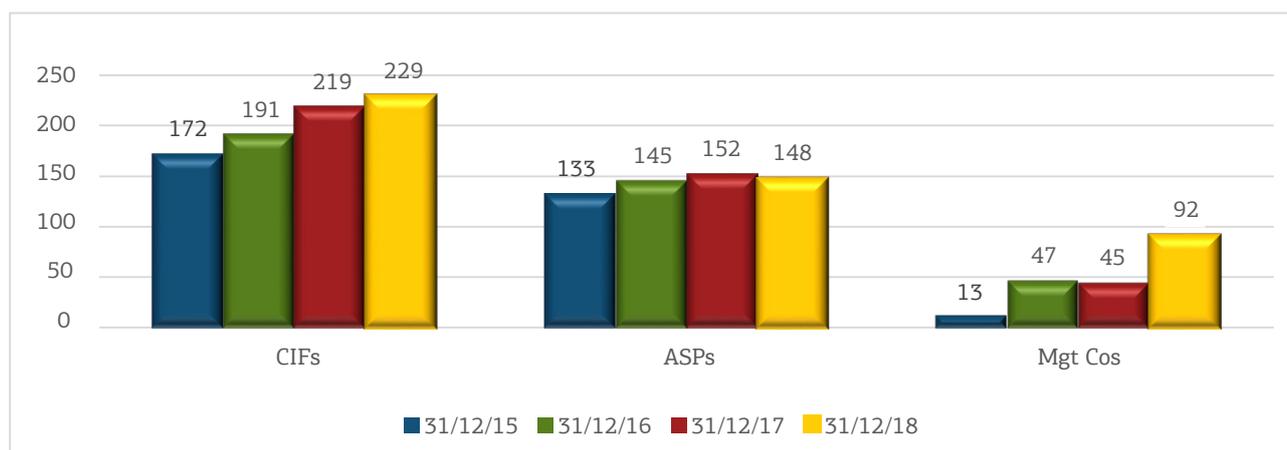


Figure 4: Number of REs by Sector for each year 2015-2018



From **Figure 3** and **Figure 4**, the following are extracted:

- For year 2018, approximately 49% of the total number of REs were CIFs. The number of CIFs presents an upward trend over the past 4 years (around 33% increase from 2015 to 2018).
- In 2018, the ASPs, which fall under the supervision of CySEC, accounted to approximately 31% of the total number of REs. The number of ASPs has decreased marginally between 2017 and 2018 (by around 3%). It is noted that, there are three distinct bodies in Cyprus, that supervise ASPs, one of them is CySEC, and thus the above findings refer only to REs that were under CySEC's supervision.
- Mgt Cos represented around 20% of the total number of REs in 2018. The number of Mgt Cos has increased significantly, with a large YoY growth (around 104%) from 45 to 92 between 2017 and 2018. In 2018, Mgt Cos constituted of 4 UCITS Management Companies, 24 AIFMs³ and 64 Sub-threshold⁴ AIFMs of which 1 AIF (Internally Managed), 7 SPEs and 56 AIFLNPs (Internally Managed).

³ AIFMs are companies which based on Law 56(I)/2013:

a) either directly or indirectly, through a company with which the AIFM is linked by common management or control, or by a substantive direct or indirect holding, manage portfolios of AIFs whose assets under management, including any assets acquired through use of leverage, in total do not exceed a threshold of EUR 100mIn, or

b) either directly or indirectly, through a company with which the AIFM is linked by common management or control, or by a substantive direct or indirect holding, manage portfolios of AIFs whose assets under management in total do not exceed a threshold of EUR 500 mIn when the portfolios of AIFs that are unleveraged and have no redemption rights exercisable during a period of 5 years following the date of initial investment in each AIF.

⁴ Sub-threshold AIFMs are small AIFMs which do not exceed the thresholds described in footnote 3.

2.1.2 NUMBER OF CLIENTS

The total number of clients shows a 16% decrease between 2015 and 2016, while a 25% increase is noted between 2016 and 2018 (**Figure 5**).

Figure 5: Total Number of Clients for years 2015-2018

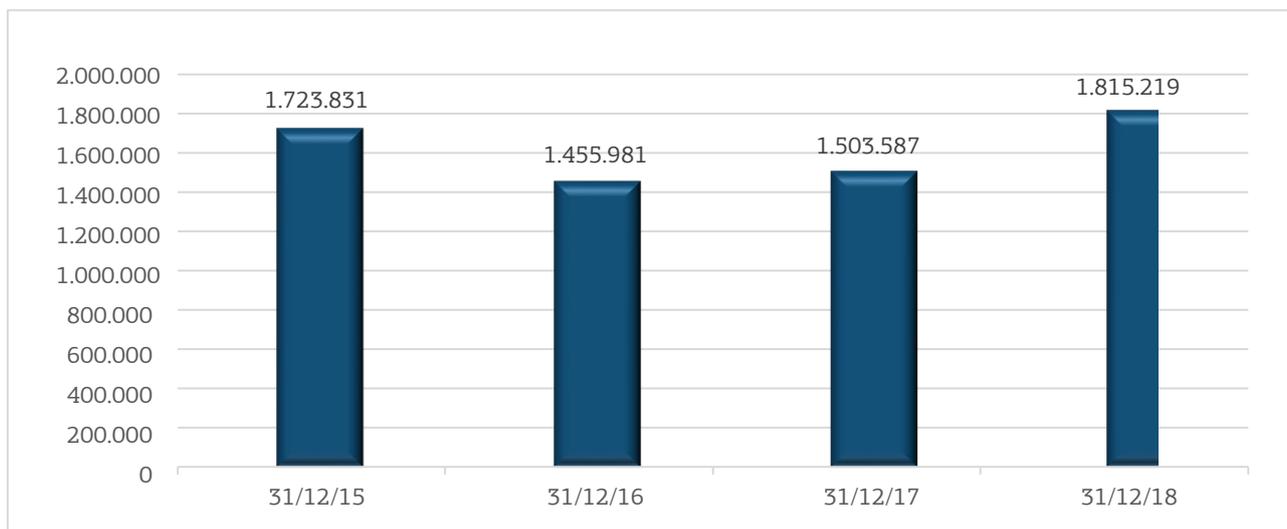
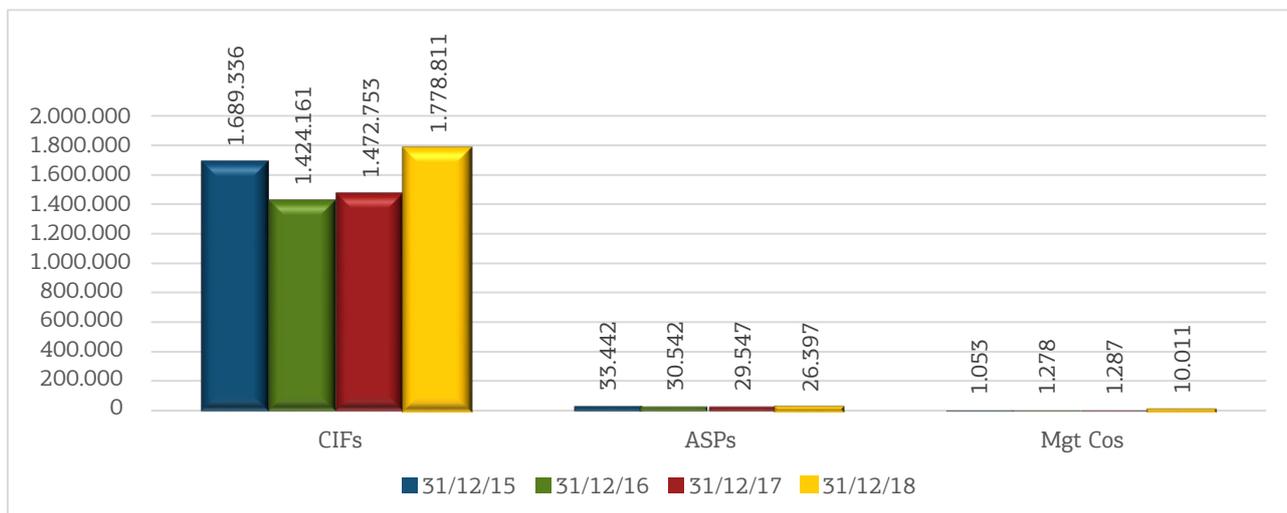


Figure 6 shows the breakdown of clients in the three sectors over the course of four years. It becomes evident that the exhaustive majority in each year is comprised of CIFs' clients, with 98% of total clients in 2018 being CIFs' clients, in particular. The total number of clients seems to experience a significant increase between 2017 and 2018 for CIFs and Mgt Cos, while the number of ASPs' clients seems to have had a small decrease over the same period.

Figure 6: Number of Clients by Sector for each year 2015-2018



98%

of the total number of clients is constituted by CIFs' clients (as at 31/12/2018)

2.1.3 NUMBER OF EMPLOYEES

The yearly growth in these sectors is also apparent by examining the number of employees. In particular, the total number of employees in all three sectors reached 6.765 by the end of 2018 (**Figure 7**). Indicatively, as at 31/12/2018, around 69% of employees worked in CIFs. ASPs employed about a 25% of the total number of employees, while employees in Mgt Cos accounted for only 6% of the total (**Figure 8**).

Figure 7: Total Number of Employees for years 2015-2018

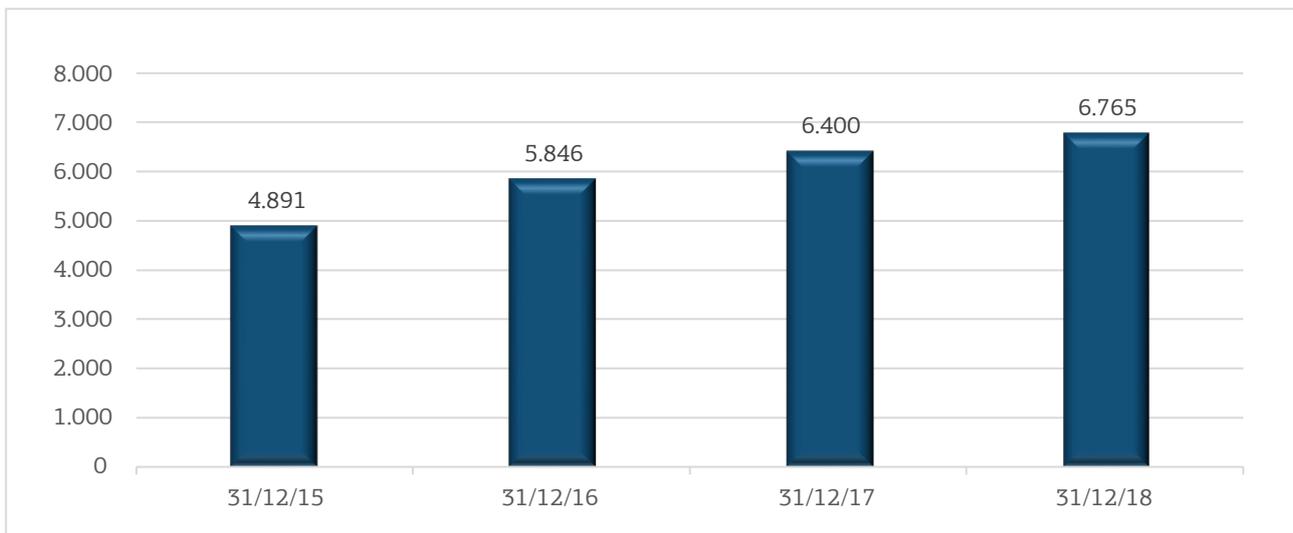
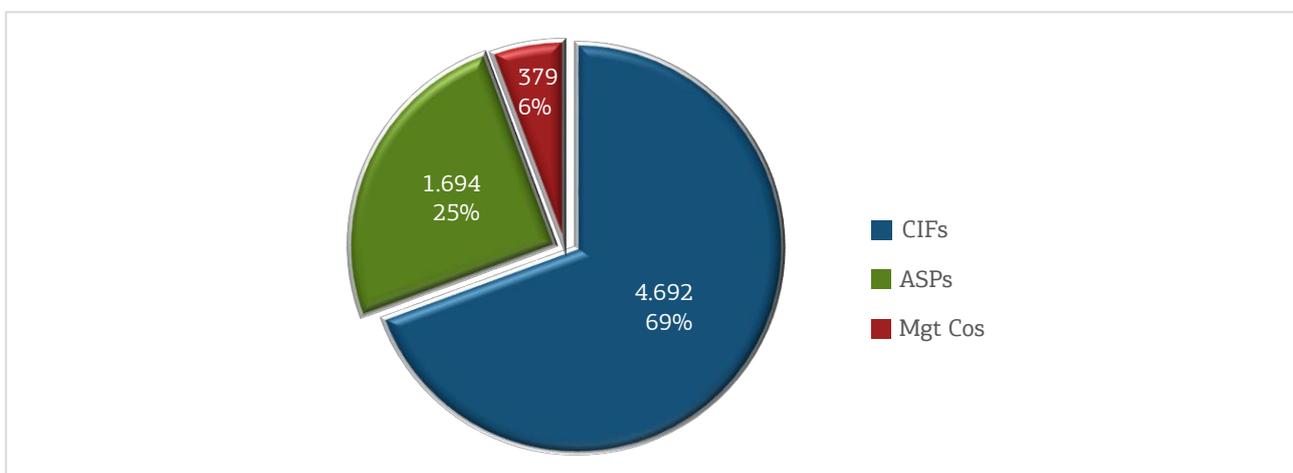


