



AIFM Reporting Dashboard

31 DECEMBER 2022

AIFM Reporting Dashboard

CONTENTS

1.	Introduction	3
1.1	Scope of Report	3
1.2	Exclusions	3
2.	Executive Summary	4
3.	Global overview of AIFs managed by LU AIFMs	6
3.1	Main characteristics	6
3.2	Risk profile of AIFs managed by LU AUT AIFMs	10
4.	Risk monitoring by main investment strategies	16
4.1	Real Estate AIFs	16
4.2	Private Equity AIFs	19
4.3	Hedge funds	21
4.4	Funds of funds	23
4.5	Other AIFs	25
5.	Non-EU AIFMs in Luxembourg (NPPR)	27
5.1	Market Overview	27
6.	List of abbreviations	29

AIFM Reporting Dashboard

1. Introduction

1.1 Scope of Report

- Current analysis of AIFMD data is dated 31/12/2022 and was built on the basis of end of year reports.
- Analysis focuses on LU AIFMs which manage a total net asset value of EUR 1.869bn. LU AIFMs can be either registered AIFMs¹ subject to a more limited scope of reporting or authorised AIFMs² subject to a wider reporting obligation under the AIFMD.
- AIFs managed by LU AIFMs are mostly based in Luxembourg (i.e. EUR 1.736bn / 93%), but can also be based in other EU and non-EU countries (EUR 133bn / 7%).

1.2 Exclusions

- LU AIFs managed by Non-LU AIFMs are excluded from this analysis since the AIFMD reporting is not collected by the CSSF, but by other EU NCAs supervising the AIFM.
- Data collected by the CSSF from Non-EU AIFMs under the National Private Placement Regime ("NPPR")³ concerning LU or Non-LU AIFs (i.e. AIFs only marketed in Luxembourg) is specifically addressed in section 5 and hence this data is not considered in sections 3 to 4 of this analysis.

¹ Art. 3 of the law of 12 July 2013 on Alternative investment fund managers

² Art. 5 of the law of 12 July 2013 on Alternative investment fund managers

³ As per Article 42 of the AIFMD on conditions for the marketing in Member States without a passport of AIFs managed by a non-EU AIFM

2. Executive Summary

Key indicators

	Funds of funds	Hedge funds	Private Equity	Real Estate	Other AIFs	Total*
Size						
Number of AIFs (Absolute number of units)	2 011	301	1 832	1 171	2 764	8 172
Net asset value (EUR bn)	€ 345bn	€ 55bn	€ 503bn	€ 286bn	€ 669bn	€ 1869bn
Average fund size (EUR mn per units)	€ 172M	€ 184M	€ 274M	€ 245M	€ 242M	€ 229M
NAV annual growth (% of NAV)	16%	23%	29%	20%	22%	22%
Proportion of total market (NAV % of all AIFs)	18%	3%	27%	15%	36%	100%
Distribution						
Retail participation (% of total)	5%	12%	5%	4%	6%	6%
Leverage						
Leverage (Gross method) (% of NAV)	113%	305%	103%	132%	126%	124%
(% YoY growth)	4%	-4%	1%	1%	-3%	0%
Leverage (Commitment method) (% of NAV)	101%	228%	101%	129%	112%	113%
(% YoY growth)	0%	-14%	1%	1%	0%	0%
Financial Leverage (% NAV)	3%	33%	1%	9%	3%	4%
Liquidity						
Open ended AIFs (% NAV)	45%	50%	4%	40%	47%	34%
Liquidity surplus (Surplus/NAV)	0%	21%	1%	2%	6%	4%
(% YoY Delta)	9,1%	-0,6%	0,3%	1,9%	-1,8%	1,5%
Liquidity shortage (Shortage/NAV)	-8%	-1%	0%	-5%	-3%	-3%
(% YoY Delta)	6,3%	0,6%	0,5%	0,9%	1,5%	2,2%

*Funds with predominant strategy "NONE" are considered in the statistics provided in the Column "Total", but are not disclosed separately.

Market Overview

- 8.172 AIFs managed by LU AIFM accounting for a Total NAV of EUR 1.869bn (excluding AIFs under the National Private Placement Regime (NPPR)).
- Concentrated LU AIFM sector (48% of NAV is concentrated with 4% of the largest AIFs).
- AIFs are on average smaller than UCITS. 64% of AIFs managed by LU AIFMs with NAV<EUR 100M.
- Growth of the LU AIFM sector in 2022 despite the current economic climate: AIFs are up by 22% in terms of total NAV. Progression recorded across all AIF strategies (PEQF (+29%), HFND (+23%), REST (+20%), FOFS (+16%), OTHR (+22%)) remains strong. Meanwhile, quarterly growth statistics highlight a progressive slow down over the year, except of the OTHR AIFs.
- PEQF continue to be the dominant strategy on the LU AIF market (27%) and reached a new high in terms of total NAV (EUR 503bn). Other strategies such as FOFS, traditional AIFs (Equity and Fixed Income AIFs) or REST are relatively similar in terms of market shares. HFND remain small in Luxembourg.

AIFs investors

- 94% of AIF investors are professional investors.
- Other UCI, pension funds and other financial institutions as main AIF investors.
- Top 5 investors account for 86% of NAV on average. Nonetheless, this high percentage could possibly reflect a lack of look-through on the beneficial owner in the reports provided by AIFMs.

Leverage

- As observed in the previous years, overall leverage remains limited, except for HFND.
- Leverage figures (AUM/NAV, commitment and gross methods) are quite stable for all strategies, except for HFND where the deleveraging observed since Q4 2020 continues in 2022.
- Financial leverage has increased since 2021 (from EUR 47bn to EUR 79bn), but remains low in % of NAV, except for HFND (~33% of NAV). Most of financial leverage is coming from unsecured borrowing and (reverse) repo transactions (for HFND).
- However additional financial leverage may be contracted at sub-asset level (i.e. embedded leverage in intermediary vehicles (SPVs) may be excluded from leverage figures under certain conditions).
- In this context, it is to be noted that the new ESMA Q&A on AIFMD (section VII, question 8) will likely have an impact on future leverage figures of REST AIFs: the European Commission clarified in its answer to this question that for leverage calculation purposes, REST AIFs have to include the exposure contained in financial or legal structures involving third parties controlled by them (e.g. special purpose vehicles controlled by the AIF) where these structures are specifically set up to directly or indirectly increase the exposure at the level of the AIF.

Portfolio breakdown

- Overall, long exposures reported are in line with AIFs investment strategies.
- Limited use of derivatives for all investment categories, except for HFND.
- 2022 TOP 5 exposures: shares of UCIs (EUR 628bn) are now the largest exposure ahead of unlisted equities (EUR 537bn). Other exposures are in line with the previous year: FX derivatives (for hedging purposes) (EUR 234bn), non-leveraged loans (EUR 189bn) and commercial real estate (EUR 122bn).
- Europe and to a lesser extent North America as dominant investment regions.

Liquidity

- More and more LU AIFs are closed-ended funds (only 34% are open-ended AIFs). This trend observed since 2019 is attributable to the rise of the PEQF AIFs which are almost systematically closed-ended funds. 64% of open-ended funds' NAV redeemable daily to monthly; lower redemption frequencies for PEQF and REST funds.
- Liquidity risk varying significantly across AIF types.
- The LU AIF market liquidity has increased in comparison with last year, the aggregated liquidity shortage is the lowest since 2019 at -3,4% of NAV.
- PEQF, HFND and OTHR AIFs continue to show liquidity surpluses on average for most time buckets.
- REST AIFs report an overall liquidity surplus for all buckets, except for 31-90 days bucket with a minor deficit of 0,2% of the NAV. FOFs AIFs also show a higher overall liquidity surplus in comparison with the previous years, but a noticeable deficit for 31-90 days bucket (-13%) remains.
- Such enhancement of the liquidity profile, especially for REST AIFs and FOFs AIFs, is partially explained by a global improvement of the way to report AIF investor liquidity (LMTs reflected in the figures reported) as a result of the recent data quality controls/actions performed by CSSF.

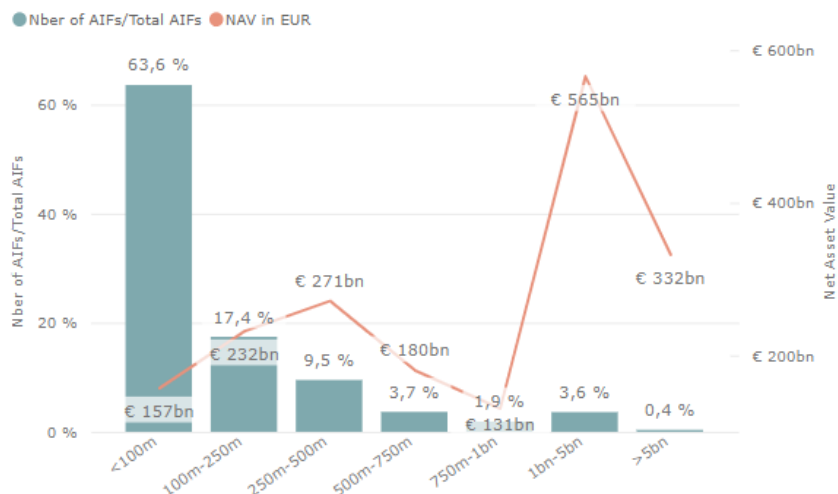
Non-EU AIFMs in Luxembourg (NPPR)

- 1.265 AIFs, with a total NAV of EUR 1.180bn, are marketed in Luxembourg by Non-EU AIFMs under the NPPR.
- Non-EU AIFs marketed in Luxembourg are mostly from USA (42%). In terms of strategy, 36% are PEQF, 23% are OTHR and 21% are HFND.
- The drop in total NAV in 2020 was due to a change in the reporting requirements of one main actor.

3. Global overview of AIFs managed by LU AIFMs

3.1 Main characteristics

3.1.1 Market size overview



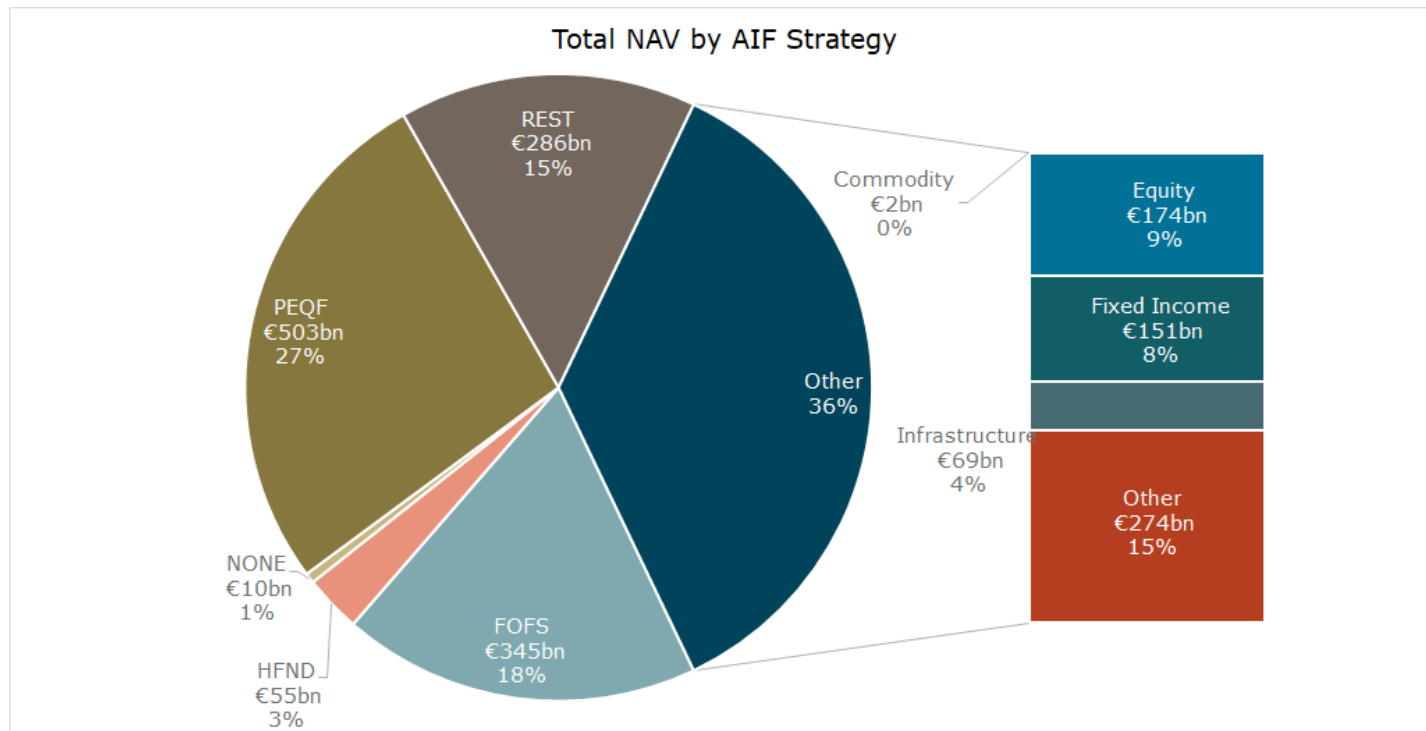
Statistical Indicators:

AIFs total number	8172*
Total NAV	EUR 1.869bn
Mean	EUR 229M
First quartile	EUR 15M
Median	EUR 53M
Third quartile	EUR 182M

