

# Equity Primary Markets and Trading Report 3Q: 2015



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# Equity Primary Markets and Trading Report, 3Q 2015

## Highlights

This report provides a comprehensive data source with updated statistics on equities issuance and trading in Europe (EU 28 member countries and Switzerland).

## Main findings:

- **Equity underwriting** accumulated a total of EUR 140.4 bn year-to-date (YtD) in total proceeds, a marginal decrease of 1.1% from the value observed in the first three quarters of 2014 (EUR 141.9 bn). Equity underwriting encompasses Initial Public Offerings (IPOs), convertible securities and follow-on offerings.
- **Mergers and Acquisitions of European target or acquiring companies** accumulated EUR 587 bn YtD in deal value, a decrease of 8.6% from the value observed in the first three quarters of 2014 (EUR 643 bn).
- **Equity trading activity** in European MTS and exchanges accumulated a total of EUR 10 tn YtD in turnover value, a substantial increase from the observed in the first three quarters of 2014 (EUR 7.3 tn).
- **Market capitalisation** of European shares increased 2.7% YtD in 3Q15, standing at EUR 11.3 tn.

Table 1: European Equity activity (EU 28 member countries and Switzerland)<sup>1</sup>

	2014 YtD	1Q 15	2Q15	3Q15	2015 YtD	% Change YtD
<b>Equity underwriting (€ bn)</b>	<b>141.9</b>	<b>60.9</b>	<b>52.0</b>	<b>27.5</b>	<b>140.4</b>	<b>-1.1%</b>
<b>IPOs</b>	39.3	17.4	12.9	4.0	34.3	-12.7%
<b>Follow-on offerings</b>	88.7	42.2	32.5	21.1	95.8	8.0%
<b>Convertible securities</b>	13.8	1.3	6.5	2.4	10.3	-25.9%
<b>Mergers and Acquisitions (€bn)</b>						
<b>of European target or acquiring companies</b>	643.0	206.2	216.2	165.7	588.0	-8.6%
<b>of European target companies</b>	503.6	180.5	158.3	148.9	487.6	-3.2%
<b>Equity turnover value (€ tn)</b>	<b>7.3</b>	<b>3.4</b>	<b>3.3</b>	<b>3.3</b>	<b>10.1</b>	<b>37.4%</b>
<b>Exchanges</b>	4.0	1.80	1.74	1.70	5.2	32.1%
<b>MTFs</b>	3.4	1.64	1.60	1.58	4.8	43.8%
<b>Market Capitalisation (€ tn)</b>						
<b>European (EU28 and Switzerland)</b>	10.9	12.69	12.36	11.27	11.3	3.5%
<b>EU 28</b>	9.7	11.24	10.96	9.96	10.0	3.0%
<b>Euro Zone</b>	5.9	7.06	6.80	6.16	6.2	3.8%

Source: Dealogic, Bats Chi-X, FESE, World Federation of Exchanges, LSEG and ECB

<sup>1</sup> Euro zone market cap updated as of August 2015.

## Detailed findings

### Issuance: Equity Underwriting and IPOs

Equity underwriting in 3Q15 stood at EUR 27.5 billion, representing an annual increase from 3Q14 (EUR 26.0 bn.), and a quarterly decrease from 2Q15 (EUR 52.0 bn.).

In 3Q15, EUR 4.0 billion of IPOs including overallotment proceeds (or greenshoe<sup>1</sup>) were issued and listed in European exchanges<sup>2</sup>, a decrease of 69.2% from the value originated in 2Q 15 (EUR 12.9 bn.) and a decrease of 27% from 3Q 14 (EUR 5.5 bn.). Of the EUR 4.0 billion in the value of IPO proceeds, EUR 165 million corresponded to overallotment proceeds.

On an industry basis, Finance companies led the value of proceeds of IPOs issued across European exchanges, with EUR 1.9 bn. during 3Q 15, resulting from 5 deals issued during the quarter. As in 2Q15, Healthcare companies led the number of IPOs issued during the quarter with 7 deals, followed by Computer and Electronics companies with 5 deals, and Real Estate companies with 3 IPOs during the quarter.

### Mergers and Acquisitions (M&A) in Europe

In 3Q15, a total of 2,405 M&A deals were completed where either the target or the acquiring company were located in Europe, aggregating EUR 165.7 billion in deal value including debt.

These figures are comparable with a total of 2,799 deals in 2Q15 (EUR 216.2 billion) and 3,128 deals in 3Q14 (EUR 138.2 billion).

#### M&A of European target firms

M&A deals encompassing only European target firms accumulated EUR 148.9 bn in 3Q15 (EUR 158.3 bn in 2Q15 and EUR 112.2 bn. in 3Q14).

Sponsor deals (backed by Private Equity firms) represented 24% of the cumulative deal value observed in 3Q15 (EUR 35.6 bn.). Add-on deals by portfolio companies of Private Equity firms represented 10% of the quarterly value (EUR 14.8 bn.), while strategic deals accumulated 66% of the total quarterly deal volume (EUR 98.4 bn.).

A total of EUR 183.6 billion in M&A deals of European target firms were announced in 3Q15, an annual increase from the value observed in 3Q14 (EUR 155.7 bn), although below the figure observed in

2Q15 (EUR 258.1 bn) which represented the highest quarterly volume observed since 2013.

### Size of the European equities trading market

The market capitalisation of European listed shares stood at EUR 11.3 tn in 3Q 2015<sup>3</sup>, a decrease of 8.8% from 2Q 15 and an increase of 3.5% from 3Q 14 in EUR terms.

The market capitalisation of Euro zone exchanges stood at EUR 6.2 tn, a decrease of 9.5% from 2Q15.

A total of 11,278 listed companies in European exchanges were reported in 3Q15, a marginal decrease from the number observed a quarter ago (11,291).

Turnover ratios of European exchanges and MTFs, calculated as the annualised turnover value as proportion of market capitalisation, increased to 116% in 3Q15 (108% in 2Q15).

### Valuation ratios and indices

Consistent with the quarterly fall of market capitalisation figures of European listed companies, selected shares indices fell during the quarter, although with mixed accumulated performance over the year. The CAC 40 French shares index has accumulated gains of 4.3% YtD; the Spanish composite IBEX 35 has dropped 7.0% YtD, while the FTSE 100 reported a fall of 7.7% YtD.

Implied volatility indices suggest an increase in 3Q15 compared to 2Q15, although substantially below peak values observed in 2009 and 2012.

### Major Upcoming Regulatory, Legislative and Policy Initiatives

There several regulatory initiatives that are currently being considered at the European level with impact on the Equities trading and capital markets performance. Some of the key initiatives currently being developed are:

- MiFID II/R
- Market Abuse Directive/Regulation (MAD/MAR)
- FCA's Wholesale competition review
- FTT
- Basel III
- CSDR

AFME and its members are actively contributing on all of these fronts.

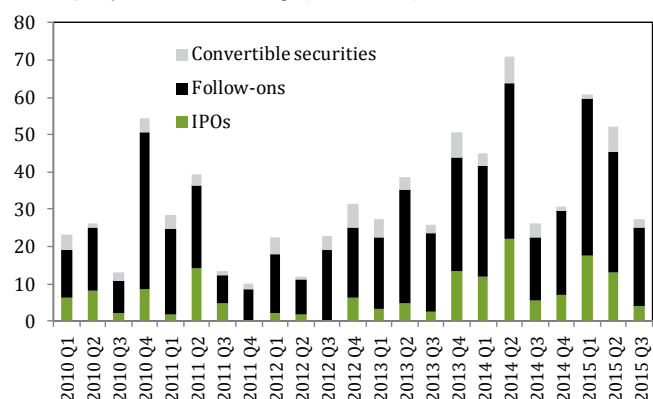
<sup>1</sup> Overallotment option, or greenshoe, is a clause contained in the underwriting agreement of an IPO that allows underwriters to buy up to an additional pre-determined percentage of company shares at the offering price.

