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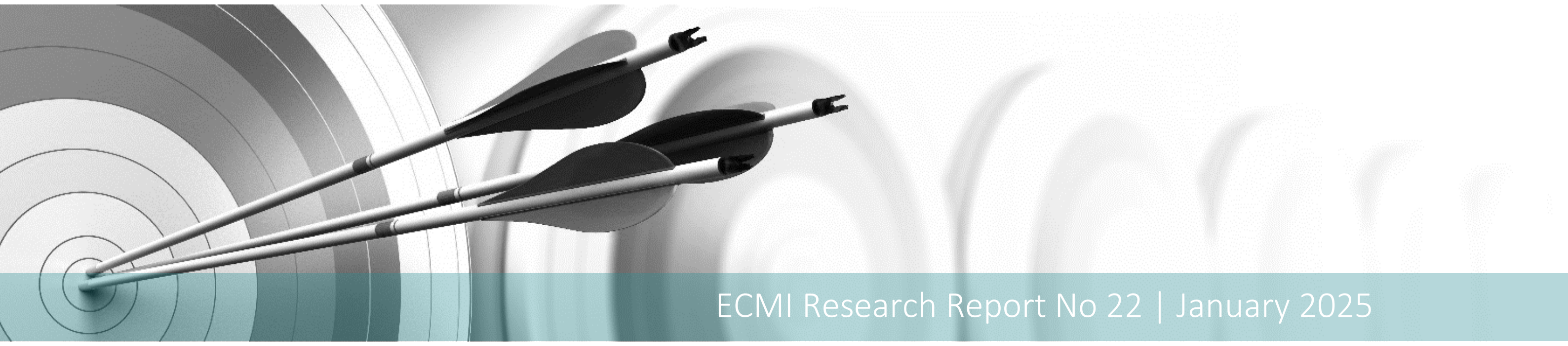

2024 ECMI Statistical Package: Key findings

Apostolos Thomadakis and Leonardo Trevisan

Highlights

Equity market

- The market capitalisation of listed companies in the EU-27 increased by 20 % in 2023.
- The capital raised through initial public offerings decreased fourfold in 2023 to EUR 5 billion.
- The number of listed exchange-traded funds (ETFs) in the EU-27 rose by 5 % to 10 000, but the total value of ETF trading declined marginally by 1 % to EUR 477 billion.

Debt securities

- The global amount of outstanding debt securities saw an increase in 2023, totalling EUR 124 trillion.
- Notional amounts of outstanding debt in the EU-27 grew in terms of value (+15 %) and GDP (standing at 141 % of GDP, plus 8 percentage points).
- The issuance of securitised products grew 5 % to EUR 213 billion in the EU-27, while in the US it fell by 38 % to EUR 1.3 trillion.

Exchange-traded derivatives

- The trading of interest rate derivatives (IRDs) in Europe rose (by 5 %) to EUR 582 trillion in 2023.
- Global trading in commodity derivatives increased (by 56 %) to EUR 285 trillion, while the number of contracts agreed also rose by 21 % to 10 billion.

Over-the-counter derivatives

- The notional amount of over-the-counter traded derivatives increased by 4.2 % in 2023 and the gross market value decreased by -16 %.
- Euro-denominated IRDs rose 20 % to EUR 171 trillion, representing 37 % of all contracts.
- At the end of 2023, 76 % of IRDs were cleared with central clearing counterparties.

Investment funds

- The number of undertakings for collective investment in transferable securities (UCITS) funds increased by 1 % (+249 UCITS) to 29 891, while the number of non-UCITS funds remained almost stable at 27 545 (+24 non-UCITS).
- The net assets of UCITS funds totalled EUR 11 trillion (+14 %), while those of non-UCITS reached EUR 7 trillion (+4 %).
- Equity and bond funds represented 31 % and 21 % respectively of the total EU-27 investment fund market in terms of net assets.

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2024 ECMI Statistical Package: key findings

ECMI Research Report No 22 / January 2025

Apostolos Thomadakis and Leonardo Trevisan*

This report provides an overview of the key findings of the European Capital Markets Institute (ECMI) Statistical Package 2024, a comprehensive and annually updated database on the dynamics of European and global capital markets (covering China, Japan, the US and other relevant markets). The key trends gleaned from the package on equity markets, debt securities, exchange-traded derivatives (ETDs), over-the-counter (OTC) derivatives and investment funds are outlined below.

1. The equity market

In 2023, the global stock market experienced a modest recovery, reversing some of the losses seen in the previous year, though challenges persisted. While the pandemic's impact on economic activity had largely diminished, lingering geopolitical tensions – particularly the prolonged war in Ukraine and its repercussions on global energy markets – continued to exert pressure. Supply chain disruptions eased in certain sectors but remained a concern in strategic industries. High inflation, though gradually moderating in many regions, combined with the ongoing tightening of monetary policies and elevated interest rates, created a cautious investment environment. These factors, alongside uncertainties surrounding economic growth prospects, influenced market activity and tempered the recovery in market capitalisation and value traded.

In Europe, after a challenging 2022 marked by the energy crisis, rising inflation and concerns over economic growth, equity market capitalisation saw a notable rebound, increasing by 20 % to EUR 12 trillion in 2023 (see Figure 1, left-hand panel). This recovery was broad-based across countries, with the most significant increases recorded in Belgium (+98 %), Romania (+60 %), Hungary (+58 %), Cyprus (+54 %) and Poland (+39 %). However, some markets experienced declines, notably Latvia (-67 %), Bulgaria (-49 %) and Finland (-7 %). Similarly, the US market expanded by 18 %, with capitalisation reaching EUR 45 trillion. Inflationary pressures in the US eased somewhat from the 40-year highs seen in the previous year but the Federal Reserve maintained a cautious stance, continuing to adjust interest rates to stabilise price levels and sustain economic growth.

Turning to Asia, the capitalisation of the Chinese stock market declined in 2023, decreasing by 9 % to EUR 14 trillion. This was driven by a slower-than-expected economic recovery following the relaxation of the government's strict zero-Covid policies, coupled with weak consumer confidence and ongoing challenges in the property sector. In contrast, Japan's stock market capitalisation increased by 11 %, marking a recovery following two years of steady decline. This growth was supported by robust corporate earnings, a weaker yen boosting export-oriented companies and a resurgence in investor

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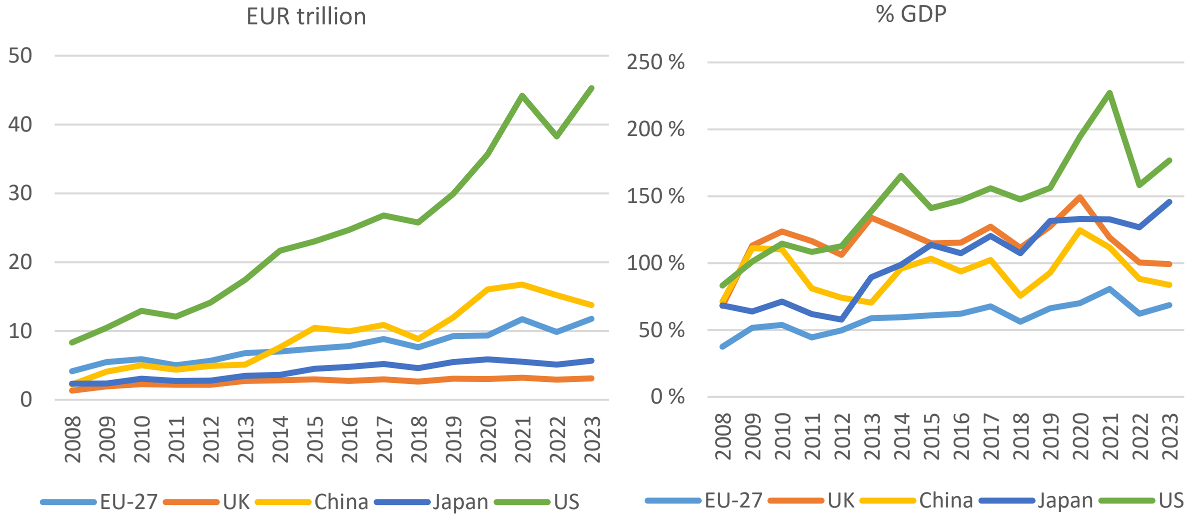
interest. However, the lingering effects of the pandemic were still evident, as some companies found themselves facing operational constraints during various points of the year.