* AIFs with « no reporting flag » activated are excluded from this data sample

Source: AIFMD data as at 31.12.22 from all LU AIFMs

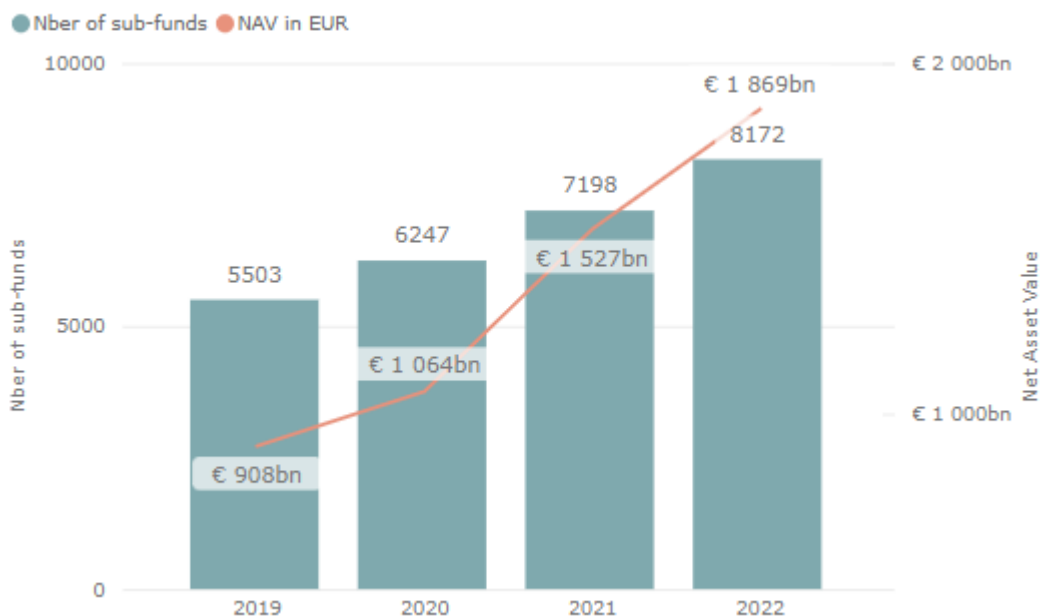
3.1.2 AIFs Investment Strategies



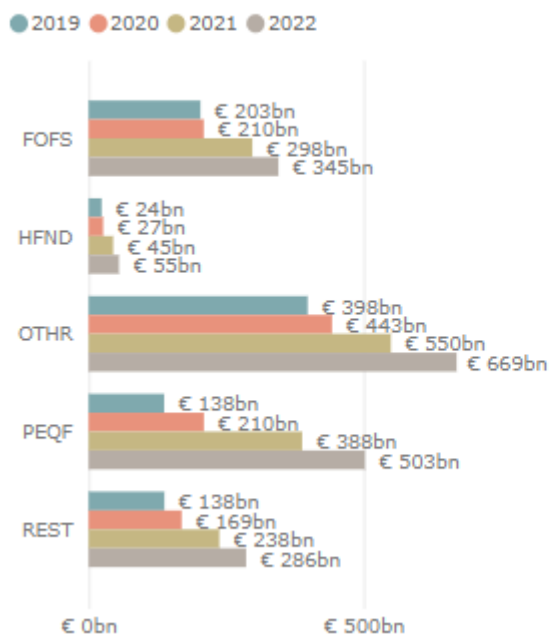
Source: AIFMD data as at 31.12.22 from all LU AIFMs

3.1.3 AIFs Market trends

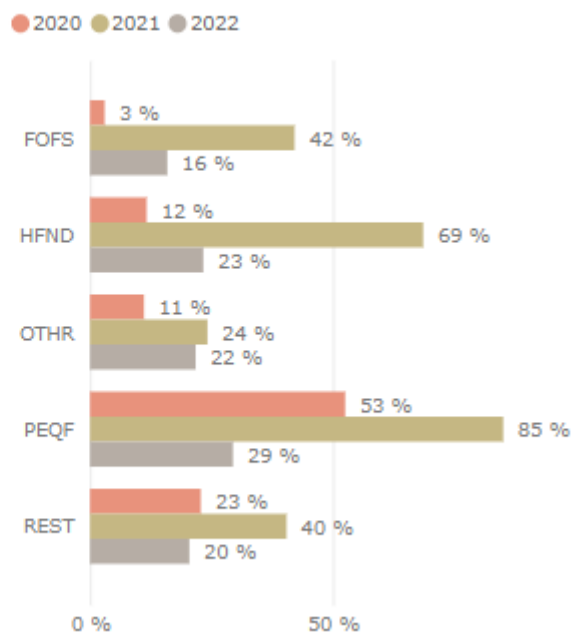
Evolution of LU AIFs Market



Evolution of total NAV per AIF strategy



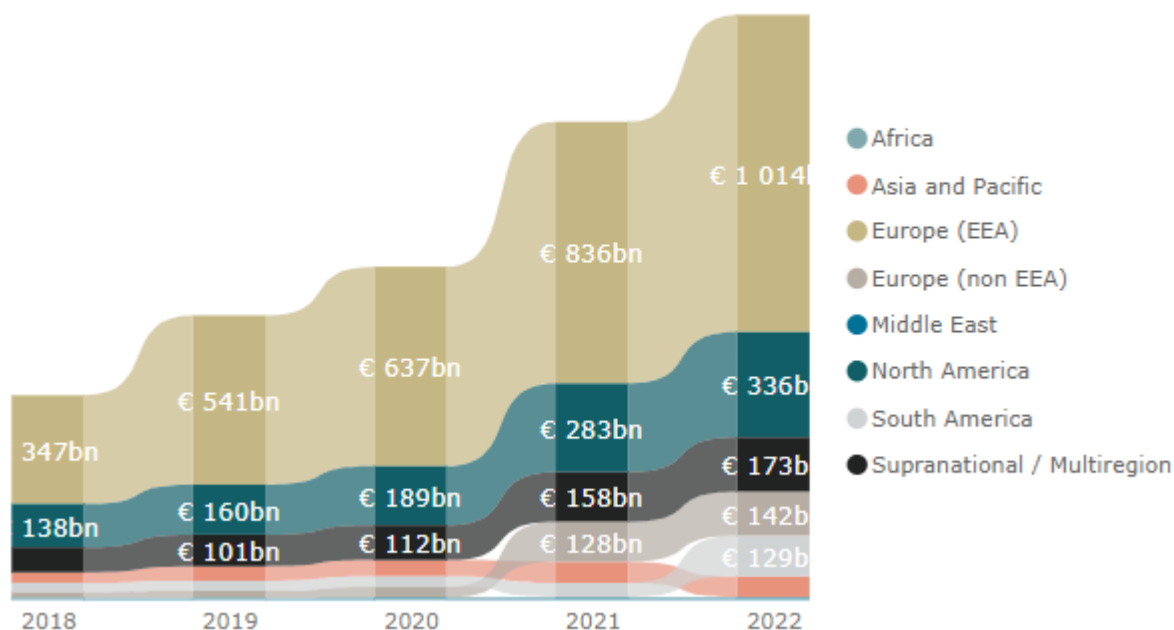
Annual variation of NAV per AIF strategy



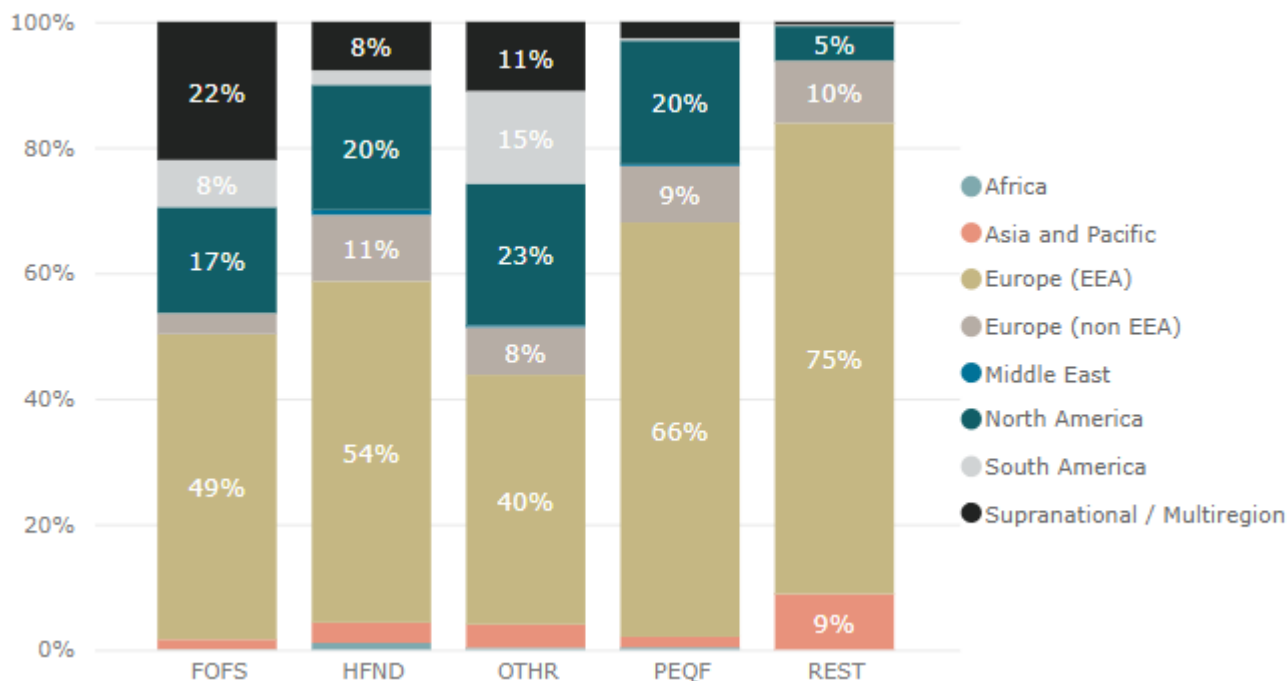
Source: AIFMD data as at 31.12.22 from all LU AIFMs

3.1.4 AIFs investments location

Trends in AIFs geographical NAV exposure



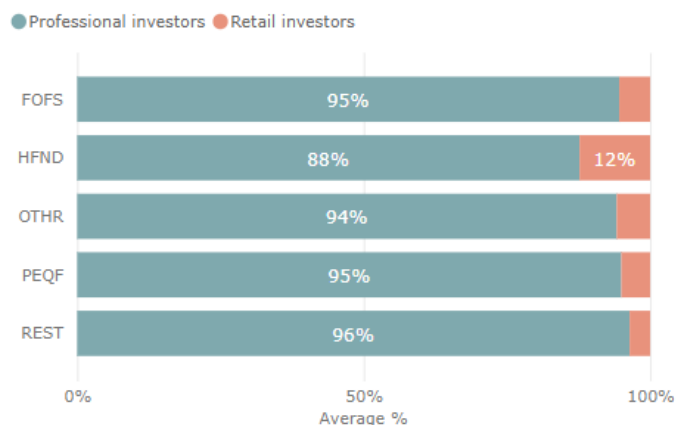
Geographical footprint of AIF investments



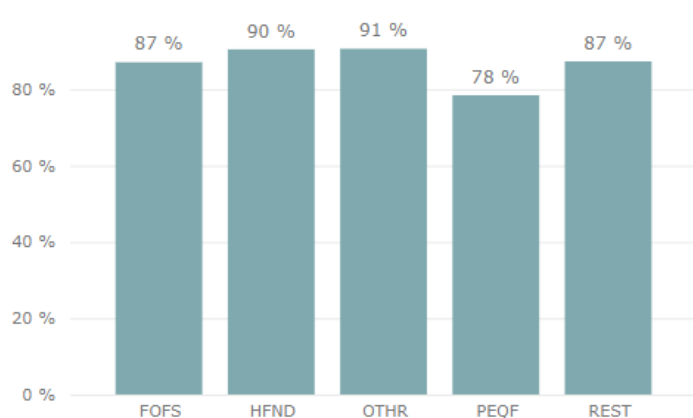
Source: AIFMD data as at 31.12.22 from all LU AIFMs

3.1.5 Investor profile of AIFs

Investor profile per AIF type (% NAV)

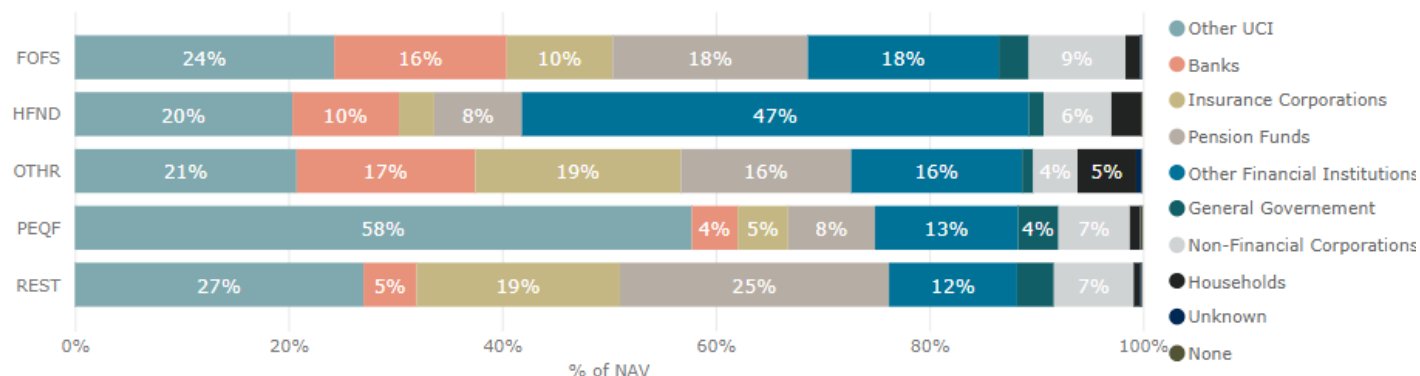


Top 5 investors percentage of ownership (% NAV)



