

# **CYPRUS STOCK EXCHANGE**

## **PROFILE**



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## **1. ORIGIN AND BRIEF HISTORY OF THE EXCHANGE**

The basis for the establishment of an official regulated market was set by the “Law for the development of the securities market in Cyprus and for the establishment and operation of the Cyprus Stock Exchange” or the ‘Cyprus Securities and Stock Exchange Law’, which was voted into Law by the House of Representatives in April 1993. The Cyprus Stock Exchange (CSE) started its operations on the 29<sup>th</sup> March 1996. It is under the supervision of the State and is governed by the Council of the CSE.

The first Council of the CSE was appointed by the Council of Ministers in December 1993 and was charged with the responsibility of preparing detailed Regulations, which would govern the operation of the CSE. The Council is responsible for the management of the Exchange. In particular, the Council supervises the operation of the Exchange and has complete power over the management and administration of its assets, in accordance with the provisions of the Law and those specified in the Regulations.

### Members of the Council:

Mr. Akis Kleanthous	President
Mr. Renos Christodoulides	Vice-Chairman
Mr. Symeon Kassianides	Member
Mr. Zenon Pofaides	Member
Mrs Eleni Marangou	Member
Mr. Alexis Anninos	Member

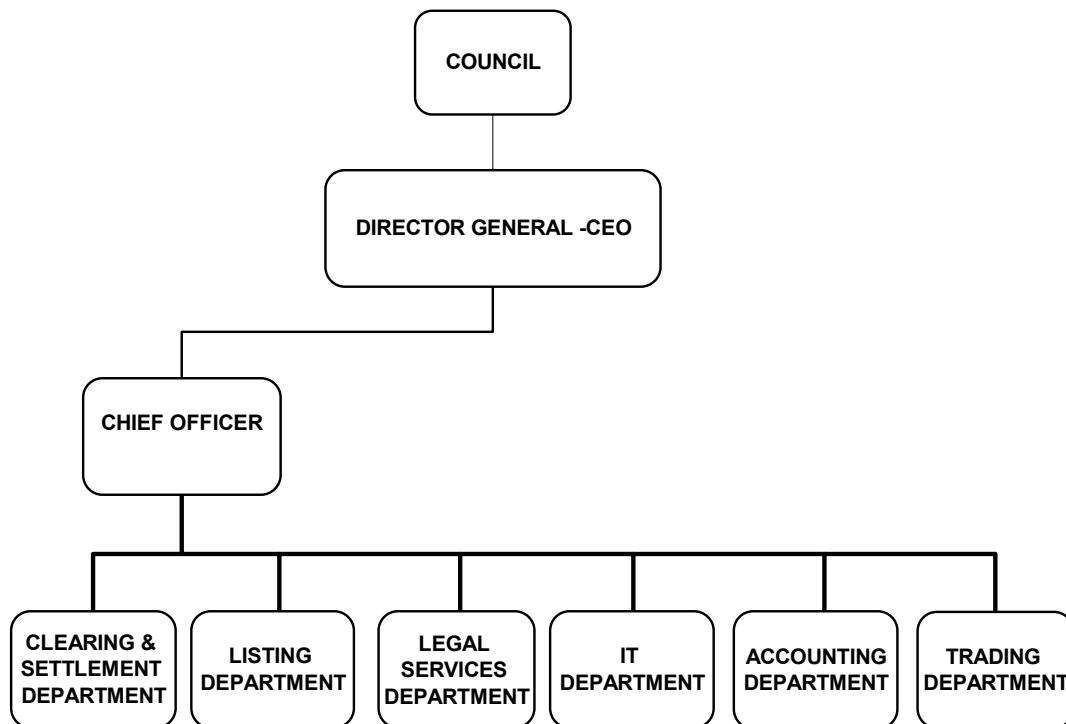
Mr Akis Kleanthous a previous member of the council, has been recently appointed as the new president. A new member of the council is still to be appointed.

## **2. OBJECTIVES / MAIN DUTIES AND RESPONSIBILITIES OF EACH EXCHANGE**

The prime objectives of the Cyprus Stock Exchange as these are set out by the Law are:

- To take all the necessary measures for the development of the securities market, as well as to control and regulate securities transactions.
- To provide the required facilities for trading of the securities and to issue an official price bulletin to facilitate the execution of stock market transactions, to provide procedures and means for supplying stock market information related to the movement and trading of securities, to promptly display relevant data for the information of Members, transacting parties and the public and finally to provide for publication of a stock market bulletin either daily or periodically as determined by the Council.
- To promote stock market activity and to use for this purpose any appropriate means of publicity regarding the benefits and services of the Stock Exchange.
- To encourage an orderly and systematic securities market, to combat fraudulent and improper stock market transactions practices and to provide appropriate protection for investors and the general public.
- To establish and operate a Central Depository and Registry for dematerialised securities of listed companies.