Figure 8: Breakdown of Employees by Sector as at 31/12/2018



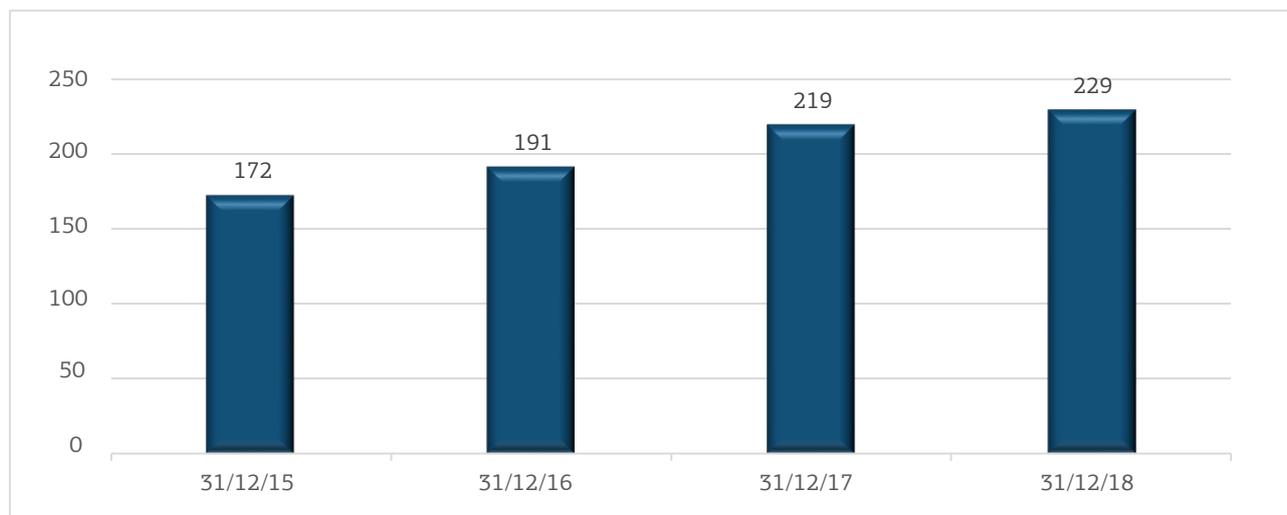
2.2 CYPRUS INVESTMENT FIRMS ('CIFs') SECTOR

As demonstrated in the previous sub-section, the CIFs' sector is the largest among all sectors.

2.2.1 NUMBER OF CIFs

According to **Figure 9**, the total number of CIFs showed a 15% YoY increase between 2016 and 2017, while the YoY increase between 2017 and 2018 was significantly lower at 5%.

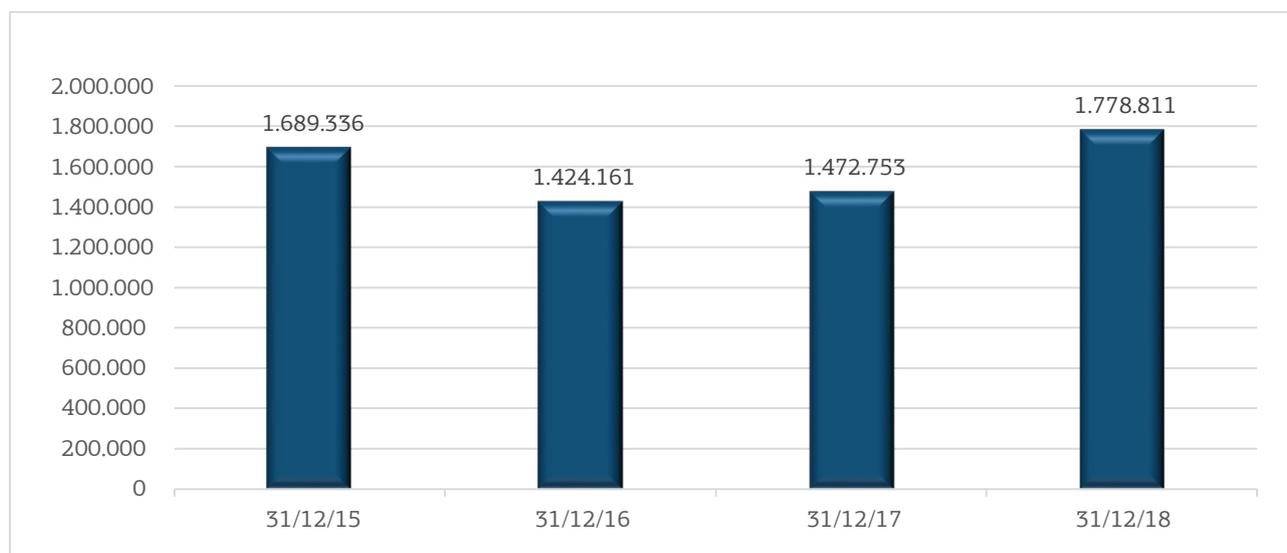
Figure 9: Total Number of CIFs for years 2015-2018



2.2.2 NUMBER OF CLIENTS

The total number of clients showed a small increase (around 3%) between 2016 and 2017, while the YoY increase between 2017 and 2018 was significantly higher at 21% (**Figure 10**). As at the end of 2018, the total number of clients for all CIFs was 1.778.811.

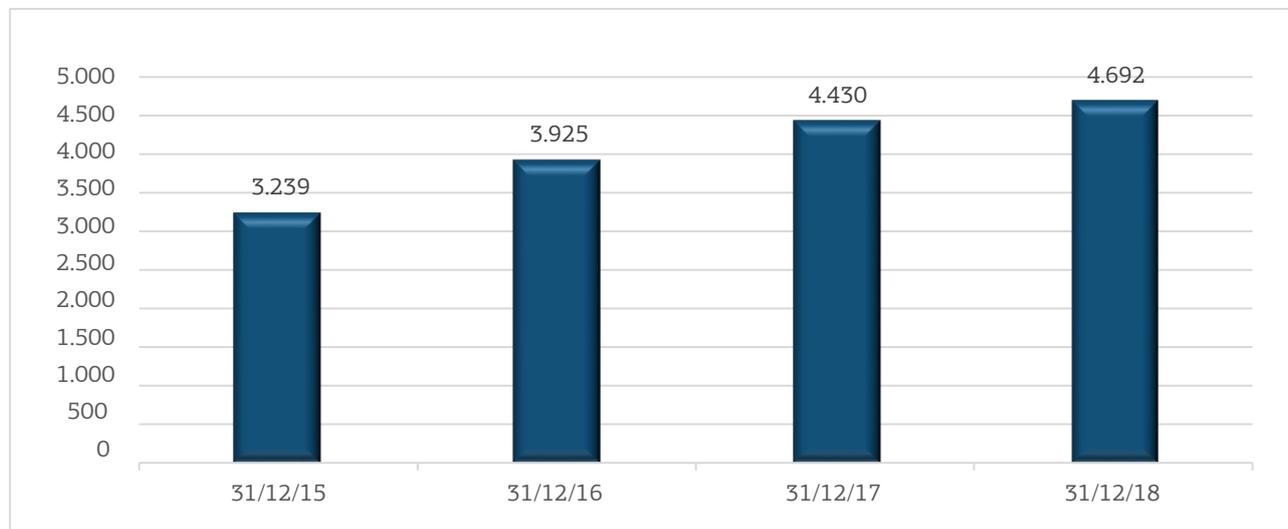
Figure 10: Total Number of CIFs' Clients for years 2015-2018



2.2.3 NUMBER OF EMPLOYEES

As depicted in **Figure 11**, by the end of 2018, the total number of employees of all CIFs was 4.692, showing a YoY increase of 13% between 2016 and 2017, and a 6% YoY increase between 2017 and 2018.

Figure 11: Total Number of CIFs' Employees for years 2015-2018



2.2.4 FINANCIAL INFORMATION

2.2.4.1 Trading Income and Net Income after Tax

During the year 2018, the Income derived from the activities of CIFs amounted to €1,5 bln, while Net Income amounted to €0,1 bln. **Figure 12** and **Figure 13** show the yearly Trading Income and Net Income for years 2015 to 2018, respectively. Year 2016 exhibits the largest Trading and Net Income. The Trading and Net Income showed 11% and 58% YoY decrease between 2017 and 2018, respectively.

Figure 12: CIFs' Trading Income for years 2015-2018

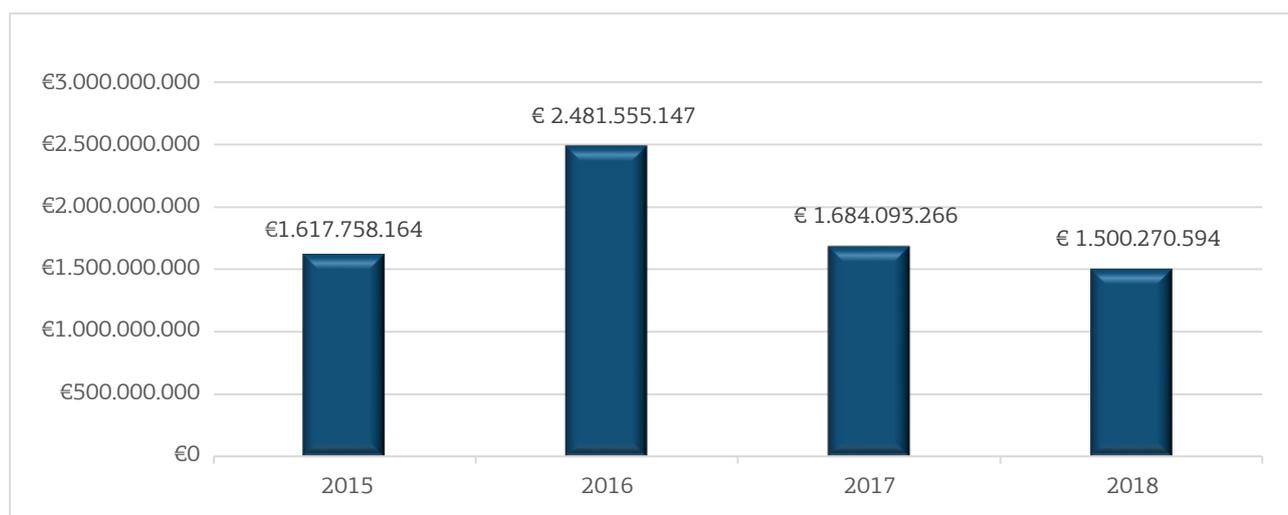
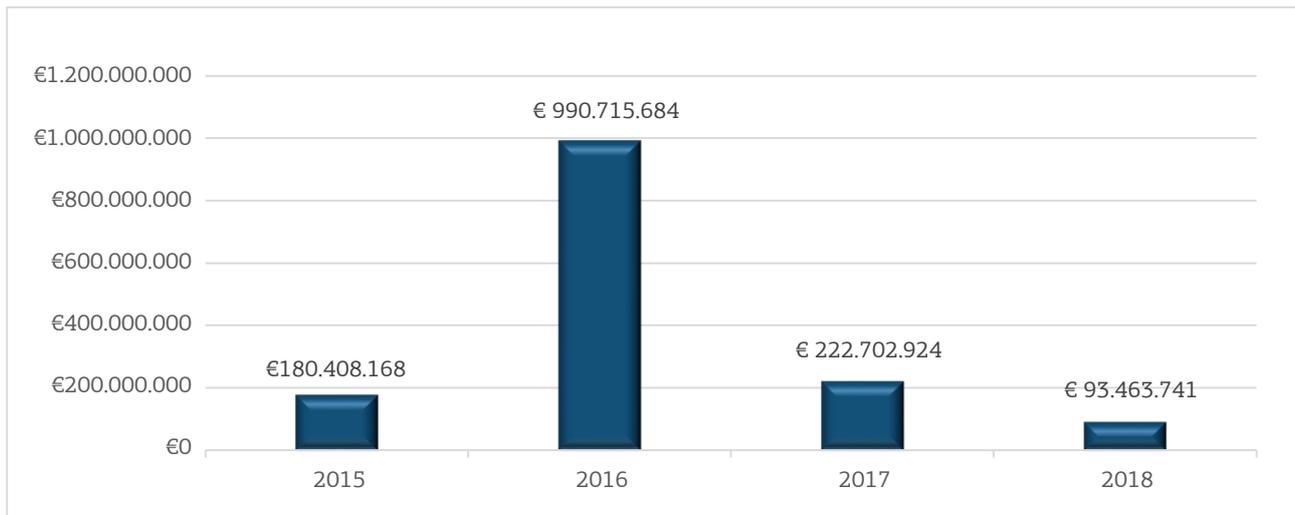