Source: AIFMD data as at 31.12.22 from all LU AIFMs

Investor Group per AIF types



Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

3.2 Risk profile of AIFs managed by LU AUT AIFMs

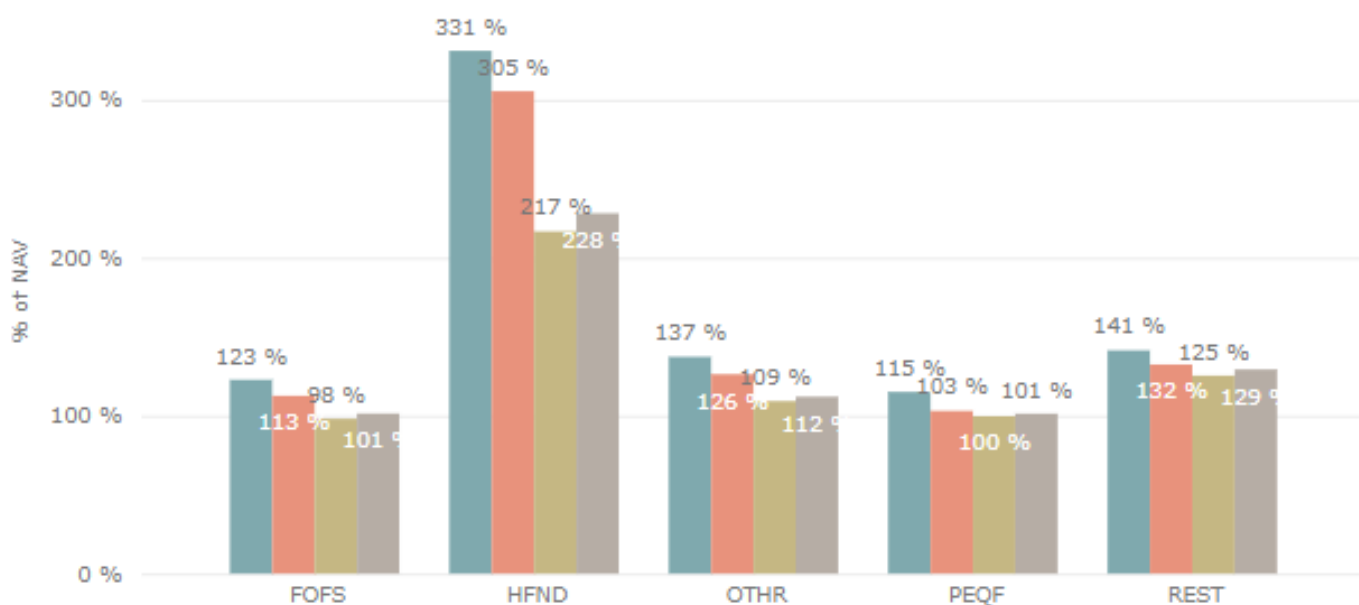
3.2.1 Leverage by AIF type (Gross Lev., Adj. Gross Lev., Commitment Lev., AUM/NAV methods)

Methodology note :

- **AUM/NAV:** this ratio provides an overall and simplified estimate of the market footprint of an AIF.
- **Gross Leverage:** ratio of the gross exposure quoted as a percentage of NAV. Under the gross method, exposures are calculated as the absolute value of all positions in the portfolio by including all assets and liabilities, relevant borrowings, derivatives (converted into their equivalent underlying positions) and all other positions, even those held purely for risk reduction purposes. Cash held in the base currency of the AIF is excluded.
- **Gross Leverage adjusted:** same methodology applied than for the Gross Leverage, but with the exclusion of interest rate and foreign exchange derivatives for hedging purposes. The background of this adjustment is that those instruments tend to inflate leverage measures, since they are measured using notional amounts.
- **Commitment Leverage:** ratio of AIF exposures to NAV, where exposures are computed using the commitment approach, which takes into account netting and hedging effects. Unlike gross leverage, cash is included here.

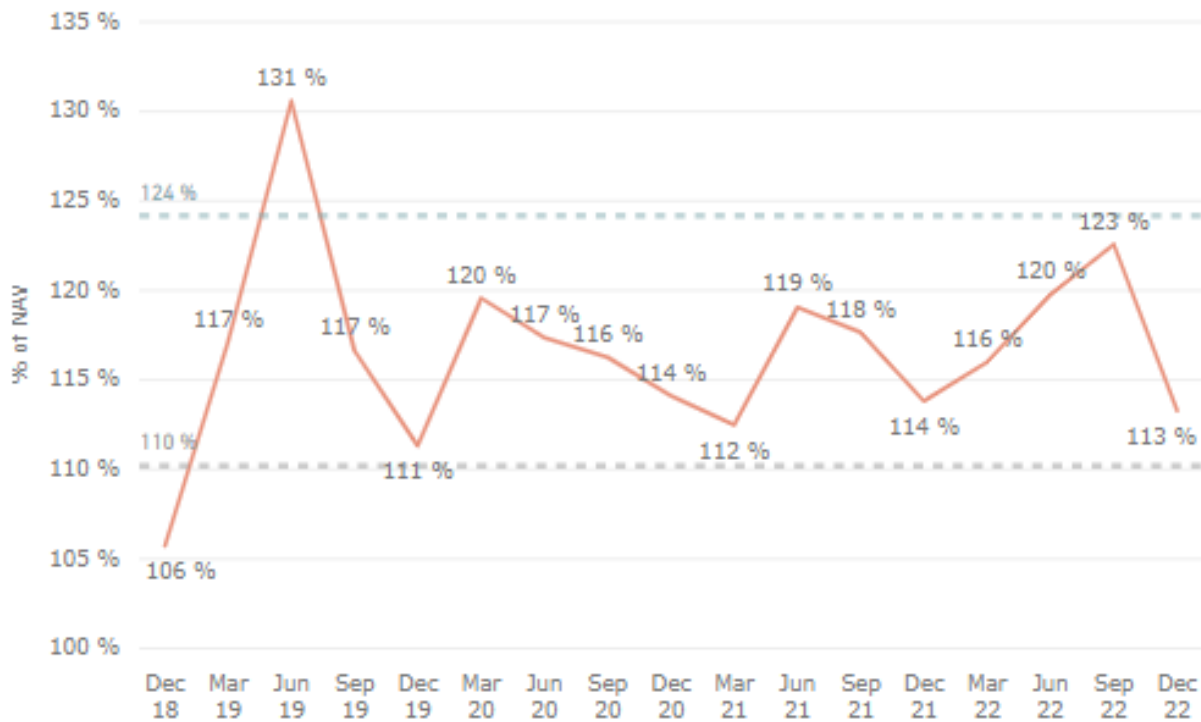
Leverage per AIF type

● AUM/NAV ● Gross L. ● AdjGross L. ● Commitment L.



Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

Commitment Leverage over time

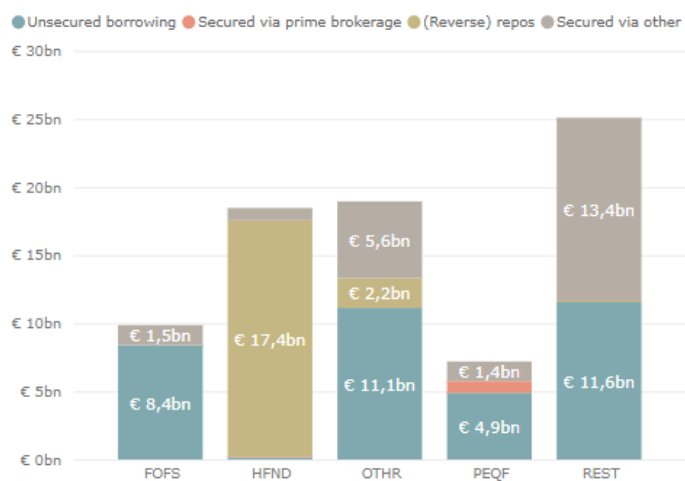


Note: Dashed lines relate to 5% and 95% percentiles

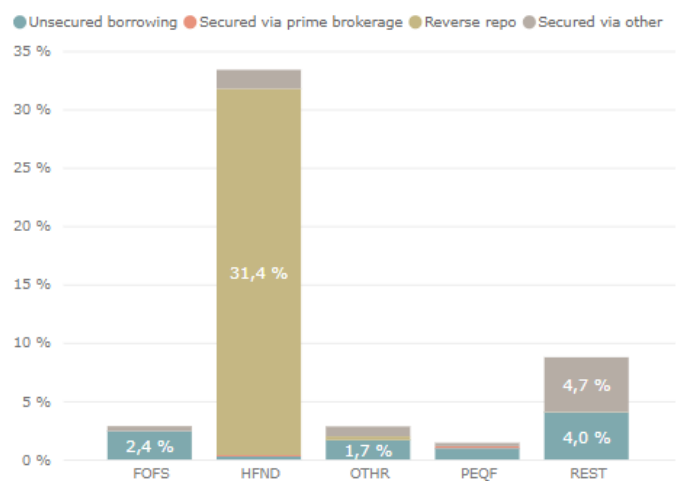
Source: AIFMD data from all LU AUT AIFMs

3.2.2 Financial leverage

Breakdown of financial leverage (EUR)



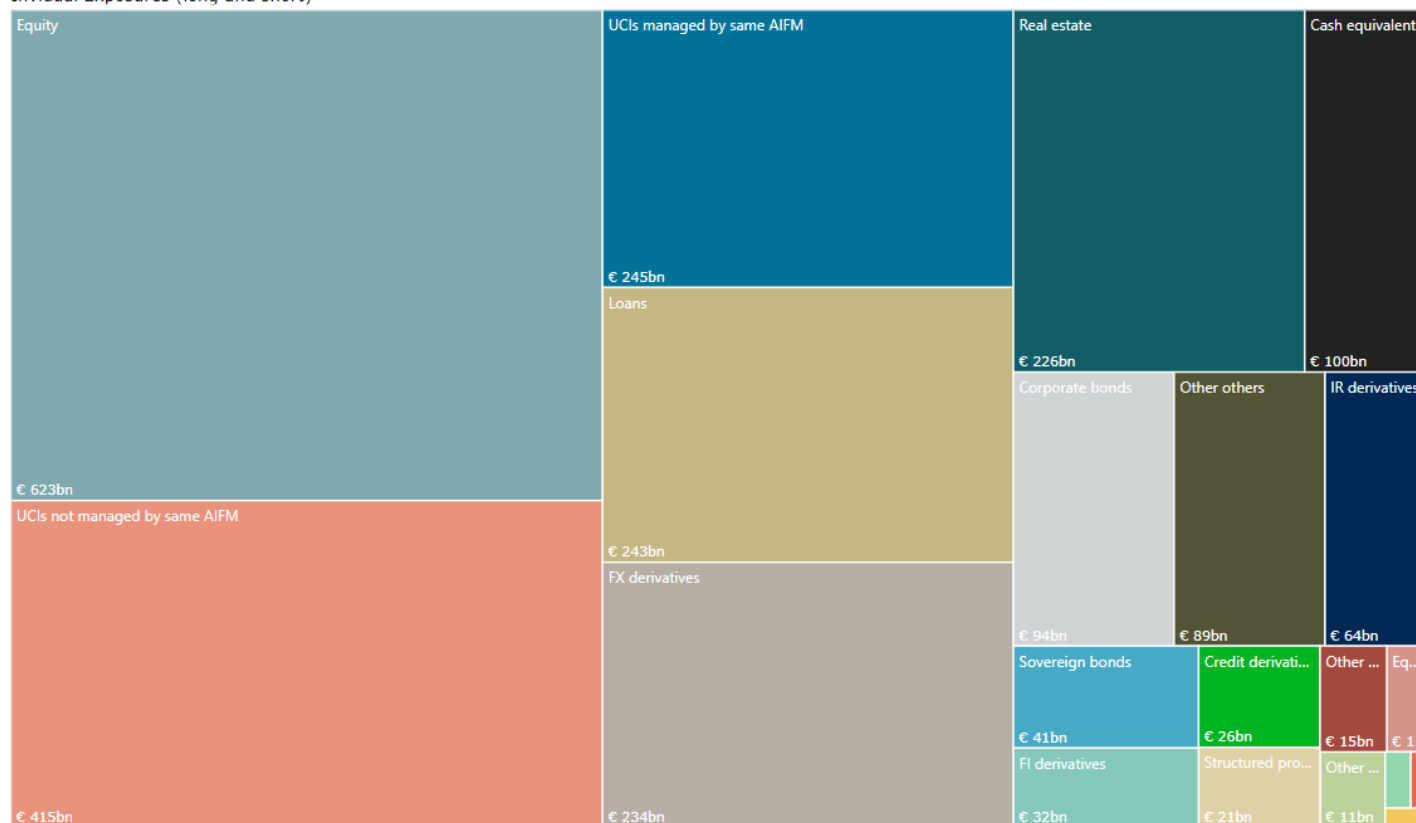
Breakdown of financial leverage (% NAV)



Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

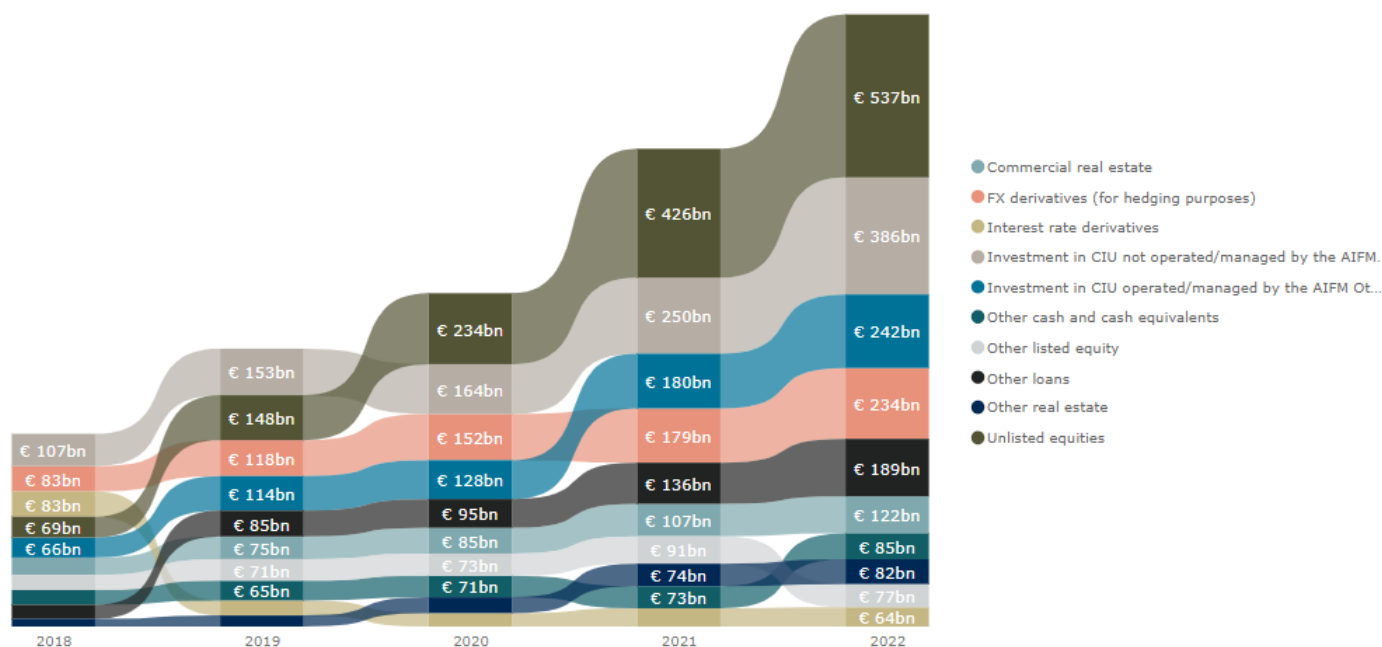
3.2.3 Portfolio breakdown – Aggregated long and short exposures

