

COMMISSION de SURVEILLANCE
du SECTEUR FINANCIER

CSSF
NEWSLETTER

No. 71

December 2006



STATISTICS

■ BANKS

Slight increase in the banks' balance sheet total as at 31 October 2006

As at 31 October 2006, the balance sheet total of the banks established in Luxembourg reached EUR 851.411 billion as compared to EUR 843.942 billion as at 30 September 2006, which is an increase of 0.89%.

Following the registration on the official list of Citco Bank Nederland N.V., Amsterdam (Netherlands), Luxembourg Branch, the number of banks registered on the official list as at 30 November 2006 reached 155 entities.

■ PROFESSIONALS OF THE FINANCIAL SECTOR (PFS)

Positive development of PFS as at 31 October 2006

The balance sheet total of all the PFS (199 active businesses) amounted to EUR 70.751 billion as at 31 October 2006 against EUR 68.781 billion in the previous month, which represents an increase of 2.88 % over a month.

Provisional net profit of the 199 PFS reached EUR 425.78 million at the end of October 2006, i.e. a 5.33 % increase as against the EUR 404.23 million net profit recorded as at 30 September 2006 and a 3.78 % increase as against the EUR 410.25 million net profit of 31 October 2005 (182 active businesses).

Breaking down the provisional figure as at 31 October 2006 by PFS categories shows that the professional custodians of securities or other financial instruments (3 entities) alone recorded total profits of EUR 181.47 million, representing 42.62% of net profit of all PFS, followed by the category of distributors of investment fund units/shares (31 entities) whose total net profit reached EUR 113.92 million as at 31 October 2006, i.e. 26.76% of the overall PFS result.

Distribution of the professionals of the financial sector according to their status (as at 30 November 2006)

Category		Number
<i>Investment firms</i>		
Commission agents	COM	10
Private portfolio managers	GF	47
Professionals acting for their own account	PIPC	13
Distributors of units of investment funds	DIST	31
Underwriters	PF	2
Professional custodians of securities or other financial instruments	DEP	3
Registrar and transfer agents	ATR	12
<i>PFS other than investment firms</i>		
Financial advisors	COF	12
Brokers	COU	8
Market makers	TM	1
Currency exchange dealer	CHES	0
Debt recovery	RECO	2
Professionals performing credit offering	POP	6
Professionals performing securities lending	PPT	1
Administrators of collective savings funds	AFCE	1
Domiciliation agents of companies	DOM	49
Client communication agents	ACC	14

STATISTICS

Administrative agents of the financial sector	AA	18
IT systems and communication networks operator of the financial sector	IT	35
Professionals performing services of setting up and of management of companies	PCG	6
Professionals of the financial sector authorised to exercise any activity referred to in section 1 of chapter 2 of part I of the amended law of 5 April 1993 on the financial sector, with the exception of the categories of PFS also referred to in section 2 of the same chapter	ART. 13	3
Entity authorised to exercise all the activities as PFS permitted by article 28 of the law of 15 December 2000 on postal services and financial postal services	EPT	1
TOTAL *		197

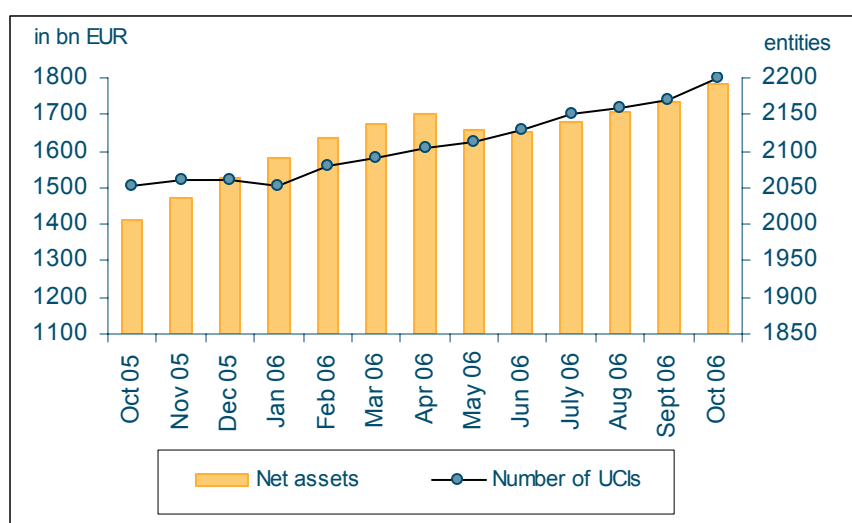
* the same establishment can appear in several categories

■ GLOBAL SITUATION OF UNDERTAKINGS FOR COLLECTIVE INVESTMENT AT THE END OF OCTOBER 2006

As at 31 October 2006, total net assets of undertakings for collective investment reached EUR 1,781.117 billion compared to EUR 1,733.030 billion as at 30 September 2006. The Luxembourg undertakings for collective investment sector increased by 2.77% compared to September 2006. This growth is mainly due to the rise in the main stock markets, as well as to the inflow of new capital. In October 2006, the sector increased by 16.78% compared to 31 December 2005 when the total net assets amounted to EUR 1,525.208 billion. Over the last twelve months, the volume of net assets rose by 25.96%.