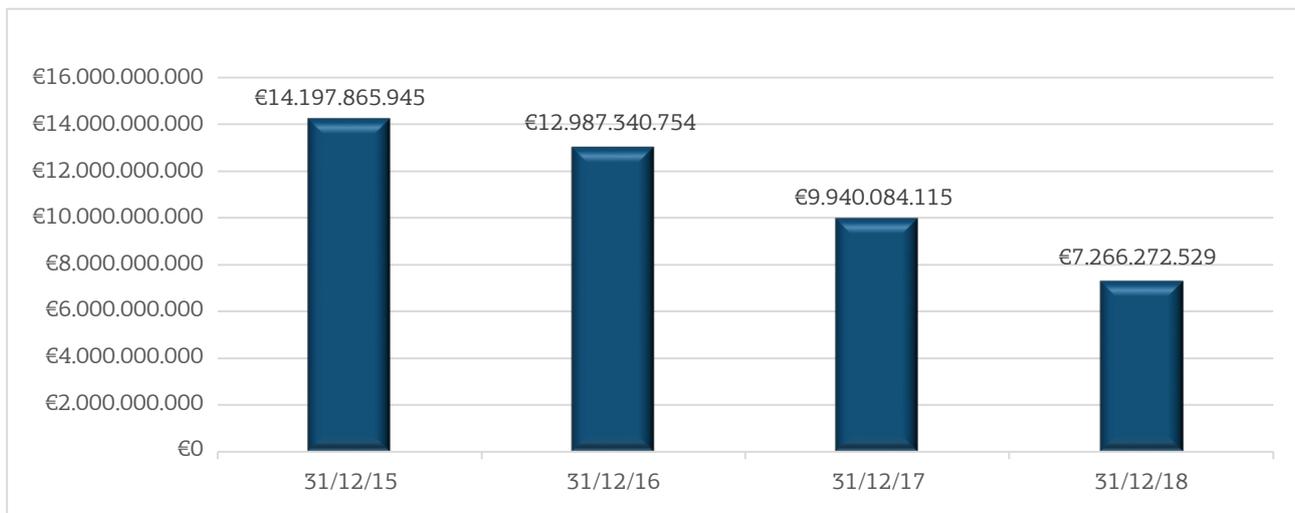
Figure 13: CIFs' Net Income after Tax for years 2015-2018



2.2.4.2 Total Assets

In 2018 there was a YoY decrease of 27% in CIFs' Total Assets, which amounted to €7,2 bln compared to €9,9 bln in 2017 (**Figure 14**).

Figure 14: CIFs' Total Assets for years 2015-2018



2.3 ADMINISTRATIVE SERVICE PROVIDERS ('ASPS') SECTOR

For the ASPs sector, there are three Supervisory Authorities in Cyprus. These are:

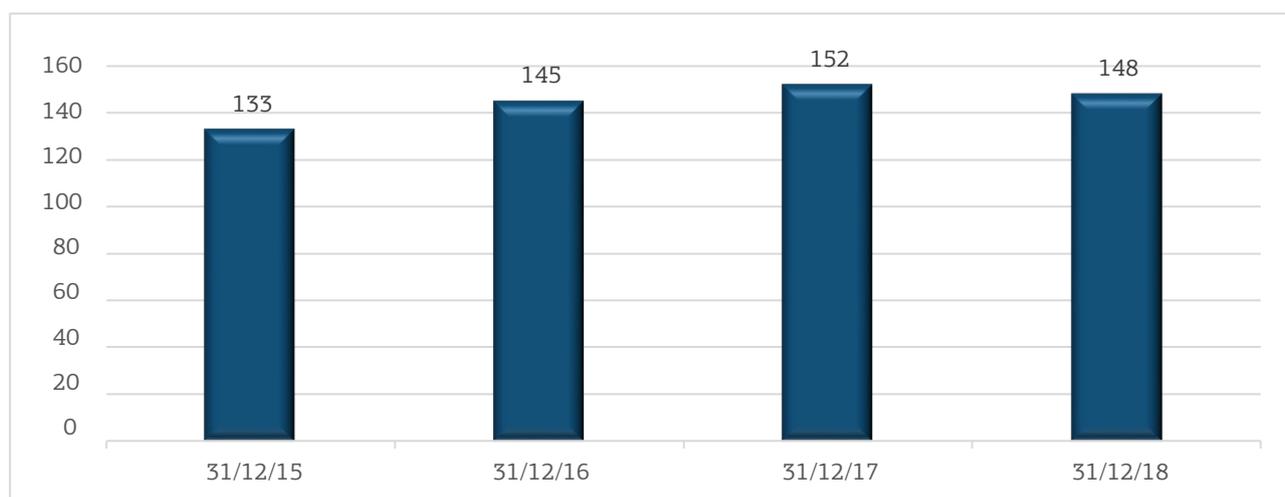
- Cyprus Securities and Exchange Commission ('CySEC')
- The Institute of Certified Public Accountants of Cyprus ('ICPAC')
- The Cyprus Bar Association ('CBA')

This sub-section provides a brief analysis of the data submitted by ASPs for years 2015-2018, which were under CySEC's supervision.

2.3.1 NUMBER OF ASPS

Figure 15 presents the number of ASPs over the past 4 years. Between the years, 2015 and 2017 there was a 14% increase in the number of firms, while a 3% YoY decrease is noted between years 2017 and 2018.

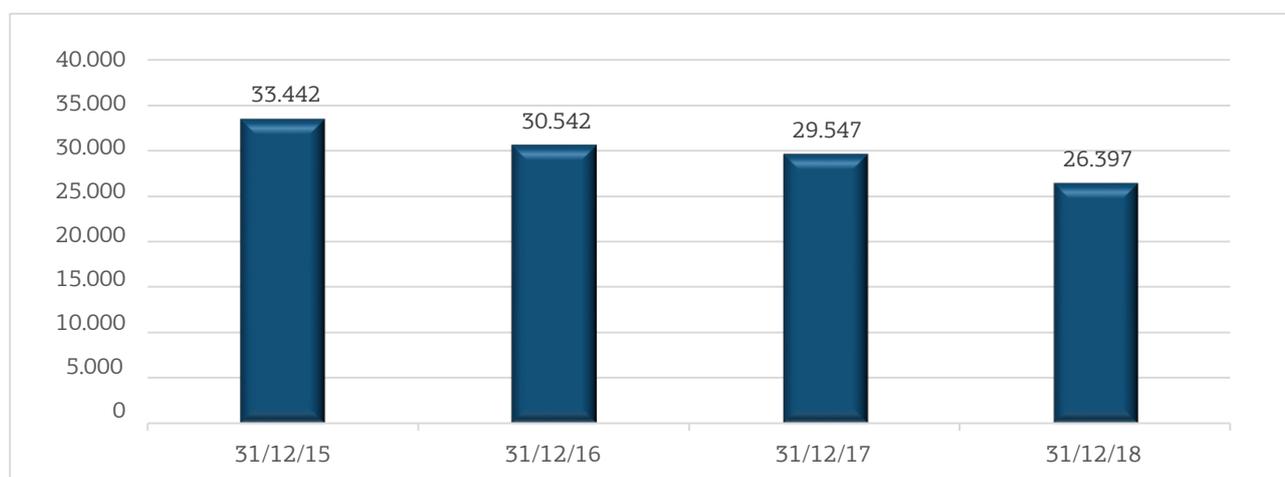
Figure 15: Total Number of ASPs for years 2015-2018



2.3.2 NUMBER OF CLIENTS

Figure 16 shows that the total number of clients of the ASPs has decreased by 21% from 2015 to 2018.

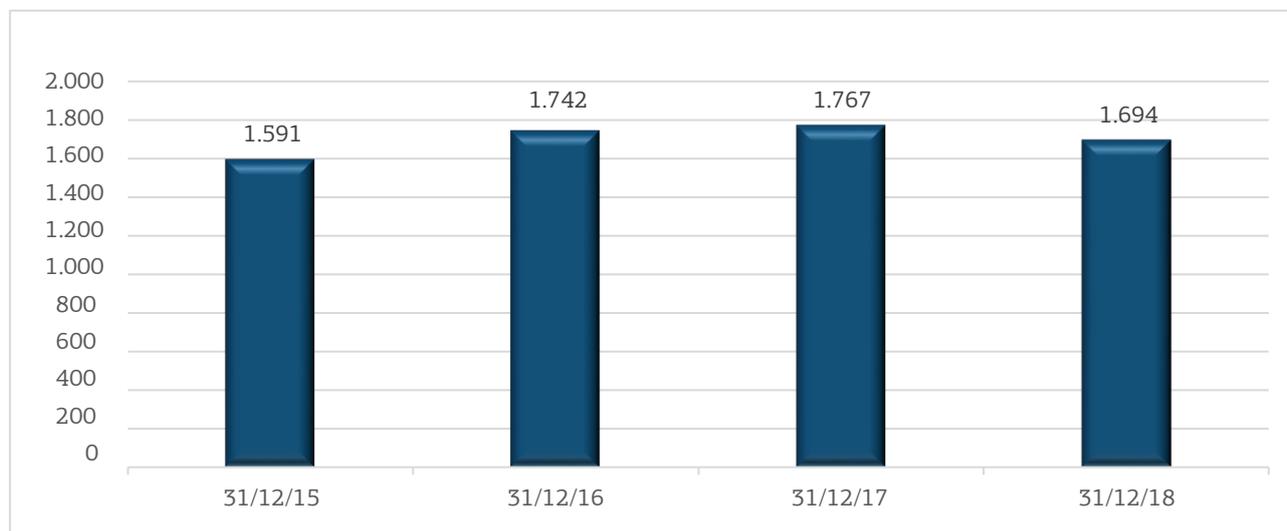
Figure 16: Total Number of ASPs' Clients for years 2015-2018



2.3.3 NUMBER OF EMPLOYEES

Figure 17 presents the number of employees in ASPs. Between the years, 2015 and 2017 there was an 11% increase in the number of employees, while a 4% YoY decrease is noted between years 2017 and 2018.