Individual Exposures (long and short)



Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

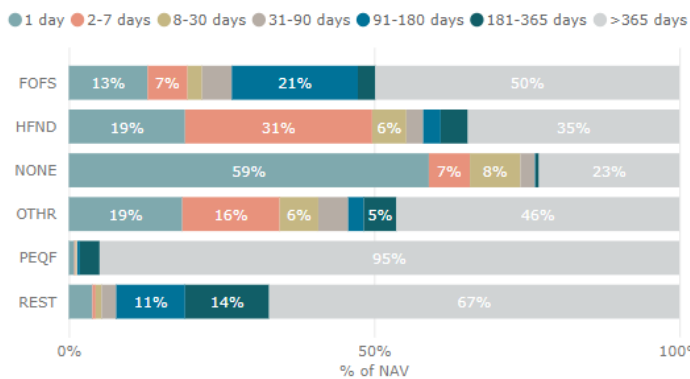
Evolution of top ten exposures (long and short)



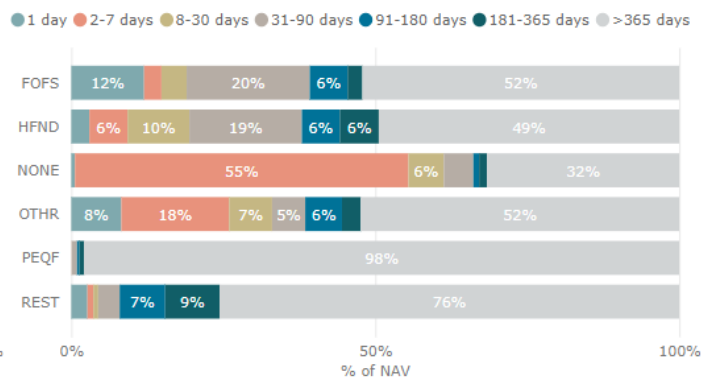
Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

3.2.4 AIFs Liquidity profile

Portfolio liquidity per time buckets



Investor Liquidity per time buckets

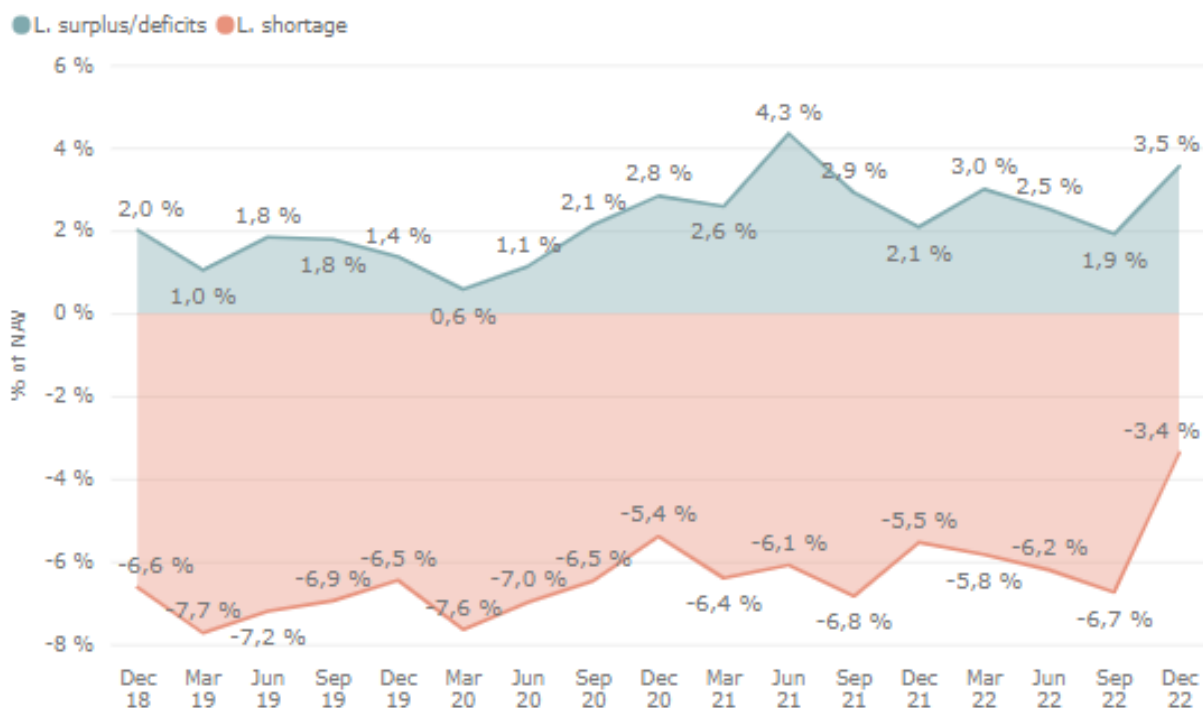


Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

Methodology note :

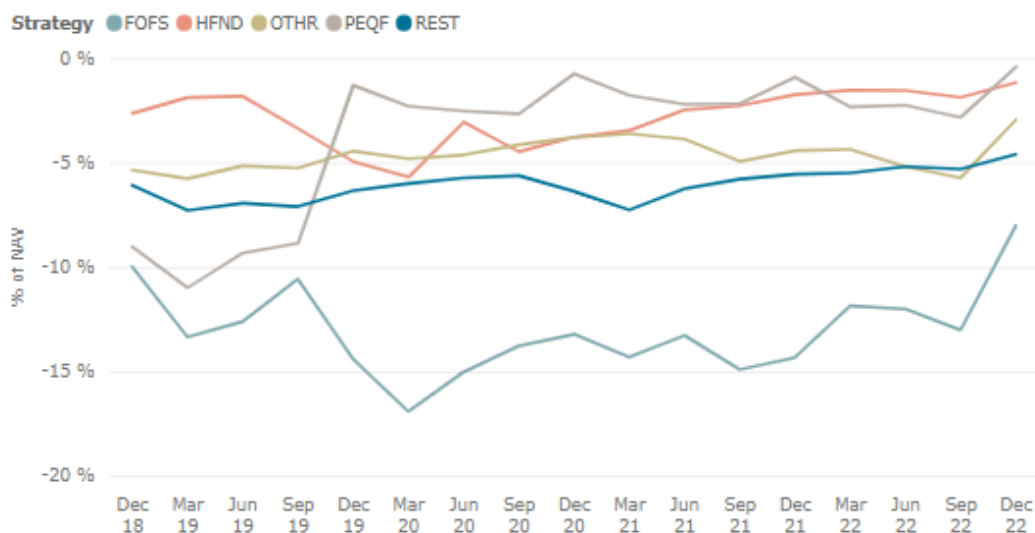
- **Liquidity surplus/deficit** is calculated as the difference between the portfolio liquidity and the investor liquidity both reported in % of the NAV which is then cumulated over liquidity buckets.
- **Liquidity shortage** is defined as the sum of the negative liquidity surpluses (i.e. deficits) at the level of each fund, without considering any (positive) liquidity surplus.

Liquidity shortage and liquidity surplus/deficits over time



Source: AIFMD data from all LU AUT AIFMs

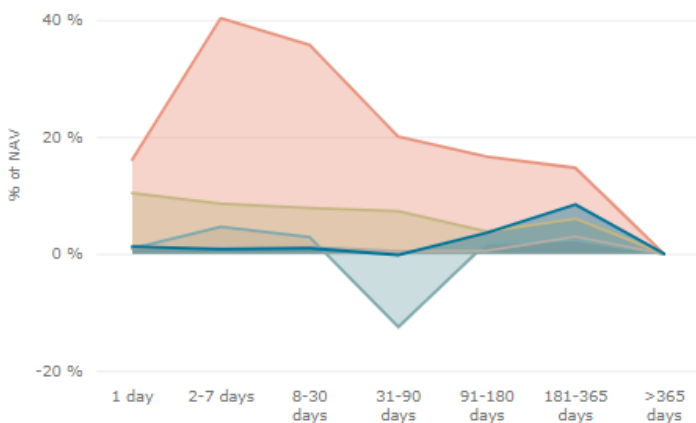
Liquidity shortage over time by AIF Strategy



Source: AIFMD data from all LU AUT AIFMs

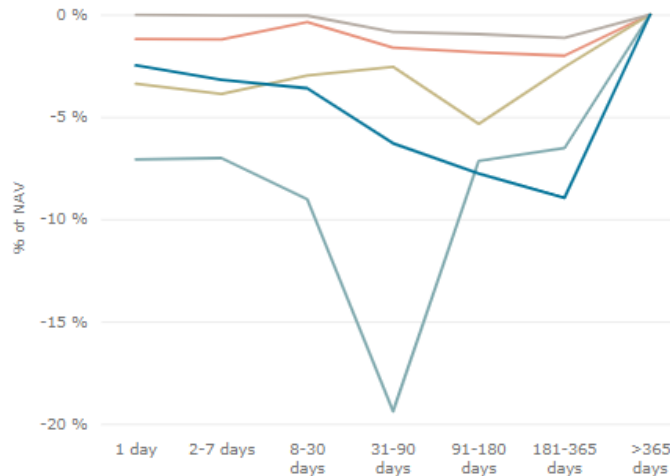
Liquidity surplus/deficits by AIF strategy

Strategy FOFS HFND OTHR PEQF REST



Liquidity shortage by AIF strategy

Strategy FOFS HFND OTHR PEQF REST

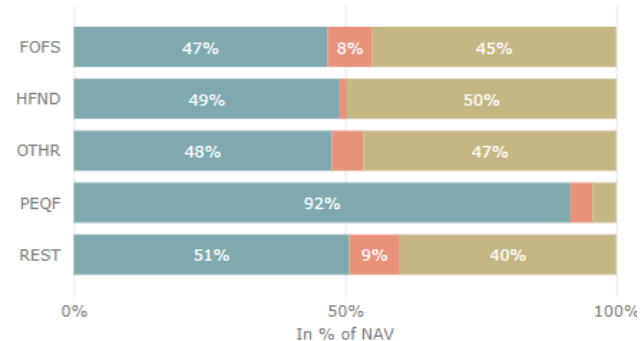


Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

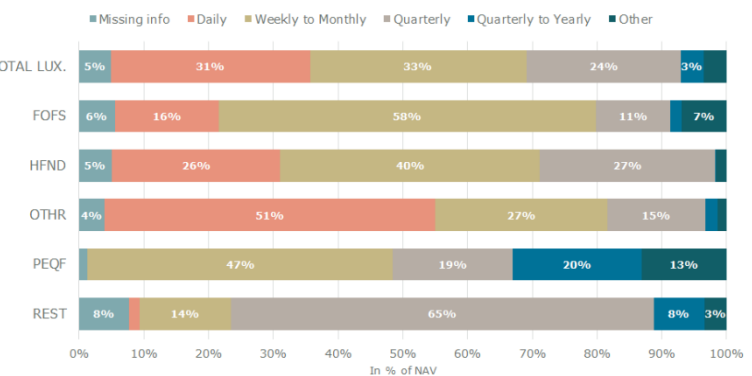
3.2.5 AIFs redemption profile

Redemption rights to investors

● Closed ● Missing ● Open

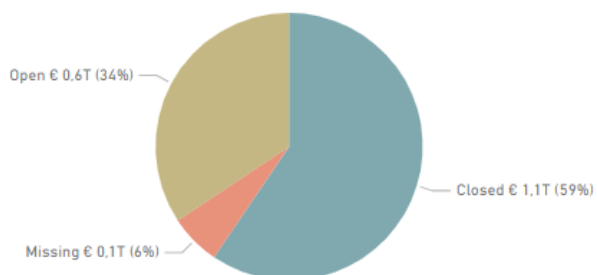


Redemption frequency of open-ended AIFs



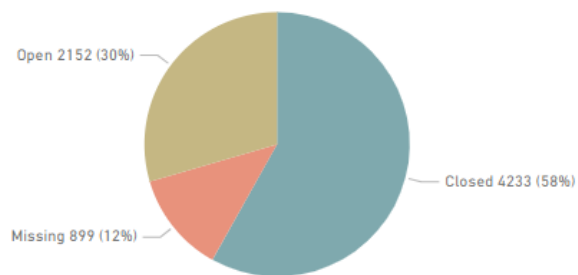
Breakdown of NAV per open/closed-ended status

● Closed ● Missing ● Open



Number of open/closed-ended AIFs

● Closed ● Missing ● Open



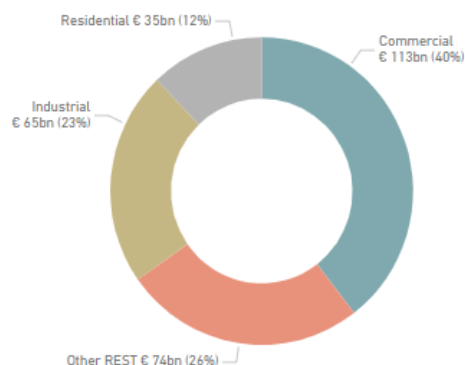
Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

4. Risk monitoring by main investment strategies

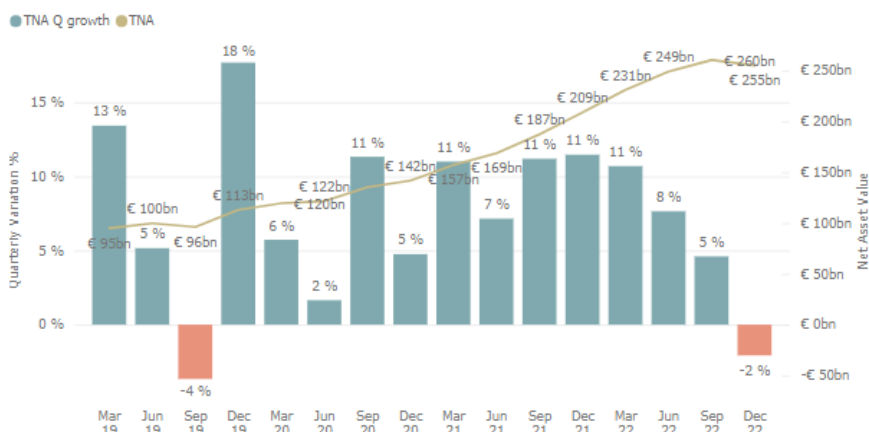
4.1 Real Estate AIFs

4.1.1 NAV by Sub Strategy and over time

NAV by Sub-strategy



Quarterly Evolution of NAV by AIFs Strategy

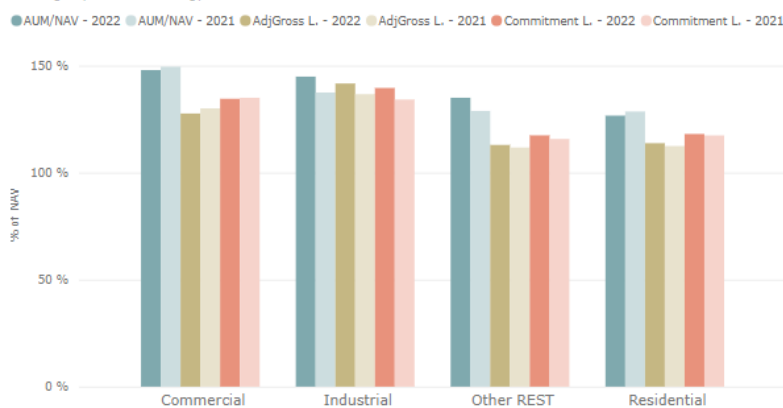


Note: the chart on the right-hand side only considers the subset of AIFs that reports on a quarterly basis to provide meaningful trends over the quarters. Thus, the total NAV evidenced in the present chart will underestimate the real total NAV by strategy.