<sup>2</sup> EU28 countries and Switzerland

<sup>3</sup> The value of euro area listed shares issued by euro area residents is updated as of August 2015.

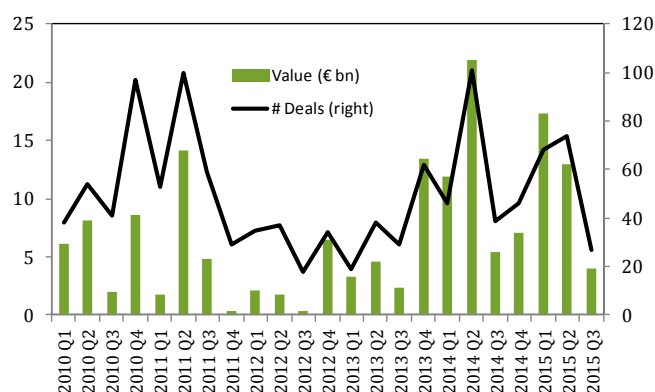
## 1. Equity instruments issuance in European exchanges

### 1.1. Equity underwriting (EUR bn)



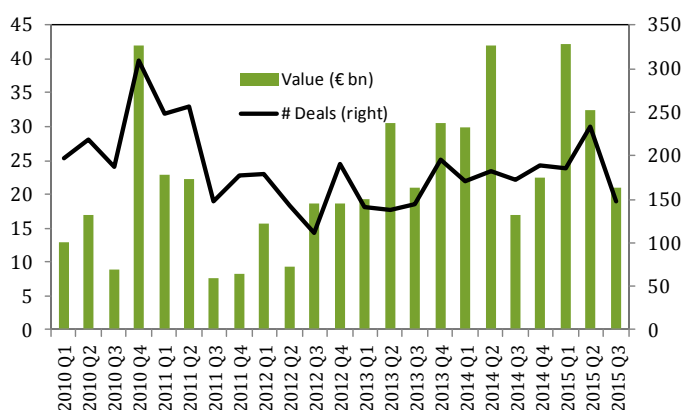
Source: Dealogic

### 1.2. Value of proceeds of Initial Public Offerings<sup>1</sup>



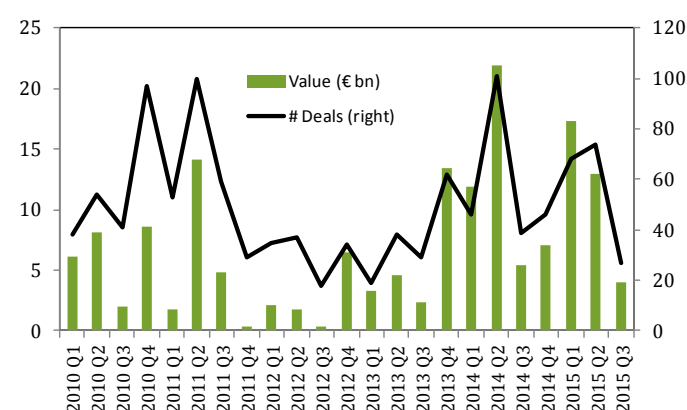
Source: Dealogic

### 1.3. Follow-on offerings



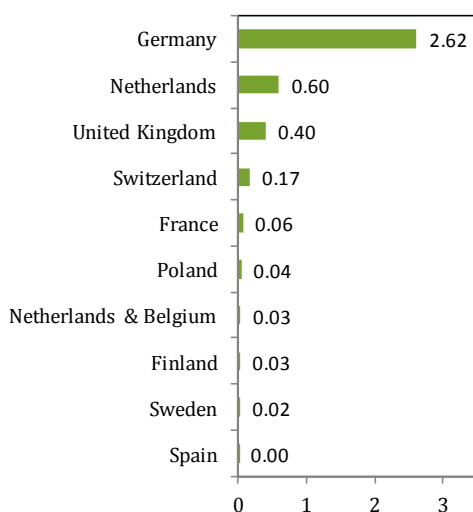
Source: Dealogic

### 1.4. Issuance of convertible securities



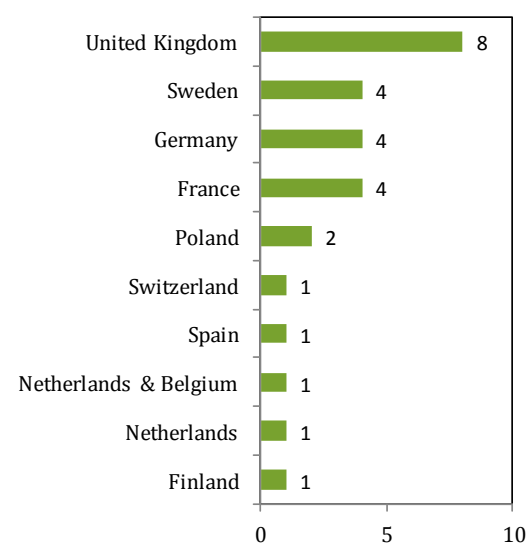
Source: Dealogic

### 1.5. IPO proceeds by nationality of exchange (EUR bn): 3Q15



Source: Dealogic

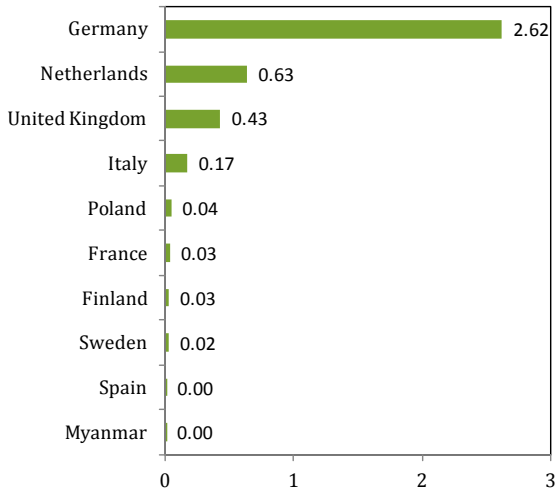
### 1.6. Number of IPOs by nationality of exchange: 3Q15



Source: Dealogic

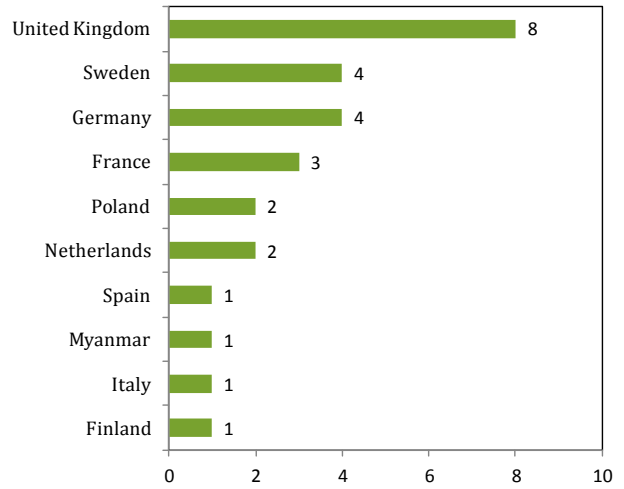
<sup>1</sup> Excludes introductions and re-admissions.