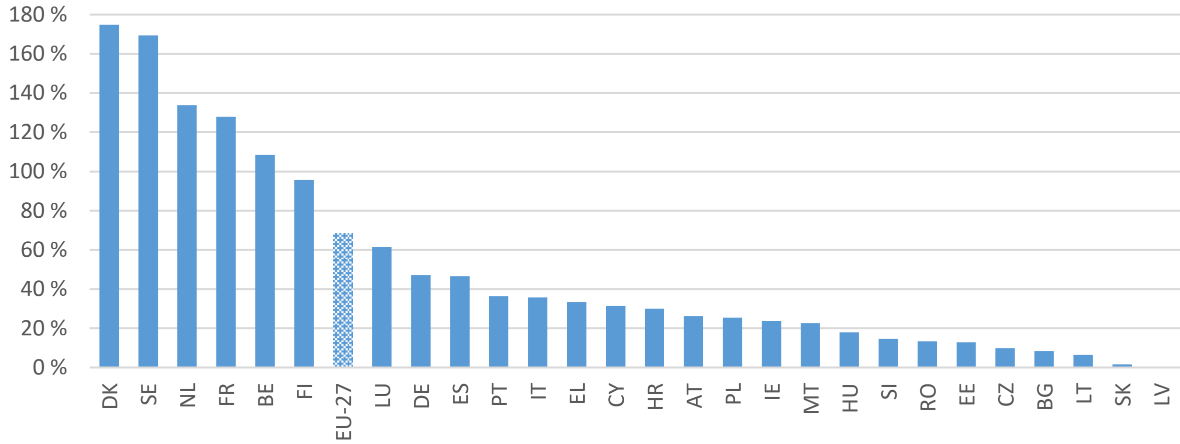
Figure 1. Domestic market capitalisation (2008-2023)



Notes: For the EU-27, the following stock exchanges are included: Athens, BME, Borsa Italiana, Bratislava, Bucharest, Budapest, Bulgaria, CEESEG – Prague, CEESEG – Vienna, Cyprus, Deutsche Börse AG, Euronext (Amsterdam, Brussels, Dublin, Paris and Lisbon), Ljubljana, Luxembourg, Malta, Nasdaq Nordics and Baltics (Copenhagen, Helsinki, Stockholm, Tallinn, Riga and Vilnius), Warsaw and Zagreb; for the UK, the London Stock Exchange; for the US, Nasdaq-US and NYSE; for China, Hong Kong Exchanges and Clearing, Shanghai and Shenzhen; and for Japan, the Japan Exchange Group.
Source: 2024 ECMI Statistical Package.

In relative terms, the EU-27's stock market capitalisation represented 69 % of GDP in 2023, an increase of 7 percentage points compared with 2022. However, this figure remained significantly lower than in other major markets, such as China (84 %), the UK (99 %), Japan (146 %) and the US (177 %) (see Figure 1, right-hand panel). Among the European stock exchanges, market capitalisation ranged from 1 % of GDP in Latvia and 2 % in Slovakia to 175 % of GDP in Denmark and 169 % in Sweden (see Figure 2). Notably, the three Nordic Member States, along with France and the Netherlands, continued to have markedly higher market capitalisations, well above the European average of 69 %. In contrast, other large European economies such as Germany, Italy and Spain recorded market capitalisations below the EU average.

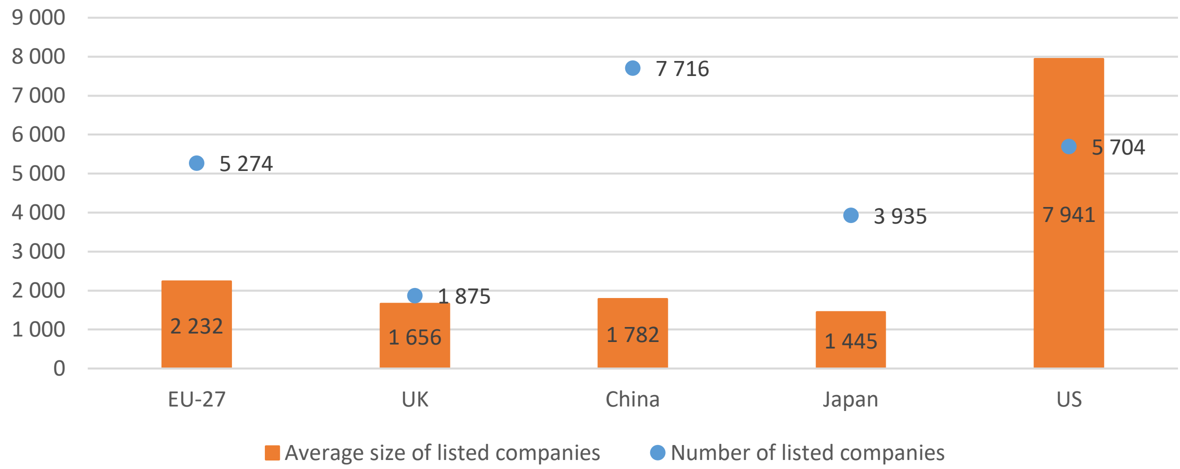
Figure 2. European stock market capitalisation (% of GDP, end-2023)



Source: 2024 ECMI Statistical Package.

The number of listed companies in Europe declined slightly in 2023 by 1 % (or -70 companies), while in the UK (3 % or -59 companies) and the US (6 % or -389 companies) the decrease was more pronounced. In contrast, the trend was positive in China, where the number of listed companies increased by 3 % (or +202 companies), and in Japan, where it rose by 2 % (or +64 companies). Within the EU-27, the total market capitalisation of the 5 274 listed companies amounted to EUR 11 trillion in 2023, resulting in an average market capitalisation of approximately EUR 2.2 billion per listed company (see Figure 3). This figure remains significantly lower than the average market capitalisation of a US company, which reached nearly EUR 8 billion in 2023.