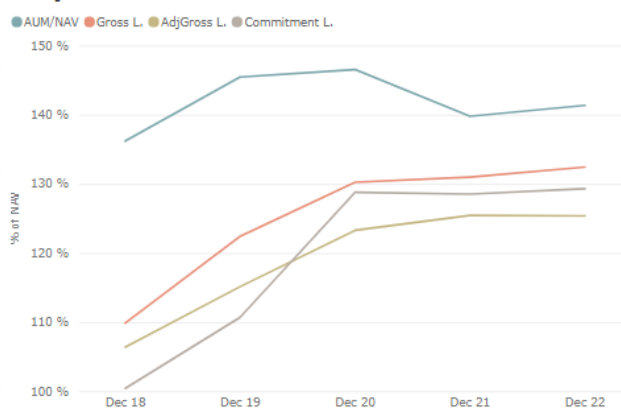
Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

4.1.2 Leverage by predominant Sub Strategy and over time

Leverage by AIF Sub Strategy



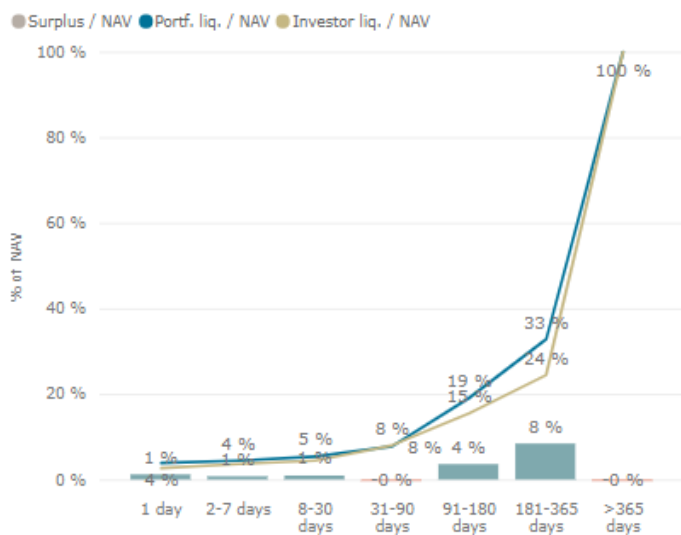
Leverage over time



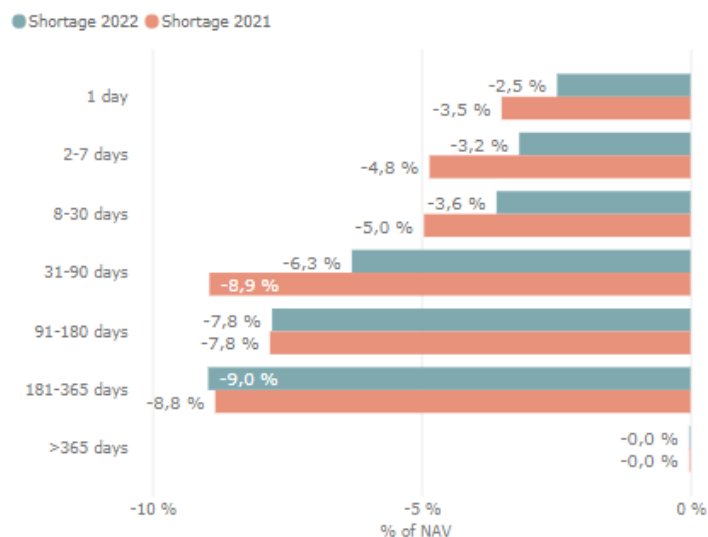
Source: AIFMD data from all LU AUT AIFMs

4.1.3 Liquidity profile

Liquidity surplus by AIF strategy



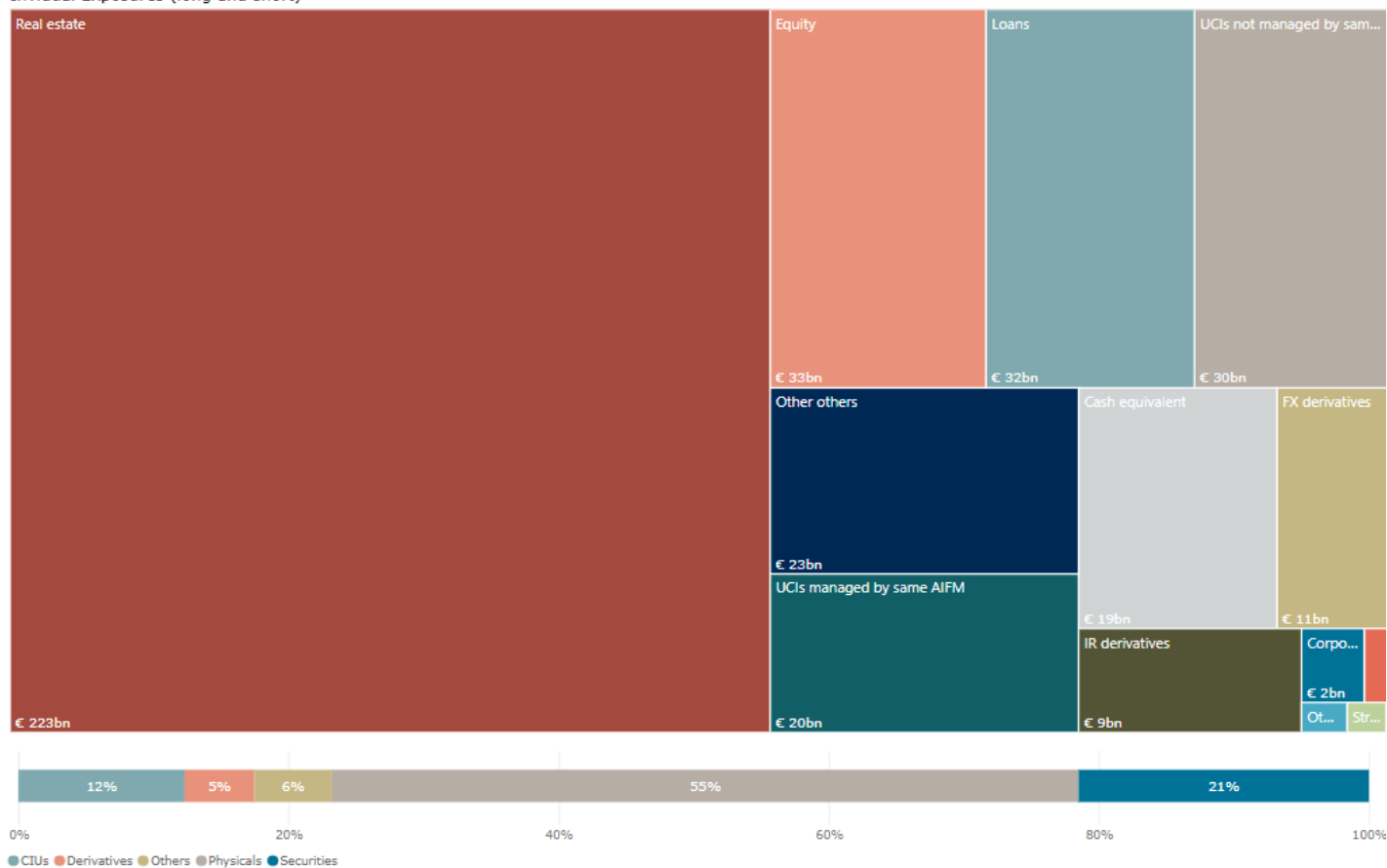
Liquidity shortage by AIF strategy



Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

4.1.4 Main Sub Asset exposures (in EUR)

Individual Exposures (long and short)

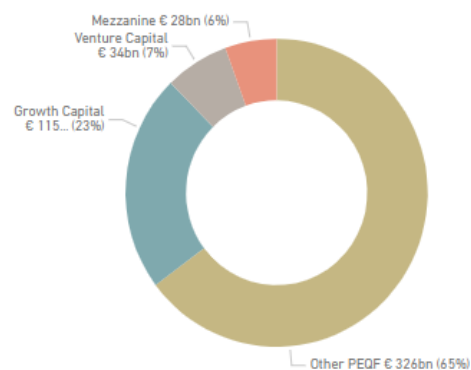


Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

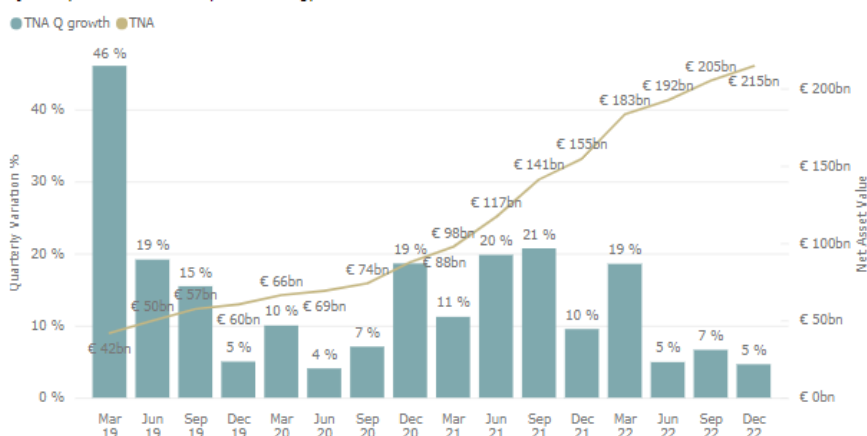
4.2 Private Equity AIFs

4.2.1 NAV by predominant Sub Strategy and over time

NAV by Sub-strategy



Quarterly Evolution of NAV by AIFs Strategy

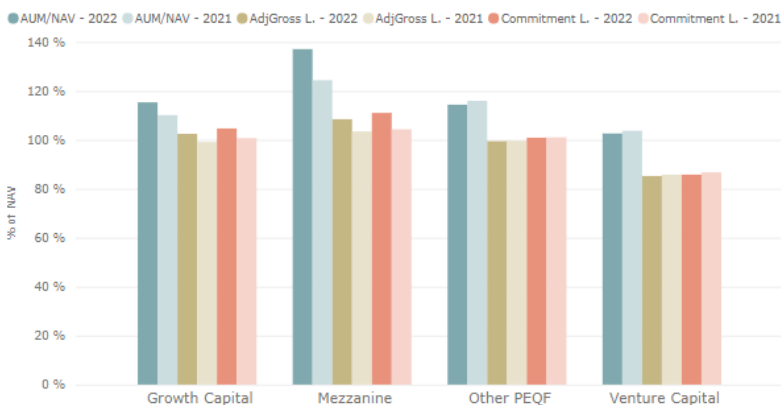


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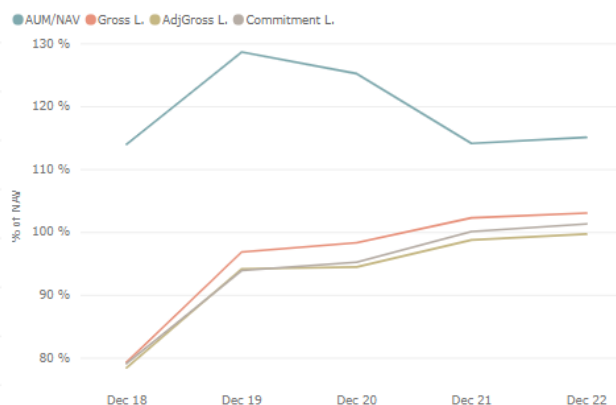
Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

4.2.2 Leverage by predominant Sub Strategy and over time

Leverage by AIF Sub Strategy



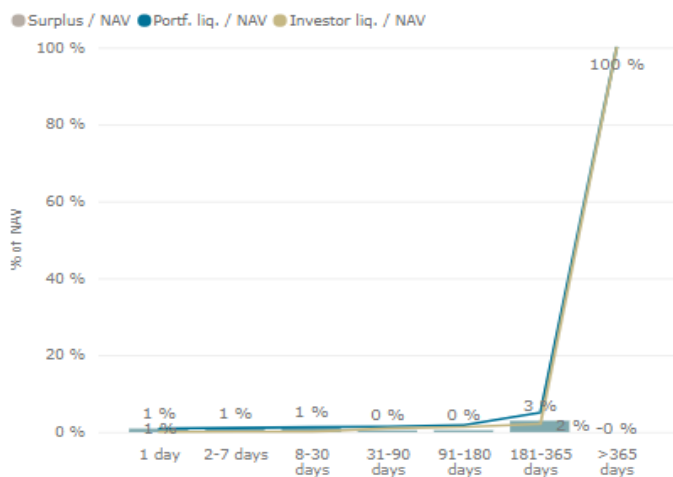
Leverage over time



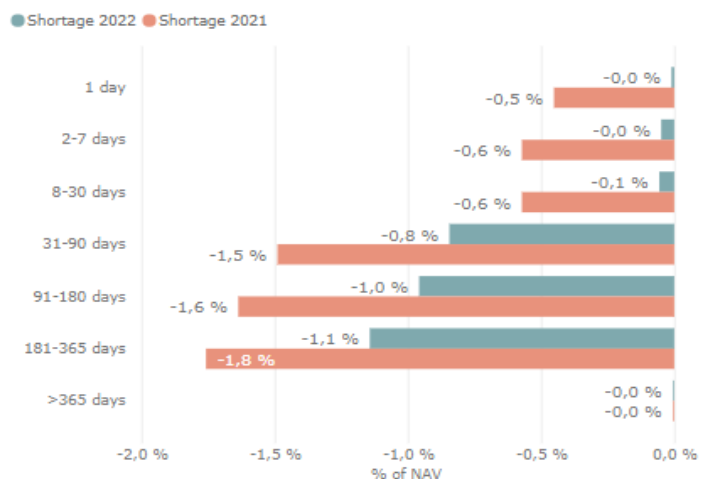
Source: AIFMD data from all LU AUT AIFMs