1.7. Value of proceeds of IPOs by nationality of issuer (EUR bn): 3Q15



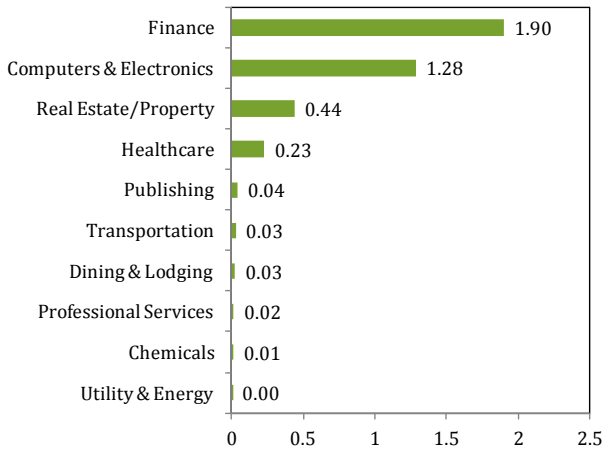
Source: Dealogic

1.8. Number of IPOs by nationality of the issuer: 3Q15



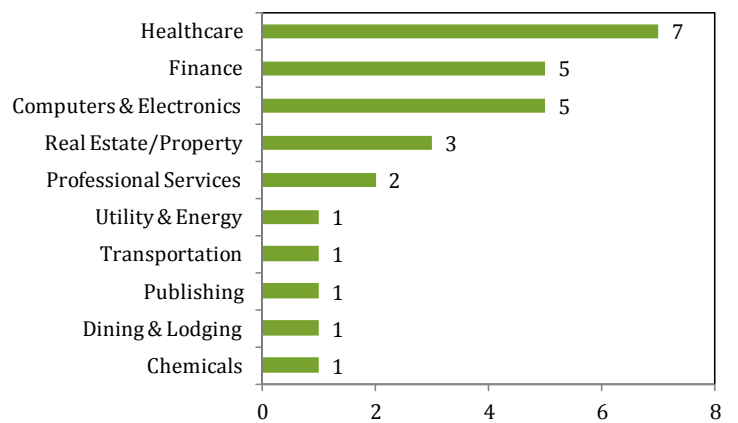
Source: Dealogic

1.9. Value of proceeds of IPOs by industry of the issuer (EUR bn): 3Q15



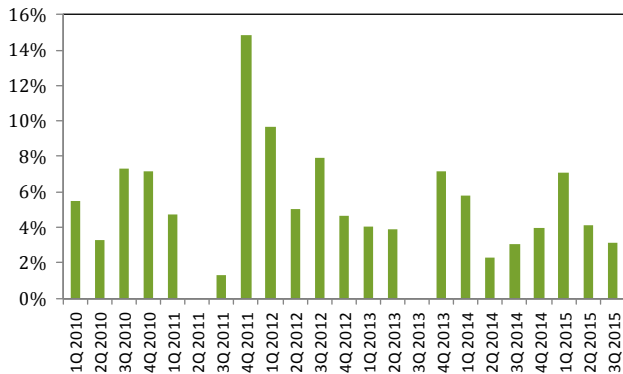
Source: Dealogic

1.10. Volume of IPOs by industry of the issuer: 3Q15



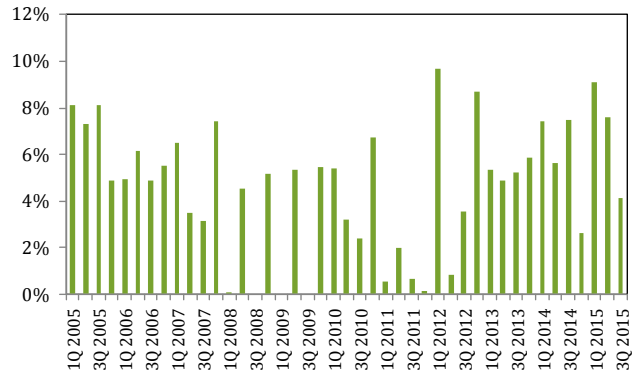
Source: Dealogic

1.11. Median percentage difference between offer price and 1-Day closing price of IPOs



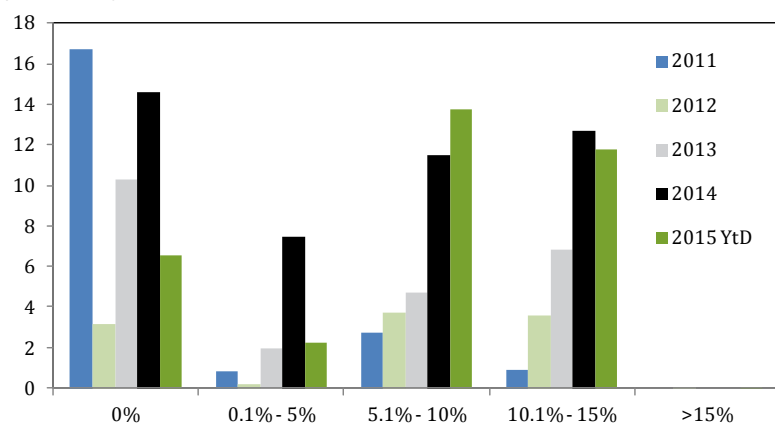
Source: Dealogic

1.12. Overallotment proceeds as proportion of quarterly IPO proceeds



Source: Dealogic

### 1.13. IPO proceeds by proportion of exercised overallotment (EUR bn)



Source: Dealogic

### 1.14. IPO proceeds by value of proceeds

	Value of Proceeds (€ Mn)				
	2014 YTD	1Q 15	2Q 15	3Q 15	2015 YTD
<€10m	133	77	50	27	154
≥€10m, <€100m	2,434	627	1,229	361	2,218
≥€100m, <€1bn	25,355	6,953	8,498	1,429	16,880
≥€1bn	11,353	9,753	3,174	2,164	15,092
Grand Total	39,276	17,411	12,951	3,981	34,343

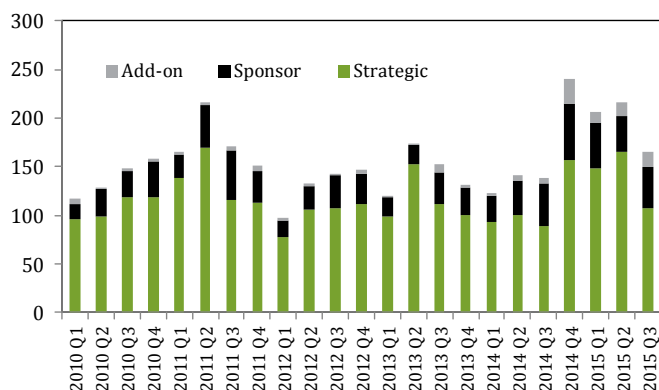
Source: Dealogic

Number of Deals				
2014 YTD	1Q 15	2Q 15	3Q 15	2015 YTD
41	21	20	7	48
68	19	26	13	58
69	24	26	5	55
8	4	2	2	8
186	68	74	27	169

## 2. M&A and Private Equity

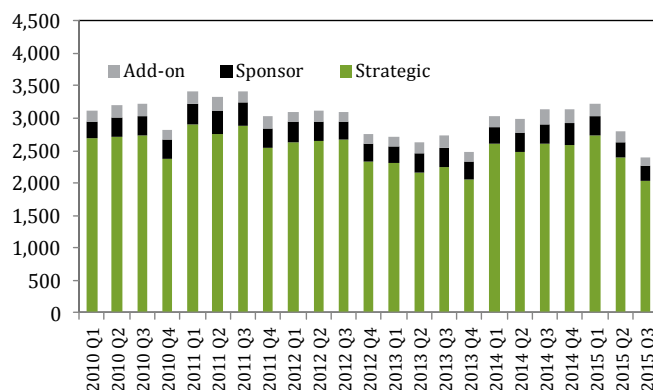
### Deals where the target or the acquiring company are located in Europe

