

Italian market review 2017: Record year for Borsa Italiana

- *New admissions record since 2000 with 39 new companies*
- *Second best capital raising with €5.4 billion*
- *Year-end total market capitalization of listed companies on Borsa Italiana: €644.3 billion, +22.7% compared to 2016*
- *FTSEMib performance: +15.5%*
- *Borsa Italiana confirmed as European traded contracts leader on both ETFPlus and MOT*

2017 MARKET HIGHLIGHTS (Figures as of 22 December 2017)

339 companies year to date on Borsa Italiana's markets.

241 companies on MTA (74 on the STAR segment), 3 on MIV and 95 on AIM Italia.

Moreover, there are 82 companies on Global Equity Market.

- There have been **39 admissions** including **32 IPOs** that have raised a total of **€5,4 billion**:

IPOs: 7 on MTA (3 on the STAR segment), 1 on MIV and 24 on AIM Italia

- o **MTA:** Unieuro, Banca Farnafactoring, Indel B, doBank, GIMA TT, Gamenet Group, Pirelli & C., the biggest continental European IPO
- o **MIV:** Space4
- o **AIM Italia:** Health Italia, Telesia, Crescita, TPS, WIIT, Finlogic, Digital360, Culti Milano, PharmaNutra, Glenalta, Sprintitaly, Alfio Bardolla, EPS Equita PEP, Capital for Progress 2, Neodecortech, Spactiv, Industrial Stars of Italy 3, Portale Sardegna, Equita Group, Alkemy, IDEaMI, DBA Group, GEL, Illa.



- In addition to the 32 IPOs, the following companies were admitted to trading:
 - o **MTA:** Banco Bpm, Avio, B.F., Aquafil
 - o **MIV:** Space3
 - o **AIM Italia:** Orsero, SIT Group

In 2017 LUVI transitioned from AIM Italia to MTA and Fondo Opportunità Italia was admitted to the MIV segment.

This year's operations also include 10 new SPACs: 8 on AIM Italia and 2 on MIV, that have raised €1.6 billion.

In 2016 there were 19 admissions, including 14 IPOs.

- As of 22 December **FTSE MIB** increased +15.5% (annual high 23,046 on 2 November 2017; annual low 18,591 on 31 January 2017). **FTSE Italia All Share** recorded an increase of 17.2% (annual high 25,4626 on 2 November 2017; annual low 20,364 on 31 January 2017). The STAR segment in particular was best performer on the Italian market: **FTSE Italia STAR** index increased +34.7% on an annual basis (annual high and record 38.276 on 6 November 2017; annual low 27.715 on 2 January 2017); **FTSE Italia MID Cap** index increased by + 32.4%; **FTSE Italia Small Cap** index increased by 26.9%. **FTSE AIM Italia** index, closed at 9.480, +22.6% compared to the end of 2016 (as of 22 December 2017). The new **FTSE Italia PIR MID Cap Total Return** index, recorded a positive performance, +35.4%.
- The total **market capitalization** of listed companies is €644.3 billion, 37.8% of Italy's GDP.
- **Trading of shares** recorded a daily average of €2.5 billion and 278,000 contracts. In total, over 69,6 million contracts, and turnover of €624,6 billion was traded. The



highest daily turnover traded was on 24 April 2017, with €5.3 billion and 472,163 exchanged contracts. Trading growth on AIM Italia, with an increase of 530% and a daily trading average of €7.9 million and +314% with a daily average of traded contracts of over 2,200. Overall, record for registered contracts in a single session on 1 June 2017, with 6,476, and for traded turnover on 27 September 2017 with over €27 million.