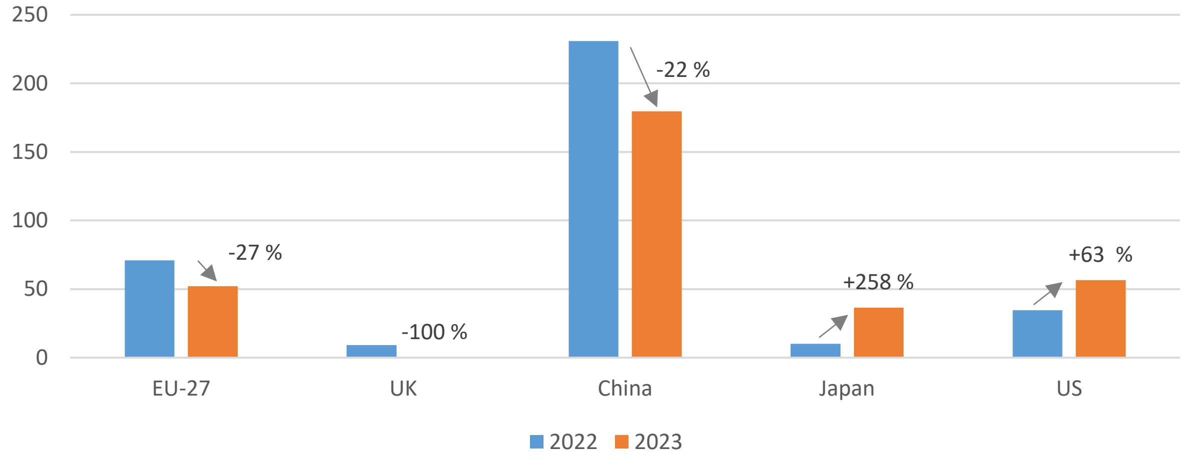
Figure 3. Average capitalisation (EUR million) and number (thousands) of listed companies (end-2023)



Source: 2024 ECMI Statistical Package.

Capital raised by newly and already listed EU-27 companies in 2023 totalled EUR 52 billion, reflecting a 27 % decrease compared to the previous year (see Figure 4). Most of this capital (90 %, or EUR 47 billion) was raised by already listed companies, while the remainder (10 %, or EUR 5 billion) came from newly listed companies through initial public offerings (IPOs). In the US, capital raised increased by EUR 22 billion (+63 %), as the market began to recover from its 20s2 downturn. In Asia (i.e. China and Japan), however, capital raising activity contracted by EUR 25 billion (-10 %), attributed to a slowdown in IPOs and a reduction in large domestic listings of new economy and mega companies, which had been a driving force in prior years.

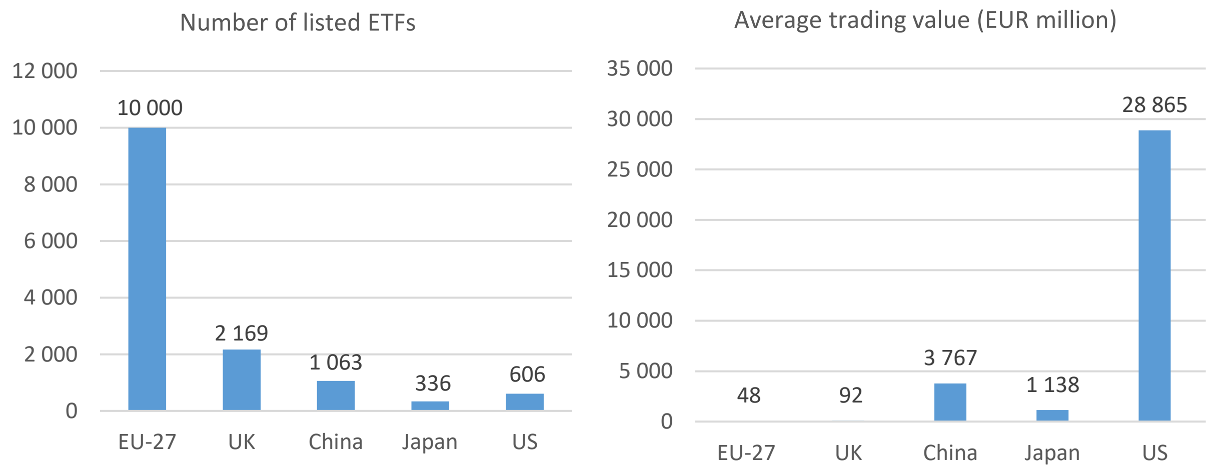
Figure 4. Capital raised by newly and already listed companies (EUR billion, 2022-2023)



Source: 2024 ECMI Statistical Package.

In 2023, the exchange-traded fund (ETF) market continued its growth trajectory, with the number of listed ETFs in the EU-27 increasing by 5 %, reaching an all-time high of 10 000[1] (see Figure 5, left-hand panel). This trend was mirrored globally, with the number of ETFs rising by 3 % in the UK, 14 % in China and the US[2], and 9 % in Japan. However, despite this growth in listings, the total traded value of ETFs declined across most regions, including the EU-27 (-1 %), the UK (-13 %), the US (-19 %) and Japan (-26 %), while China was the exception, recording a 14 % increase. Consequently, the average turnover of an ETF in the EU-27 dropped to EUR 48 million (down from EUR 51 million in 2022), significantly lower than the averages in China (nearly EUR 4 billion) and the US (EUR 29 billion) (see Figure 5, right-hand panel).

Figure 5. Number of listed ETFs and average trading value of listed ETFs (EUR million, end-2023)



Note: Figures for the US refer only to those ETFs listed at Nasdaq-US. NYSE data are not available by WFE.
Source: 2024 ECMI Statistical Package.

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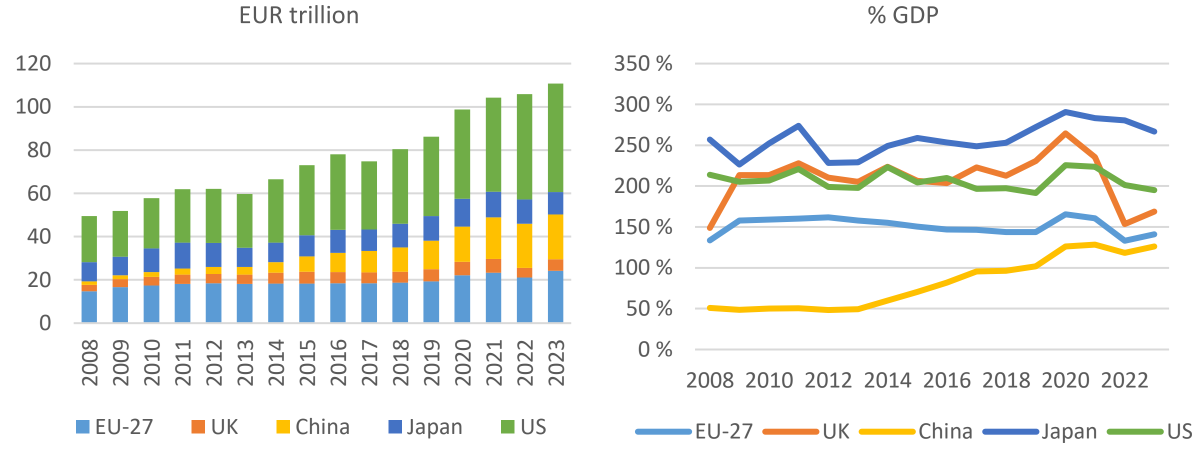
[1] Around 87 % of European ETFs are concentrated in four exchanges (Börse Stuttgart, Deutsche Börse, Euronext Milan and Euronext Paris).
[2] It only includes Nasdaq-US and excludes NYSE data which is not made available by WFE.

2. Debt securities

Debt levels worldwide continued to rise in 2023, driven by persistent public health challenges (i.e. Covid), geopolitical tensions and a slowing global economy. This sustained trend resulted in global debt increasing at an annual average growth rate that exceeded the growth of global GDP. The total outstanding amount of debt securities across the economies analysed reached a record high of EUR 111 trillion, marking a 5 % increase compared to 2022 (see Figure 6 left-hand panel). The most significant rise occurred in the UK (+18 %), followed by the EU-27 (+15 %). Conversely, the total size of debt securities declined only in Japan (-8 %).

