

CUSTODY OF SECURITIES ACCOUNTS 1998

TOTAL NUMBER OF SECURITIES ACCOUNTS

DINAMYCS OF NUMBER OF SECURITIES ACCOUNTS IN 2nd HALFYEAR 1998 (at the end of quarters)

Owners of accounts	30.06.1998 number	30.09.1998	31.12.1998	
		number	number	growth in 2nd quarter, per cent
Natural persons	29495	37152	42001	42,4
Legal persons	1031	1142	1269	23,1
Funds	45	52	20	-55,6
Residents	29812	37511	42376	42,1
Non-residents	759	835	914	20,4
Total clients	30571	38346	43290	41,6

ESSENTIAL FEATURES OF 2nd HALFYEAR, 1998:

- 1) Number of investors increased per 41,6 %. It can raise liquidity of securities market and reduce influence of one investor on securities prices.
- 2) Increase is due to residents - natural persons. It is connected with coming of new issuers in the market on the 3rd quarter (js/c "Latvijas Balzāms" and "Ventspils Nafta")
- 3) Comparatively small number of securities accounts are hold by non-residents (2% from total).

AMOUNT OF SECURITIES PORTFOLIO

DINAMYCS OF SECURITIES AMOUNT

Owner of securities	On 31.12.1998, LVL	Changes to 30.09.1998, per cent
Natural persons	23 283 120	- 0.5
Legal persons	137 503 628	+ 1.1
Funds	10 177 990	- 18.2
Total clients	170 964 738	- 0.5
Residents	53 272 865	+ 10.1
Non-residents	117 691 873	- 4.5
Total clients	170 964 738	- 0.5
Intermediary companies	70 402 503	+ 11.8
Total portfolio of securities	241 367 241	+ 2.8

ESSENTIAL FEATURES OF 4th QUARTER, 1998:

- 1) The total amount of securities portfolio does not have essential changes, but the structure of securities owners is changed (raised amount of residents' securities portfolio).
- 2) At the end of year residents (together with brokerage companies and banks) possess 51 per cent of total amount of securities .
- 3) Securities market price Indexes (Dow Jones un RICI) greatly reduced - Dow Jones decreased per 72%, but RICI per 75%.

INTERMEDIARY ACTIVITIES 1998

DINAMYCS OF BRUTO TURNOVER IN 1998 (million LVL).

Segment of market	1st quarter	2nd quarter	3rd quarter	4th quarter	Total in 1998
Total for clients assignments	252.2	208.7	261.6	123.4	845.9
Total in intermediary companies own assignments	863.2	332.3	377.9	273.3	1846.7
TOTAL SUM	1 115.4	541.0	639.5	396.7	2692.6

BRUTO TURNOVER IN 1997 UN 1998 (million LVL)

Market segment	1997	1998	Changes, per cent
Total in Riga Stock Exchange	91.7	95.3	+3.9
Total in OTC Market	23.6	205.6	+771.1*
Total with LR government debt securities	276.5	700.7	+153.4
Total with non-public securities	906.4	1691.0	+86.5
Total in clients assignments	362.1	845.9	+133.6
Total in intermediary companies own assignments	939.5	1846.7	+96.6
Total Sum	1201.6	2692.6	+124.0

* On 1997 information about transactions on OTC-Market was deficient, it does not appreciate all OTC-Market transactions there. On 1998 OTC-Market transactions are meant all securities transactions without deregistrations.

ESSENTIAL FEATURES ON 1998:

- 1) Total market turnover increased per 124%,
- 2) Increase is due to the rise of turnover of foreign securities (in LVL) in Latvia and LR government debt securities.

Remark:

In the summary of turnover there are total amounts of incoming and outgoing securities (bruto turnover in securities market).

SUPERVISION OF INTERMEDIARY COMPANIES 1998

Number of Licensing Commission proceedings for Intermediary companies	18
Subjects	61
Liceses issued	2
Licenses replaced	29
Licenses suspended	4
Licenses revoked	5
Refused to issue a License	3
Intimation	1
Fines	3 (summary LVL 10150)

SUPERVISION OF ISSUERS 1998

Intimations	17
Fines	5 (summary LVL 13000)