

42. Treasury shares

This balance is analysed as follows:

| | 2020 | | | 2019 | | |
|--|--------------------------------|-------------------------|-------------------------------|--------------------------------|-------------------------|-------------------------------|
| | Net book value (Euros '000) | Number of securities | Average book value (Euros) | Net book value (Euros '000) | Number of securities | Average book value (Euros) |
| Banco Comercial Português, S.A. shares | 40 | 323,738 | 0.12 | 65 | 323,738 | 0.20 |
| Other treasury stock | — | | | 37 | | |
| Total | 40 | | | 102 | | |

As at 31 December 2020, Banco Comercial Português, S.A. does not hold treasury shares and did not purchase or sold own shares during the period. However, this balance includes 323,738 shares (31 December 2019: 323,738 shares) owned by clients. Since for some of these clients there is evidence of impairment, the shares of the Bank owned by these clients were considered as treasury shares, and, in accordance with the accounting policies, deducted to equity.

The own shares held by the companies included in the consolidation perimeter are within the limits established by the Bank's by-laws and by the Commercial Companies Code.

As at 31 December 2020, regarding treasury shares owned by associated companies of the BCP Group, Millenniumbcp Ageas Grupo Segurador, S.G.P.S., S.A. owns 142,601,002 BCP shares (31 December 2019: 142,601,002 shares), in the amount of Euros 17,568,000 (31 December 2019: Euros 28,891,000), according to note 51.

43. Reserves and retained earnings

This balance is analysed as follows:

| | (Thousands of euros) | |
|--|----------------------|------------------|
| | 2020 | 2019 |
| Fair value changes - Gross amount | | |
| Financial assets at fair value through other comprehensive income (note 23) | | |
| Debt instruments (*) | 205,592 | 78,849 |
| Equity instruments | (38,366) | (33,913) |
| Of associated companies and other changes | 42,685 | 29,205 |
| Cash-flow hedge | 265,487 | 153,330 |
| From financial liabilities designated at fair value through profit or loss related to changes in own credit risk | 593 | 132 |
| | 475,991 | 227,603 |
| Fair value changes - Tax | | |
| Financial assets at fair value through other comprehensive income | | |
| Debt instruments | (60,662) | (22,724) |
| Equity instruments | 6,581 | 3,797 |
| Cash-flow hedge | (83,698) | (48,398) |
| From financial liabilities designated at fair value through profit or loss related to changes in own credit risk | (186) | (41) |
| | (137,965) | (67,366) |
| | 338,026 | 160,237 |
| Exchange differences arising on consolidation | | |
| Bank Millennium, S.A. | (70,614) | (33,084) |
| BIM - Banco Internacional de Moçambique, S.A. | (229,851) | (150,976) |
| Banco Millennium Atlântico, S.A. | (172,450) | (143,476) |
| Others | 2,403 | 2,528 |
| | (470,512) | (325,008) |
| Application of IAS 29 | | |
| Effect on equity of Banco Millennium Atlântico, S.A. | 37,611 | 38,813 |
| Others | (3,965) | (3,965) |
| | 33,646 | 34,848 |
| Other reserves and retained earnings | 741,237 | 565,746 |
| | 642,397 | 435,823 |

(*) Includes the effects arising from the application of hedge accounting.

The fair value changes correspond to the accumulated changes of the Financial assets at fair value through other comprehensive income and Cash flow hedge, in accordance with the accounting policy presented in note 1 C.

During 2020, the changes occurred in Fair value changes - Gross amount, excluding the effect of hedge accounting and changes in own credit risk associated with financial liabilities at fair value through profit or loss, are analysed as follows:

| | (Thousands of euros) | | | | | |
|--|------------------------------------|-----------------------|-----------------------------------|------------------------------------|-----------|--------------------------------------|
| | Balance as at 1 January 2020 | Fair value changes | Fair value hedge adjustment | Impairment in profit or loss | Disposals | Balance as at 31 December 2020 |
| Financial assets at fair value through other comprehensive income (nota 23) | | | | | | |
| Debt instruments | | | | | | |
| Debt securities - Portuguese public issuers | 39,110 | 26,390 | 79,604 | 1,824 | (56,317) | 90,611 |
| Others | 39,739 | 109,522 | (13,710) | 8,536 | (29,106) | 114,981 |
| | 78,849 | 135,912 | 65,894 | 10,360 | (85,423) | 205,592 |
| Equity instruments | (33,913) | (9,794) | – | – | 5,341 | (38,366) |
| Associated companies and others | | | | | | |
| Millenniumbcp Ageas | 26,268 | 10,292 | – | – | – | 36,560 |
| Others | 2,937 | 3,188 | – | – | – | 6,125 |
| | 29,205 | 13,480 | – | – | – | 42,685 |
| | 74,141 | 139,598 | 65,894 | 10,360 | (80,082) | 209,911 |

The changes occurred, during 2019, in Fair value changes - Gross amount, excluding the effect of hedge accounting and changes in own credit risk associated with financial liabilities at fair value through profit or loss, are analysed as follows:

| | (Thousands of euros) | | | | | |
|--|------------------------------------|-----------------------|-----------------------------------|------------------------------------|-----------|--------------------------------------|
| | Balance as at 1 January 2019 | Fair value changes | Fair value hedge adjustment | Impairment in profit or loss | Disposals | Balance as at 31 December 2019 |
| Financial assets at fair value through other comprehensive income (nota 23) | | | | | | |
| Debt instruments | | | | | | |
| Debt securities - Portuguese public issuers | (72,484) | 112,077 | 72,400 | (2,718) | (70,165) | 39,110 |
| Others | 62,141 | 17,245 | (15,427) | 538 | (24,758) | 39,739 |
| | (10,343) | 129,322 | 56,973 | (2,180) | (94,923) | 78,849 |
| Equity instruments | (30,197) | (10,508) | – | – | 6,792 | (33,913) |
| Associated companies and others | | | | | | |
| Millenniumbcp Ageas | 18,774 | 7,494 | – | – | – | 26,268 |
| Others | 6,901 | (2,897) | – | – | (1,067) | 2,937 |
| | 25,675 | 4,597 | – | – | (1,067) | 29,205 |
| | (14,865) | 123,411 | 56,973 | (2,180) | (89,198) | 74,141 |

The item Disposals refers to the derecognition of debt securities and equity instruments at fair value through other comprehensive income.