- **Unicredit** was the most traded share by turnover and most traded contracts, €74 billion and 4.5 million contracts.
- In 2017, **total deposits** amounted to €5.4 billion by the 32 newly admitted companies through IPO. In addition there have been 11 capital increase operations that raised over €14 billion. 18 **OPAs** launched in 2017, 15 completed, with a turnover of €800 million.
- Domestic **turnover velocity**, comparing turnover and market capitalization, showing the rate of annual share turnover is equal to 108,1%.
- Confirmed as European leader as per traded contracts on ETFPlus and MOT. **ETFPlus** market continues to grow: on 22 December there are 1,226 listed instruments, 114 ETFs, 13 ETC/ETN and 20 Open End Funds – a total of 147 new instruments. Assets Under Management: ETFs exceeded €58,9 billion, ETCs/ETNs €6 billion and Open End Funds €278 million.

ETFPlus markets reached a daily average of €385,4 million and more than 17.000 contracts.



Overall, exchange value is €96,7 billion, and over 4.3 million contracts traded.

- **MOT**: with a total of 1,353 listed instruments (124 Government Bonds, 207 Bonds, and 1,022 Eurobonds and ABS) compared to 1,168 in 2016, MOT recorded a daily average of 13,473 contracts and €810 million.
- 1,253 listed instruments on **ExtraMOT**, with a total amount of exchanged contracts of over 41,200 and a turnover of €2.4 billion.
- On the professional segment **ExtraMot PRO**, 201 instruments have been listed, 157 bonds raising around €30 million. As of 22 December, 74 instruments have been issued. The 54 issuers of the new listed instruments, which include 2 ABS issuers, raised €14.6 million at admission, €175.5 million in instruments with a total nominal value lower than €30 million and €8.9 billion through the 2 ABS.
- The number of listed instruments on **SeDex** is 9,444, more than the 6,696 in 2016. The daily average is around €75.8 million and more than 8,500 contracts.
- In 2017, 34 million standard contracts traded on **IDEM**. Daily average contracts reached 135,500, with an average daily turnover of €4 billion.
- **Futures on FTSE Italia PIR MID Cap Total Return index** launched on 4 December, recorded total trades for 27 standard contracts with a turnover value of €757.000.
- On **Idex**, the future market for electricity derivatives 1.162 standard contracts have been traded, for a total of almost 1 million of MWh.



Press Release

29 December 2017

- Trading of hard wheat futures on **Agrex** registered a total of 174 standard contracts and 8.700 tons.



London

Stock Exchange Group

2017 MAIN ACTIVITIES AND PROJECTS

Primary markets

- Borsa Italiana's customary commitment to promote listed companies on our markets among domestic and international investors has resulted in a calendar of Conferences and Roadshows enhanced by new locations and sectorial based focuses. 2017 saw the first edition of the **Italian Equity Week**, a three-day event focused on Italian economy's main sectors: lifestyle, industry and infrastructures. In addition to the traditional **STAR Conference**, Mid Cap and FTSE MIB companies were protagonists in London during the **Italian Equity Roadshow** and the small caps and AIM Italia companies were involved in two dedicated conferences in London, held in May and October. Confirming its focus on development and innovation the first **Italian Sustainability Day** was launched to raise awareness among companies and investors on ESG topics. Lastly, in 2017 international conferences took place in Tokyo, Hong Kong, Singapore, London, New York, Toronto and Milan. For the first time ever Borsa Italiana met financial community of Sydney and Melbourne.
Overall, more than 4,500 meetings with over 900 investors and 250 listed companies have been organised.
- In October Borsa Italiana launched the showcase Italian Listed Brands which includes 22 listed companies with a significant brand awareness to promote the best Italian brands, selected with the support of a panel of domestic and international industry experts and financial analysts. In December FTSE Russell launched the new **FTSE Italia Brands index**, including the 22 shares part of the showcase and already included in the FTSE Italia All-Share index.



- AIM Italia recorded a significant growth establishing itself as growth market for small and mid cap companies and listing a number of SPACs, an increasingly popular and effective instrument to support companies in their growth process and help them accessing capital markets. The market has grown stronger thanks to the presence of institutional investors resulting from the introduction of PIR. In December **AIM Italia** has registered as “**SME Growth Market**”, as per the MIFID II directive starting 3 January 2018.