Figure 17: Total Number of ASPs' Employees for years 2015-2018

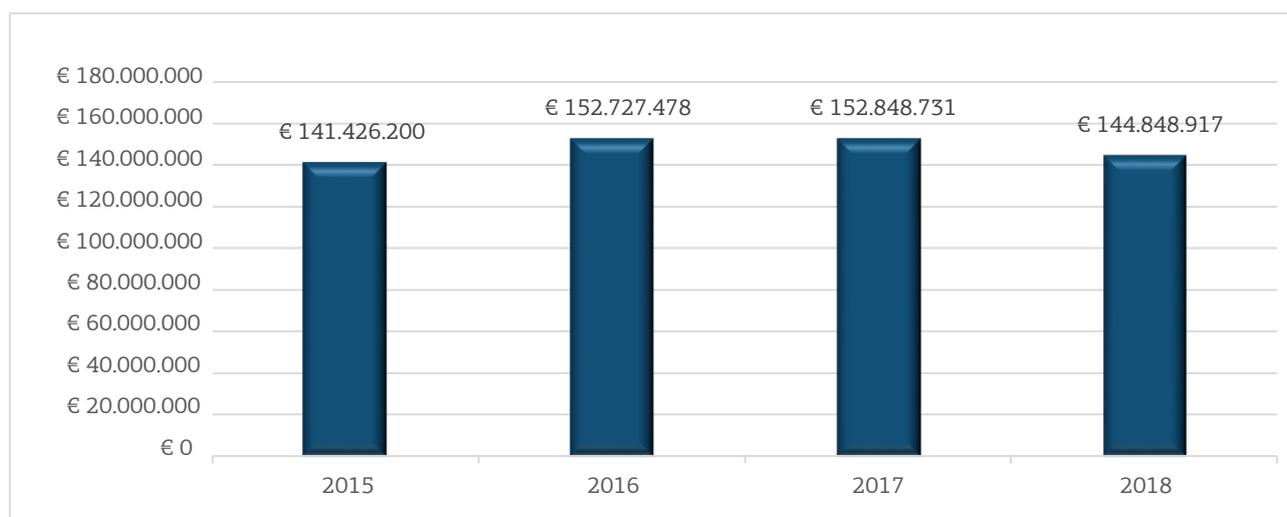


2.3.4 FINANCIAL INFORMATION

2.3.4.1 Trading Income and Net Income after Tax

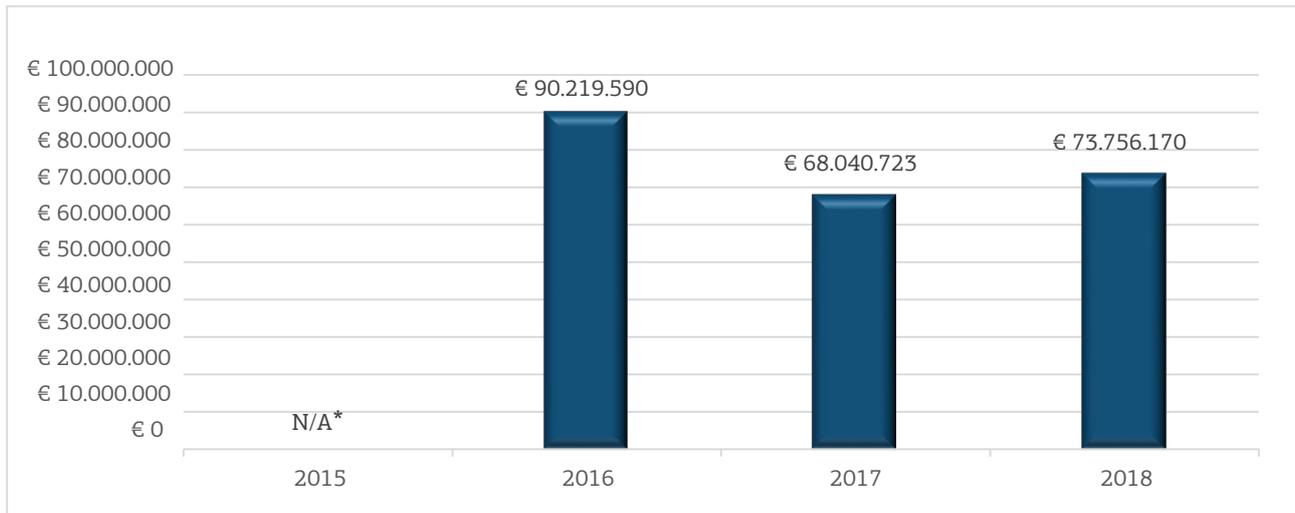
According to **Figure 18**, Trading Income, i.e. income derived from the activities of the ASPs, amounted approximately to €144 mln, for the year 2018. Between the years, 2015 and 2017 there was an 8% increase in the trading income, while a 5% YoY decrease is noted between years 2017 and 2018.

Figure 18: ASPs' Trading Income for years 2015-2018



However and according to **Figure 19**, Net Income after Tax shows an increase of 8% between 2017 (€68 mln) and 2018 (€74 mln).

Figure 19: ASPs' Net Income after Tax for years 2015-2018

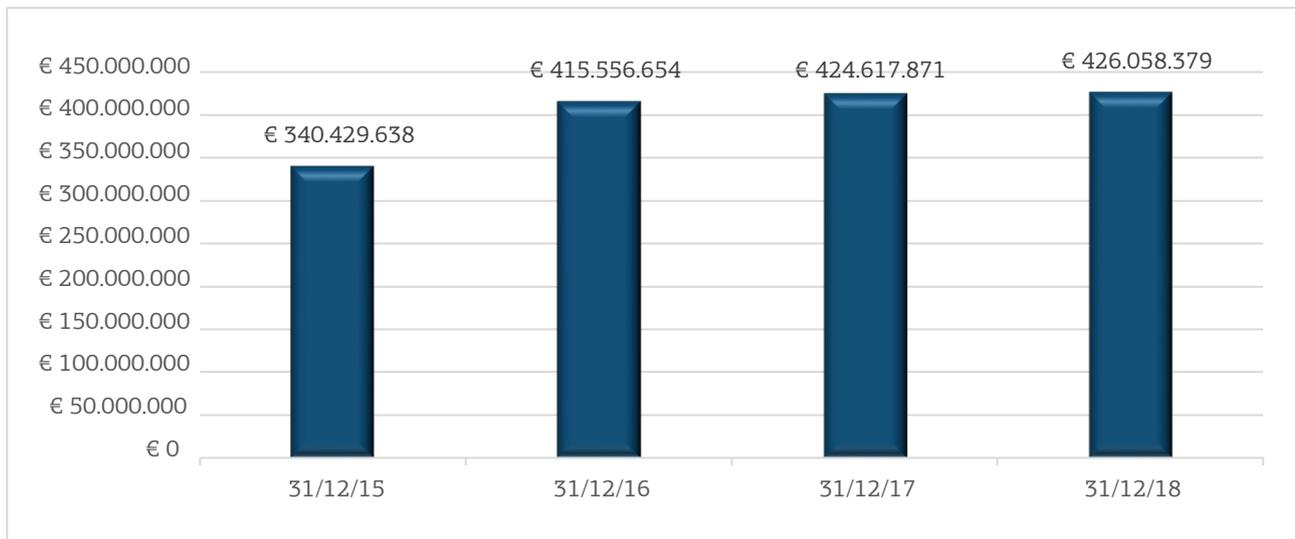


*No data is available for the year 2015

2.3.4.2 Total Assets

Furthermore, looking at **Figure 20**, Total Assets followed an increasing trend, amounting to €426.058.379 as at the end of year 2018, reflecting a 25% increase from 2015.

Figure 20: ASPs' Total Assets for years 2015-2018



2.4 MANAGEMENT COMPANIES ('MGT COS') AND UNDERTAKINGS OF COLLECTIVE INVESTMENTS ('UCIS') SECTOR

The Cyprus Investment fund industry has viewed significant growth in recent years. This is notable both by the increase in the number of supervised entities (Management Companies and Undertakings of Collective Investments), as well as with the growth of the total value of Assets under Management ('AUM').

This Section provides the key results of the Cyprus Fund and Management Industry for 2018, based on the quarterly data submitted by REs as at 31/12/2018.

2.4.1 COMPANIES THAT WERE DEALING WITH THE MANAGEMENT OF COLLECTIVE INVESTMENTS

According to **Figure 21**, the total number of Mgt Cos and UCIs followed an increasing trend over the years. As at the end of 2018, CySEC had a total of 174 Management Companies and Undertakings of Collective Investments ('UCIs') under its supervision, reflecting a 20% increase from 2017.

Figure 21: Total Number of Mgt Cos and UCIs for years 2015-2018

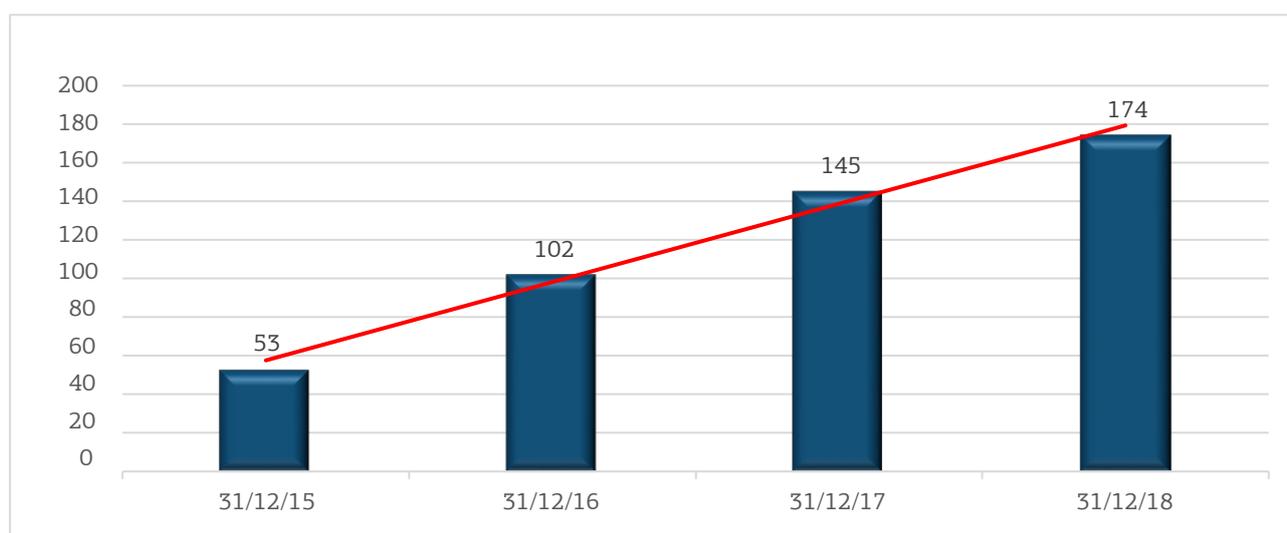


Table 2 presents the number of Mgt Cos and UCIs by category of Mgt Cos and UCIs. As can be seen, the total number of companies includes 74 Externally Managed UCIs (A4), 64 Internally Managed UCIs (A1.2, A2.1, A2.2) and 36 External Fund Managers (A1.1, A2.3, A3). The total number of Management Companies includes 24 AIFMs⁵ (A1), 72 Sub-threshold AIFMs⁶ (A2) and 4 UCITS Management Companies (A3). **Figure 22** illustrates the breakdown of Mgt Cos and UCIs into the above mentioned types and categories.

⁵ AIFMs are companies which based on Law 56(I)/2013:

a) either directly or indirectly, through a company with which the AIFM is linked by common management or control, or by a substantive direct or indirect holding, manage portfolios of AIFs whose assets under management, including any assets acquired through use of leverage, in total do not exceed a threshold of EUR 100mln, or

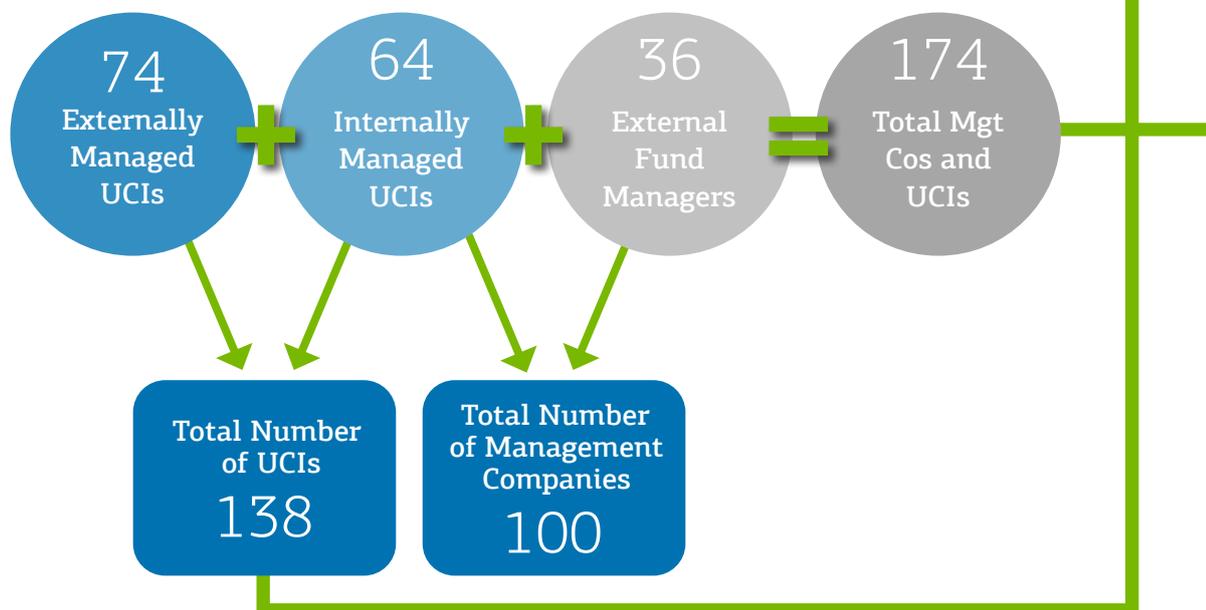
b) either directly or indirectly, through a company with which the AIFM is linked by common management or control, or by a substantive direct or indirect holding, manage portfolios of AIFs whose assets under management in total do not exceed a threshold of EUR 500 mln when the portfolios of AIFs that are unleveraged and have no redemption rights exercisable during a period of 5 years following the date of initial investment in each AIF.