### **3. ORGANISATIONAL STRUCTURE**



### **4. MEMBERSHIP**

Members (brokers) can be natural or legal persons engaged by profession in the trading of securities for own account or for the account of others. Members must maintain a minimum paid-up capital, in the case of legal persons, or a bank guarantee, in the case of natural persons, as follows:

- a) Where they act exclusively and only for the account of third parties, an amount of £50.000.
- b) Where they act for account of third parties and as administrators of funds or securities for principals, an amount of £100.000.
- c) Where they act for their own account and/or for the account of third parties, as administrators of funds or securities for principals and/or where they also undertake underwriting of issues, an amount of £450.000.

Presently, there are 24 Members of the Stock Exchange. All of the Members are domestic. There are, however, three Members with foreign

ownership investors. The possibility of a foreign Member to become a Member of the CSE exists, if it sets-up a company in Cyprus. Foreign brokers or banks can acquire participation in member firms, subject to the regulations of the Central Bank of Cyprus regarding foreign participation in domestic companies

#### ***4.1 Monitoring of Members***

The Cyprus Securities and Stock Exchange Law states that Members shall keep books, submit reports and financial returns and provide data and information as prescribed in the Stock Exchange Regulations.

Brokers are also obliged to strictly observe the Stock Exchange Regulations and in exercising their duties they must display an integrity which benefits their profession. A broker who acts in contravention of his obligations or displays a demeanour not benefiting his profession shall, apart from any criminal responsibility, be deemed to commit a disciplinary offence punishable in accordance with the provisions of the Law and the Regulations.

### ***5. REGULATORY INFRASTRUCTURE***

The Cyprus Stock Exchange (CSE) was established as a public corporate body by the Cyprus Securities and Stock Exchange Law. The CSE is administered by the Council and supervised by the State. The council is the primary policy and decision-making body of the CSE also responsible for the implementation of its policy is the Council of the CSE, which consists of seven independent and eminent experts in the field of Capital Markets. The Council is responsible for the management and administration of the CSE's assets, the keeping of accounts and the preparation of the CSE's budget, the publication of the price bulletin and the preparation of regulations, approves the listing of securities, regulates the operation of the Exchange, fixes transaction and other fees and subscriptions, appoints and terminates the employment of CSE's employees and is responsible for taking disciplinary action against Members and employees.

The State's supervisory role over the CSE is exercised by the Ministry of Finance, through the Securities Commission.

The main body of the existing exchange rules are the *Cyprus Securities and Stock Exchange Law of 1993* as amended and the *Cyprus Securities*

and Stock Exchange Regulations of 1995. The Regulations are supplementary to, and read together with the Law.

### 5.1 Trading of Securities.

Trading of Securities is governed by the trading rules legislation P.I. 94/99. The Cyprus Stock Exchange presently uses an open-outcry trading system for the securities. The quotations of the brokers are electronically displayed on screens. The screens display the bid price with the brokers who has priority to buy, the ask price with the brokers who has priority to sell, the last transaction price and the volume traded and the cumulative volume (see table below).

Security	Bid	Ask	Last Trans.	Cumulative
BOC	3.00 (111)	3.01 (291)	3.00/1000	6.000

The broker who is quoted on the screen is responsible to buy or sell, whichever the case, a minimum lot for the specific security. When a transaction is executed, the broker may chose to withdraw his/her price if he has no interest on the specific security to remain at the same price if his interest was not met at full, or to withdraw his price to a new one.

Trading lasts for almost two hours between 10.10 a.m. and 12.00 p.m. daily.

The Cyprus Stock Exchange monitors trading on the securities on a continuous basis, in order to detect and present instances of malpractice. As mentioned before an audit trail for all quotations and transactions exists, which enables the CSE to check for trading practices that are not in line with the relevant regulations. Market Officials are always present

during the trading session to ensure that the trading is conducted in a professional manner within the limits set by the Trading Rules.

Commissions at the CSE are liberalised and can be agreed upon between the Members and their clients.

## ***5.2 Listing Procedures***

All securities, with the exception of bonds issued by the Government of the Republic, are quoted following the approval of the Council of the Cyprus Stock Exchange, with the consent of the Securities Commission. Bonds issued by the Government of the Republic are quoted following a decision taken by the Minister of Finance that is announced to the Council of the Cyprus Stock Exchange.

A foreign company that seeks a listing on the Cyprus Stock Exchange must satisfy the same listing requirements and continuous obligations as any other Cypriot company that seeks a listing on the Exchange. In addition, there are 3 more Regulations concerning foreign companies, which are:

*61(1)(f)* In the case of an issuer who has shares listed on a foreign stock exchange, such issuer fully complies with the terms and conditions of such stock exchange.