ELITE

- In 2017 **ELITE S.p.A.** has opened its capital to external investors. Cassa Depositi e Prestiti and NUO Capital have acquired minority stakes in ELITE SpA, respectively 15% and 10%.
- ELITE’s **internationalization** process continues: following Morocco, that this year has expanded to eight countries which created the ELITE Hub in West Africa (Benin, Burkina Faso, Cote d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal and Togo), ELITE has signed a partnership with the Instituto Mineiro de Mercado de Capitais (IMMC) and the Federation of Industries of the State of Minas Gerais (FIEMG) to launch **ELITE in Brasil**. ELITE has also announced the signing of a memorandum of understanding with Shenzhen Securities Information Company (SSIC), subsidiary of Shenzhen Stock Exchange (SZSE) to launch the programme in **China** through the creation of ELITE V-Next Alliance.

The Partnership with Turkonfed, association of Turkish SMEs with more than 40.000 associated companies, was strengthened through the signing of a MOU to launch a dedicated programme in Turkey.



- Currently, the ELITE community counts 703 companies from 27 countries. In 2017, **261 international companies** have joined ELITE. The programme was launched in 2012 by Borsa Italiana in collaboration with Confindustria, through both dedicated cohorts or through the innovative model of the ELITE Lounge in collaboration with the main banks and consultancy players (BNL BNP Paribas, Gruppo BPM – Banca Akros, Deutsche Bank, Deloitte and KPMG).
- ELITE launched two state-of-the-art tools: **ELITE Basket Bond** and **ELITE SPAC in Cloud** on its private placement platform.

ELITE Basket Bond is a ten-year bond made up of ten well performing and innovative Italian ELITE companies that valorizes a selected number of quality companies that represent the Italian economic fabric. After the first successful closing with €122 million raised, ELITE will start to select the companies for a new 2018 basket starting January.

ELITE SPAC in Cloud is a new tool that further simplifies the listing process and combines the benefits of traditional SPACs with ELITE Club Deal's digital capital raising model.

- Currently 2600 listed companies, financial intermediaries and institutional investors are part of **ELITE Connect**, the digital platform that allows listed companies to communicate with financial intermediaries and investors in a protected environment through its network and digital tools. The platform was developed in conformity with the new corporate access regulations, redefined by MIFID II, that starting 3 January 2018 will have a direct impact in investor engagement, research and reporting.

Fixed Income

- 13 March 2017 the **new segment dedicated to green and/or social bonds** was launched on our bond markets to offer institutional and retail investors the possibility to identify the instruments which proceeds are intended to finance projects with positive environmental and social impacts, in line with international best practices. At the end of 2017, **30 green bonds, 21 sustainable bonds** and **1 social bond** issued by government bodies, supranational organizations as well as corporate and bank issuers, with a total amount raised of about €47 billion.
- In 2017 the Italian Ministry of Foreign Affairs, through the distribution model of Borsa Italiana's fixed income markets, issued two new **BTP Italia** raising €15 billion. Since March 2012, about **€133 billion** were raised on MOT with 12 operations.
- Today companies representing ten industrial sectors from 18 regions are on **ExtraMOT PRO**, reference bond market for Italian Corporate companies.
- In February the **Sedex** market expanded its range fixed lever certificates with x3 lever instruments on Italian shares and, for the first time, on foreign shares.

Secondary Market

- Starting July 2017 **IDEM**, Borsa Italiana's derivatives market, has extended its trading hours for Futures and MiniFutures on FTSE MIB, to 8.30pm.
- In December, Borsa Italiana has innovated its offer on IDEM by admitting to trading **futures on the FTSE Italia PIR Mid Cap index**, which liquidity is supported by Exane and Société Générale as Primary Market Makers.



