



# FCI

## Quarter Release no. 3/2013

The **Investors Compensation Fund (Fondul de Compensare a Investitorilor S.A.- FCI)** reports for the third quarter of 2013 the following information regarding the number of investors, the average investment portfolio, the standing fund and the investment of resources. The data used for the following analysis are reported by each member on their own responsibility.

The following companies lost their member quality in the Investors Compensation Fund since July 2013:

- Unicredit CAIB Securities S.A.
- Unicapital
- Invest Trust

### 1. NUMBER OF INVESTORS

The third quarter of 2013 did not bring any significant movements in the total number of investors, reaching a value of 83,308 investors, compared to the end of June 2013, when there were 83,292 investors reported by the members of the Fund. It can be observed that, while the number of investors eligible for full compensation decreased, the other two categories of investors moved in the opposite direction, registering a mentionable increase.

Categories of investors	Jun. 2013	Sept. 2013	Sept. 2013/ Jun. 2013 (%)
Eligible for full compensation	76,409	74,946	-1.91%
Eligible for compensation within the compensation limit	5,826	6,633	13.85%
Excluded from compensation	1,057	1,729	63.58%
<b>Total no. of investors</b>	<b>83,292</b>	<b>83,308</b>	<b>0.02%</b>

Compared to the data analysed in the previous quarter, the situation is a contrasting one, since in June the number of investors eligible for compensation increased with a high amount.

Below it is presented the evolution of the number of investors by categories, since 2006 until now, an evolution dominated mainly by the number of investors with portfolios below the 20.000 eur limit.

### KEY FIGURES SEPTEMBER 2013

- No. of FCI members:: **63**
- Total no. of investors : **83,308**
- Total investment eligible for compensation: **1.208.702.381 lei**
- Total portfolio: **21.149 mil lei**
- Average portfolio held by an investor eligible for full compensation: **1.846 eur**

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*The third quarter of 2013 did not bring any significant change in the number of investors. Their structure was, however, modified, registering a high increase for investors excluded from compensation and for investors eligible for maximum compensation.*

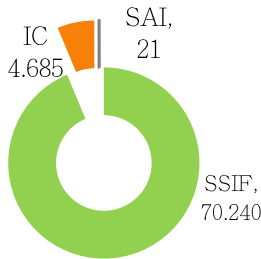
*Portfolios rose by 9% as a direct influence of market capitalization increase (of 14.8%)*

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- Compensation limit: **20.000 eur**
- Exchange rate as of 30.09.2013: **4,4604 lei/eur**
- Exchange rate as of 30.06.2013: **4,4588 lei/eur**

Out of 74.946 investors eligible for full compensation (with portfolios lower than 20.000 eur.), 94% use brokerage firms (SSIF).

Investors eligible for full compensation by type of members



IC- Credit institutions

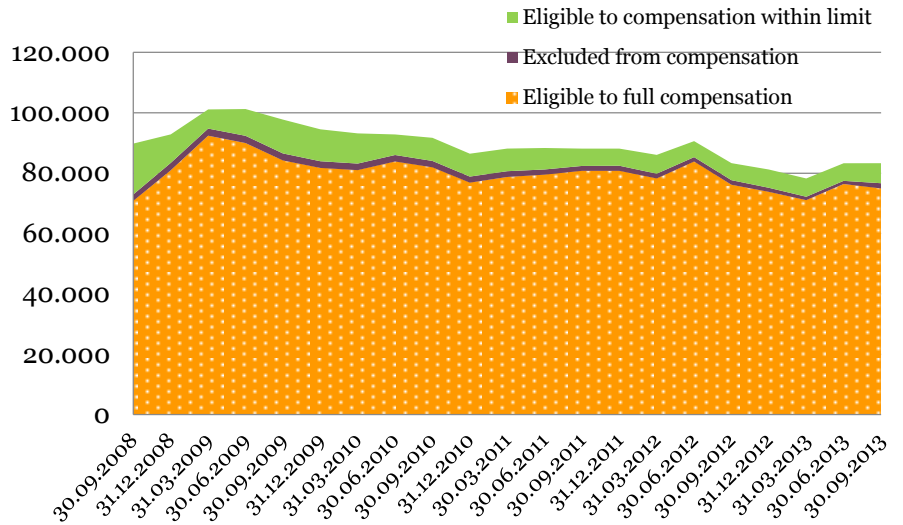
SAI – Asset Management companies

**Investors eligible for compensation with assets below the limit** represent the main part of investors analysed by the Fund. Their number slightly decreased at the end of this semester, by 1.91%, reaching 74.946