*64(h)* In the case of an issuer who already has listed titles on a foreign stock exchange, a written confirmation of such stock exchange stating the number and the amount of the titles listed thereon time of the application shall be attached to the application in which the name and address of such stock exchange is mentioned.

79. The Council has power to accept listing of titles which have not been listed on the Stock Exchange of the country of their origin or the country in which they are mainly circulated, only whenever it is satisfied that the reason that the titles have not been listed on the stock exchange of such country is due to reasons independent of any protection of the investors.

Issuers can list securities on the Stock Exchange in one of the following ways:

1. Introduction of titles already issued

2. By public offer for sale to the public of titles which have already been issued, or allocated;
3. By public offer for subscription to the public to subscribe for the purchase of titles which have not yet been issued or allocated;
4. Exclusively by selective marketing to predetermined buyers of titles already issued, or to be issued.

In every case of issue of share capital with offer for subscription to the public for registration to purchase titles which have not yet been issued or allocated the issuer is obliged to arrange for the underwriting of the issue, with the appointment of one or more underwriters among the Members of the Stock Exchange, the Commercial Bank, or other organisations or persons with the necessary solvency, knowledge and experience, following approval of the Council.

No application for listing of titles on the Stock Exchange shall be accepted, unless the issuer fulfils the following basic requirements (Regulation 61) and any other requirements which may arise from the legislation of the Republic. The most important basic requirements are:

- The issuer has been constituted and operates in accordance with the law of the country of constitution, which renders authority to issue titles to the public.
- The issuer has power to issue the specified shares which are intended for listing on the Stock Exchange in accordance with the law of the country of constitution and the company's Memorandum and Articles of Association.
- The estimated stock market value of the proposed issue must be in excess of £2.000.000.
- There must be no restrictions in the transferability of the titles.
- The issuer has related activities, was working normally and had prepared audited accounts for at least the three years immediately preceding the application and had a positive net position for the last year of this period.

As an exception the Council has power whenever this is justified, to accept with an adequately reasoned decision the listing of securities of a recently established issuer, or of an issuer does not fulfil the requirements of this paragraph, if it deems that satisfactory information is provided to the investors which allow proper evaluation of the securities.

Provided that the above exception does not apply to investment organizations under the provisions of Regulation 63 except from investment organizations which have submitted their application for listing their securities on the Stock Exchange by the 27<sup>th</sup> October 2000.

- It is not allowed for any shareholder to control either directly or indirectly, more than seventy per cent of the share capital, and a percentage of at least twenty five per cent of the share capital must be satisfactorily dispersed to the public at large. These percentages apply for companies which submitted an application for listing their securities on the Stock Exchange by the 1<sup>st</sup> January 2001 or who had securities listed on the Stock Exchange at the date of commencement of the Securities and Cyprus Stock Exchange (Amending) Regulations of 2000. These companies may gradually differentiate these percentages in a period of five years from the above date to the following:

A shareholder of the issuer does not control, directly or indirectly, a percentage more than sixty per cent of the share capital, and a percentage of at least thirty five per cent of the share capital is satisfactorily spread to the public.

- The issuer must safeguard that existing shareholders will enjoy pre-emption rights in every subsequent issue, unless the shareholders decide otherwise through a special resolution.
- The issuer must make a commitment to list all the titles of the same category that have already been issued, or will be subsequently issued.
- The issuer has made proper provisions for the opening of a special restricted interest - bearing account in which all the funds which

applicants submit to the issuer for the purchase of rights, new shares or securities are deposited:

Provided that the issuer has the obligation to deliver the titles to the applicant together with the security certificates any unused amount and all interest on that amount, earned from the date of receipt of the monetary sums until the last date the certificates were sent to the applicant.

- The issuer must satisfy the Council of the CSE that it has sufficient working capital.
- The issuer must satisfy the Council of the CSE that all the necessary guarantees for the safeguarding of the investor's interests are provided.

In order for a company to obtain a listing, it is necessary to submit to the Council of the Cyprus Stock Exchange for approval a signed application and a number of other documents, in accordance with the provisions of Regulation 64. The most important of these documents are the Listing Particulars.

The aims of the Listing Particulars are to assist potential investors to make an assessment, in the best possible manner of the asset value, the financial state, the track record and the prospects of the company that seeks a listing, as well as of the rights associated with the ownership of the titles concerned.

In the case of equity titles and bonds, the Listing Particulars must contain at least the information prescribed in Schedule I and II of Annex E of the Cyprus Securities and Stock Exchange Regulations, respectively. In the case of debentures, the prospectus must contain at least the information prescribed in Part VII of the Regulations.