During the month of October 2006, net capital investment amounted to EUR 18.247 billion. Compared to 31 December 2005, net capital investment totals EUR 204.684 billion.

The number of undertakings for collective investment taken into consideration totals 2,201 as against 2,170 in the previous month. A total of 1,370 UCIs have adopted the multiple compartment structure, which represents 8,403 compartments. When adding 831 UCIs with a traditional structure to the previous figure, a total of 9,234 compartments are active in the financial centre.



STATISTICS

■ MANAGEMENT COMPANIES

Approval of three new management companies under chapter 13 of the law of 20 December 2002 concerning undertakings for collective investment

The CSSF informs that three new management companies have been registered on the official list of management companies governed by chapter 13 of the law of 20 December 2002 concerning undertakings for collective investment, namely:

- Glitnir Asset Management S.A.
- ING Private Capital Management S.A.
- Parcadia Asset Management S.A.

These companies are active in the field of collective management.

Following these approvals, the number of management companies governed by chapter 13 of the law of 20 December 2002 concerning undertakings for collective investment and allowed to benefit from the European passport since 13 February 2004 by way of free establishment or free provision of services in a EU Member State amounts to 144 as at 11 December 2006.

CONFERENCE

Seminar relating to the MiFID Directive

On 5 December 2006, the CSSF took part in a seminar relating to the « MiFID » Directive in Luxembourg, which was hosted by ICMA (International Capital Markets Association) in association with ABBL and ALFI. More than 250 participants from the Luxembourg financial centre took part. Mr Arthur Philippe, Director of the CSSF and Chairman of CESR's MiFID Level 3 Expert group delivered a presentation on "MiFID implementation in Luxembourg – the view from CESR", stressing the priorities of the supervisory authorities in the implementation. Other speakers, among others, were Gregor Pozniak and Paul Richards of ICMA, whose presentations are also available on the association's website (http://www.icma-group.org/content/events/Luxembourg_MIFID.html). Finally, a one-hour panel discussion was held with Claude Simon and Françoise Kauthen of CSSF, Benoît Sauvage of ABBL, Marco Zwick representing ALFI, Paul Richards of ICMA et Philippe Hoss of the law firm Elvinger, Hoss & Prussen.

INTERNATIONAL REGULATION

In the context of the EU's efforts to adapt the Community legal framework to the nine special FATF recommendations, notably special recommendation VII on wire transfers, the European Parliament and the Council adopted Regulation (EC) No. 1781/2006 of the European Parliament and of the Council of 15 November 2006 on the information on the payer accompanying transfers of funds. The new regulation will enter into force on 1 January 2007 and is available at the following address:

http://eur-lex.europa.eu/LexUriServ/site/en/oj/2006/l_345/l_34520061208en00010009.pdf

NATIONAL REGULATIONS

Circular CSSF 06/267 concerning technical specifications regarding the communication to the CSSF, under the law on prospectuses for securities, of documents for the approval or for filing and of notices for offers to the public of units/shares of Luxembourg closed-end UCIs and admissions of units/shares of Luxembourg closed-end UCIs to trading on a regulated market

Circular CSSF 06/267 of 22 November 2006 addresses the Luxembourg closed-end UCIs whose units/shares are being offered to the public or admitted to trading on a regulated market within the meaning of the law of 10 July 2005 on prospectuses for securities (Prospectus Law). It should be borne in mind in this context that a closed-end UCI under the Prospectus Law is a UCI for which investors do not have any repurchase rights relating to the units concerned. In all other cases, whatever the number or periodicity of the planned repurchases, the UCI is of the open-end type and not covered by the Prospectus Law.

The circular specifies the technical procedure regarding the communications to the CSSF, as referred to in the Prospectus Law, of documents for the approval or for filing and of notices for offers to the public and admission trading on a regulated market of units/shares of Luxembourg closed-end UCIs.

All practical elements as regards the communications to the CSSF are thus specified in Circular 06/267.