There is a significant growth in the number of investors eligible for compensation, with portfolios above the limit, by 13.85%. This increase may be caused either by new investors on the market, with large portfolios, or by old investors that have increased their portfolios above the limit. The latter situation could explain also the decrease in the investors' category with portfolios below the limit.

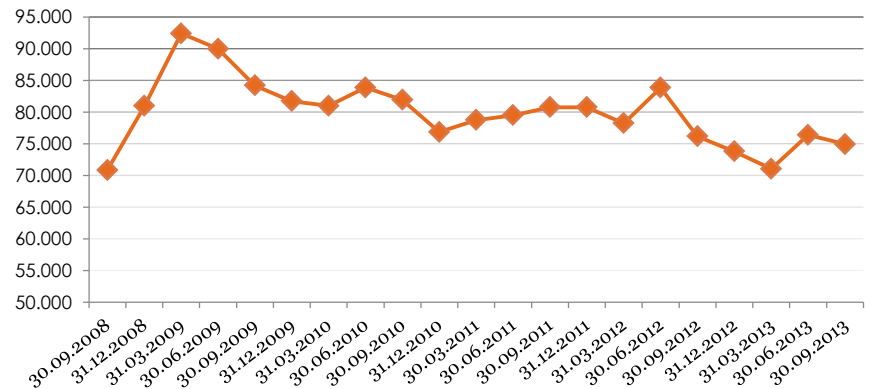
N.B.: The data reported by the fund's members do not take into consideration whether the investors are clients of one or more intermediaries, implying that the real number of investor could be significantly lower.

### Evolution of investors



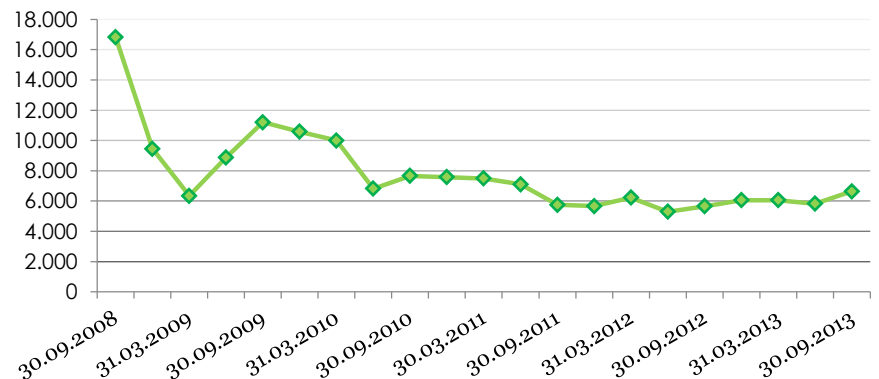
Due to the fact that the legal compensation limit is 20.000 EUR, the investors eligible for compensation, which hold monies and financial instruments below this limit are referred to as fully compensable investors. Their evolution in time is presented below.

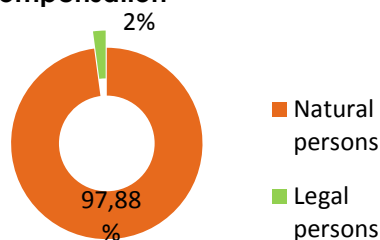
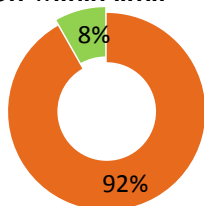
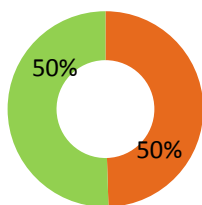
### Fully compensable investors



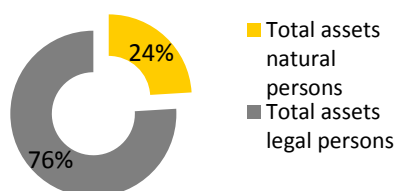
The evolution of the second category of eligible investors, the ones with portfolios above the limit is presented below.

