



Summary of FESE members' trading figures

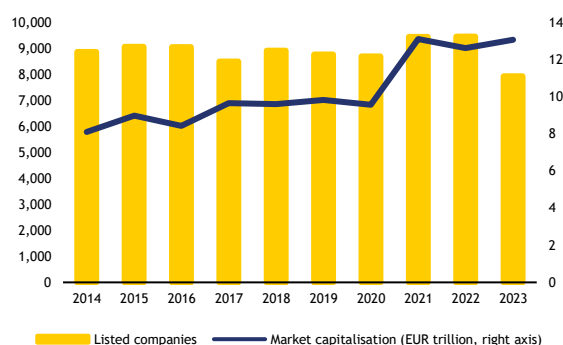
2023 was a challenging year for the European economy. The continent faced multiple headwinds, including inflationary pressures and geopolitical uncertainties. These factors weighed on economic activity, leading to stagnant growth.

Developments in European capital markets reflected these economic trends. Market capitalisation slowly increased while primary markets struggled and lit trading decreased. ETFs volumes normalised to pre-pandemic levels, but the listed investment funds market continued its downtrend. Beyond equities, trading in exchange-traded derivatives stabilised and fixed income trading on exchanges, including ESG bonds, resurged.

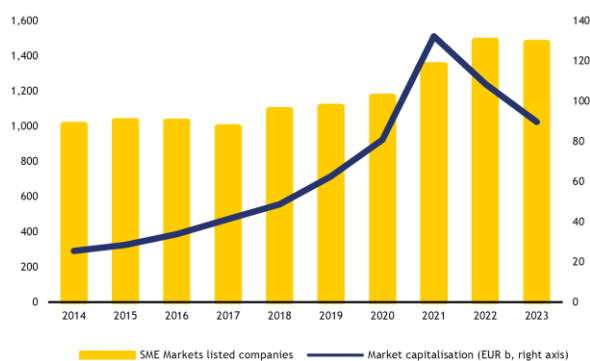
Lower inflation expectations and the renewed impetus around actions related to the Capital Markets Union may signal a more positive outlook in 2024.

Market capitalisation slowly increases

There were close to 7,718 listed companies on FESE exchanges as of December 2023, with a market capitalisation of around €13 trillion. This represents a 3% increase in market value compared to 2022, which was already a record year. It is important to note that declines in the number of listings since the third quarter of 2022 are largely due to the delisting of collective investment schemes as a result of regulatory changes in the Spanish market.

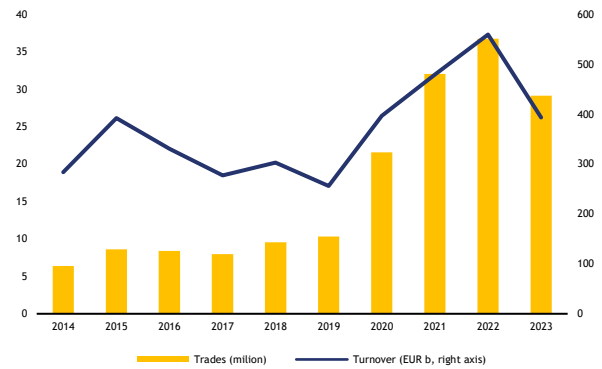
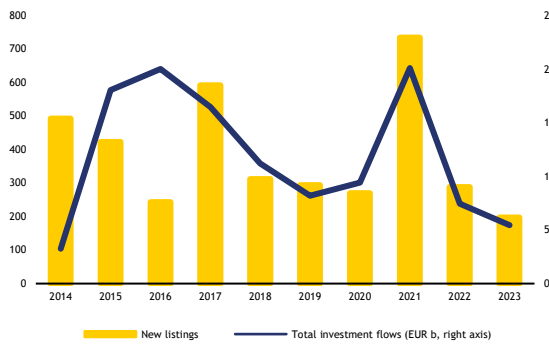


The total number of listed companies in SMEs markets stabilised compared to 2022. However, this was not the case for market capitalisation, which at the end of this year was a third lower than in 2021. This dynamic echoes the challenging environment for SMEs.



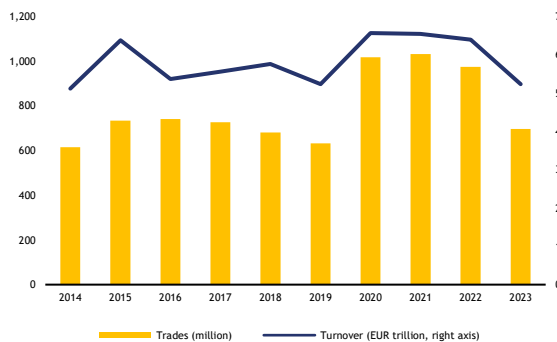
Primary markets struggle

Primary markets had a weak year in 2023, with 197 listings, half of them initial public offerings, raising €54 billion. This supposes a reversion of the all-time highs of 2021.