In relative terms, global public and private debt increased by 5 percentage points to 127 % of GDP. This rise was most pronounced in the UK (+16 percentage points), the EU-27 (+9 percentage points) and China (+8 percentage points) (see Figure 6, right-hand panel). Japan experienced the most notable reduction, with its debt-to-GDP ratio declining from 281 % in 2022 to 267 % in 2023, followed by the US, where the ratio dropped by 6 percentage points.

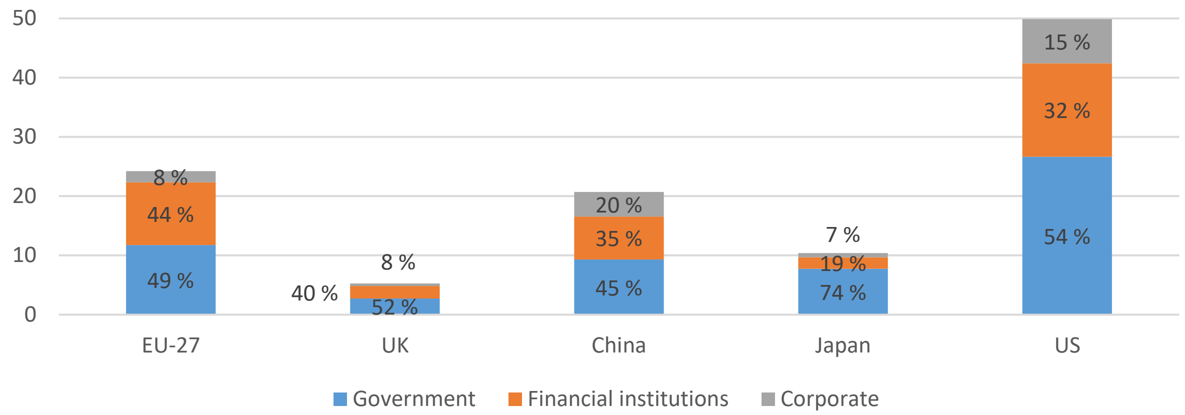
Figure 6. Total amount of outstanding debt securities (2008-2023)



Source: 2024 ECMI Statistical Package.

In 2023, the total outstanding amount of debt securities in the EU-27 reached EUR 27 trillion. Government-issued debt securities accounted for 49 % of the total, while financial institutions contributed 44 %. Corporate debt securities remained a smaller portion, representing only 7 % of the total outstanding (see Figure 7). The total volume of debt securities in the EU-27 was approximately half the size of that in the US, where the amount stood at EUR 50 trillion, marking a 3 % increase from the previous year.

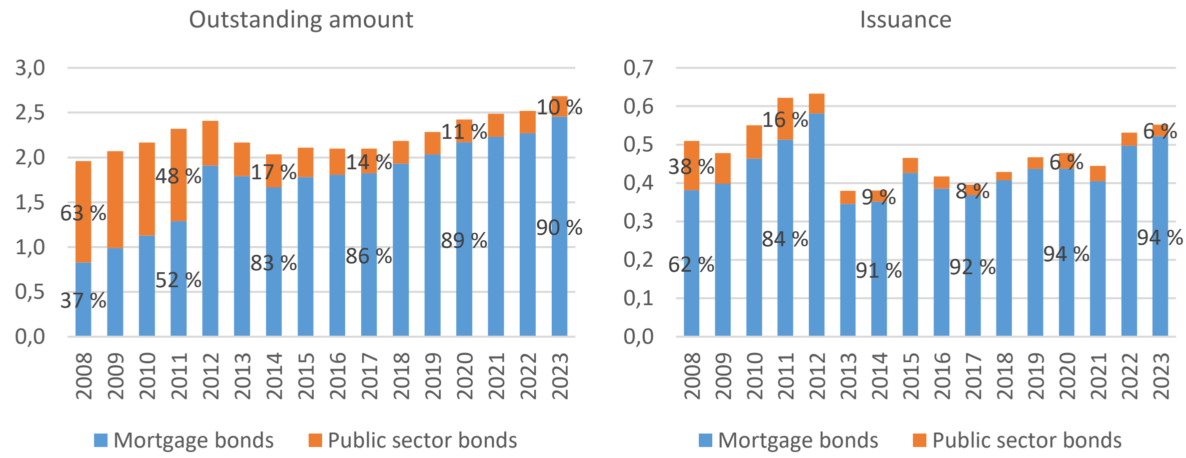
Figure 7. Total amount of outstanding of debt securities (EUR trillion, end-2023)



Source: 2024 ECMI Statistical Package.

The covered bond market experienced a modest increase in 2023, with the total outstanding amount rising slightly to EUR 2.7 trillion (see Figure 8, left-hand side). Residential and commercial mortgages continued to dominate the market, accounting for 90 % of the total. Covered bonds issued during the year reached a value of EUR 552 billion, marking a 4 % increase compared to 2022 (see Figure 8, right-hand side). France remained the largest issuer, with EUR 145 billion in covered bonds, followed by Denmark (EUR 119 billion), Germany (EUR 65 billion) and Sweden (EUR 57 billion). Together, these four countries contributed 70 % of the total covered bond issuance in the EU.

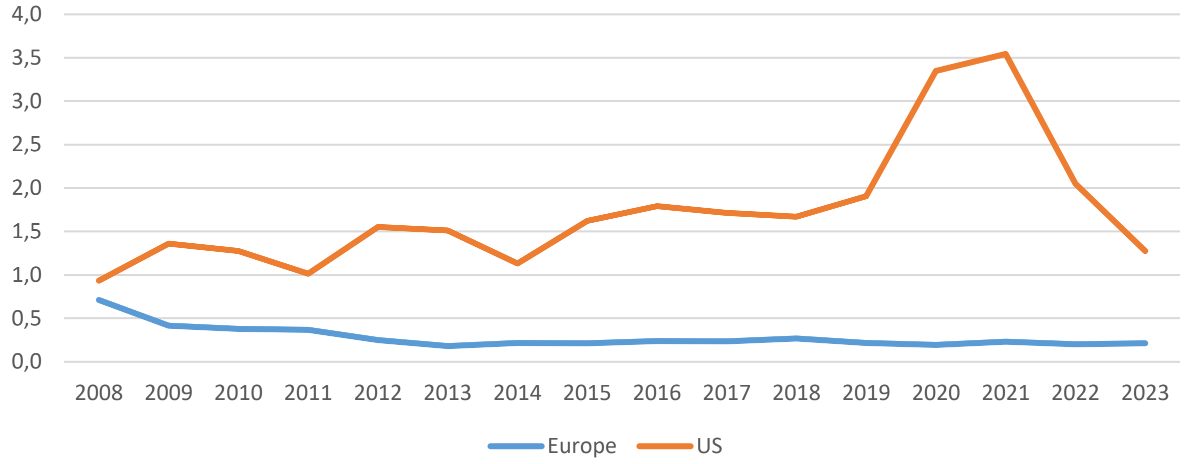
Figure 8. Covered bonds outstanding amount and issuance in selected EU countries (EUR trillion, 2008-2023)



Note: The countries included are AT, CY, CZ, DE, DK, EL, ES, FI, FR, HU, IE, IT, LU, LV, NL, PL, PT, SE and SK.
Source: 2024 ECMI Statistical Package.