### Investors eligible for compensation within limit



**Investors eligible for full compensation**

**Investors eligible for compensation within limit**

**Investors excluded from compensation**


The **market capitalization** (BVB and Rasdaq) has increased significantly in this quarter, by 14.31 per cent, reaching 118.38 bill. lei at 30.09.2013. The positive evolution is due to the price increase.

**Distribution of assets between natural and legal persons**


The evolution of investors eligible for full compensation, distributed on category of members (Investment services companies – SSIF, Credit institutions – IC, Asset management companies – SAI) is as follows:

Investors fully compensated, by category of members	Jun. 2013	Sept. 2013	Sept. 2013/ Jun. 2013 (%)
Investment firms (SSIF)	71,542	70,240	-1.82%
Credit institutions (IC)	4,846	4,685	-3.32%
Asset Management Companies (SAI)	21	21	-
<b>Total</b>	<b>76,409</b>	<b>74,946</b>	<b>-1.91%</b>

The eligible investors eligible for full compensation, below the limit, predominantly use the investment companies (SSIF), with a weight of 94%.

In all three investor's categories, most investors are represented by natural persons. Most legal persons are in the category of investors not eligible for compensation, reaching this quarter 50%, compared to 37% last quarter.

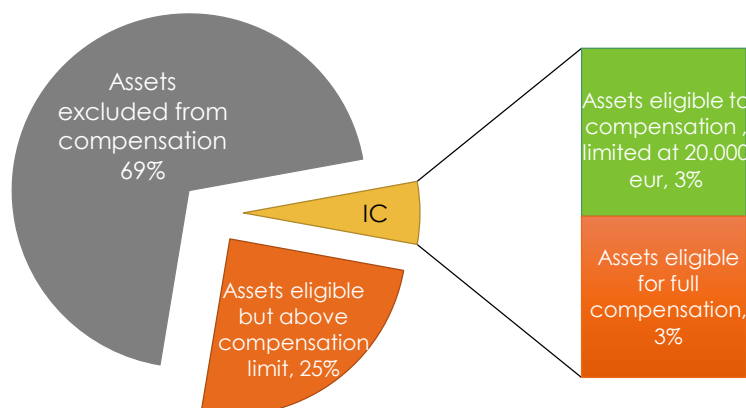
## 2.1 TOTAL PORTFOLIO OF INVESTORS

Value of total portfolio (mil. lei)	Jun. 2013	Sept. 2013	Sept. 2013/ Jun. 2013 (%)
Financial instruments	19,003	20,796	9,44%
Monetary funds	234	353	50,82%
<b>Total portfolio</b>	<b>19,237</b>	<b>21,149</b>	<b>9,94%</b>

Total portfolio by category of investors	Jun. 2013	Sept. 2013	Sept. 2013/ Jun. 2013 (%)
Eligible for full compensation	605.7	616.9	1.85%
Eligible for compensation within the compensation limit	5,193.5	5,827.9	12.21%
Excluded from compensation	13,437.9	14,704.5	9.43%
<b>Total</b>	<b>19,237</b>	<b>21,149</b>	<b>9.94%</b>

The **total portfolio** increased this quarter by nearly 10 per cent, a growth determined mostly by the investors excluded from compensation, which account for the majority of the market portfolio. The increase is correlated to the capitalization evolution on BVB and Rasdaq.

## Market assets



The amount of assets eligible for compensation represents 6% of the total portfolio and it has increased in this quarter by 7.4%, compared to the previous quarter.