⁶ Sub-threshold AIFMs are small AIFMs which not exceed the thresholds described in footnote 5.

Table 2: Number of Mgt Cos and UCIs by Category for 2018

	MANAGEMENT COMPANIES AND UCIS	AUTHORISED BY CYSEC 31/12/2018
A1	AIFMs	24
A1.1	AIFM - External Fund Managers	23
A1.2	AIFM - Internally Managed Funds	1
A2	Sub-threshold AIFMs	72
A2.1	AIF (Internally Managed)	1
A2.2	AIFLNP (Internally Managed)	62
A2.3	Special Purpose Entities	9
A3	UCITS Management Companies	4
A4	Externally Managed UCIs	74
A4.1	UCITS	9
A4.2	AIF (Externally Managed)	27
A4.3	AIFLNP (Externally Managed)	38
	Total	174
	Total Number of UCIs	138

Figure 22: Number of Mgt Cos and UCIs for 2018

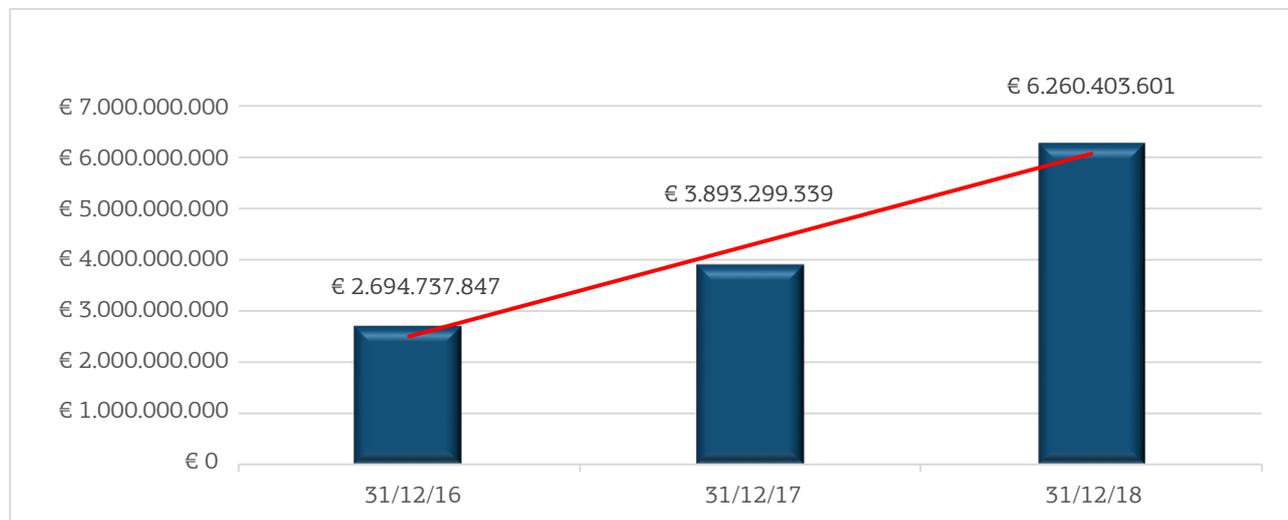


Additionally, in 2018, there were 15 CIFs whose license is extended based on Article 5(5) (b) of the Law 87(I)/2017, to provide the service of the Undertaking of Collective Investments and 8 Sub-threshold AIFMs-Closed Ended Investment Companies listed on CSE, which were exempted from the provision of the Alternative Investment Fund Managers Law of 2013 and the Alternative Investment Fund Law of 2018.

2.4.2 ASSETS UNDER MANAGEMENT ('AUM')⁷

According to **Figure 23**, the total Assets under Management ('AUM') at the end of 2018 reached €6,3 bln, recording an increase of 61% since last year.

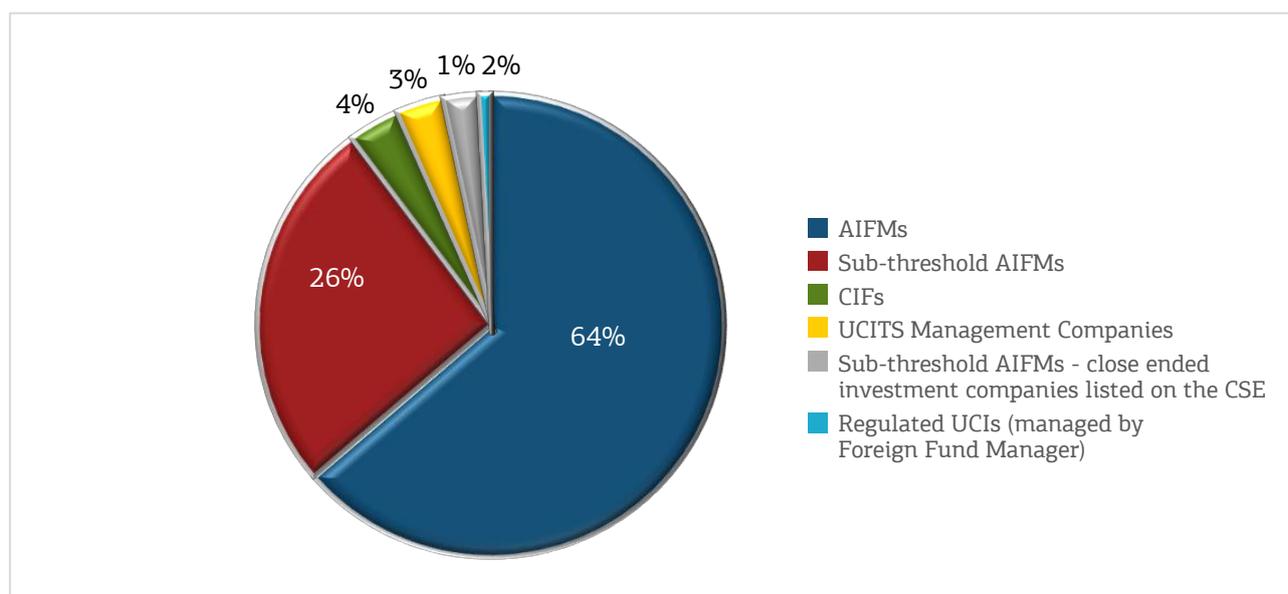
Figure 23: Total AUM for years 2016-2018*



*No data is available for the year 2015

Figure 24 presents the breakdown of AUM by category, for entities that were dealing with the management of collective investments in 2018. Approximately 64% of the AUM relate to Assets managed by AIFMs, 26% by Sub-threshold AIFMs, 4% by CIFs and 3% by UCITS Management Companies.

Figure 24: Breakdown of AUM by Category of Mgt Cos as at 31/12/2018



⁷ For the purpose of the following analysis, the amount of AUM is calculated taking into account the Audited Financial Statements of the Companies.

2.4.3 UNDERTAKINGS OF COLLECTIVE INVESTMENTS ('UCIS')

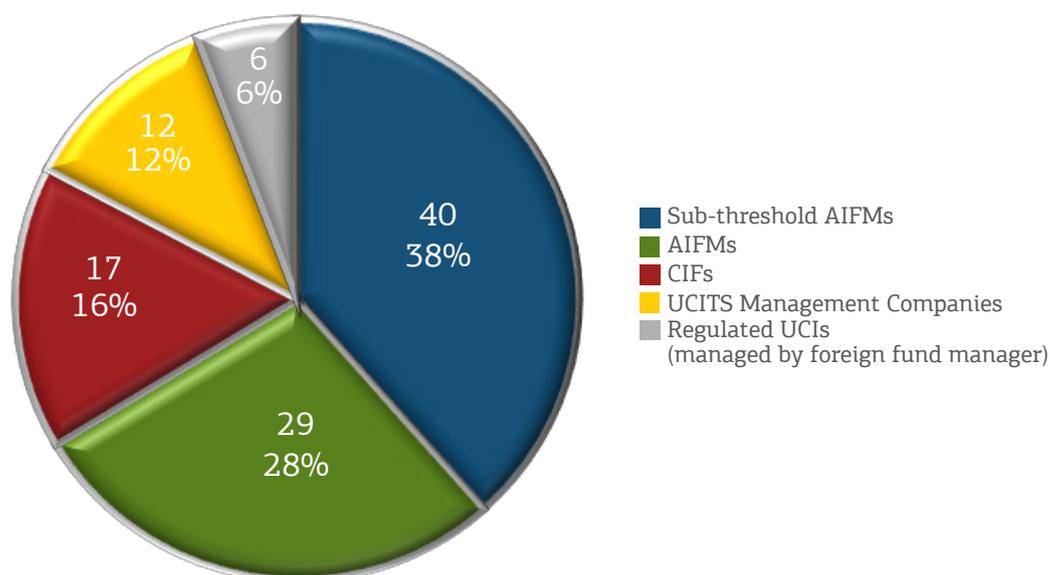
At the end of 2018, there were 104 UCIs in total with operations, as it presented in **Table 3**, point D. These were either Cyprus domiciled UCIs or Non-CY UCIs. The total AUM managed by the Collective Investment Scheme Sector amounts to €6,1 bln.

Table 3: Number of UCIs by Category of Mgt Cos as at 31/12/2018

		AUM 31/12/2018 €	NUMBER OF UCIS UNDER MANAGEMENT WITH OPERATIONS (CY & NON-CY UCIS)
A1	AIFMs	3.986.826.258	29
A2	Sub-threshold AIFMs	1.638.613.319	40
A3	UCITS Management Companies	208.621.972	12
B	CIFs	221.244.639	17
C	Regulated UCIs (managed by foreign fund manager - entities not included above (A-B))	51.923.470	6
D	Collective Investment Scheme Sector	6.107.229.658	104
E	Sub-threshold AIFMs – Closed ended investment companies listed on the CSE	153.173.943	N/A
F	Total	6.260.403.601	104

Figure 25 presents the breakdown of UCIs for the Collective Investment Scheme Sector by category of entity, for entities dealing with the management of collective investments in 2018. As can be noticed, the AIFMs and the sub-threshold AIFMs managed in total the 66% of the total number of UCIs.

Figure 25: Breakdown of UCIs by Category of Mgt Cos for year 2018



2.4.4 INVESTMENT STRATEGY OF UCIS

In this sub-section, an analysis of AUM of the Collective Investment Scheme Sector (**Table 3**, point D) is presented based on their investment strategy which amounts to €6.107.229.658. As shown in **Figure 26**, approximately 96% of total AUM was attributed to AIF and AIFLNP, while the remaining 4% was attributed to UCITS. Furthermore, **Figure 27** and **Figure 28** demonstrate that UCITSs invest heavily in Transferable Securities (by 78%), while AIFs' and AIFLNPs' UCIs were mainly investing in Private Equity funds (by 48%).