#### 2.1. Deal value of completed M&A by type of deal (EUR bn)<sup>1</sup>



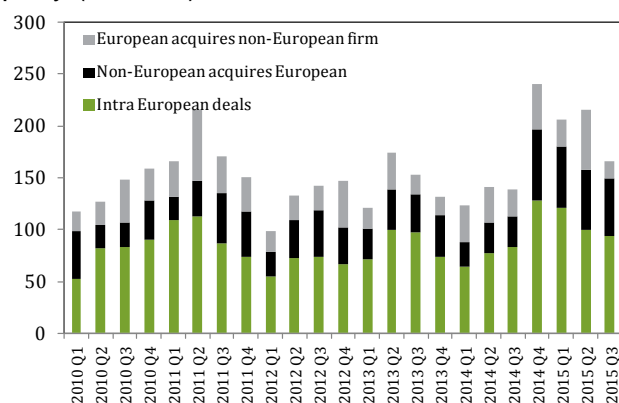
Source: Dealogic

#### 2.2. Number of completed M&A by type of deal (EUR bn)



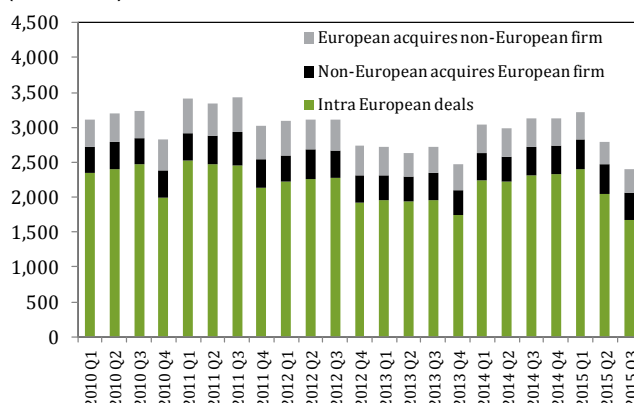
Source: Dealogic

#### 2.3. Deal value of completed M&A by acquiring party (EUR bn)<sup>2</sup>



Source: Dealogic

#### 2.4. Number of completed M&A by acquiring party (EUR bn)



Source: Dealogic

#### 2.5. Deal value of completed European M&A deals (EUR mn)

	YTD 2014	Q1 2015	Q2 2015	Q3 2015	YTD 2015	YTD growth (%)
<b>Strategic</b>	438,529	148,383	166,103	107,470	421,956	-3.8%
<b>Sponsor</b>	165,585	46,173	36,741	41,736	124,650	-24.7%
<b>Add-on</b>	38,894	11,603	13,312	16,459	41,374	6.4%
<b>TOTAL</b>	<b>643,007</b>	<b>206,158</b>	<b>216,157</b>	<b>165,665</b>	<b>587,980</b>	<b>-8.6%</b>
<b>European firm acquired a non-European firm</b>	139,392	25,698	57,879	16,759	100,336	-28.0%
<b>Non-European firm acquired an European firm</b>	150,581	59,029	58,486	54,853	172,368	14.5%
<b>Intra Europe deals</b>	353,035	121,430	99,791	94,054	315,275	-10.7%
<b>TOTAL</b>	<b>643,007</b>	<b>206,158</b>	<b>216,157</b>	<b>165,665</b>	<b>587,980</b>	<b>-8.6%</b>

Source: Dealogic

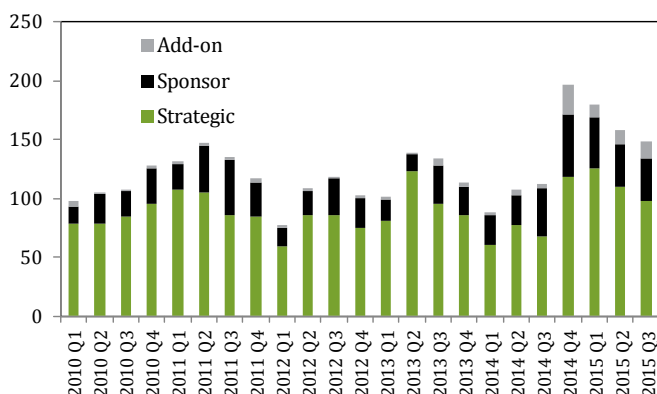
<sup>1</sup> Sponsor deals refer to M&A deals where the acquirer or the seller company is a private equity firm. Add-on transactions are deals where acquirer or the seller company is a portfolio company of a private equity firm. Strategic deals are between two non private equity firms.

<sup>2</sup> Intra European deals refer to completed deals where both the acquiring and target companies are located in Europe. "Non-European acquires European" are deals where a company located outside Europe acquires a company located in Europe. "European acquires non-European firm" are M&A completed transactions where the acquiring party is European and the target company is located outside Europe.



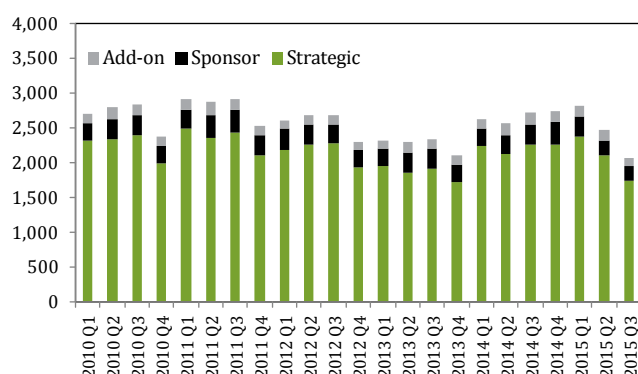
## Deals where the target company is located in Europe