**IC jun. 2013** – 1.125.319.786 lei

**IC sept. 2013** – 1.208.702.381 lei

IC = Total investment eligible for compensation

## 2.2 AVERAGE PORTFOLIOS

The average portfolio of an investor eligible for full compensation is 1,846 EUR and for an investor eligible for compensation within limit, 196.985 EUR

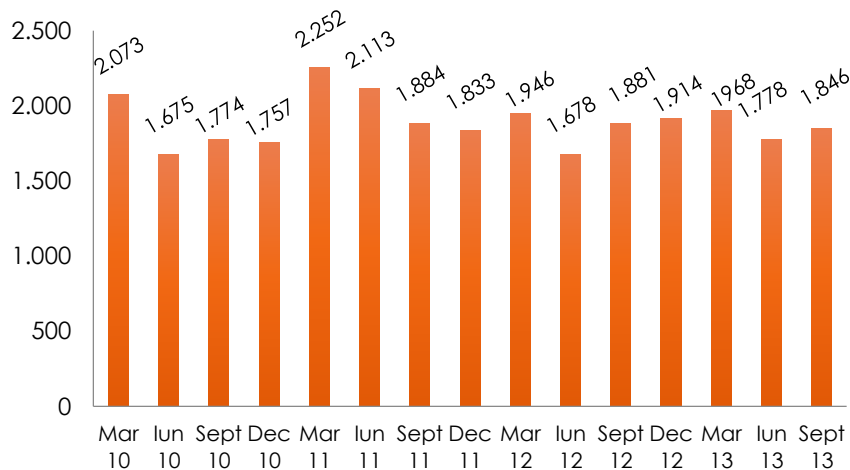
Investors average portfolio (euro)	Jun. 2013	Sept. 2013	Sept. 2013/ Jun. 2013 (%)
Eligible for full compensation	1.778	1.846	3,8%
Eligible for compensation within the limit	199.929	196.985	-1.47%
Excluded from compensation	2.851.284	1.906.700	-33.13%

Depending on the category of investors, the average portfolio is calculated as follows:

- for an **investor eligible for full compensation** (with investments below the compensation limit): the ratio between the sum of investments below 20.000 eur. and the total number of investors eligible for full compensation.
- for an **investor eligible for compensation within the compensation limit** (with investment above the compensation limit): the ratio between the sum of investments that exceed the compensation limit and the total number of investors in this category.
- for an investor **excluded from compensation**: the ratio between the sum of investments excluded from compensation and the total number of excluded investors.

The average portfolio increased by 3.8% for investors eligible for full compensation, while the other two categories decreased, proportionally to the decrease in the number of investors relative to their category.

### Evolution of the average portfolio eligible for full compensation (EUR)



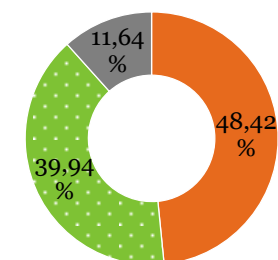
$$\text{IMC} = \frac{\text{Investment eligible for compensation}}{\text{no. of members}}$$

### 2.3 AVERAGE INVESTMENT TO COMPENSATE (IMC)

The average investment to compensate is represented by the ratio between the sum of investments eligible for compensation submitted by the Fund's members and the number of members of the Fund.

At the end of September, the Fund's members reported a total investment eligible for compensation of 1.208.702.381 lei. Taking into account that there were 63 registered members at the end of September, the Average investment to compensate was 19.185.752 lei. The evolution of this indicator continues to be steep, while members decrease and portfolios rise. Compared to the previous quarter, we see a decrease of 12,5 percentage points.

#### Investment of resources Q3 2013



- discount Treasury Bills
- benchmark bonds
- bank deposits

### 3. INVESTMENT OF RESOURCES FOR COMPENSATION

The value of the financial resources for compensation at the end of September 2013 amounted 16,42 mil lei.

The resources were invested as follows: 48,42% in Treasury Bills with discount, 39,94% in benchmark bonds and 11,64% in negotiated bank deposits.