Figure 26: Breakdown of AUM by Type of UCIs as at 31/12/2018

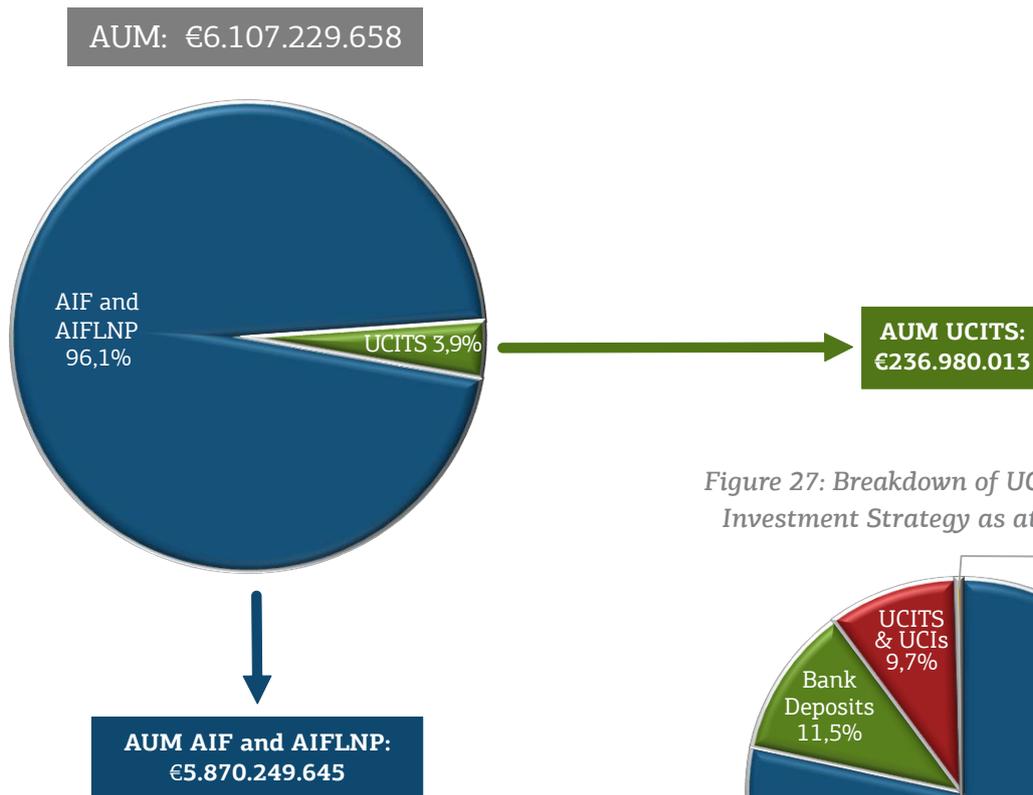


Figure 27: Breakdown of UCITSs' AUM by Investment Strategy as at 31/12/2018

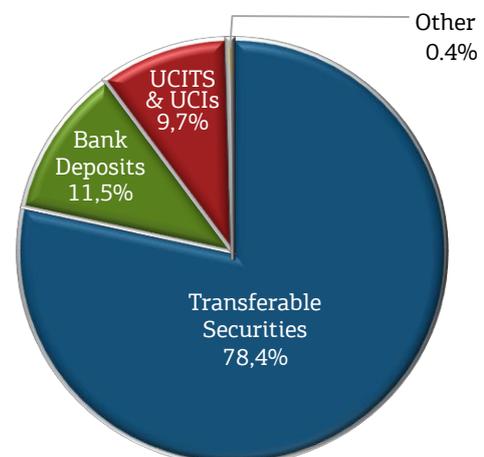
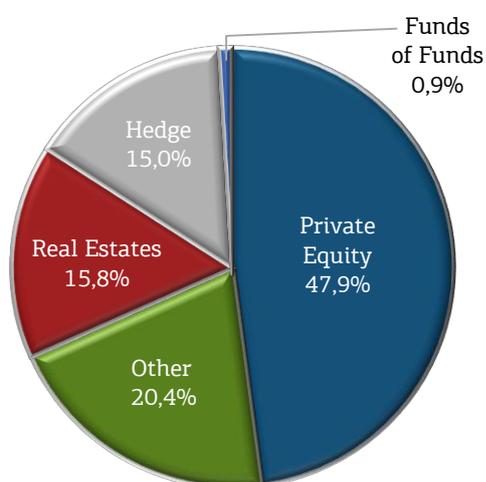


Figure 28: Breakdown of AIFs' and AIFLNPs' AUM by Investment Strategy as at 31/12/2018



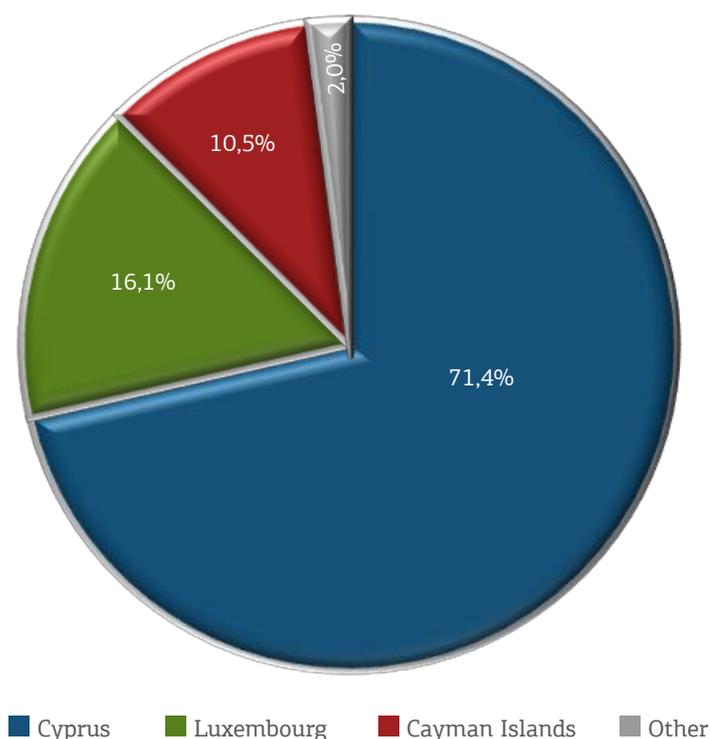
2.4.5 DOMICILE OF UCIS UNDER MANAGEMENT (COLLECTIVE INVESTMENT SCHEME SECTOR)

As can be seen in **Table 4** around 71% of the total AUM, stems from 92 UCIs which are domiciled in Cyprus (9 UCITS, 27 AIF and 56 AIFLNP). The remaining 29% of AUM stems from 12 UCIs (1 UCITS and 11 AIF) domiciled in countries other than Cyprus, in particular 16% in Luxembourg, 11% in Cayman Islands and the rest 2% in other countries (**Figure 29**).

Table 4: AUM Based on Domicile of UCIs under Management as at 31/12/2018

	AUM	AUM - % total	Number of UCIs
CY UCIs	€4.359.652.998	71,4%	92
Non-CY UCIs	€1.747.576.660	28,6%	12
Total	€6.107.229.658	100,0%	104

Figure 29: AUM Based on Domicile of UCIs under Management as at 31/12/2018



Details on the breakdown of UCITS, AIFs and AIFLNPs regarding their domicile, can be found in **Figure 30**, **Figure 31**, **Figure 32**, respectively.

Figure 30: Domicile of UCITSs' UCIs under Management as at 31/12/2018

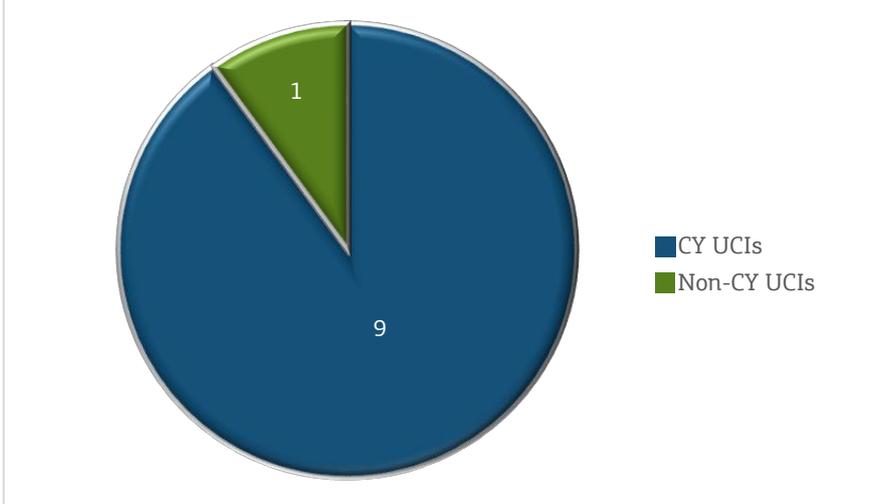


Figure 31: Domicile of AIFs' UCIs under Management as at 31/12/2018

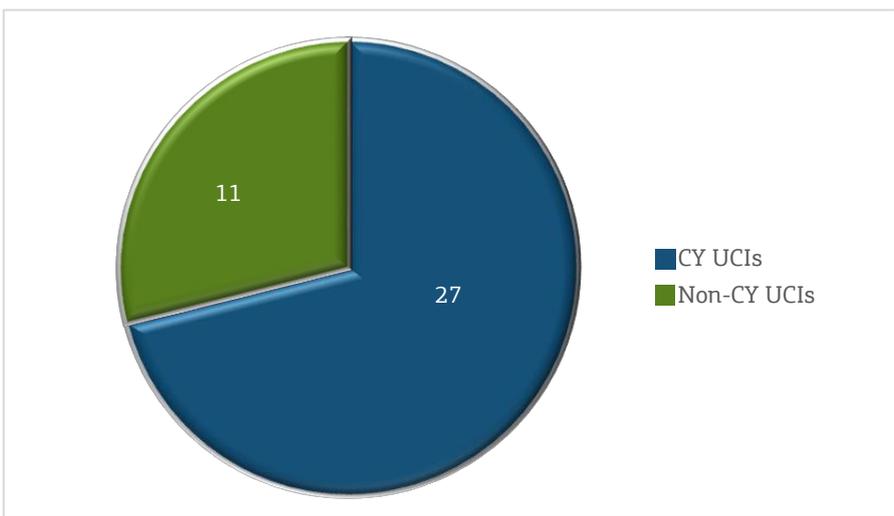
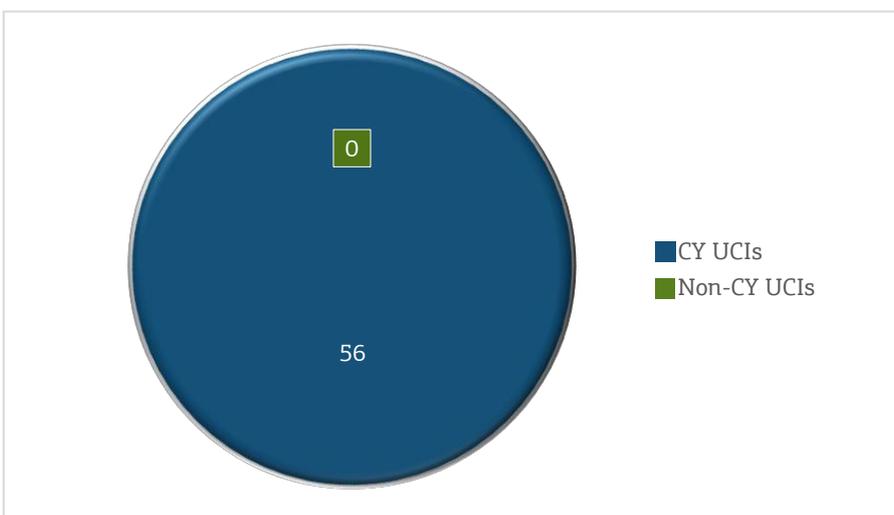


Figure 32: Domicile of AIFLNPs' UCIs under Management as at 31/12/2018



2.4.6 AUM INVESTED IN CYPRUS AND ABROAD (COLLECTIVE INVESTMENT SCHEME SECTOR)

Out of 104 UCIs managed by UCIs Management Companies in 2018, 67 had invested in Cyprus either entirely or partially. In particular, €1,7 bln (28%) amounted to investments made in Cyprus (**Figure 33**). More precisely, 63% of the investments in Cyprus were made in Private Equity, while another 16% of the investments in Cyprus were made in Real Estate (**Figure 34**).