2.6. Deal value of completed M&A by type of deal (EUR bn)<sup>3</sup>



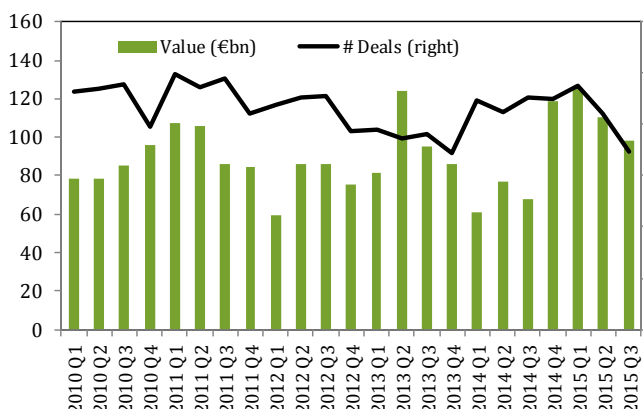
Source: Dealogic

2.7. Number of completed M&A by type of deal



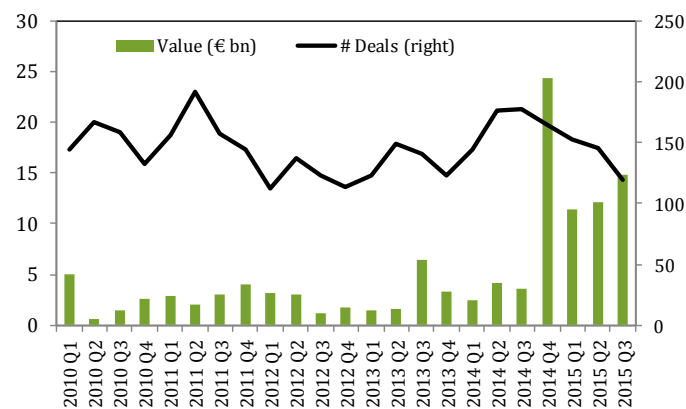
Source: Dealogic

2.8. Deal value and number of completed Strategic M&A



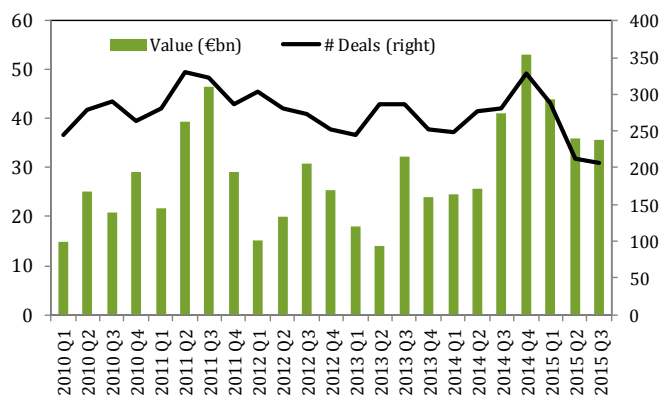
Source: Dealogic

2.9. Deal value and number of completed Add-on M&A



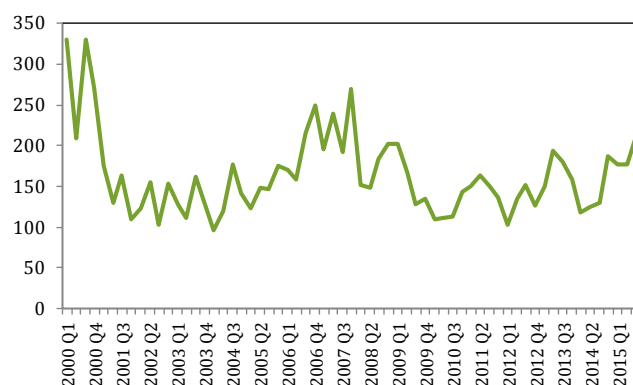
Source: Dealogic

2.10. Deal value and number of completed Sponsor M&A



Source: Dealogic

2.11. Average deal value of completed M&A (EUR Mn)

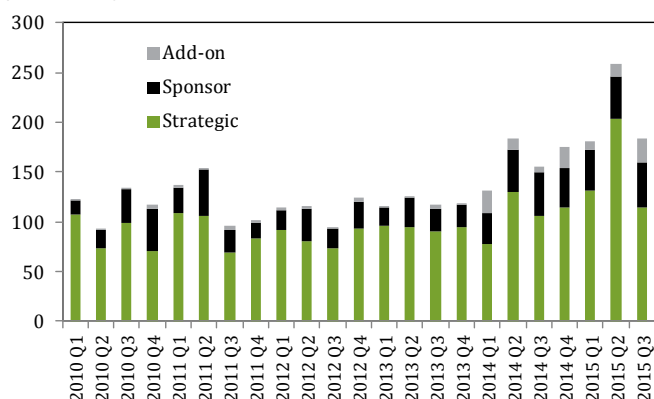


Source: Dealogic

<sup>3</sup> Sponsor deals refer to M&A deals where the acquirer or the seller company is a private equity firm. Add-on transactions are deals where acquirer or the seller company is a portfolio company of a private equity firm. Strategic deals are between two non private equity firms.

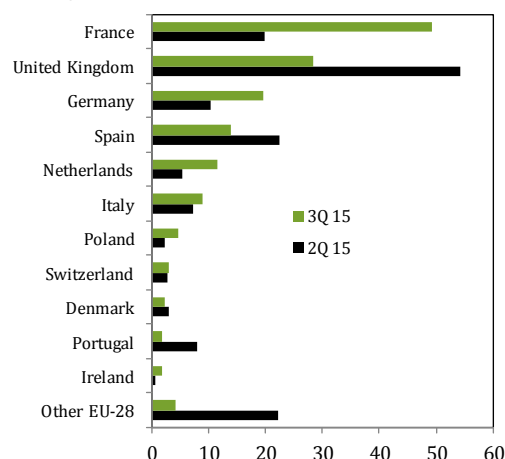
## MERGERS AND ACQUISITIONS

2.12. Announced value of Mergers and Acquisitions (EUR bn)<sup>4</sup>



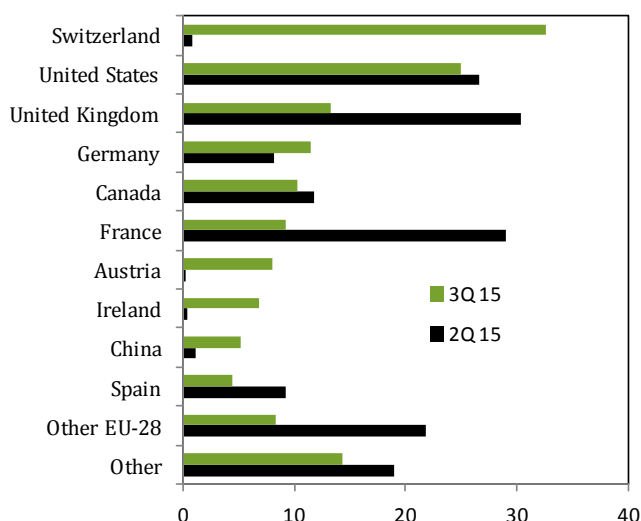
Source: Dealogic

2.13. Completed M&A by nationality of target firm (EUR bn)



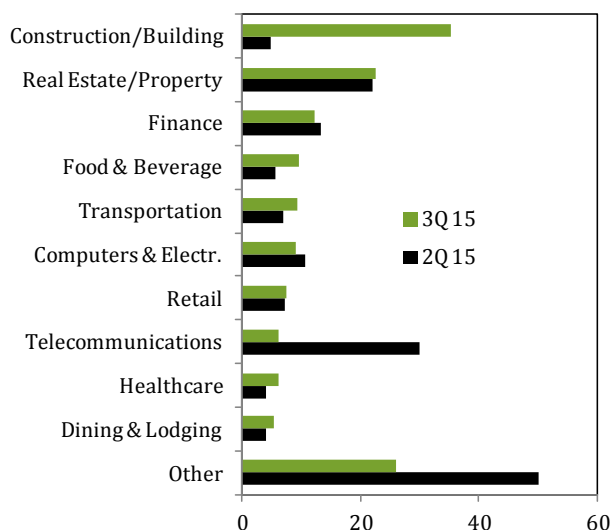
Source: Dealogic

2.14. Completed M&A by nationality of acquirer (EUR bn)



Source: Dealogic

2.15. Completed M&A by industry of target firm (EUR bn)



Source: Dealogic

2.16. Completed M&A of European target firms by size of the deal (EUR bn)

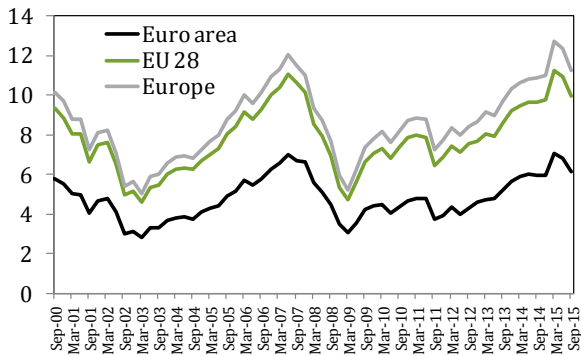
	Value of Deals				Number of Deals			
	1Q 15	2Q 15	3Q 15	YTD	1Q 15	2Q 15	3Q 15	YTD
< € 1bn	105,985	87,192	95,996	289,174	32	36	31	99
€500m to €1bn	25,263	20,715	17,181	63,159	36	29	25	90
€250m to €500m	19,683	24,008	11,299	54,990	55	66	32	153
€100m to €250m	16,981	14,841	14,317	46,139	102	95	89	286
€50m to €100m	5,897	5,271	5,117	16,286	82	69	72	223
€25m to €50m	3,418	3,031	2,392	8,841	96	85	68	249
€10m to €25m	1,774	1,955	1,470	5,199	106	116	91	313
<€ 10m	1,460	1,264	1,133	3,856	508	402	301	1,211
Undisclosed	-	-	-	-	1,808	1,573	1,356	4,737
<b>Total</b>	<b>180,459</b>	<b>158,277</b>	<b>148,906</b>	<b>487,643</b>	<b>2,825</b>	<b>2,471</b>	<b>2,065</b>	<b>7,361</b>

Source: Dealogic

<sup>4</sup> Announced deals include completed, pending completion or partially completed transactions. Values are presented date of announcement.