According to Regulation 75, it is not permitted, except in exceptional cases and following the approval of the Council in writing, to issue warrants or options to purchase shares for participation in the capital of the issuer, in a percentage exceeding twenty per cent of the issued share capital of the issuer at the time of their issue. Rights issued for allocation

of shares to employees of the issuer are exempt from the general rule of the Regulation 75.

In the case of Initial Public Offerings (IPOs) the depth and detail of information required for the preparation of the Listing Particulars can be quite substantial, whereas these information requirements are less onerous for subsequent issues (Regulation 69). Furthermore, the Council has the discretion to exempt, either partially or totally, an issuer from the obligation to prepare Listing Particulars, under the conditions outlined in Regulation 70.

The Council of the CSE must examine the applications for listing of securities on the Stock Exchange and notify its decision on them within a time limit of six months from the submission of the application (Regulation 74). In case however, the Council, asks of the issuer within this time limit for supplementary information, the decision is issued and notified to such issuer within a time limit of six months from the supply of such supplementary information.

### **5.3 Continuous Obligations**

Apart from the basic requirements for obtaining a listing, an issuer has to satisfy at all times certain other requirements prescribed in the Cyprus Stock Exchange Regulations. The main aim of these continuous obligations is to protect, as far as possible, the investor, by keeping him well informed of the issuer's activities, current developments and prospects.

The rationale behind placing issuers under strict scrutiny concerning their Continuous Obligations is to prevent them from engaging in any dubious acts that may have a negative impact on the interests of the investors. By providing up-to-date information concerning the issuer's activities, the listed company can ensure the equal treatment of investors and facilitate them to make knowledgeable assessments of the securities' value. In this manner the exploitation of inside information is prevented, and this averts insiders from making abnormal profits at the expense of small investors.

The most prominent among the Continuous Obligations are the following:

Every company whose shares are listed has a duty to:

1. Publish listing particulars containing information the aim of which is to assist the public in evaluating its value (section 57, regulations 68 and 69).
2. Submit half-yearly reports about its activities and profitability during the first six months of the financial year (section 59, regulation 81, Annex F). Issuers have to follow the time schedule below relating to the publication of their accounts.

<b>DATE</b>	<b>ALL LISTED COMPANIES (including investment companies)</b>	<b>INVESTMENT COMPANIES ONLY</b>
<b>15 January</b>		<b>4<sup>th</sup> Quarterly Report on investments as at 31 December of the previous year.</b>
<b>28 February</b>	<b>Indication of annual result for the financial year ended 31 December of the previous year.</b>	
<b>15 April</b>		<b>1<sup>st</sup> Quarterly Report on investments as at 31<sup>st</sup> of March of the current year.</b>
<b>30 April</b>	<b>Annual Report and Accounts for the financial year ended 31<sup>st</sup> of December of the previous year.</b>	
<b>15 July</b>		<b>2<sup>nd</sup> Quarterly Report on investments as at 30<sup>th</sup> of June of the current year.</b>
<b>31 August</b>	<b>Semi annual report for the 6 m/e 30 June of the current year.</b>	
<b>15 October</b>		<b>3<sup>rd</sup> Quarterly Report on investments as at 30<sup>th</sup> of September of the current year.</b>

Half – yearly reports should include the following: net turnover, profits or losses, taxation, minority interests, profit or loss per share or unit, extraordinary profits or losses, dividends paid or proposed and the total amount to be made available for payment of dividends and earnings per share or unit, together with comparative figures of the above with respect to those of the preceding period.

1. Report every change in the members of its administrative bodies and the name of every shareholder who holds at least 5% of its share capital and every transaction they enter into regarding its securities (section 60).
2. Submit annual accounts and reports, which have to comply with the International Accounting Standards, together with a report by an independent authorised auditor. These must contain information about every country in which any subsidiary or the group in which it belongs has activities, companies in which it holds 20% or more of the issued capital, loans and overdrafts, the amount of interest capitalised, the proportion of its capital held by members of its administrative bodies, their spouses and underage children, shareholders who hold at least 5% of the nominal value of any class of capital with voting rights, view on the taxation status governing it, material agreements and any interest in these by members of its administrative/management organs their spouses and underage children, any arrangement under which remuneration due to a member of its management, or dividends due to any shareholder are not paid. Explanations for any material deviation from ordinary accounting principles applied and any material differences in profitability from forecasts published must also be given. The accounts must be prepared in accordance with the provisions of the Companies Law and the International Accounting Standards. The accounts of any subsidiary must also be submitted, as well as those of any other company belonging to the same group provided that such accounts contain material additional information. (sections 59 and 61, regulation 78, Annex F).
3. Comply with Annex F of the Regulations which sets out the continuing obligations of listed companies, a large part of which deal with the announcement of information. Included is the duty to announce any material information which may help the investor in the assessment of its position and every new development of major significance in its activities, information regarding the payment of dividends or interest, new issues, redemption or purchase of its listed securities, amendments to its Memorandum or Articles of Association, changes to shareholders rights, major changes in its activities and changes to the taxation status which governs it.