Regarding securitisation, a total of EUR 213 billion's worth of securitised instruments was issued in the EU, 5 % more than a year earlier (see Figure 9). In contrast, the US market experienced a significant decline of 38 %, with issuance dropping to EUR 1.3 trillion. Despite this drop, the US market remains substantially larger, with issuance six times the size of the European market. This highlights the continuing disparity between the two regions in terms of securitisation volume.

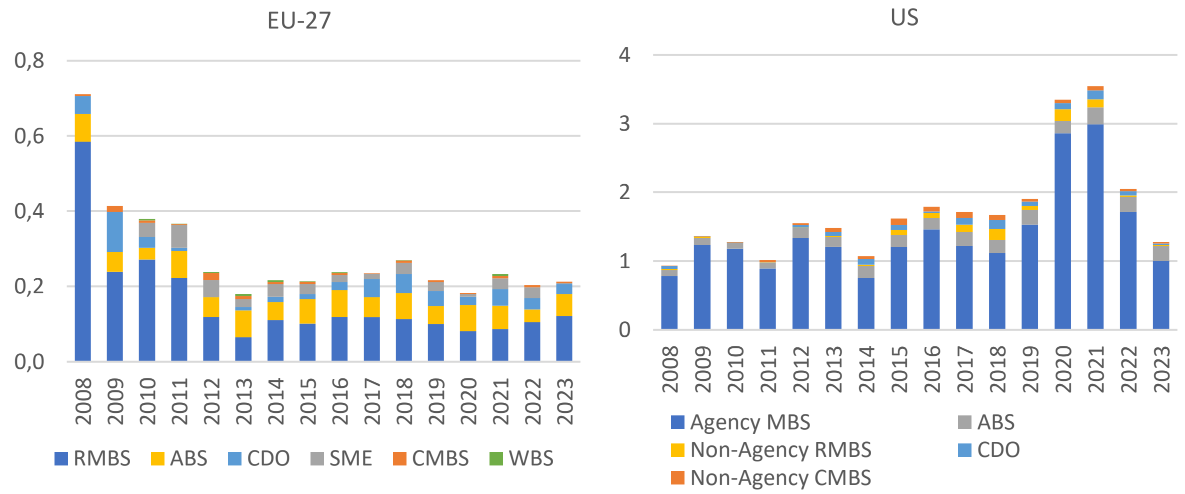
Figure 9. Securitisation issuance (EUR trillion, 2008-2023)



Note: European volumes include transactions from all countries on the European continent, including Russia, Iceland, Turkey and Kazakhstan.
Source: 2024 ECMI Statistical Package.

The EU-27 securitisation market remained heavily focused on repackaging residential mortgages and other loans and securities, with a notably limited focus on loans to small and medium-sized enterprises (SMEs) (see Figure 10, left-hand panel). Residential mortgage-backed securities (RMBS) made up more than half of the total EU-27 securitisation issuance, representing 57 %. Additionally, asset-backed securities (ABS) and collateralised debt obligations (CDOs) accounted for 27 % and 12 % of the market. In contrast, in the US, mortgage-backed securities dominated the securitisation market, comprising 79 % of the total issuance (see Figure 10, right-hand panel).

Figure 10. Securitisation by collateral in the EU-27 and the US (EUR trillion, 2008-2023)

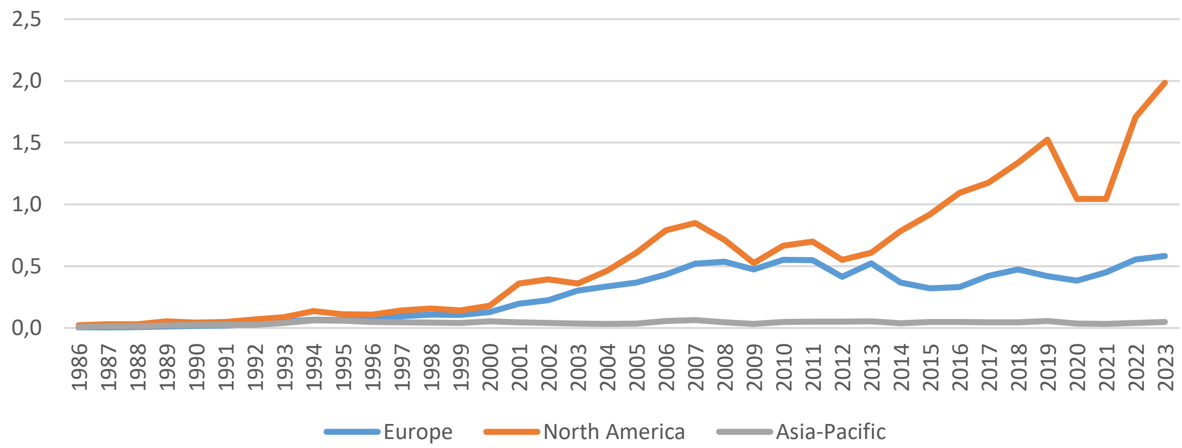


Notes: Asset-backed securities (ABS), collateralised debt obligations/collateralised loan obligations (CDO/CLO), commercial mortgage-backed securities (CMBS), residential mortgage-backed securities (RMBS), whole business securitisation/public finance initiatives (WBS/PFI). In the US, agency mortgage-backed securities are defined as securities issued by Fannie Mae, Freddie Mac and Ginnie Mae. This category includes agency CMBS and RMBS.
Source: 2024 ECMI Statistical Package.

3. The exchange-traded derivatives market

In 2023, investors continued to rely heavily on exchange-traded derivatives (ETD) markets, building on 2022's strong performance. Volumes surged by 50 % from the previous year, reaching a record high of 59 billion contracts. This increase was observed across nearly all asset classes, including currency, equity, interest rates and commodities, as well as across both options and futures contract types, and across all regions. Specifically, the annual turnover of interest rate (IR) exchange-traded derivatives (ETDs) rose to EUR 2.6 trillion, reflecting a 14 % increase compared to 2022 (see Figure 11). Growth was seen across all regions, with Asia-Pacific experiencing an 18 % rise, North America increasing by 16 % and Europe seeing a more modest 5 % growth.

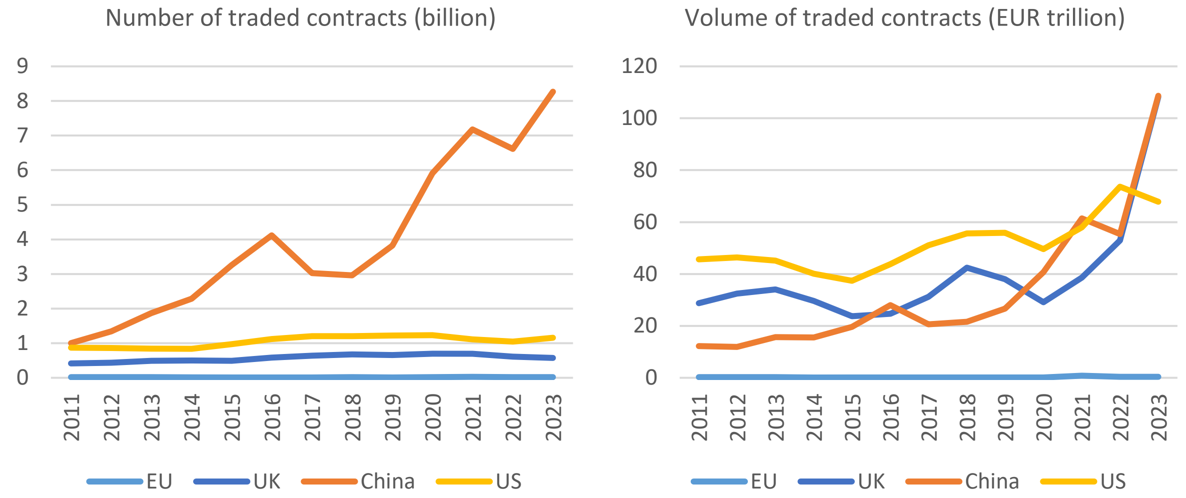
Figure 11. Turnover of interest rate ETDs by location of exchange (EUR trillion, 2000-2023)