4.2.3 Liquidity profile

Liquidity surplus by AIF strategy



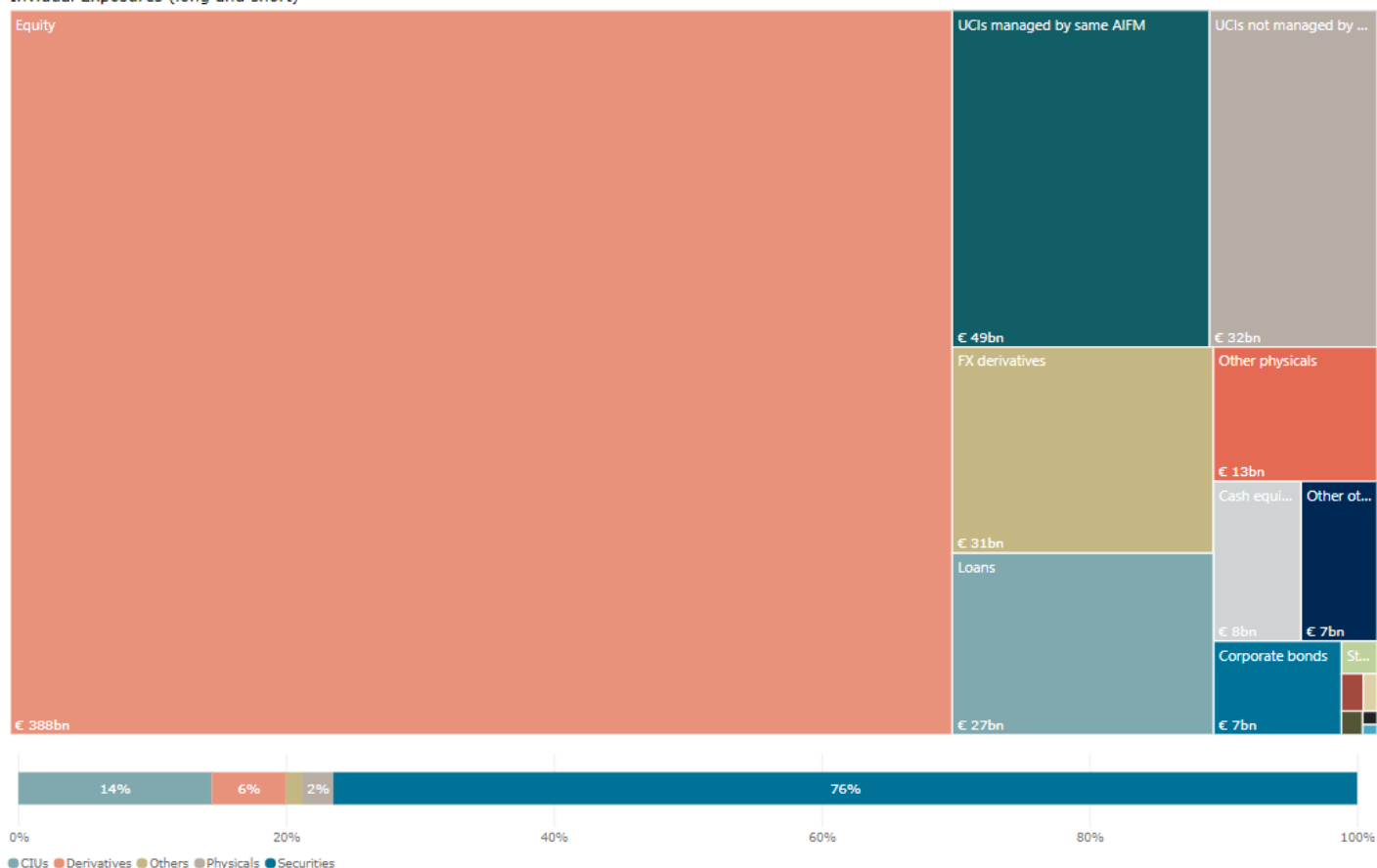
Liquidity shortage by AIF strategy



Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

4.2.4 Main Sub Asset exposures (in EUR)

Individual Exposures (long and short)

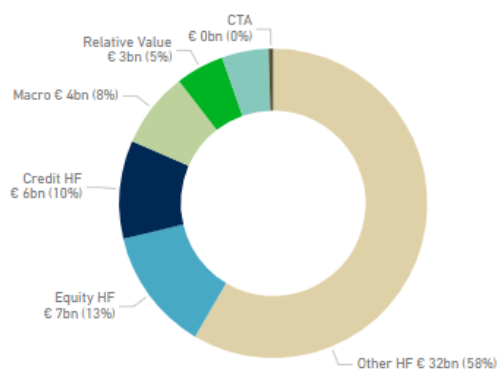


Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

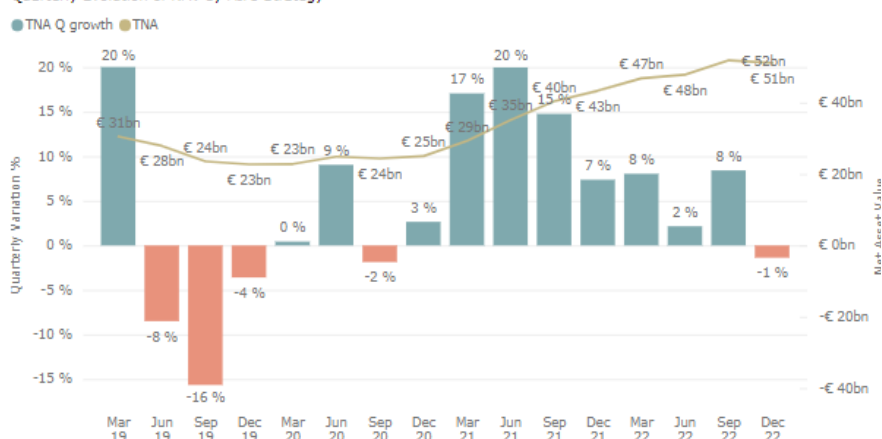
4.3 Hedge funds

4.3.1 NAV by predominant Sub Strategy and over time

NAV by Sub-strategy



Quarterly Evolution of NAV by AIFs Strategy

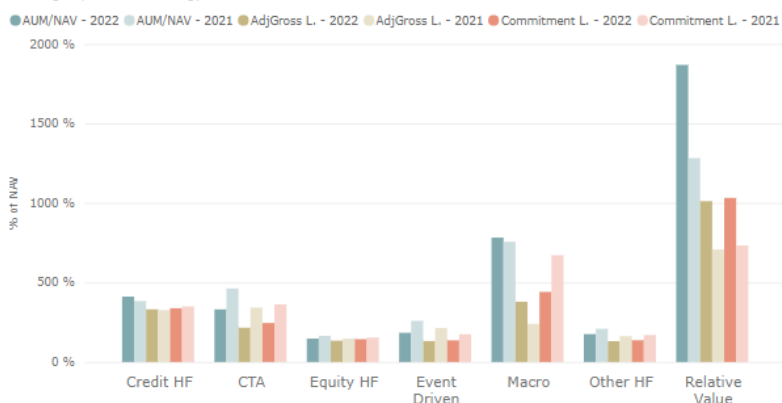


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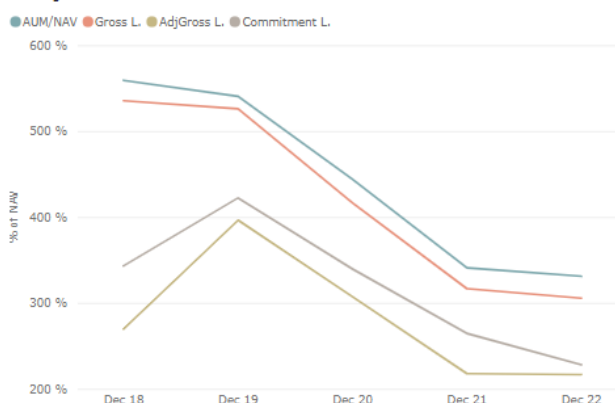
Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

4.3.2 Leverage by predominant Sub Strategy and over time

Leverage by AIF Sub Strategy



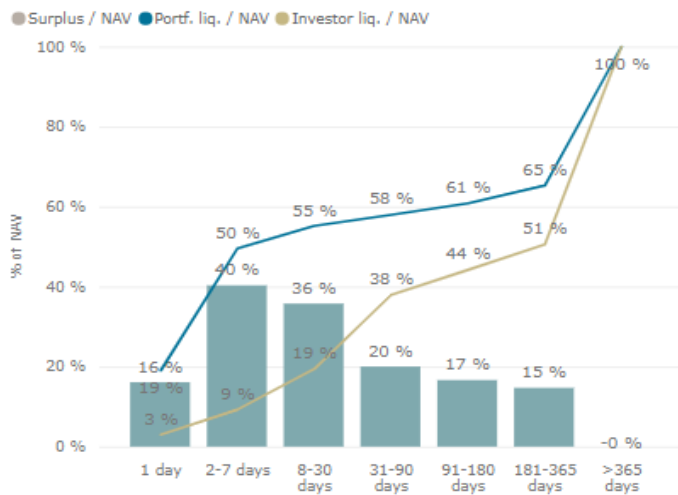
Leverage over time



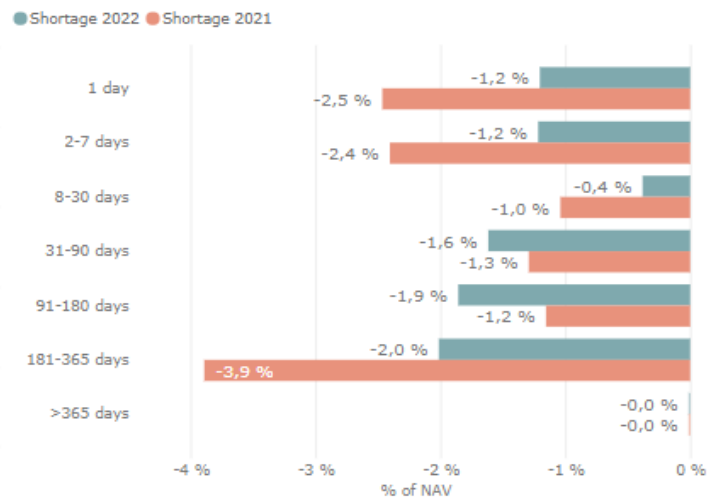
Source: AIFMD data from all LU AUT AIFMs

4.3.3 Liquidity profile

Liquidity surplus by AIF strategy



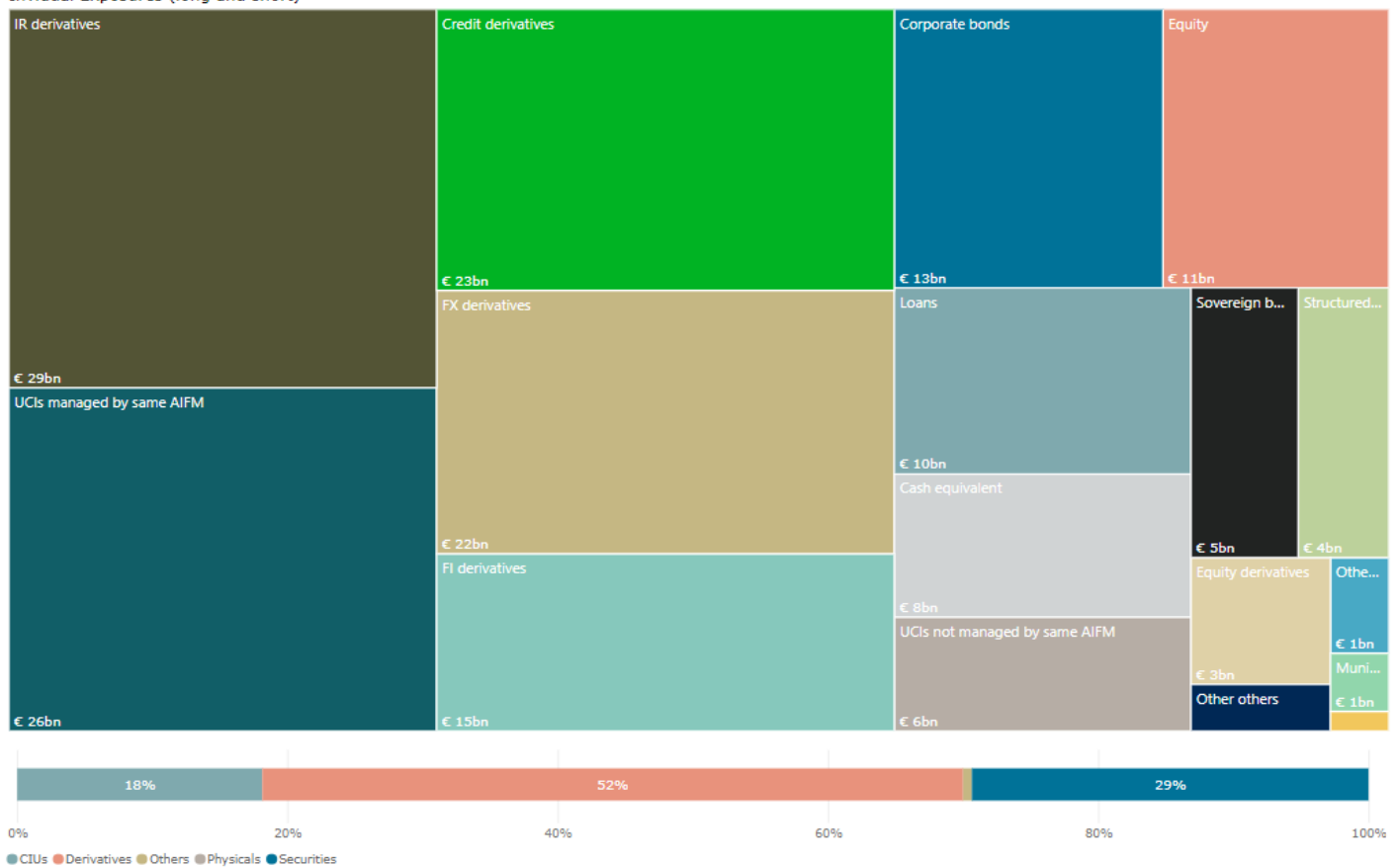
Liquidity shortage by AIF strategy



Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

4.3.4 Main Sub Asset exposures (in EUR)

Individual Exposures (long and short)