In addition, the Council and the Securities Commission have the power to require by any listed company or registered stockbroker the provision of additional information (section 59 and regulation 31 respectively).

## 5.4 Mergers and Acquisitions

These came into effect in March 1997 and regulate take-overs and mergers where one or more of the companies involved is listed on the Stock Exchange. The Regulations are based on relevant EC provisions namely proposed 13<sup>th</sup> Directive COM (95) 655 and COM (90) 416, 3<sup>rd</sup> Directive of 9.10.1978, and Directive 88/627/EC.

These Regulations aim to ensure equality of treatment for all holders of the same category of shares in a company which is the subject of an acquisition, the provision of adequate information to the shareholders of that company to evaluate the offer and that the company is not unduly prevented from carrying out its business.

The main provisions are the following:

The procedure to be followed is defined. A person intending to make a public offer must announce his intention to the Council, the Commission and the public at large and prepare a document containing the terms of the public offer which must be approved by the Council and subsequently published. The public offer cannot be withdrawn, except in certain specified circumstances.

The consideration offered to those who accept the offer must be equal to the highest price paid by the person making the offer for the same shares in the previous twelve months.

The Board of Directors of the target company has a duty to inform its shareholders of its views on the offer and must not act in any way to prevent it.

Making a public offer is made compulsory in three cases:

1. Where a person or persons acting in concert acquire more than 30% of the voting rights in a company he is obliged to make a public offer to acquire more than 50%.
2. Where a person or persons acting in concert acquires more than 70% of the voting rights in a company he is obliged to make a public offer to acquire all the shares of that company.
3. Where a person or persons acting in concert intends to acquire at least 10% of the voting rights of a company within a year which will bring the total voting rights held to over 20%, a public offer must be made for the acquisition of these additional shares.

Penalties which may be imposed for contravention of the Regulations include imprisonment for up to two years and/or a fine of up to five

thousand pounds.

## **5.5 Clearing and Settlement**

### **5.5.1 Securities introduced in the Central Registry/Depository (CSD)**

The Cyprus Stock Exchange (CSE) has introduced a fully automated computerised system, consisting of the Central Registry-Depository and Clearing & Settlement system. All securities being traded under the new system are dematerialised, and the transfers of securities as well as any corporate actions, run through a central electronic book entry system at the Exchange. The new system was introduced on 23rd July 2001, with the aim of gradually transferring all listed companies to the new system.

- **Description**

The Central Registry and Depository contains personal information for each investor, details of the securities owned by each investor and any changes in their holdings. For investors to be able to trade on securities loaded on the Central Securities Depository (CSD) system they must have a depository account and trading account appointing a controlling broker firm on this account. The trading account is used on the trading system and it is linked to the investor's Depository Account. An investor can open many trading accounts with different brokers for "buy only" or "buy and sell" purposes. Investors who are shareholders at the time of loading the registries of the new companies to the CSD system do not need to open Depository Accounts, their accounts are already created automatically; they only need to open trading accounts. Investors who are not shareholders at the time of the official loading of a new registry they need to open a depository and trading account to be able to trade.

The Settlement System is part of the Cyprus Securities Depository, which has been introduced under the Central Depository- Registry System for securities Law 27(I) of 1996 and 62(I) of 2001, being governed by the CSE council. Supervision lies with the Minister of Finance and the Capital Market Committee.

### **5.5.2 The settlement environment**

The Settlement System processes trades and transactions due for settlement, deals with the securities side of settlement at the individual investor level as well as the fund side of settlement at the market participant level (Broker firms). Security positions take place

automatically within the system on settlement date, whilst the settlement of cash positions between market participants and the Clearing House occurs on settlement date through the banking system.

The system supports Delivery versus Payment settlement with 2 settlement methods:

- Contractual Netting Settlement: Cash is netted by participant (Broker firm); the participant being either a net buyer or a net seller;
- Trade-for-Trade Settlement: Each trade is cash settled separately with no netting.

Trades whose values exceed a certain limit (CP30.000 each) are designated for Trade-for-Trade settlement.

## **5.6 Foreign Investment**

There are no restrictions concerning the maximum allowable percentage of foreign participation as well as the minimum level of foreign investment in any enterprise in Cyprus. The policy of the Central Bank does not affect the limitations applicable in a small number of sectors under other specific legislation concerning real estate, tertiary education, public utilities, radio and television stations and the publication of newspapers and magazines.