Notes: Data refer to total annual turnover of futures and options. Europe includes the following exchanges: Eurex, ICE Futures Europe, LSE CurveGlobal, NYSE Liffe London, Optionsmarknaden Stockholm AB, and Warsaw Stock Exchanges. North America includes the following exchanges: Chicago Board of Trade, Chicago Mercantile Exchange, ERIS Exchange, Mercado Mexicano de Derivados, and Montreal Exchange. Asia-Pacific includes the following exchanges: Bombay Stock Exchange, China Financial Futures Exchange, Hong Kong Exchanges and Clearing, Korea Exchange, National Stock Exchange of India, Osaka Exchange, Singapore Exchange Derivatives Trading, Sydney Futures Exchange, and Tokyo International Finance Futures Exchange.
Source: 2024 ECMI Statistical Package.

Shifting the focus to exchange-traded commodity derivatives, one of the oldest types of derivatives, 2023 saw a notable increase in activity. The number of traded contracts rose by 21 %, reaching 10 billion (see Figure 12, left-hand panel). Most of it these contracts (83 %) were traded in China, followed by the US with 12 % and the UK at 5 %. Additionally, the trading volume of exchange-traded commodity derivatives surged by 56 %, reaching EUR 285 trillion in 2023. This growth was largely driven by an increase of 38 % in both the UK and China (see Figure 12, right-hand panel). Futures contracts were by far the most actively traded, making up 96 % of the total traded volume, further emphasising their dominance in the commodities market.

Figure 12. Number and traded value of commodity-ETD contracts by location of exchange (2011-2023)



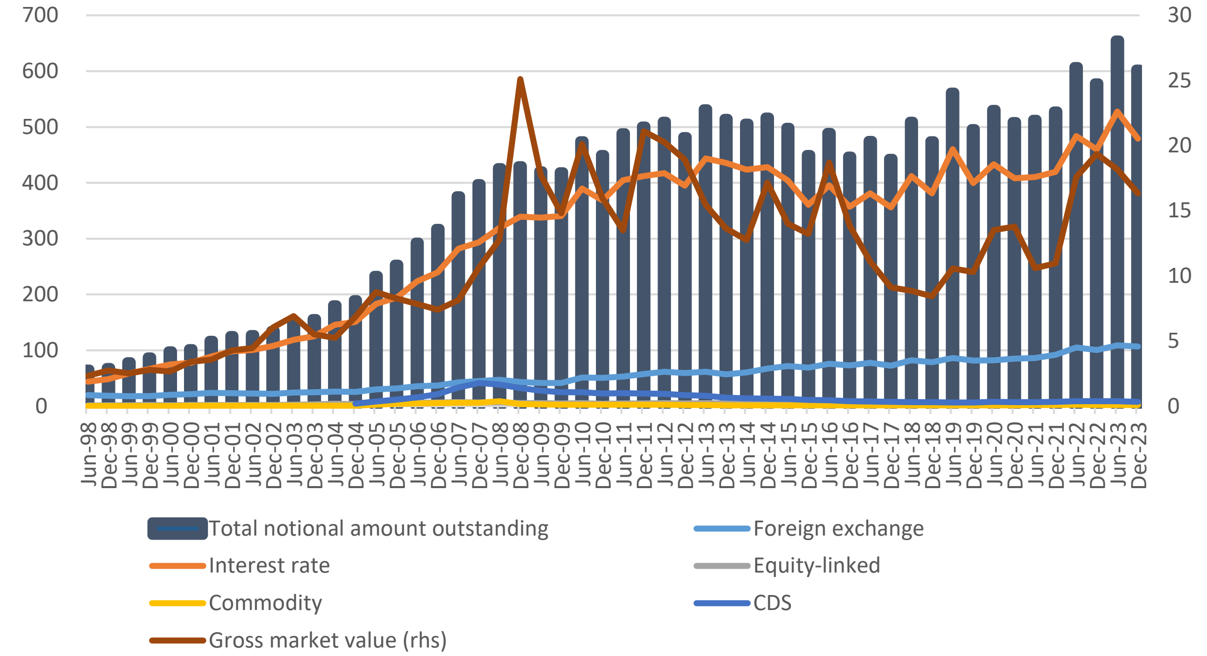
Notes: Data refer to total annual turnover of futures and options. Europe includes the following exchanges: Borsa Italiana, Eurex, Euronext and Budapest SE. The UK includes: ICE Futures Europe, London Metal Exchange and London SE Group. China includes the following exchanges: Dalian Commodity Exchange, Hong Kong Exchanges, Shanghai Futures Exchange and Zhengzhou Commodity Exchange. The US includes the following exchanges: CME Group and ICE Futures US.
Source: 2024 ECMI Statistical Package.

4. The over-the-counter derivatives market

In 2023, the over-the-counter (OTC) derivatives market saw moderate growth, expanding by 4 % to EUR 603 trillion in notional amount outstanding (see Figure 13)[3]. Interest rate derivatives (IRDs) continued to dominate the market, accounting for 80 %, followed by currency products at 18 %, and credit default swaps (CDS) and equity-linked derivatives, each representing around 1 %. However, the gross market value of these derivative contracts, which reflects the amounts at risk, decreased by 16 % year over year, dropping to EUR 16.3 trillion. This decline was primarily driven by lower interest rate derivative market values, due to slowing US dollar rate tightening in 2023. As a result, the gross market value now represents 2.7 % of the notional amount, down from 3.3 % in 2022.

[3] Notional amount outstanding refers to the notional value of all derivative contracts concluded but not yet settled.

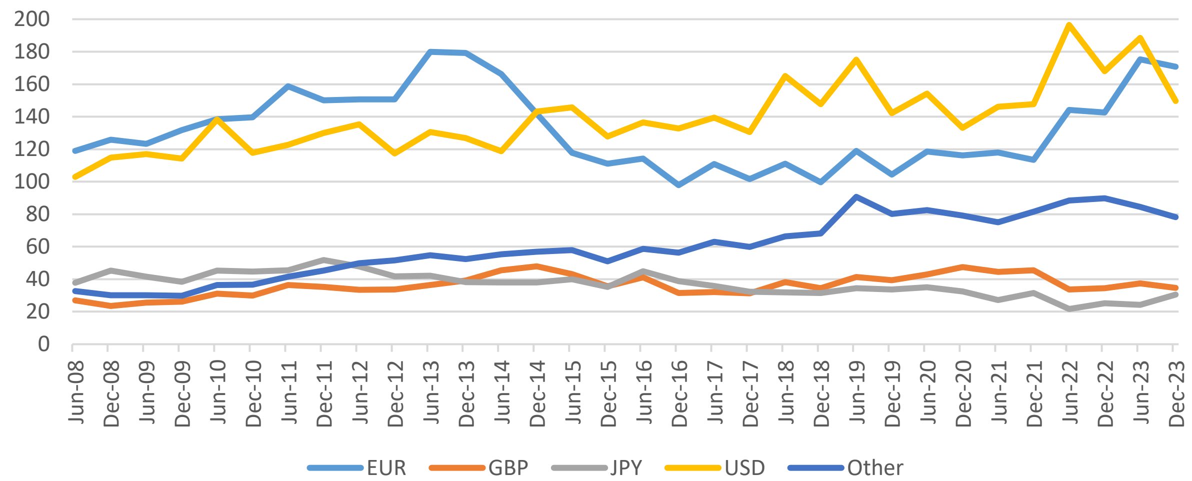
Figure 13. Notional amount outstanding of the global OTC derivatives market (EUR trillion, 1998-2023)



Notes: The notional amount of outstanding OTC derivative contracts determines contractual payments and is an indicator of activity in OTC derivatives markets. The gross market value represents the maximum loss that market participants would incur if all counterparties failed to meet their contractual payments and the contracts could be replaced at current market prices. The values are presented for June and December.
Source: 2024ECMI Statistical Package.