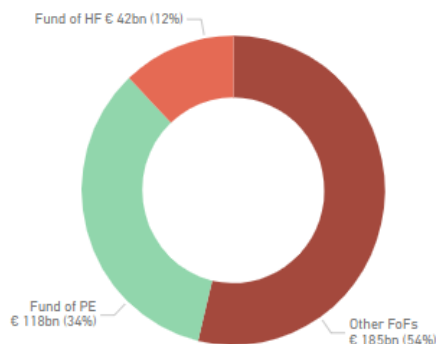


Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

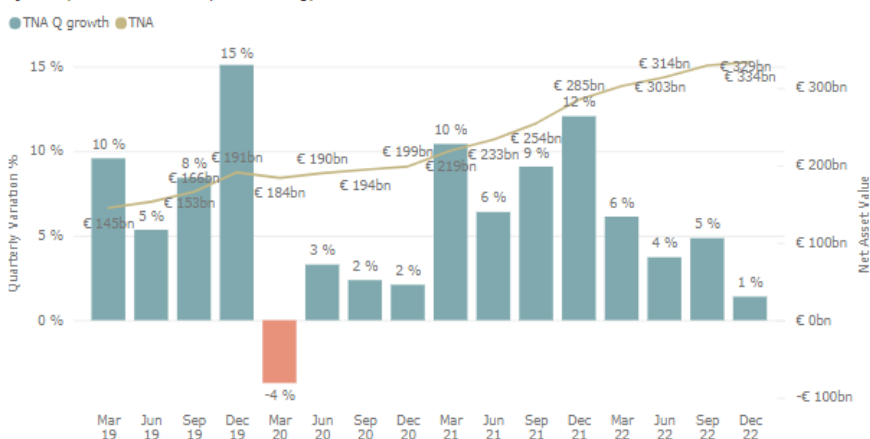
4.4 Funds of funds

4.4.1 NAV by predominant Sub Strategy and over time

NAV by Sub-strategy



Quarterly Evolution of NAV by AIFs Strategy

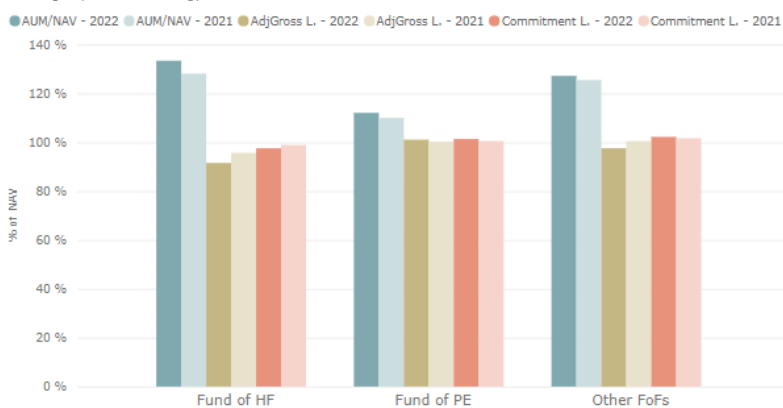


Note: the chart on the right-hand side only considers the subset of AIFs that reports on a quarterly basis to provide meaningful trends over the quarters. Thus, the total NAV evidenced in the present chart will underestimate the real total NAV by strategy.

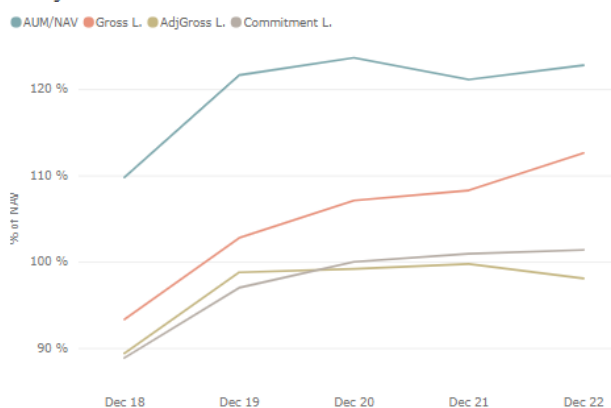
Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

4.4.2 Leverage by predominant Sub Strategy and over time

Leverage by AIF Sub Strategy



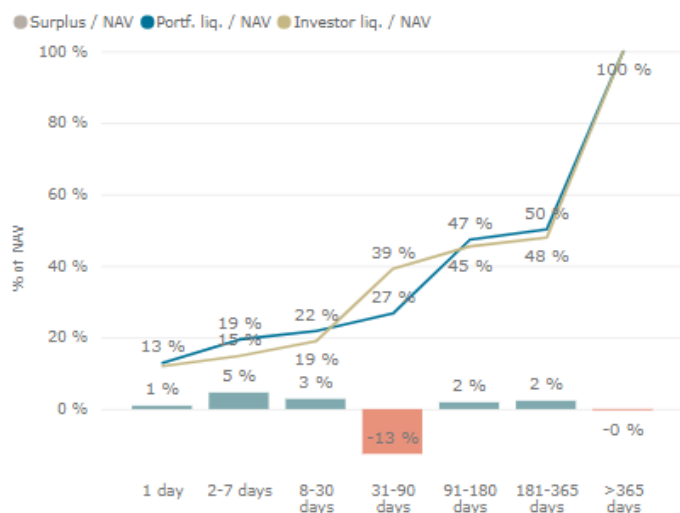
Leverage over time



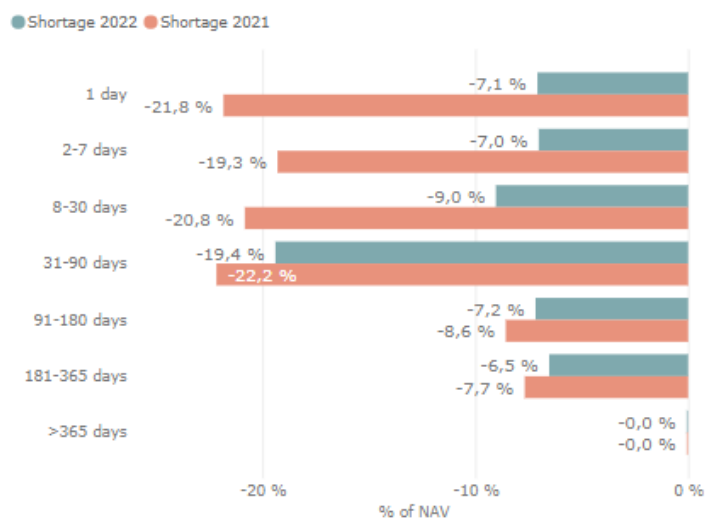
Source: AIFMD data from all LU AUT AIFMs

4.4.3 Liquidity profile

Liquidity surplus by AIF strategy



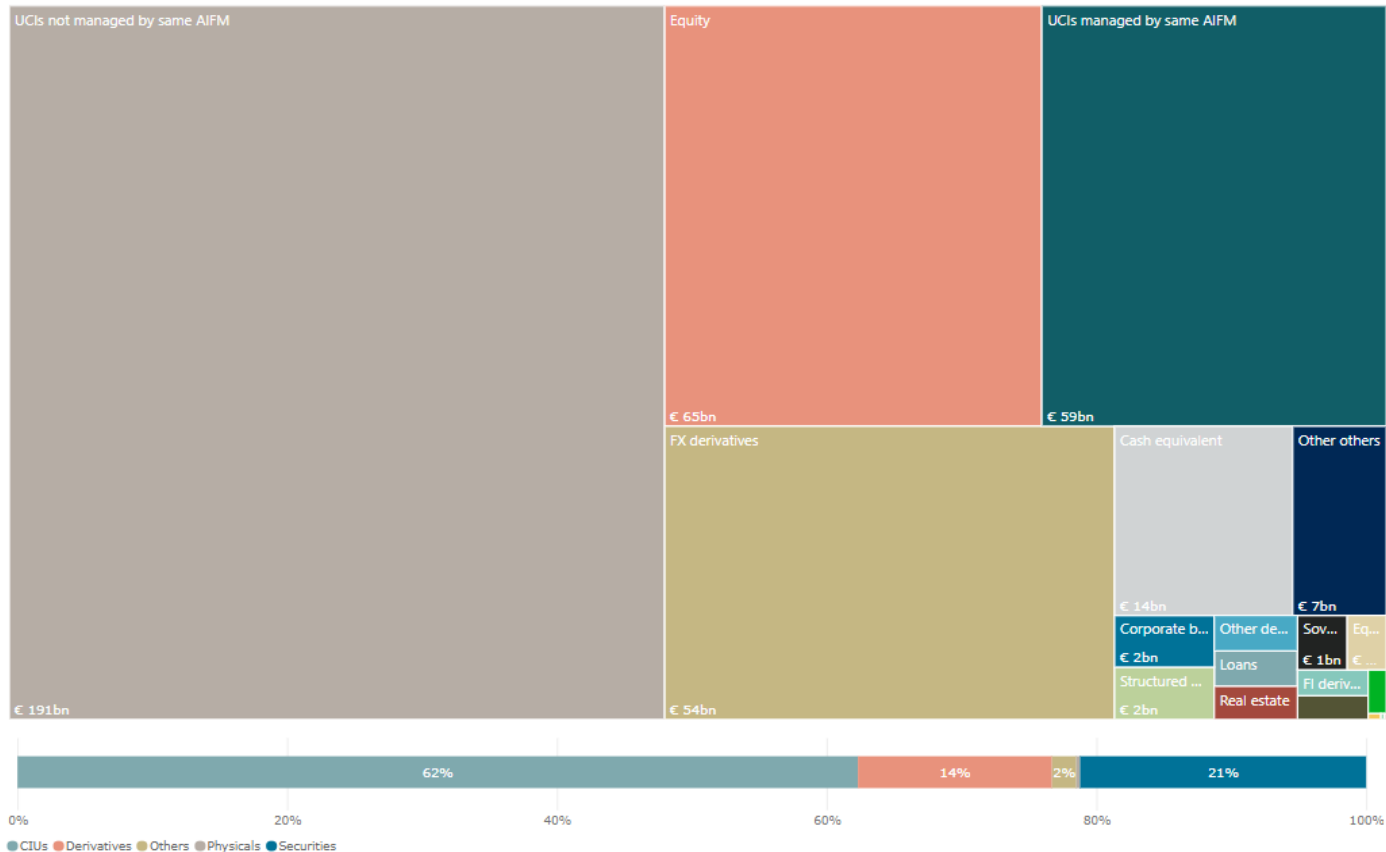
Liquidity shortage by AIF strategy



Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

4.4.4 Main Sub Asset exposures (in EUR)

Individual Exposures (long and short)

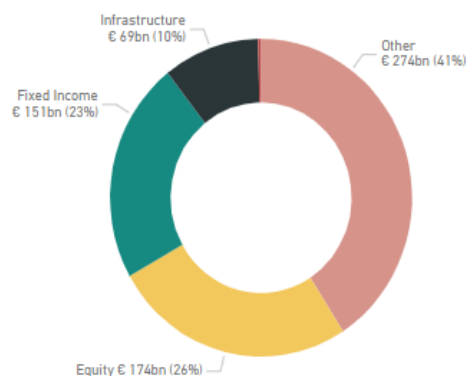


Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

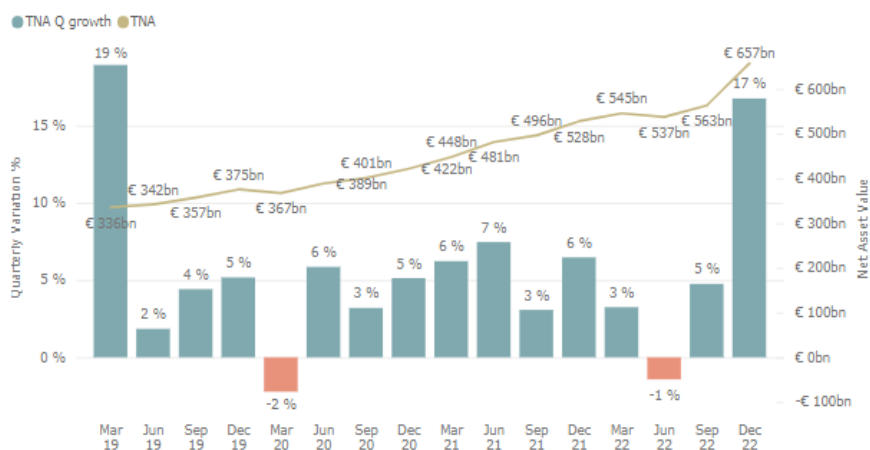
4.5 Other AIFs

4.5.1 NAV by predominant Sub Strategy and over time

NAV by Sub-strategy



Quarterly Evolution of NAV by AIFs Strategy

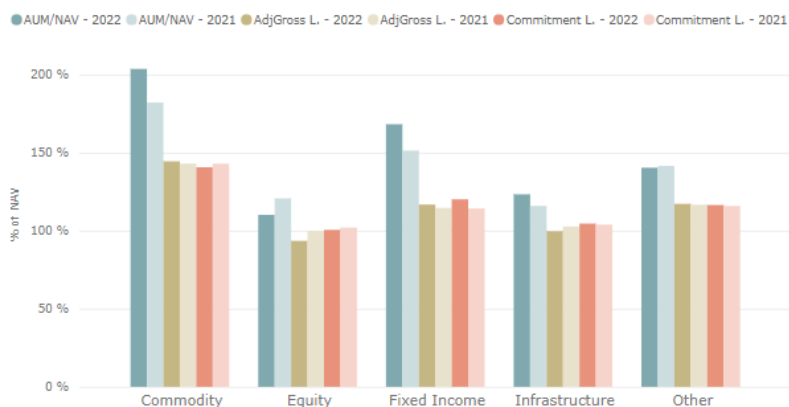


Note: the chart on the right-hand side only considers the subset of AIFs that reports on a quarterly basis to provide meaningful trends over the quarters. Thus, the total NAV evidenced in the present chart will underestimate the real total NAV by strategy.