- For the first time Borsa Italiana **Equity MTF** has admitted to trading **15 American shares** traded in Euros on the **BIT GEM** and **After Hours** segments to expand its offered products on foreign shares.
- The 15th edition of the **Trading Online Expo** was a success with more than 2600 participants and 1200 users connected in web streaming during the two days dedicated to financial education and online trading.

Post trade

- Continued interest by the main international banks to directly open accounts with Monte Titoli and exploit the benefits accruing from the introduction of the T2S platform. ABN Amro Clearing Bank and JPMorgan Ireland and Luxembourg have opened an account transferring their investment portfolios
- 2017 has been an important year for **X-COM platform**: there are now 9 banks connected to Monte Titoli and CC&G's triparty service with a collateral management that has exceeded €5.3 billion.
- Monte Titoli as CSD Issuer has managed the emissions of **Yankee Bonds** issued by Unicredit and WindTre on the American market. These operations are particularly innovative for the Italian market since they are able to combine regulation 144A and RegS, allowing issuers to place bonds at American and international institutional investors.
- CC&G has increased the number of direct members with the departure of JPMorgan, RBS, Banca Profilo, ABN Amro and Directa.

Corporate

- 12 October, Raffaele Jerusalmi, CEO of Borsa Italiana and Chairman of ELITE and the Hon. Angelino Alfano, Minister of Foreign Affairs and International Cooperation signed a Memorandum of Understanding around Italian Business Growth at Borsa Italiana's headquarters.
- Borsa Italiana and London Stock Exchange Group presented the first guide (ESG Guidance) published by the Group that offers best practice recommendations concerning environmental, social and corporate governance voluntary reporting, addressed to all companies listed on its markets. The guide answers the growing need from investors to integrate sustainability evaluations in their investments.
- Borsa Italiana and IBM announced the development of a blockchain based solution to digitize small and mid cap companies' (SME) shareholder transaction records in Europe. The solution based on blockchain technology for European private SMEs is designed to digitize paper trading certificates, generally issued by private companies.
- Borsa Italiana, that has always appreciated Italian excellence, launched the **second edition of the project "Rivelazioni- Finance for Fine Arts"** thanks to an agreement with Gallerie dell'Accademia and Comitato Italiano per Venezia to restore eight works of art. Thanks to the donations by Tecno Srl, SAVE and Lyxor AM the first three works of art are being restored and will be presented at BIG (Borsa Italiana Gallery) in 2018.
- Borsa Italiana won the **CORPORATE ART AWARD** for the diversified approach towards artistic initiatives. CEO Raffaele Jerusalmi and President Andrea Sironi were received at the Quirinale at the presence of the President of the Italian Republic in a ceremony dedicated to companies "Patrons of the twenty-first century".



Press Release

29 December 2017

- **Conversazioni in Borsa:** In 2017 the successful "Meetings with the protagonists" cycle at the headquarters of Borsa Italiana continued with **Carlo Rubbia**, Nobel Prize winner in physics and Senator.
- **Bookcity Milan:** Borsa Italiana hosted its annual public event "BOOKCITY MILAN" opening the doors of its historic headquarters. This year Borsa Italiana organized a series of meetings "Investire in Titoli", opened by the Councilor for Culture of Milan Filippo Del Corno, and hosted conferences and insights of Milan's initiatives.

Per ulteriori informazioni:

Federica Marotti
Oriana Pagano

+39 02 7242 6360

media.relations@borsaitaliana.it



@BorsaitalianaIT

Borsa Italiana

Borsa Italiana è una delle principali borse europee e conta 395 società quotate sui propri mercati. Si occupa della gestione dei mercati azionari, obbligazionari e dei derivati. Tra i principali mercati azionari gestiti ci sono MTA – con il segmento STAR – AIM Italia – dedicato alle piccole imprese – e il MIV. Gli altri mercati gestiti sono IDEM, ETFplus, MOT, ExtraMOT e ExtraMOT PRO. Da ottobre 2007 Borsa Italiana fa parte del London Stock Exchange Group.

www.borsaitaliana.it



London

Stock Exchange Group