Figure 33: AUM invested in Cyprus and Abroad as at 31/12/2018

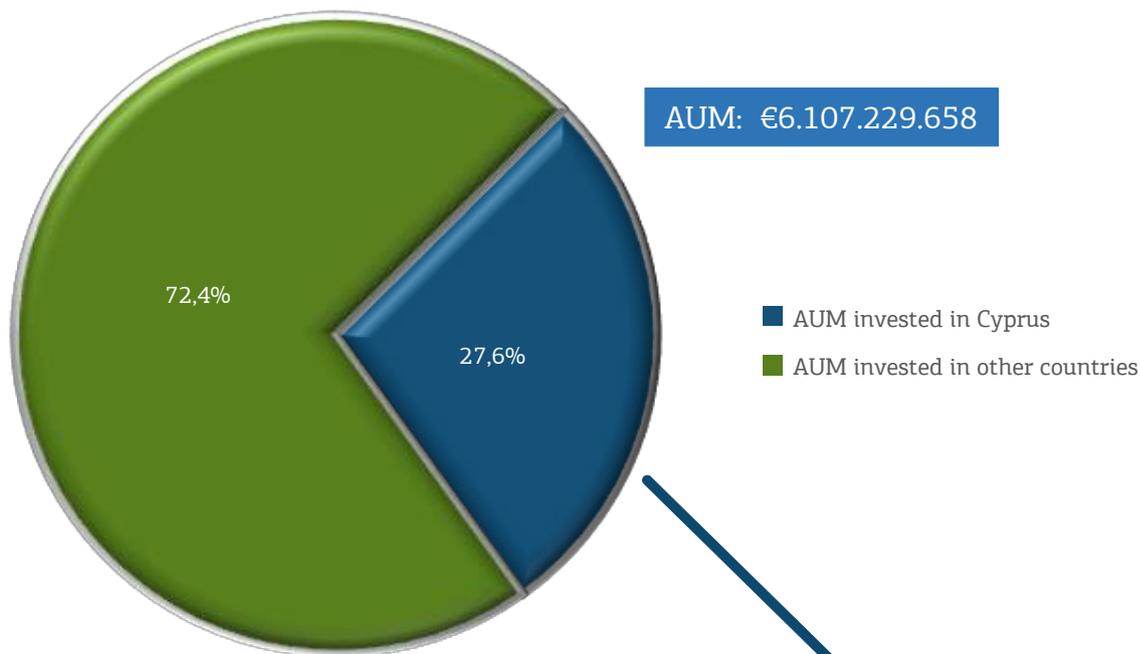
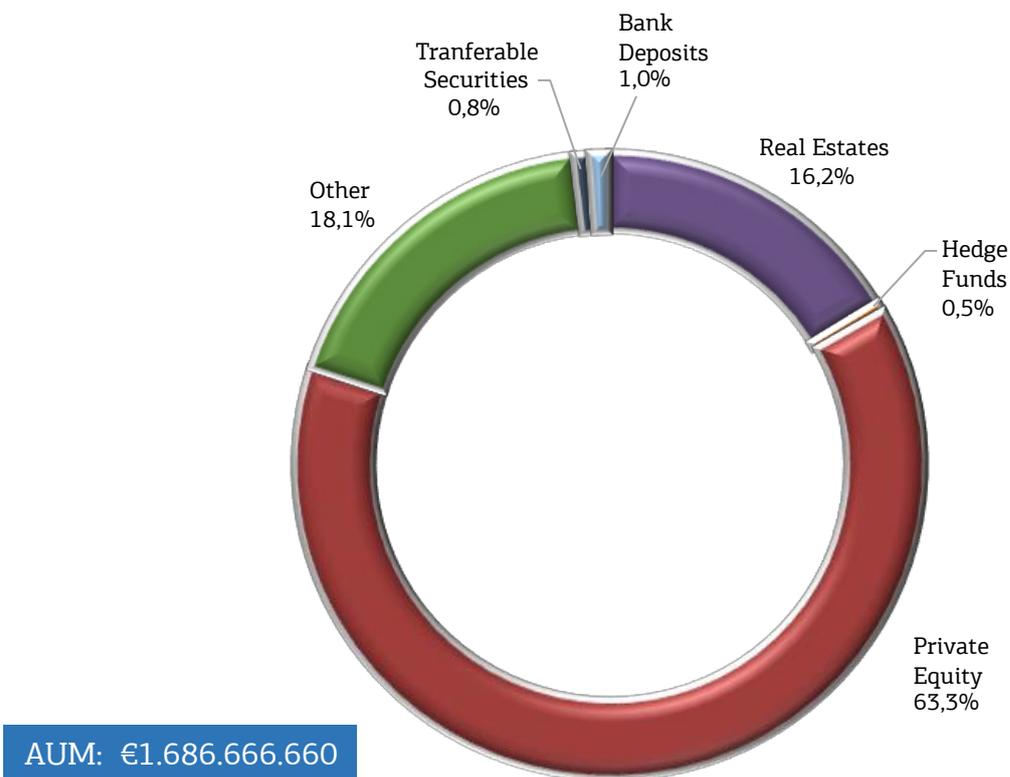


Figure 34: Investment Strategy of UCIs invested in Cyprus - 2018



2.4.7 CATEGORISATION OF UNIT-HOLDERS (COLLECTIVE INVESTMENT SCHEME SECTOR)

For UCITS (**Figure 35**) in their vast majority (99,5%), unitholders were Retail Investors while for AIF and AIFNLP (**Figure 36**), 58% of the unitholders were Professional Investors, 40% were Well-Informed Investors and around 2% were Retail Investors.

Figure 35: UCITSS' type of Unit-holders - 2018

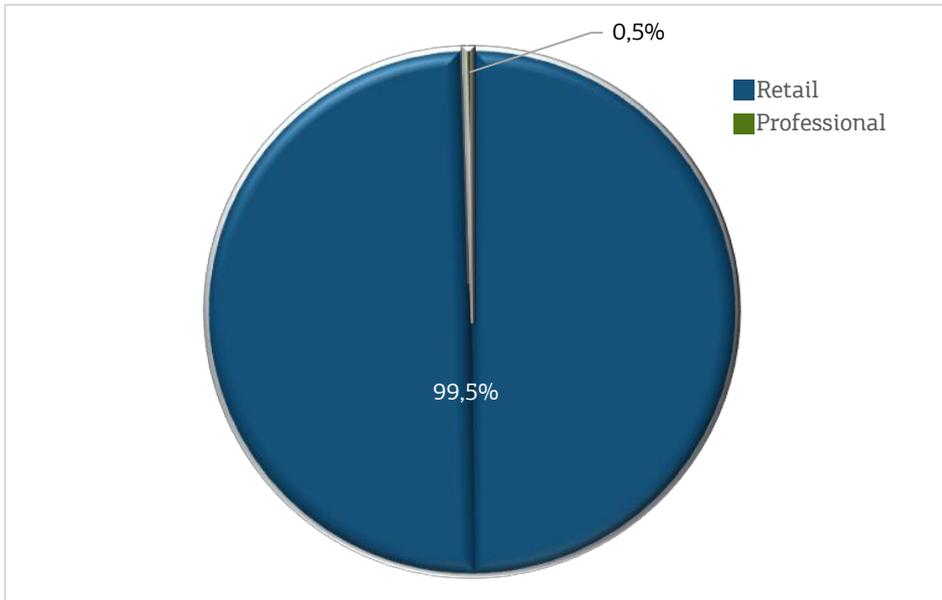
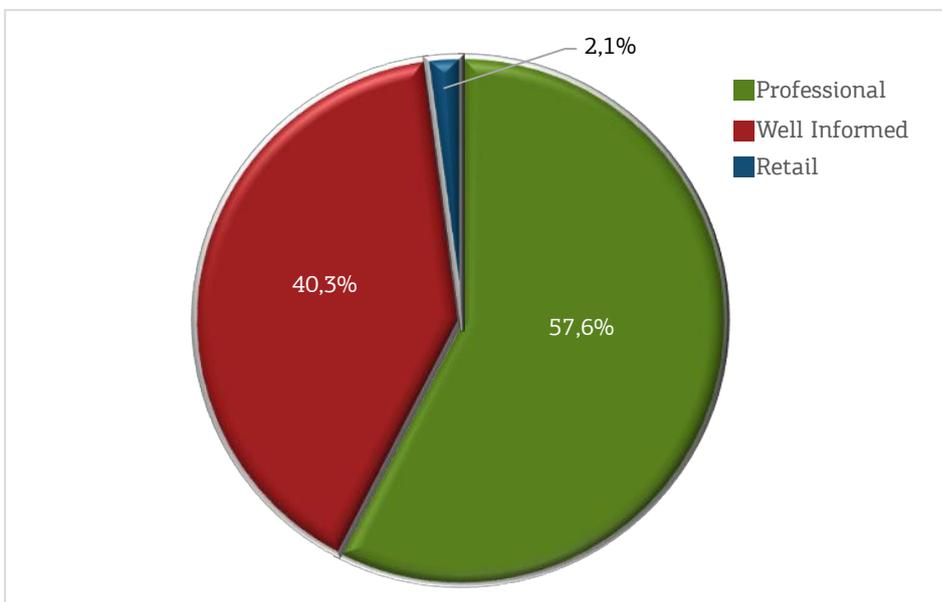


Figure 36: AIFs' and AIFLNPs' type of Unit-holders - 2018





3 STATISTICS
FOR LISTED
COMPANIES

STATISTICS FOR LISTED COMPANIES

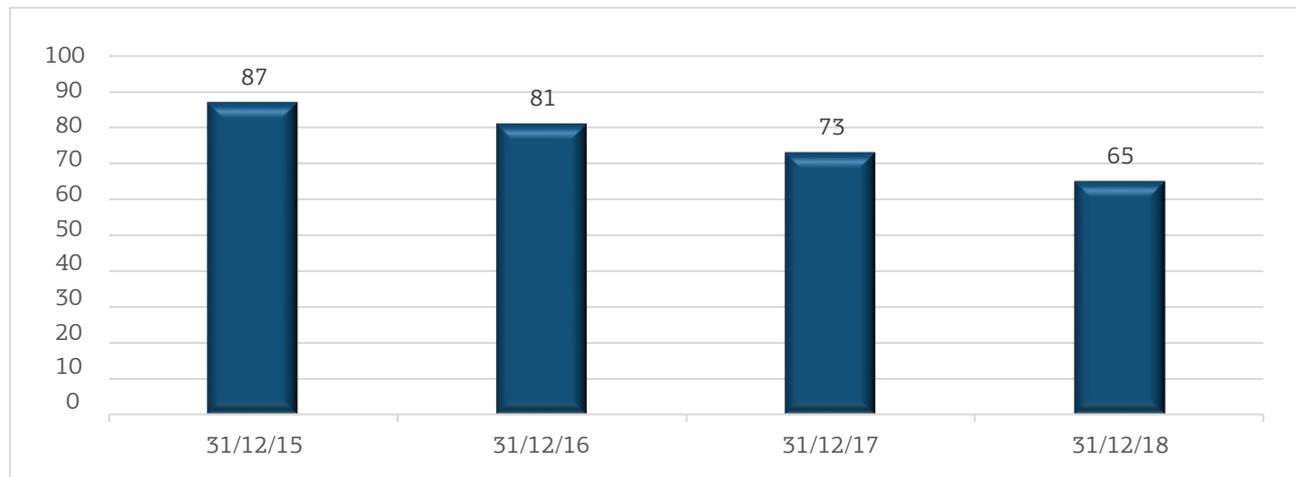
Listed companies are classified into two main categories:

1. **Local**⁸– Companies, that have securities listed on a Regulated Market of CSE and whose home member state is Cyprus.
2. **International**⁹– Cyprus companies, that have securities listed on a Regulated Market of an EEA country and whose home member state is Cyprus.

3.1 LOCAL LISTED COMPANIES

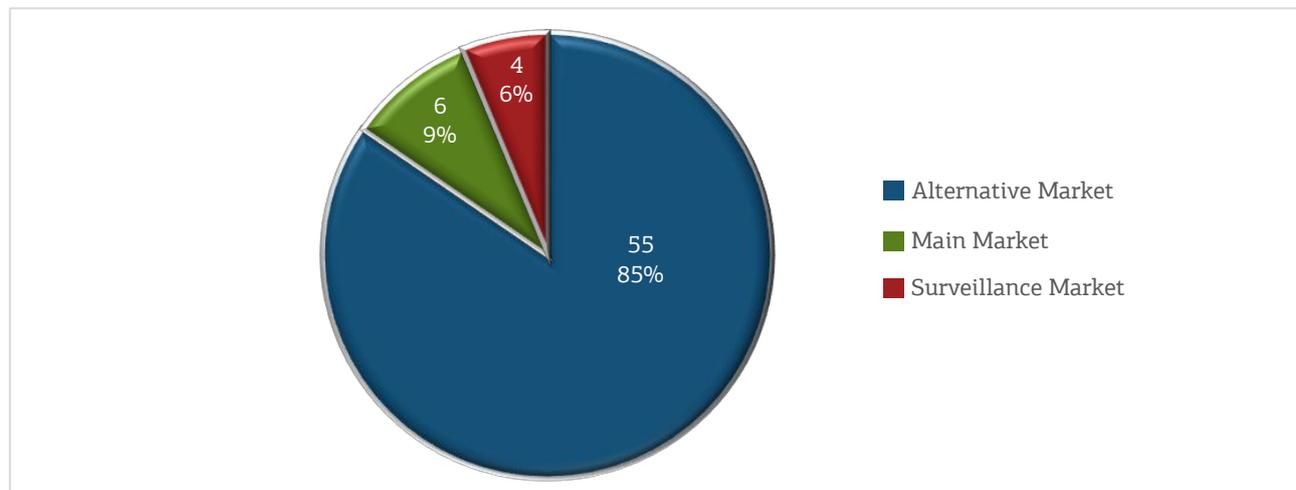
Figure 37 presents the number of Local Listed Companies that were listed on the Regulated Market of CSE over the past 4 years. A decrease of 25% in the number of firms is noted from 2015 to 2018.