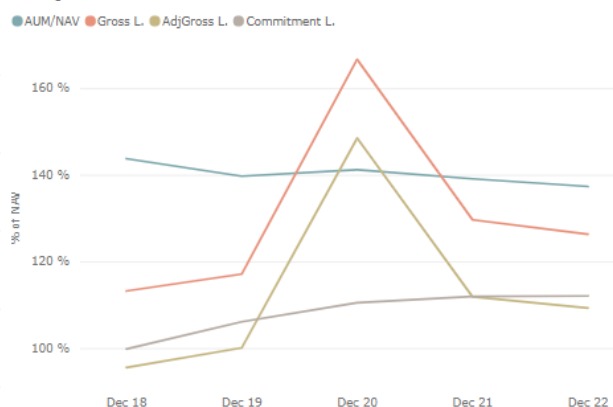
Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

4.5.2 Leverage by predominant Sub Strategy and over time

Leverage by AIF Sub Strategy



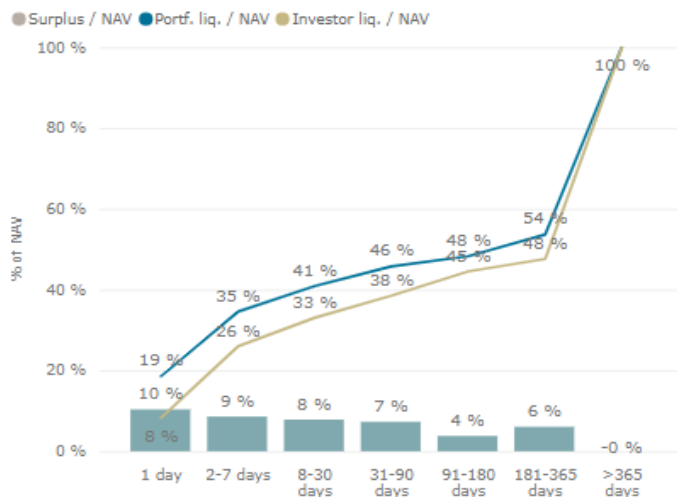
Leverage over time



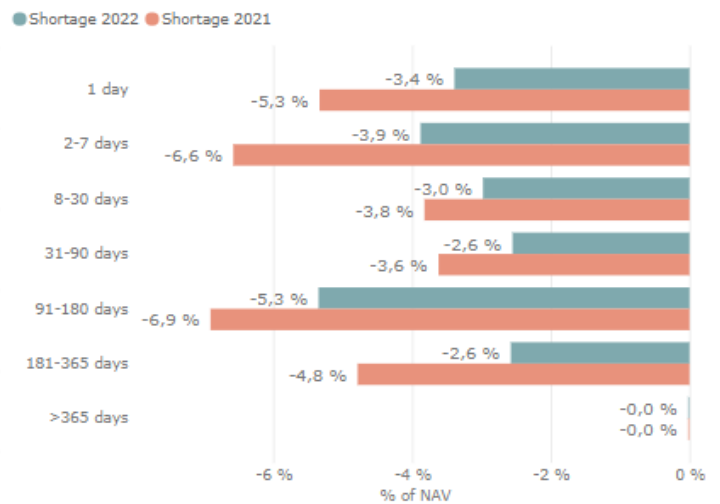
Source: AIFMD data from all LU AUT AIFMs

4.5.3 Liquidity profile

Liquidity surplus by AIF strategy



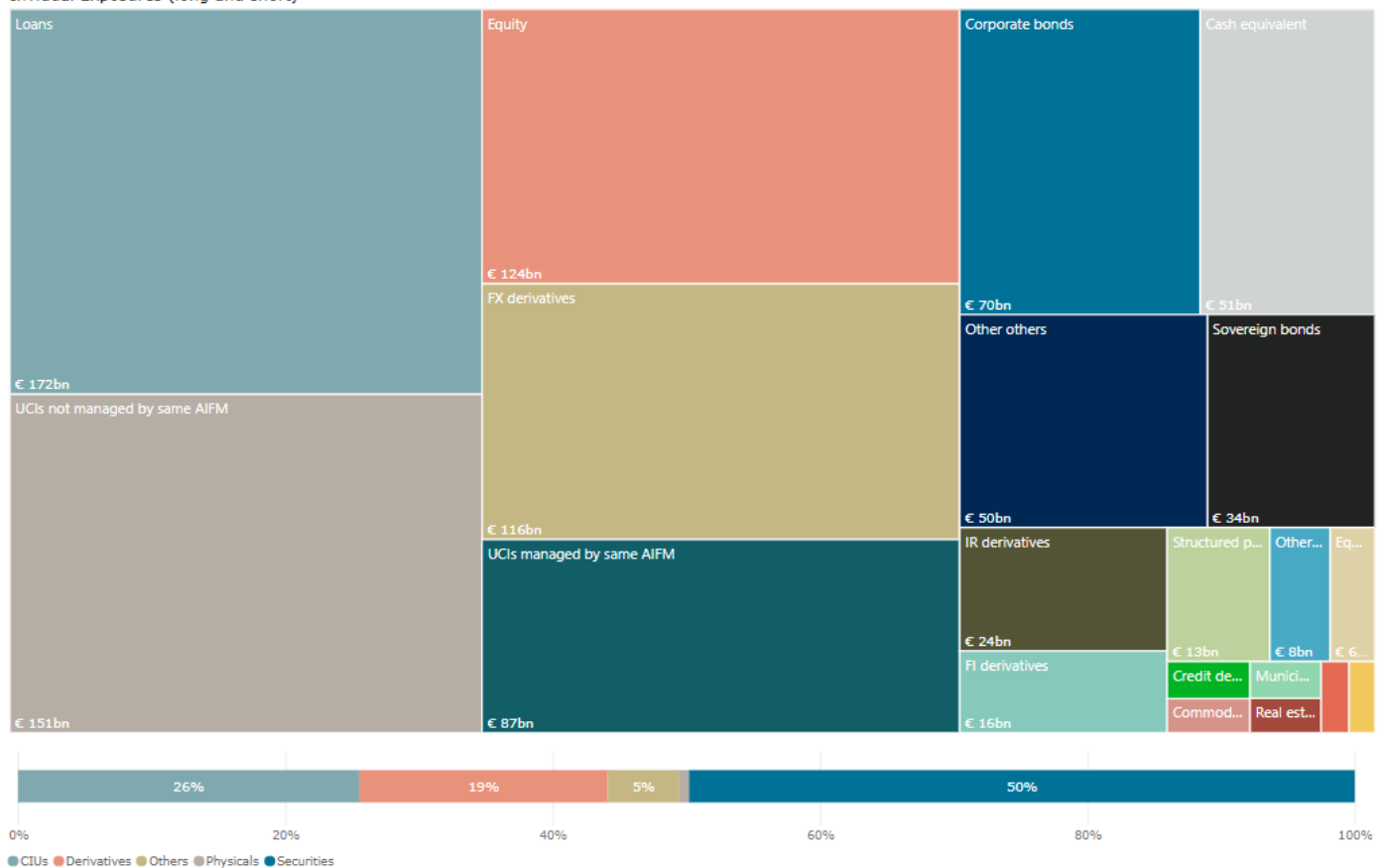
Liquidity shortage by AIF strategy



Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

4.5.4 Main Sub Asset exposures (in EUR)

Individual Exposures (long and short)



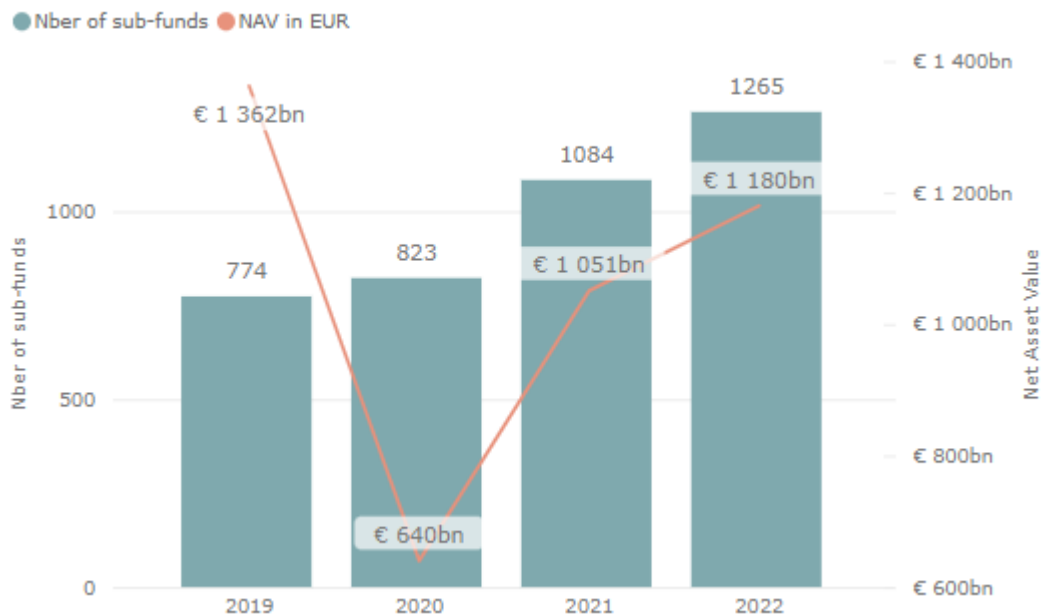
Source: AIFMD data as at 31.12.22 from all LU AUT AIFMs

5. Non-EU AIFMs in Luxembourg (NPPR)

5.1 Market Overview

5.1.1 LU NPPR market trend

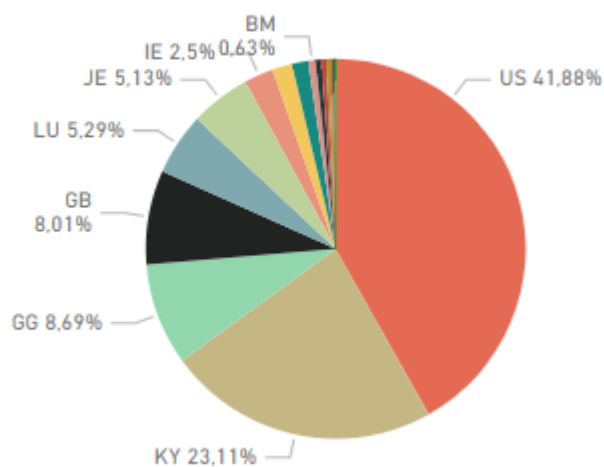
Evolution of LU AIFs Market



Source: AIFMD data as at 31.12.22 from all Non-EU AIFM under LU Private Placement Regime

5.1.2 LU NPPR AIF's domicile

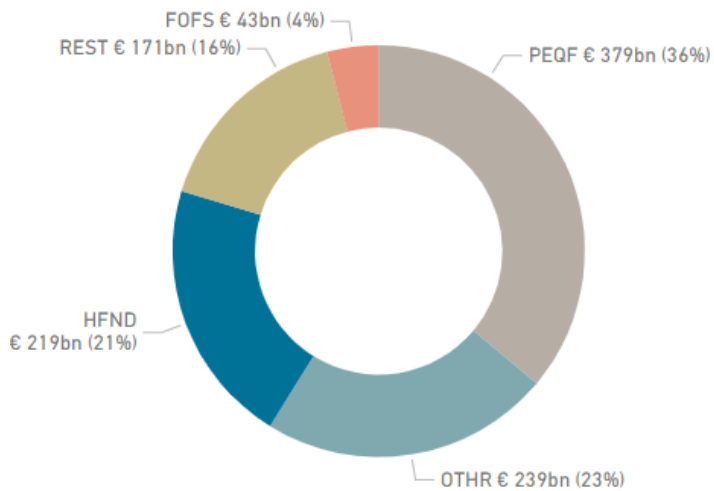
Breakdown of LU NPPR AIF per domicile (%NAV)



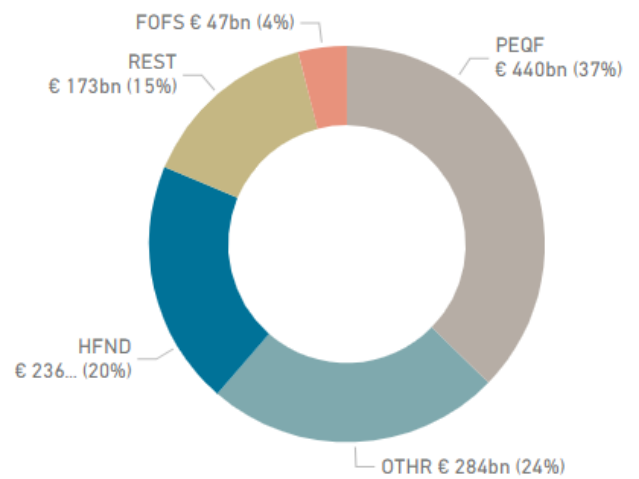
Source: AIFMD data as at 31.12.22 from all Non-EU AIFM under LU Private Placement Regime

5.1.3 Breakdown of LU NPPR AIFs per Strategy in 2021 and 2022

Total NAV by Strategy (2021)



Total NAV by Strategy (2022)



Source: AIFMD data as at 31.12.22 from all Non-EU AIFM under LU Private Placement Regime

6. List of abbreviations

AIFMD	Alternative Investment Funds Managers Directive
AUM	Asset Under Management
AUT AIFMs	Authorised Alternative Investment Funds Managers
EEA	European Economic Area
FOFS	Funds of Funds
HFND	Hedge Funds
LMT	Liquidity Management Tools (e.g. notice period, gating/deferral)
LU AIFMs	Alternative Investment Funds Managers domiciled in Luxembourg
LU AIFs	Alternative Investment Funds based in Luxembourg
NAV	Net Asset Value
NCA	National Competent Authority
NONE	AIF type where the investment strategy of the AIF does not permit a predominant AIF type to be identified
Non-LU AIFs	Alternative Investment Funds not based in Luxembourg
NPPR	National Private Placement Regime
OTHR	Other AIFs
PEQF	Private Equity Funds
REG AIFMs	Registered Alternative Investment Funds Managers
REST	Real Estate Funds
SPV	Special Purpose Vehicle



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