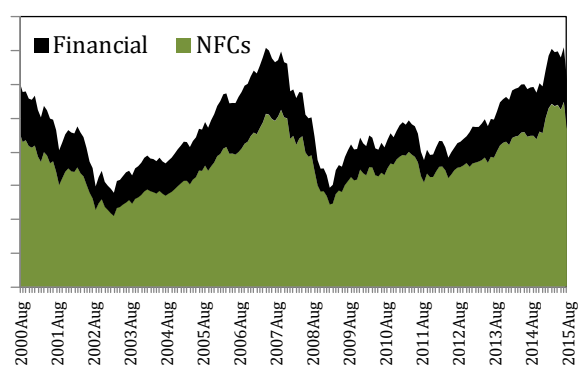
## 3. Outstanding

### 3.1. Domestic market capitalisation (EUR Tn)



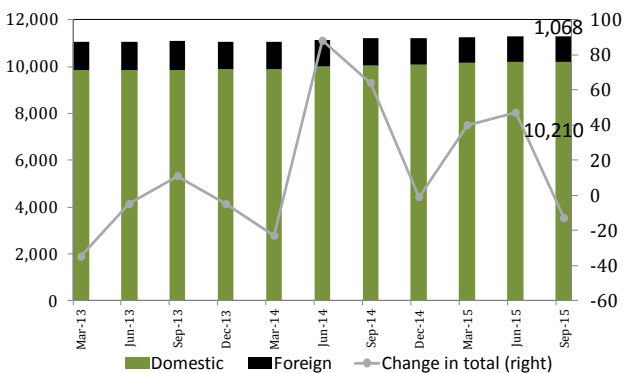
Source: ECB, Datastream, FESE, NASDAQ Nordic, LSEG, World Federation of Exchanges, Bucharest Stock Exchange and CEESEG – Prague

### 3.2. Value of euro-denominated listed shares issued by Euro Area residents (EUR Tn)



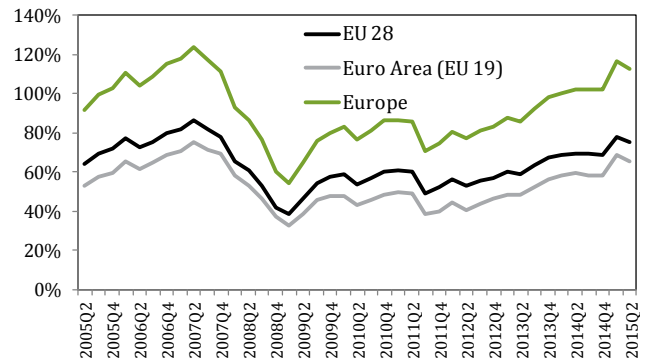
Source: ECB

### 3.3. Number of listed companies in Europe



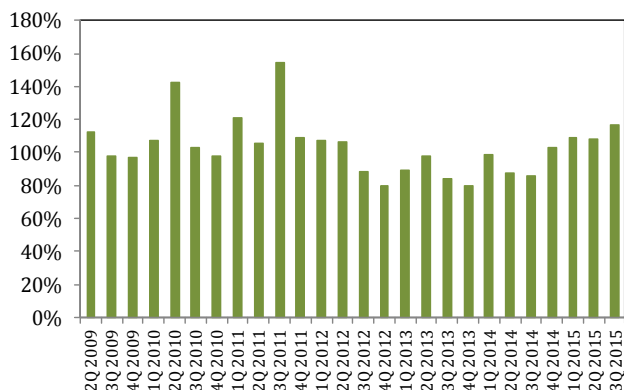
Source: FESE, World Federation of Exchanges and LSE Group

### 3.4. Domestic market capitalisation of listed shares as proportion of GDP (%)<sup>1</sup>



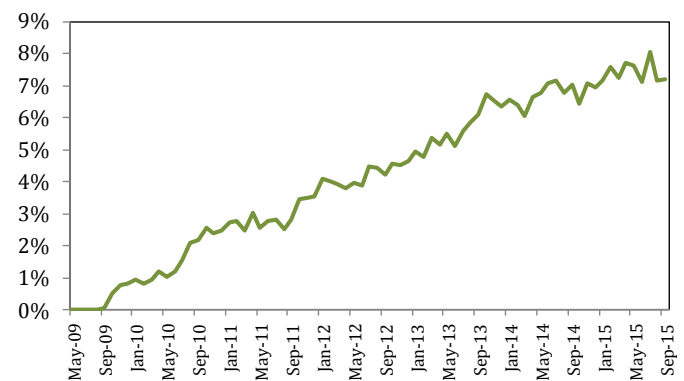
Source: ECB, Datastream, FESE, NASDAQ Nordic, LSEG, WFE, Bucharest Stock Exchange, CEESEG – Prague, Swiss Federal Statistical Office and Eurostat

### 3.5. Turnover ratio of European shares: Dark and Lit (Annualised turnover value/Market capitalisation)



Source: BATS CHI-X, ECB, Datastream, FESE, NASDAQ Nordic, LSEG, World Federation of Exchanges, Bucharest Stock Exchange and CEESEG - Prague and Eurostat

### 3.6. Value traded in dark pools as proportion of turnover in Exchanges and MTFs (Dark and Lit)<sup>2</sup>

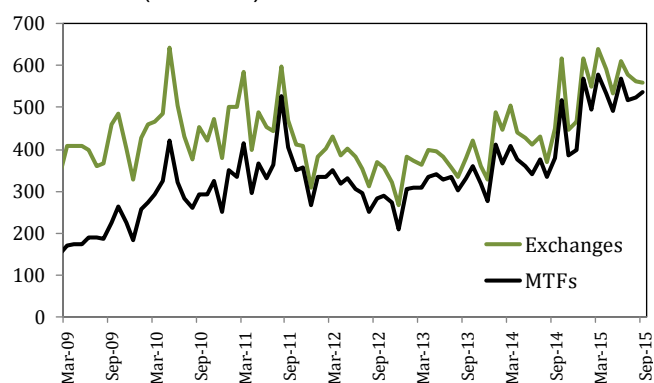


Source: BATS CHI-X

<sup>1</sup> GDP available only as of 2Q 15.