Investors from the EU may acquire up to 100 percent of the share capital of Cypriot companies listed on the Cyprus Stock Exchange. In the banking sector, the maximum non-resident equity participation is 50 percent. However, no individual may own directly or indirectly 10 percent or more of a bank's share capital without the Central Bank's approval. In the case of liquidation of shares or other securities quoted on the Cyprus Stock Exchange, up to CYP 0,5 million of the proceeds are freely transferable abroad through Cypriot banks, provided the original investment emanated from foreign exchange. If the proceeds exceed CYP 0,5 million, authorisation by the Central Bank is required.

Investors from non EU-countries may acquire up to 49 percent of the share capital of Cypriot companies listed on the Cyprus Stock Exchange.

In the case of banking sector, the maximum non EU-resident equity participation is 50 percent.

## **6 STATISTICS**

The CSE provides the official Price Index and the daily prices as well as other publication relevant to the market. These publication include the daily index report, the month bulletin, the fact book with yearly statistics for the market and the yearbook containing financial information for the listed companies.

### **6.1 Main Indices**

The Cyprus Stock Exchange publishes two cross-section indices, the CSE All-Share Index and the FTSE/CySE 20 and 12 sector Indices matching its sectoral classifications. Those categories include:

- Banks
- Approved Investment Companies
- Insurance Companies
- Manufacturing Companies
- Tourism Companies
- Trading Companies
- Other Companies
- Building Materials and Construction Companies
- Information Technology Companies
- Financial Services Companies
- Fish Culture Companies
- Hotels

The CSE All-Share Index is the oldest. It was launched on the 29<sup>th</sup> of March 1996 and its starting base was 100 points. The quotation of best bid and best ask prices are used for its calculation.

### **6.2 FTSE/CySE 20**

The FTSE/CySE 20 index comprises of 20 selected companies listed on the Exchange. The FTSE/CySE 20 Index, has been established by the Cyprus Stock Exchange in cooperation with FTSE International Ltd. It

has been launched on the 30<sup>th</sup> of November 2000 with the base value of 1000. It uses the last traded price for its calculation. The selection of the companies is based on a set of International ground rules and the Cyprus Stock Exchange is responsible for the daily operation of the index, as well as monitoring all relevant corporate actions for the specific companies.

## **7. 2002 MARKET REVIEW**

The CSE indices exhibited a downtrend in 2002, following a similar trend of that of the previous year. On the last day of the year, the General Price Index was at 94,52 points. It is worth mentioning, however, that the highest level that the index reached for the year was 134,42 points.

On a sectoral basis, sub-indices showed similar fluctuations. The following sub-indices showed an increase: More specifically, the highest increase was exhibited by the Building Materials and Construction companies with an increase of 35,49% followed by the Manufacturing Companies sub-index with an increase of 16,79%, and the Tourism Companies with 7,28%. The remaining sub-indices exhibited a decrease. The sub-index of the Banks drop of 24,93%, the Financial Services Companies sub index with a decrease of 30,87%, the Approved Investment Companies sub-index with a decrease of 34,46%, the Other Companies sub-index with a decrease of 39,01%, the Trading Companies sub-index with a decrease of 40,49%, the Hotels sub-index with a decrease of 42,14%, the Fish Culture Companies sub-index with a decrease of 44,31%, and the Insurance Companies sub-index with a decrease of 56,97%.

The total volume during the year 2002 reached £370.5 million (£1=USD1.833), with a daily average of £1.5 million, with a decrease of 83% over the previous year. The shares traded contributed 88,54% of the total turnover, the warrants 10,66% and the Corporate and Government bonds contributed 0,77% as a percentage of the total turnover.

The total number of securities traded in 2002 was 1.6 billion, a decrease of 65% from 4.8 billion securities traded in 2001, with the average daily securities traded reaching 6 million. The number of Stock Exchange transactions dropped to 455.316 in 2002 from 1.429.291 the year before. The turnover velocity was 8%, compared to 40% in 2001.

The Market Capitalisation (only shares) reached £2.5 billion from £3.7 billion the previous year, registering a decrease of 31%. According to year-end results the Banking sector accounted for 44,81% of the total market capitalisation, the Other Companies sector 14,10%, and the Tourism sector 2,69%. The Trading sector 4,20%, the Manufacturing sector 10,22%, the Insurance sector 0,75%, the Building and Materials and Construction sector 7,53%, the Information Technology sector 1,14%, the Financial Services sector 5,51%, the Fish Culture sector 0,36%, and finally Hotels sector with 8,70%, of the total market capitalisation. Moreover the total market capitalisation including the Approved Investment Funds, the Warrants the Corporate and Government bonds reached £4.3 billion compared to £4.6 billion the previous month registering a decrease of 6,86%.

The following three tables give un overview of the mean figures in the Market.