Figure 37: Total Number of Local Listed Companies for years 2015-2018



From **Figure 38**, it is evidence that in 2018, the majority of the companies (55 companies) were trading in the Alternative Market, 6 companies in the Main Market and 4 companies in the Surveillance Market.

Figure 38: Breakdown of Local Listed Companies by Market in which they were listed in 2018



⁸ Local Listed Companies as described in Table 1, E1.

⁹ International Listed Companies as described in Table 1, E2.

Figure 39 presents a breakdown of the number of shareholders, based on the market in which they are listed. Out of 327.030 shareholders in total, in 2018, around 65% were listed in the Main Market, and around 31% were listed in the Alternative Market, with a further 4% in the Surveillance Market.

Figure 39: Breakdown of Shareholders by Market in which they were listed in 2018

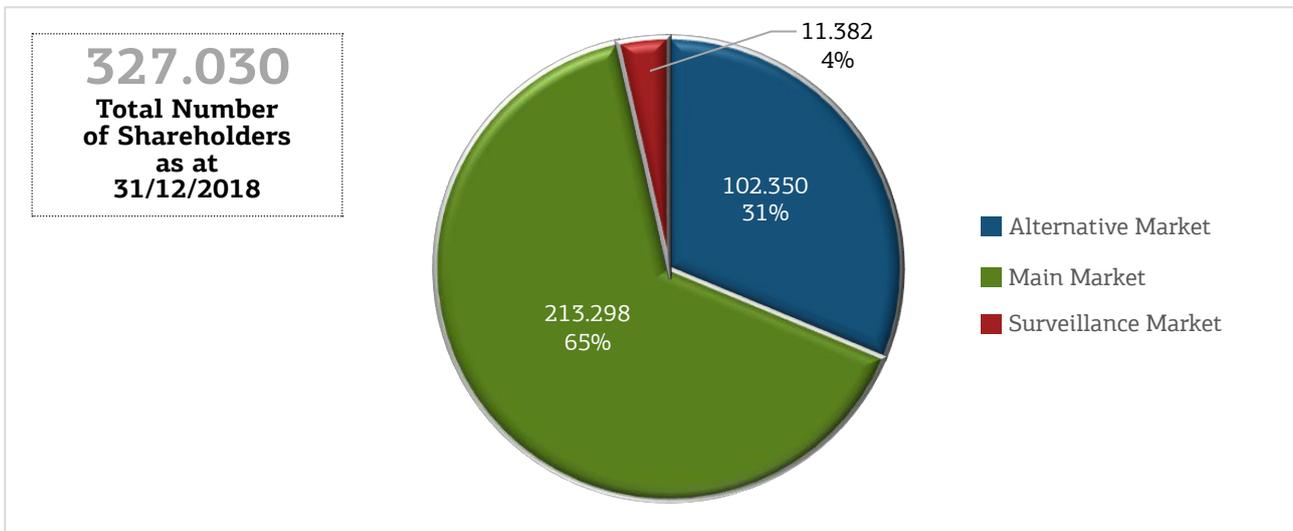
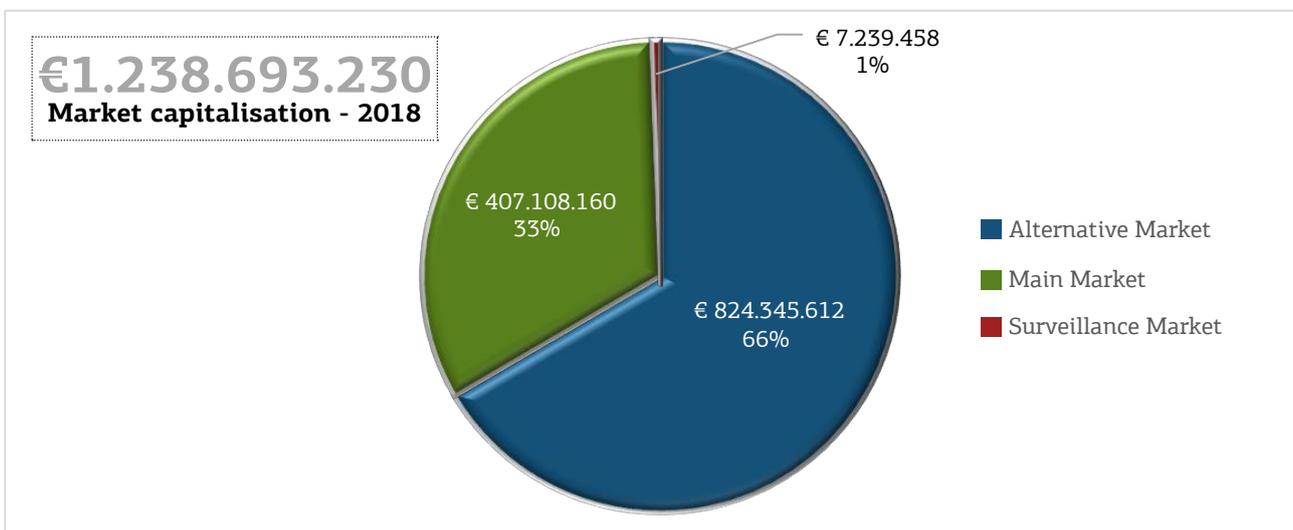


Figure 40 presents a breakdown of the market capitalisation, based on the market in which they are listed. Market Capitalisation for 2018 was €1,2 bln in total, whereby operations in the Alternative Market accounted for around 66% of the total market capitalisation.

Figure 40: Breakdown of Market Capitalisation by Market in which they were listed in 2018



3.2 INTERNATIONAL LISTED COMPANIES

Figure 41 presents the number of International Listed Companies over the past 4 years. An increase of 18% in the number of firms is noted from 2015 to 2017, while the number of firms remained unchanged between the years 2017 and 2018.

Figure 41: Total Number of International Listed Companies for years 2015-2018

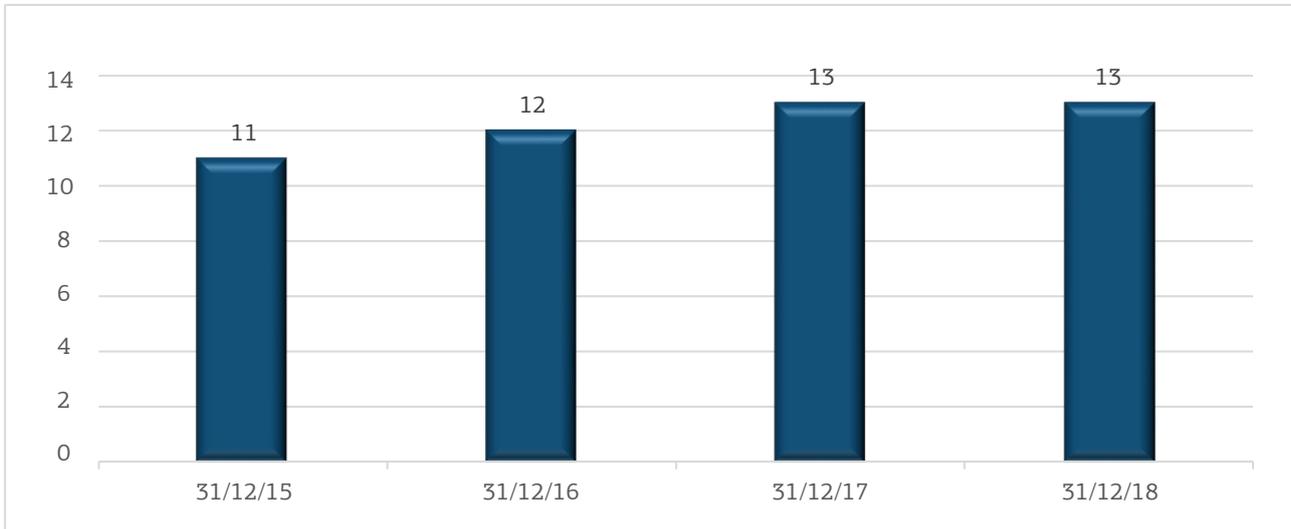


Figure 42 presents a breakdown of the number of companies, based on the Regulated Market on which they were listed in 2018. As can be seen, around 30% of companies were listed on London Stock Exchange, 23% of companies were listed on Oslo Stock Exchange and 23% of companies were listed on Warsaw Stock Exchange. The rest 24% of the companies were listed on other EEA Regulated Markets, as shown below.

Figure 42: Regulated Market on which International Listed Companies were listed in 2018

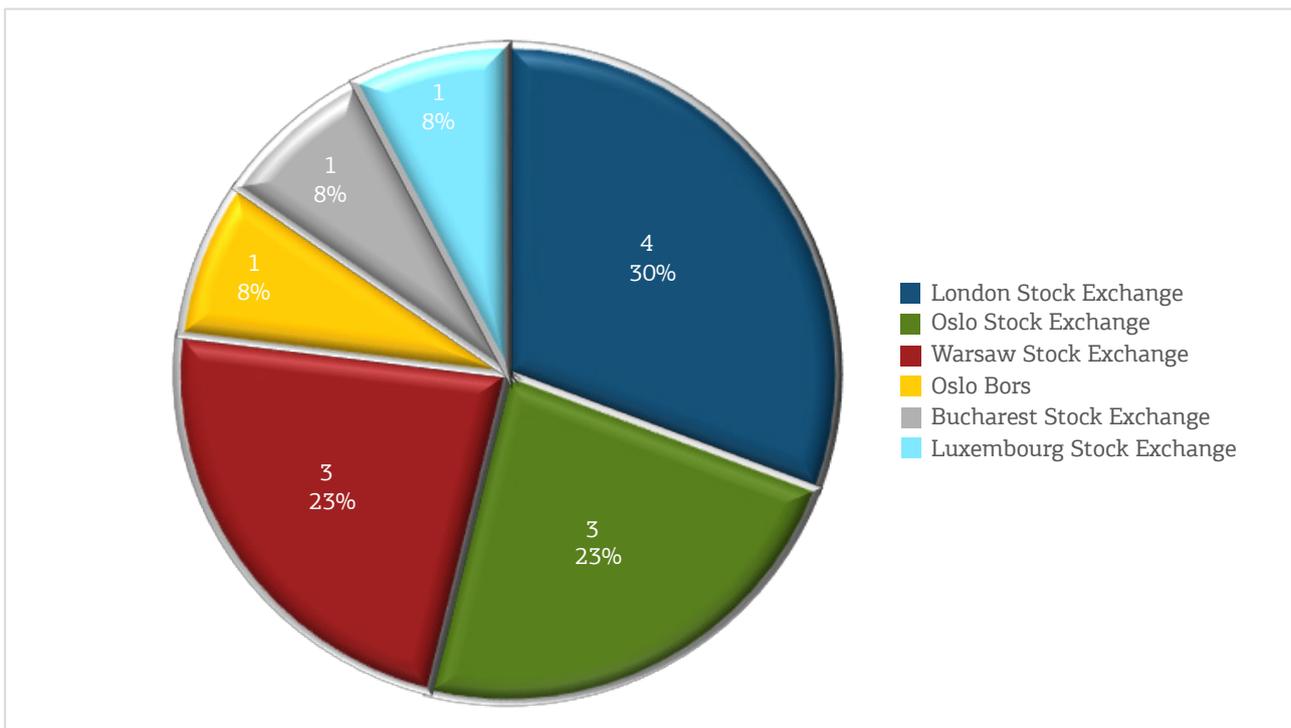


Figure 43 provides information about the 13 International Listed Companies along with their classification into the types of industries in which they operated in 2018. As can be seen, around 30% of companies were active in the Oil and Gas sector, 15% of companies were active in the Consumer Goods sector and 15% of companies were active in the Real Estate sector. The rest 40% of the companies were active in other sectors, as is shown below.

Figure 43: Industry in which International Listed Companies were operating in 2018