<sup>2</sup> Excludes OTC turnover due to double counting

### 3.7. Monthly turnover value in European exchanges and MTFs (EUR bn)<sup>3</sup>

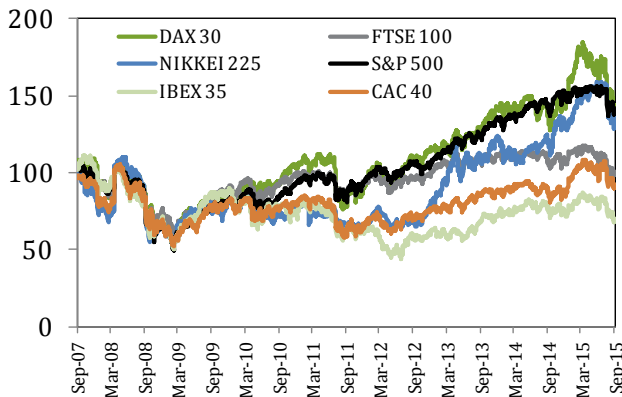


Source: BATS CHI-X

<sup>3</sup> Under MTFs, the following are aggregated: Aquis, BLINK MTF, Burgundy, BXE Book, CXE Book, Equiduct, ICAP BlockCross, Instinet, Blockmatch, ITG Posit, Liquidnet, NEURO, Nomura NX, NYSE Arca, Pipeline, Quote MTF, SIGMA X MTF, SLS, Smartpool, TOM MTF, Turquoise, UBS MTF, Xetra, and Xetra International.

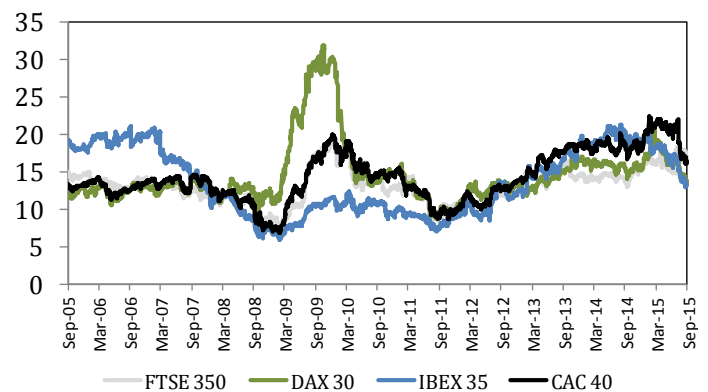
## 4. Valuation indices and ratios

### 4.1. Price indices of selected stock exchanges (Sep 2007= 100)



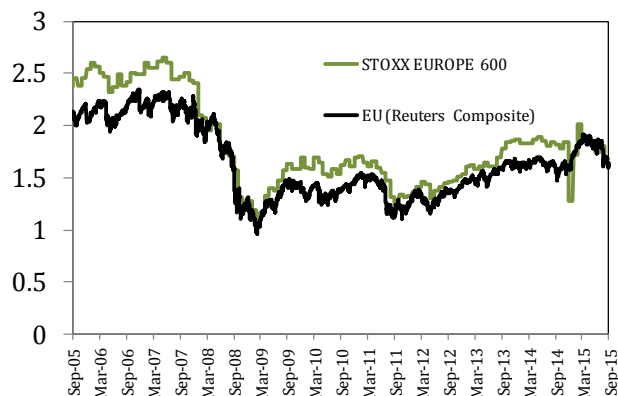
Source: Datastream

### 4.2. Price per earnings ratio (PE ratio) of shares listed in selected European exchanges



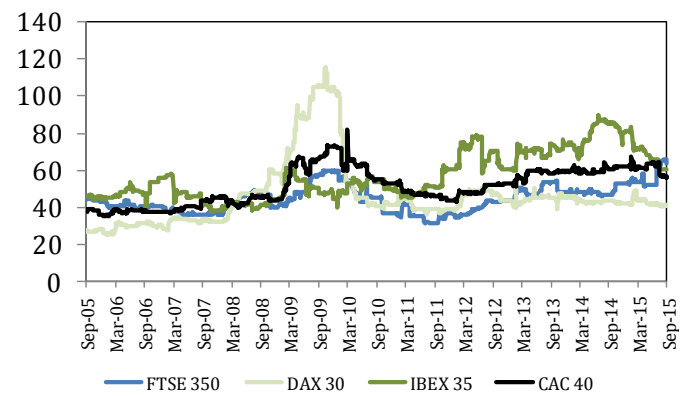
Source: Datastream

### 4.3. Price-to-book ratio of shares listed in Stoxx 600 and EU average



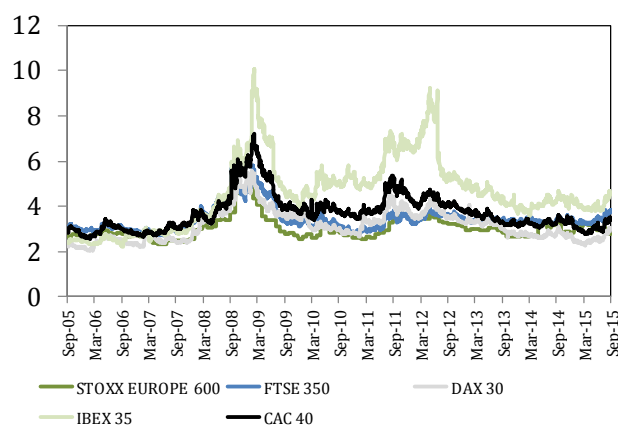
Source: Datastream

### 4.4. Dividend payout ratio of shares listed in selected exchanges (Dividends/Earnings per share)



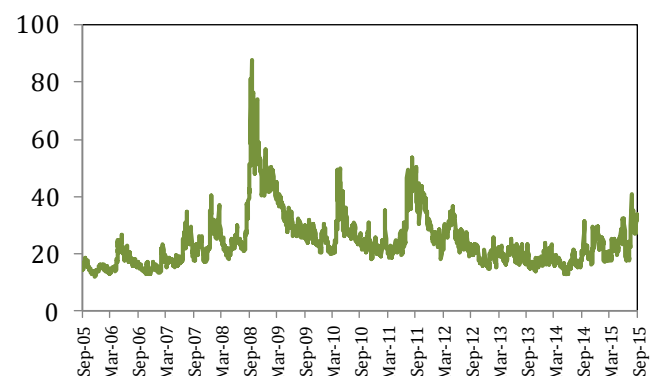
Source: Datastream

### 4.5. Divided yield ratio of shares listed in selected exchanges (Dividend/Price)



Source: Datastream

### 4.6. Implied volatility of constituent shares of Euro Stoxx 50 (VSTOXX)



Source: STOXX

## Summary of the Methodologies Adopted for this Report

### 1. Issuance

#### 1.1-1.4 Equity underwriting

The graphs covering historical issuance in Europe are denominated in EUR billions.

Historical equity underwriting volumes are calculated by adding the proceeds from Initial Public Offerings (IPOs), Follow-On offerings and Convertible securities issued in exchanges located in the European Union (EU 28) + Switzerland.

The member countries of the European Union + Switzerland are maintained during the sample period. The group of countries include: Austria, Belgium, Bulgaria, Croatia, Republic of Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden the UK and Switzerland.

IPOs proceeds include overallotment proceeds (greenshoe), although the value of proceeds is disaggregated in the supporting data file.

IPOs exclude “introductions” (listings unaccompanied by a sale of securities) and re-admissions.

Value and volume data are sourced from Dealogic. All figures comply with Dealogic’s standards of rank eligibility.

#### 1.5-1.10 IPOs by exchange and nationality and industry of issuing company

Issuance values are denominated in nominal EUR billion. The figures illustrate the value of proceeds and number of deals of IPOs issued in European exchanges, aggregating by nationality of the exchange (charts 1.5-1.6), nationality of the issuing company (charts 1.7.-1.8.) and industry of the issuing company (charts 1.9- 1.10).

The aggregated values include overallotment proceeds (greenshoe).