*Descriptive View of the main Figures of the CSE Market*

	2002	2001
Number of Listed Issuers	154	144
Number of Listed Securities	262	277
<b>Shares</b>	<b>159</b>	<b>149</b>
<i>Partly-paid shares</i>	<i>0</i>	<i>0</i>
<i>Warrants</i>	<i>60</i>	<i>80</i>
<i>Corporate bonds</i>	<i>8</i>	<i>9</i>
<i>Government bonds</i>	<i>35</i>	<i>39</i>
<b>Total Market Capitalisation (in millions)</b>	<b>£4.374</b>	<b>£5.578</b>
<b>Number of Trading Days</b>	<b>246</b>	<b>249</b>
<b>Number of Securities Traded (TSV)*</b>	<b>1.688.984.298</b>	<b>4.858.080.119</b>
<b>Average Number of Securities Traded</b>	<b>6.865.790</b>	<b>19.510.362</b>
<b>Value Traded (TSV)*</b>	<b>£370.534.488</b>	<b>£2.219.736.694</b>
<b>Average Daily Value Traded</b>	<b>£1.506.238</b>	<b>£8.914.605</b>
<b>Number of Transactions</b>	<b>455.316</b>	<b>1.429.291</b>
<b>Average Daily Number of Transactions</b>	<b>1.851</b>	<b>5.740</b>
<b>Turnover Velocity</b>	<b>8%</b>	<b>40%</b>
<b>Record High Day for Value Traded (Date)</b>	<b>£10.319.180 (4/11/2002)</b>	<b>£23.556.568 (30/4/2001)</b>
<b>Record Low Day for Value Traded (Date)</b>	<b>£113.707 (16/08/2002)</b>	<b>£1.751.478 (10/10/2001)</b>
<b>Average Exchange Rate</b>	<b>£1=US\$1,8286</b>	<b>£1=US\$1,5380</b>
CSE General Index		
<b><i>Beginning of Year</i></b>	<b>128,92</b>	<b>235,06</b>
<b><i>End of Year</i></b>	<b>94,52</b>	<b>129,09</b>
<b><i>Percentage Change</i></b>	<b>-26,68%</b>	<b>-45,00%</b>
Membership		
<b><i>Number of Members</i></b>	<b>31</b>	<b>42</b>
<b><i>Individual Members</i></b>		<b>1</b>
<b><i>Corporate Members</i></b>		<b>41</b>
<b><i>Number of Stockbroker Representatives</i></b>	<b>127</b>	<b>154</b>

\*Trading System View (TSV) accounts for only the transactions which pass through the CSE trading floor.

<b>Year</b>	<b>Months</b>	<b>Market Cap</b>	<b>Change</b>	<b>Market Cap</b>	<b>Change</b>	<b>CSE General</b>	<b>Change</b>	<b>Exchange</b>
		£	%	(inc. Warr/G'ment &	%	Index	%	Rate
		(only shares)		corp. bonds)		(29/3/1996=100)		<b>USD</b>
2001	January	6.489.316.803	-8,80	7.666.643.723	-7,59	224,52	-8,17	1,5811
2001	February	5.700.285.226	-12,16	6.805.862.600	-11,23	195,33	-13,00	1,5916
2001	March	5.117.741.739	-10,22	6.294.867.501	-7,51	174,47	-10,68	1,5208
2001	April	6.407.532.475	25,20	7.739.492.264	22,95	204,24	17,06	1,5369
2001	May	6.089.379.928	-4,97	7.476.175.448	-3,40	189,07	-7,43	1,4716
2001	June	5.960.016.788	-2,12	7.424.409.397	-0,69	185,71	-1,78	1,4743
2001	July	5.033.590.040	-15,54	6.556.494.853	-11,69	157,48	-15,20	1,5265
2001	August	4.676.310.417	-7,10	6.265.423.842	-4,44	149,88	-4,83	1,5989
2001	September	3.445.797.980	-26,31	5.022.506.438	-19,84	112,34	-25,05	1,5968
2001	October	3.663.030.395	6,30	5.243.578.035	4,40	119,51	6,38	1,5967
2001	November	4.229.846.005	15,47	5.865.015.980	11,85	138,37	15,78	1,5464
2001	December	3.997.787.544	-5,49	5.578.270.306	-4,89	129,09	-6,71	1,5380
2002	January	3.821.643.848	-4,41	5.441.771.240	-2,45	124,35	-3,67	1,4977
2002	February	3.513.459.218	-8,06	5.161.218.219	-5,16	110,31	-11,29	1,5053
2002	March	3.575.137.877	1,76	5.197.319.004	0,70	114,51	3,81	1,5160
2002	April	3.003.541.931	-15,99	4.681.747.498	-9,92	98,53	-13,96	1,5563
2002	May	3.066.852.412	2,11	4.695.240.404	0,29	101,06	2,57	1,6192
2002	June	2.885.705.473	-5,91	4.388.606.005	-6,53	94,81	-6,18	1,7138
2002	July	2.561.303.673	-11,24	4.059.996.754	-7,49	82,98	-12,48	1,7404
2002	August	2.642.839.408	3,18	4.299.901.341	5,91	87,53	5,48	1,7445
2002	September	2.498.964.260	-5,44	4.176.798.701	-2,86	84,47	-3,50	1,7187
2002	October	2.973.593.477	18,99	4.721.539.407	13,04	101,14	19,73	1,7267
2002	November	2.982.450.674	0,30	4.696.650.652	-0,53	104,04	2,87	1,7346
2002	December	2.723.002.136	-8,70	4.374.234.962	-6,86	94,52	-9,15	1,7447