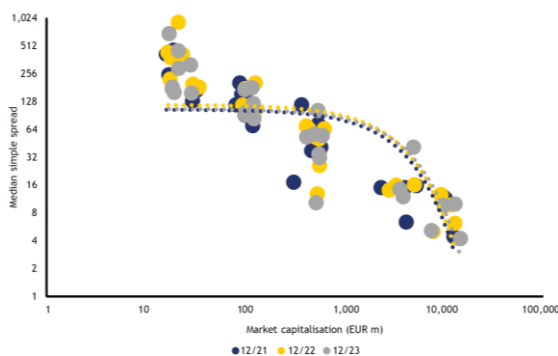
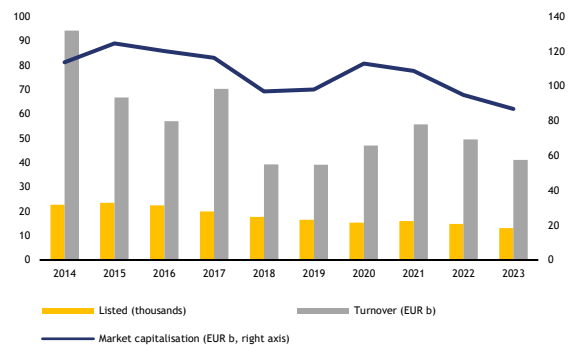
Order book trading decreases

Electronic order book volumes for equity instruments were of €21 billion on average per trading day in 2023. This was a 20% decrease from the average volume in 2022, perhaps indicating a normalisation in turnover. The median bid-ask spread for shares remained relatively stable but continued to differ substantially when comparing market segments of blue chips and small caps, with the latter having much wider spreads.



The listed investment funds market declines

There were about 13,000 listed investment funds (excluding ETFs) as of December 2023, with a total market capitalisation of €86 billion. This reflects a longstanding downtrend in the market, influenced by the attractiveness of other instruments and the mixed performance of the underlying asset classes.

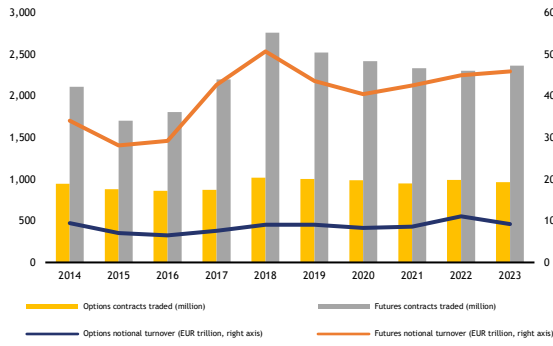


Trading in exchange-traded derivatives stabilises

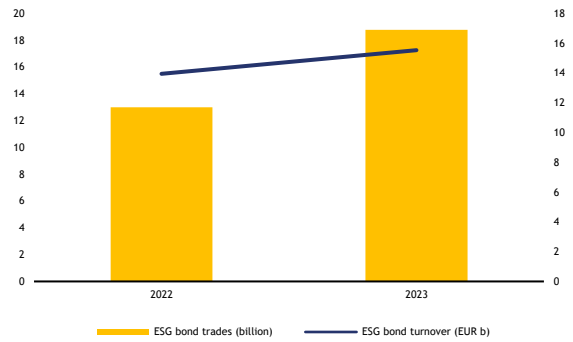
Exchange-traded derivatives markets experienced lower volatility than other markets. Options contracts stabilised at around a trillion, futures contracts had 2.3 trillion trades. The notional turnover for options declined about 20%, that of futures increased 2%. The market was dominated by interest rate derivatives, accounting for three quarters of the total notional amount.

Volumes for exchange-traded funds normalise

The market had a total trading volume of €393 billion in 2023. This was a 30% decrease from the volume in 2022, mirroring the larger trend in cash markets.

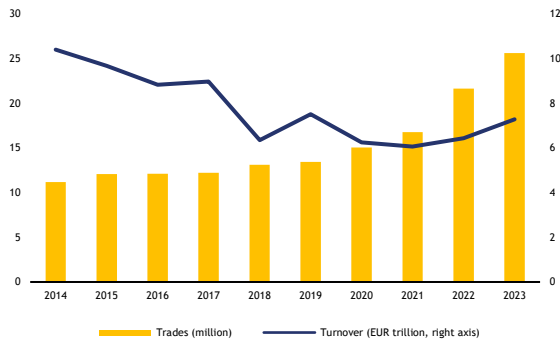


The bond market was also affected by the ESG trend in the industry. Turnover increased by 10% to €15 billion.



Bond trading on exchanges resurges

Both trades and turnover increased for bonds, government bonds took the lion's share of this growth. The average daily trading volume was €30 billion in 2023.



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