The currency composition of interest rate derivatives (IRDs) showed significant changes in 2023. The notional amounts outstanding for euro-denominated contracts increased by 20 %, reaching EUR 171 trillion (see Figure 14). As a result, euro-denominated transactions represented 37 % of the total IRD notional outstanding, up from 31 % in the previous year, becoming the most preferred currency for IRDs for the first time since 2014. Meanwhile, IRD contracts denominated in Japanese yen saw a 21 % increase, accounting for 7 % of the total IRD notional amounts outstanding.

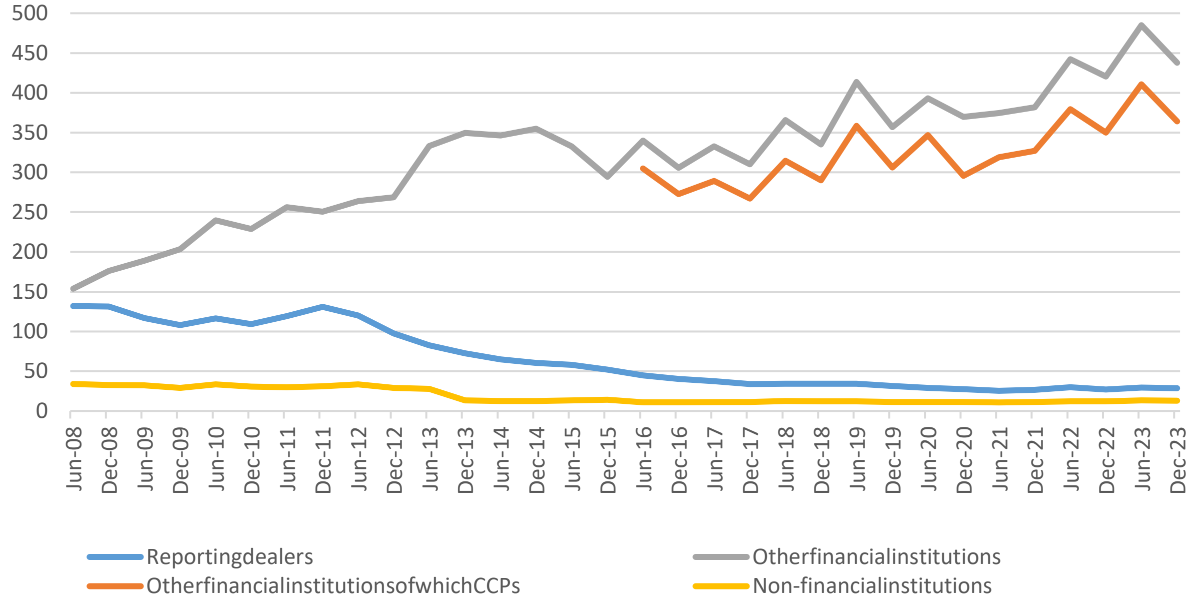
Figure 14. Notional amount outstanding of OTC IRDs by currency (EUR trillion, 2008-2023)



Note: 'Other' refers to contracts denominated in currencies other than EUR, GBP, JPY and USD.
Source: 2024 ECMI Statistical Package.

The central clearing rates of IRDs remained stable in 2023. The share of notional amounts of IRD contracts cleared by central counterparties (CCPs) reached EUR 364 trillion, representing 76 % of the total IRD notional amounts outstanding (see Figure 15). However, clearing rates for CDS saw a decline of 15 %, indicating a shift away from central clearing for these instruments.

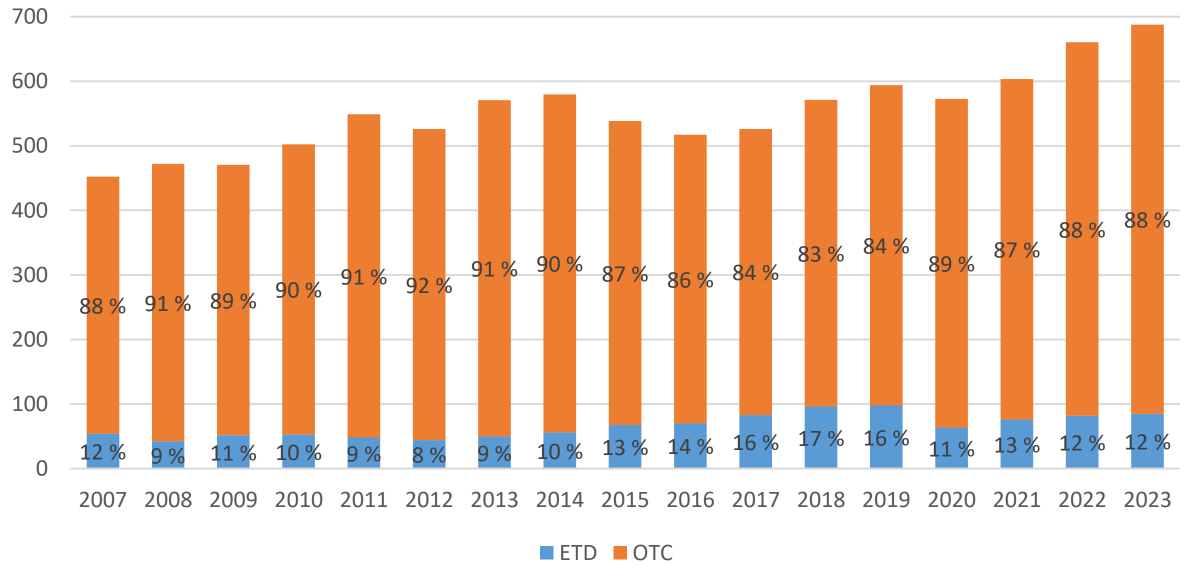
Figure 15. Notional amount outstanding of OTC IRDs by sector of counterparty (EUR trillion, 2008-2023)



Notes: For the first time, in June 2016, BIS captured comprehensive data on positions with CCPs. Whereas in previous years details about financial counterparties were collected only for CDS, at the end of June 2016, CCPs were separately identified for all types of OTC derivatives. Previously, CCPs were grouped indistinguishably with all financial institutions other than dealers.
Source: 2024 ECMI Statistical Package.

In comparison with ETD contracts, OTC contracts accounted for 88 % of the notional amount in December 2023, while the remaining 12 % were in ETDs (see Figure 16).