Data are sourced from Dealogic comply with Dealogic’s standards of rank eligibility.

#### 1.11. Difference between offer price and 1-day market price

The chart illustrates the quarterly median of the difference between offer price and closing price one day after the IPO was issued.

The deals taken into consideration are all the carried out in European exchanges during the quarter.

Deals where the 1-day closing price or the offer prices are not available were not included in the calculation.

### 1.12. – 1.13 Overallotment proceeds

The graph illustrates the value of greenshoe investment in IPOs as proportion of aggregate proceeds in a given quarter. The proportion is illustrated on a weighted average basis.

All IPOs are taken into consideration for purposes of the chart, even if greenshoe investment was not disclosed or if it was nil in a given deal.

Chart 1.13 aggregates IPO proceeds by proportion of exercised overallotment of each deal. Deals with undisclosed or nil overallotment are aggregated under 0% category.

### 2. Mergers and Acquisitions (M&A) and Private Equity

#### 2.1-2.5 Deals where the target or acquiring companies are located in Europe

The charts aggregate deal values of M&A transactions where European companies are either target or acquiring parties in the transaction.

Charts 2.1-2.2 disaggregate deal values by type of deal: Sponsor, strategic and add-ons.

Sponsor deals represent M&A transactions where the acquisition or sale is carried out by a Private Equity (PE), but not by a portfolio company of a PE firm. Strategic mergers are deals where both the target and the acquired company are not PE firms. Add-on deals are transactions where either the acquirer or seller companies are portfolio companies of a PE firm. M&A include both financial and trade sales.

Charts 2.3-2.4 aggregate deal values by the location of the acquiring and target parties. Intra European deals refer to completed deals where both the acquiring and target companies are located in Europe. “Non-European acquires European” aggregates M&A completed transactions where a company located outside Europe acquires a company located in Europe. “European acquires non-European firm” are M&A completed transactions where the acquiring party is European and the target company is located outside Europe.

Europe is defined as in section 1 (EU 28 + Switzerland).

#### 2.5-2.10 Completed M&A deals where the target company is located in Europe

The charts illustrate the quarterly deal values of completed Mergers and Acquisitions (including debt) where the target company is a European company (EU 28 + Switzerland).

Deal values are denominated in EUR billions.

Sponsor, strategic and add-on deals are defined as explained in charts 2.1-2.5.

The figures are aggregated by quarter when the deals were completed.

Value and volume data are sourced from Dealogic and comply with Dealogic's rank eligibility criteria.

### 2.11. Average deal value

This graph illustrates the average deal value of by quarter of completed M&A deals where the target company is located in Europe.

The average is calculated as the ratio of deal values in a quarter as proportion of number of deals that reported non null deal values. Due to reporting limitations, the ratio is different from dividing total deal values by total number of deals given that several deals do not report deal value or the data are missing.

### 2.12. Announced M&A

This graph illustrates announced deal values (including debt) of completed, pending completion or partially completed deals, where the target company is located in Europe (EU 28 + Switzerland).

The announced values are aggregated by sponsor, add-on and strategic deals, as described in previous section.

Announced values are aggregated on the basis of the announcement date of deals.

### 2.13. - 2.15. Completed M&A by nationality and industry

The figures represent the most recent quarter's value of completed M&A deals of European target firms, aggregating by nationality of target firm (charts 2.8.), nationality of acquiring firm (chart 2.9.) and industry of target firm (chart 2.10.).

Deal values are denominated in nominal EUR billion. Data are sourced from Dealogic and comply with rank eligibility criteria.

### 2.16. Completed M&A by deal size

The table aggregates the value and number of completed M&A deals by completed deal size (including debt) in nominal Euros. M&A deals where the target company is located in Europe are aggregated.

## 3. Outstanding

### 3.1. – 3.4. Market capitalisation

The graph illustrates the EUR trillion amount of market capitalisation of European (EU 28+ Switzerland), EU 28 and Euro zone (EU 19) exchanges. The composition of EU 28 and EU 19 countries remains constant throughout the sample period.

Graph 3.4 illustrates the market capitalisation of listed shares in Europe, EU 28 and EU 19 exchanges as proportion of nominal GDP. GDP is sourced from Eurostat and the Swiss Federal Statistical Office in its quarterly form. For purposes of this chart, the denominator is calculated

as the sum of the past four quarters nominal seasonal adjusted GDP values.

Swiss GDP is converted to Euros using ECB EURCH exchange rate at the end of each quarter.

### 3.2 Euro-denominated listed shares

This graph illustrates the outstanding amounts of euro-denominated quoted shares issued by euro area residents, by sector of issuer. The figures are denominated in EUR nominal trillions.

Quoted shares include all shares with prices quoted on a recognised stock exchange or other form of regulated market. Quoted shares comprise all financial assets which represent property rights in corporations or quasi-corporations. These financial assets generally entitle the holder to a share in the profits of the corporations or quasi-corporations and to a share in their net assets in the event of liquidation. Quoted shares are valued and reported at market values.

The data are sourced from the ECB.

### 3.3. Number of listed companies

This chart aggregates the number of listed companies in European exchanges by Domestic and Foreign firms. Data are sourced from FESE and the World Federation of Exchanges.

Data are aggregated by adding up individual exchanges' figures, so that double counting is not ruled out.

### 3.5. Turnover ratio

The chart illustrates the quarterly turnover ratio of EU 28 stock exchanges and selected MTFs calculated as the ratio of four times the quarterly turnover value as proportion of the market capitalisation at the end of the quarter.

The figures are presented on a weighted average basis of EU 28 exchanges and MTFs.

The following MTFs were selected as representative of the off-exchange market: Aquis, BLINK MTF, Burgundy, BXE Book, CXE Book, Equiduct, ICAP BlockCross, Instinet, Blockmatch, ITG Posit, Liquidnet, NEURO, Nomura NX, NYSE Arca, Pipeline, Quote MTF, SIGMA X MTF, SLS, Smartpool, TOM MTF, Turquoise, UBS MTF, Xetra, and Xetra International.

OTC transactions are not included due to potential double counting between TRFs.

### 3.6. Dark pools turnover

The chart illustrates the monthly value traded in dark pools as proportion of turnover in Exchanges and MTFs (Dark and Lit). For dark pool trading, the same MTFs selected for chart 3.5 were taken into consideration.

Data are sourced from BATS Chi-X.

### 3.7. MTFs turnover

The chart illustrates the quarterly turnover in EUR value in selected MTFs where data was available: Aquis, BLINK



MTF, Burgundy, BXE Book, CXE Book, Equiduct, ICAP BlockCross, Instinet, Blockmatch, ITG Posit, Liquidnet, NEURO, Nomura NX, NYSE Arca, Pipeline, Quote MTF, SIGMA X MTF, SLS, Smartpool, TOM MTF, Turquoise, UBS MTF, Xetra, and Xetra International.

#### 4. Valuation

##### 4.1. Price indices of listed shares

This graph represents price data for selected European exchanges selected as benchmarks in the respective jurisdictions. The price calculations are provided by Datastream, which for purposes of comparability are converted into a price index with January 2008 as base (Jan-08 = 100).

##### 4.2. - 4.6. Valuation ratios

These graphs illustrate several valuation ratios of selected price indices of European shares.

PE ratios are calculated as the ratio of market prices as proportion of market-expected annual earnings. The ratios are sourced from Datastream.

Price-to-book ratio represents the average ratio of share market prices as proportion of book prices of Stoxx 600 listed companies and a PanEuropean index of European shares compiled by Thomson Reuters Datastream.

VSTOXX 50 index is the market-implied volatility of STOXX 50 listed shares, sourced from Stoxx.



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