YEAR Month	Volume £	Change %	# of Securities Traded	Change %	Avg. Daily Volume £	Change %	Avg. No of Shares Traded	Change %	Number of % Transactions	Volume per Securities trans. (£)	per trans.	#Trading Days
2001 January	213.228.971	-42,44	378.109.410	-40,36	9.692.226	-50,29	17.186.791	-48,49	126094	1.691	2.999	22
2001 February	168.925.192	-20,78	278.185.670	-26,43	8.890.800	-8,27	14.641.351	-14,81	106787	1.582	2.605	19
2001 March	147.749.341	-12,54	299.074.154	7,51	6.715.879	-24,46	13.594.280	-7,15	103111	1.433	2.901	22
2001 April	182.873.419	23,77	351.977.342	17,69	9.624.917	43,32	18.525.123	36,27	127697	1.432	2.756	19
2001 May	285.277.838	56,00	530.536.960	50,73	12.967.174	34,73	24.115.316	30,18	163956	1.740	3.236	22
2001 June	280.713.689	-1,60	493.611.702	-6,96	14.035.684	8,24	24.680.585	2,34	139465	2.013	3.539	20
2001 July	258.563.313	-7,89	429.103.523	-13,07	11.752.878	-16,26	19.504.706	-20,97	122947	2.103	3.490	22
2001 August	140.698.029	-45,58	304.194.263	-29,11	6.395.365	-45,58	13.827.012	-29,11	94706	1.486	3.212	22
2001 September	91.795.235	-34,76	278.007.146	-8,61	4.831.328	-24,46	14.631.955	5,82	90547	1.014	3.070	19
2001 October	86.626.334	-5,63	311.779.619	12,15	3.937.561	-18,50	14.171.801	-3,14	91143	950	3.421	22
2001 November	234.150.331	170,30	800.250.346	156,67	10.643.197	170,30	36.375.016	156,67	175047	1.338	4.572	22
2001 December	129.135.002	-44,85	403.225.984	-49,61	7.174.167	-32,59	22.401.444	-38,42	87791	1.471	4.593	18
2002 January	53.698.852	-58,42	197.633.828	-50,99	2.440.857	-65,98	8.983.356	-59,90	60942	881	3.243	22
2002 February	38.904.285	-27,55	141.684.423	-28,31	1.945.214	-20,31	7.084.221	-21,14	50494	770	2.806	20
2002 March	44.331.321	13,95	196.350.975	38,58	2.333.227	19,95	10.334.262	45,88	48582	913	4.042	19
2002 April	32.424.907	-26,86	162.350.620	-17,32	1.544.043	-33,82	7.730.982	-25,19	43840	740	3.703	21
2002 May	28.297.023	-12,73	146.979.143	-9,47	1.489.317	-3,54	7.735.744	0,06	37027	764	3.970	19
2002 June	12.778.120	-54,84	54.591.609	-62,86	672.533	-54,84	2.873.243	-62,86	21172	604	2.578	19
2002 July	13.577.152	6,25	64.043.173	17,31	590.311	-12,23	2.784.486	-3,09	25098	541	2.552	23
2002 August	10.136.080	-25,34	60.759.846	-5,13	482.670	-18,23	2.893.326	3,91	20934	484	2.902	21
2002 September	10.242.058	1,05	55.904.187	-7,99	487.717	1,05	2.662.104	-7,99	17526	584	3.190	21
2002 October	16.793.541	63,97	95.738.187	71,25	799.692	63,97	4.558.961	71,25	29743	565	3.219	21
2002 November	71.432.278	325,36	368.923.398	285,35	3.401.537	325,36	17.567.781	285,35	62852	1.137	5.870	21
2002 December	37.918.871	-46,92	144.025.009	-60,96	1.995.730	-41,33	7.580.264	-56,85	37106	1.022	3.881	19