Figure 16. Notional amount outstanding of ETD and OTC derivatives (EUR trillion, 2007-2023)

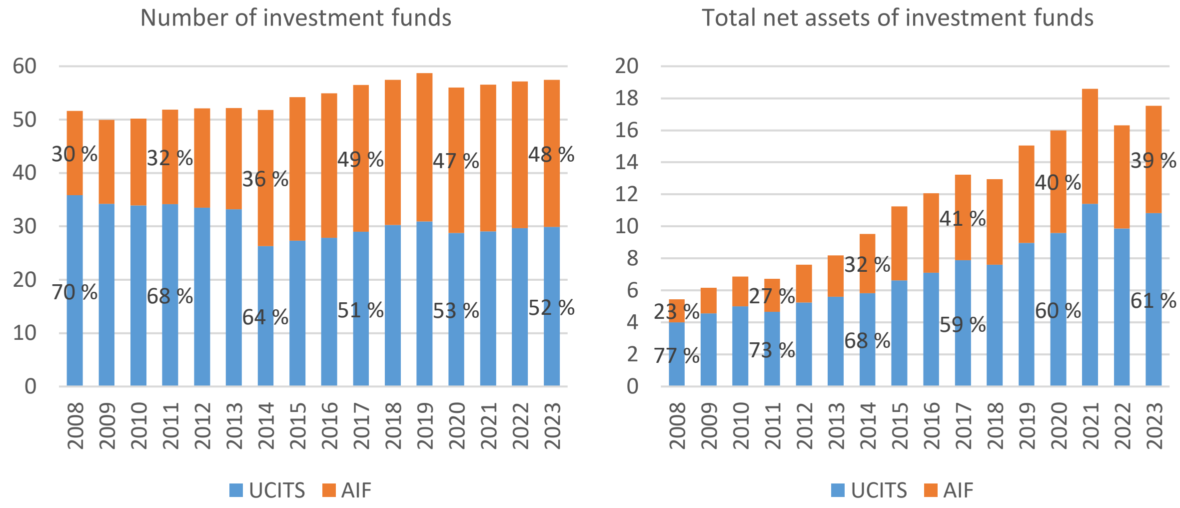


Source: 2024 ECMI Statistical Package.

5. Investment funds

In 2023, the EU investment fund industry continued to face a challenging environment, influenced by ongoing geopolitical uncertainties, including the war in Ukraine, and persistent macroeconomic pressures such as high inflation and interest rates. Despite these challenges, the number of investment funds increased marginally to 57 436 (see Figure 17, left-hand panel). Total net assets saw a slight increase of 8 %, reaching EUR 17.5 trillion (see Figure 17, right-hand panel). The net assets of undertakings for collective investment in transferable securities (UCITS) grew to EUR 11 trillion (+5 %), while alternative investment funds (AIFs) reached EUR 7 trillion (+2 %). In relative terms, investment fund managers' net assets decreased slightly, from 103 % of GDP in 2022 to 99 % of GDP in 2023.

Figure 17. Number and total net assets of EU-27 investment funds (EUR trillion, 2008-2023)



Note: Data refer to the EU-27.
Source: 2024 ECMI Statistical Package.

Most of investment funds (77 %) and net assets (84 %) were domiciled in France, Germany, Ireland and Luxembourg (see Table 1). The net assets of UCITS showed growth in nearly all countries, with Greece (+58 %), Poland (+40 %), the Czech Republic (+28 %) and Slovenia (+22 %) experiencing the largest increases. In the AIF market, Hungary saw the most significant growth (+60 %), followed by Slovenia (+35 %) and Poland (+24 %).

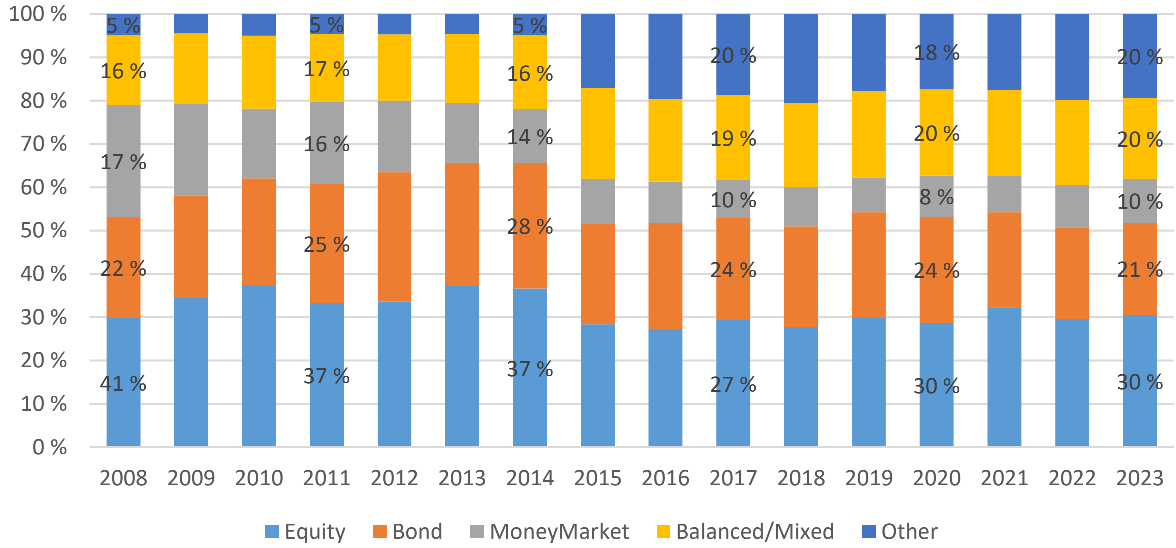
Table 1. Investment fund industry by country of domicile (EUR billion, end-2023)

	# Total	# of UCITS	# of AIFs	Net assets (EUR billion)	% Δ in 2022[a)]
Luxembourg	13 981	9 934	4 047	5 285	+5 %
France	10 768	3 092	7 676	2 266	+8 %
Ireland	8 870	5 444	3 426	4 083	+12 %
Germany	7 555	2 865	4 690	2 633	+2 %
Spain	3 001	2 764	237	360	+11 %
Other	9 320	5 792	3 528	2 435	-7 %
EU-27	53 495	29 891	23 604	17 062	+5 %
UK	3 374	2 289	1 085	1 909	+7 %

Notes: The countries are presented in terms of net assets (UCITS and AIF). [a)] End-2023 compared with end-2022.
Source: 2024 ECMI Statistical Package.

Equity funds (31 %) and bond funds (21 %) represented the largest shares of net assets in the EU investment fund market (see Figure 18). Additionally, money market funds (10 %) and balanced/mixed funds (19 %) accounted for a significant portion of the assets' net value. The remaining funds were comprised of real estate and infrastructure, hedge funds, structured products and private equity funds, which collectively made up 19 % of the total. This distribution highlights the dominant role of traditional asset classes, while alternative investments like private equity and real estate continue to play a key part in diversifying the investment landscape.

Figure 18. Share of net assets of investment funds by type, in the EU-27 (% of total assets 2008-2023)



Source: 2024 ECMI Statistical Package.

Annex

Methodology and data sources for the 2024 ECMI Statistical Package

The ECMI Statistical Package retrieves, compiles and analyses data from publicly available sources and reports as follows:

- Section 1 – WFE, FESE and individual trading venues;
- Section 2 – BIS, ECB, ECBC, AFME, WFE, FESE and individual trading venues;
- Section 3 – BIS, WFE, FESE and individual trading venues;
- Section 4 – BIS and WFE;
- Section 5 – EFAMA, OECD, Pensions Europe and Insurance Europe; and
- Sections 6 to 8 – Eurostat, the IMF and the World Bank.

For more information and to obtain the full ECMI Statistical Package 2024, please visit:

https://www.ecmi.eu/statistical-packages

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