Circular CSSF 06/268 relating to the supplementary supervision of financial conglomerates and defining structure coefficients to be observed by these financial conglomerates in accordance with article 56 of the law of 5 April 1993 on the financial sector as amended

On 29 November 2006, the CSSF published, based on the law of 5 November 2006 relating to the supplementary supervision of financial conglomerates, a circular that deals with the supplementary supervision of financial conglomerates. The law requires the CSSF to exercise a supplementary supervision of the financial conglomerates for which it assumes the role of coordinator of the supervision (i.e. the authority responsible for the coordination and supplementary supervision at the level of the financial conglomerate).

The circular details the aim and the approach of the new law, the scope of the supplementary supervision, the identification of the financial conglomerates and the practical consequences of the new law.

Furthermore, in accordance with articles 51-13 (capital adequacy), 51-14 (risk concentration) and 51-15 (intra-group transactions) of the law of 5 April 1993 on the financial sector as amended, the CSSF shall determine, on the basis of 56 of this law, the calculation and notification procedures regarding own funds, risk concentration and intra-group transactions that financial conglomerates, for which it assumes the role of coordinator, should respect. The circular's annexes provide the necessary details in order to comply with the legal requirements in this matter.

It should be borne in mind that the practical consequences of this law for Luxembourg credit institutions and investment firms are however limited as things stand at present. Indeed, the CSSF at this stage has not identified any financial conglomerate for which it should exercise the role of coordinator of this supplementary supervision.

OFFICIAL LISTS

■ LIST OF BANKS

New establishment:

Citco Bank Nederland N.V., Amsterdam (Netherlands), Luxembourg Branch

20, rue de la Poste, L-2346 Luxembourg

Beginning of activities: 8 November 2006

■ LIST OF OTHER PROFESSIONALS OF THE FINANCIAL SECTOR (PFS)

New establishment:

RHEIN ASSET MANAGEMENT (LUX) S.A.

38, Grand-Rue, L-6630 Wasserbillig

Commission agent, financial advisor, broker and private portfolio manager

Ministerial authorisation of 6 November 2006

Withdrawals:

TRIMAR MANAGEMENT S.A.

Withdrawal on 9 November 2006.

INFOMAIL S.A.

Withdrawal on 15 November 2006.

ING PRIVATE CAPITAL MANAGEMENT S.A.

Transformation into management company on 16 November 2006.

Extension of status:

TATA CONSULTANCY SERVICES LUXEMBOURG S.A.

Status of administrative agent of the financial sector added to that of IT systems and communication networks operator of the financial sector

Changes of address:

DIMENSION DATA FINANCIAL SERVICES S.A.

89D, rue Pafbruch, L-8308 Capellen

GLOBAL FACILITIES S.A.

2, rue Léon Laval, L-3372 Leudelange

GROSSBOETZL, SCHMITZ, LOMPARSKI & PARTNER INTERNATIONAL S.à R.L.

3, place Clairefontaine, L-1341 Luxembourg

TATA CONSULTANCY SERVICES S.A.

89D, rue Pafbruch, L-8308 Capellen

OFFICIAL LISTS

■ LIST OF MANAGEMENT COMPANIES

New companies:

GLITNIR ASSET MANAGEMENT S.A.

5, allée Scheffer, L-2520 Luxembourg

ING PRIVATE CAPITAL MANAGEMENT S.A.

48, route d'Esch, L-1470 Luxembourg

Change of address:

IXIS ASSET MANAGEMENT GLOBAL ASSOCIATES

2-8, avenue Charles de Gaulle, L-1653 Luxembourg

■ LIST OF LIABILITY MANAGERS

Changes of denomination and address:

LE FOYER VIE Compagnie Luxembourgeoise d'Assurances S.A. has become

FOYER VIE S.A.

12, rue Léon Laval, L-3372 Leudelange

Change of address:

AMAZON INSURANCE & PENSION SERVICES S.à R.L.

Atrium Business Park

23, Zone d'Activités Bourmicht, L-8070 Bertrange

■ LIST OF INVESTMENT COMPANIES IN RISK CAPITAL (SICARS)

New companies:

3 EP CAR PARK INVESTORS SCA, SICAR

20, boulevard Emmanuel Servais, L-2535 Luxembourg

DIAROUGH S.C.A. SICAR

23, avenue Monterey, L-2086 Luxembourg

FID SICAR S.A.

12, avenue de la Liberté, L-1930 Luxembourg

OPTIMUM IMMO S.A., SICAR

12, rue Eugène Ruppert, L-2453 Luxembourg

OFFICIAL LISTS

■ LIST OF UNDERTAKINGS FOR COLLECTIVE INVESTMENT (UCIS)

Registrations on and withdrawals from the official list of the Luxembourg undertakings for collective investment which fall under the law of 30 March 1988, the law of 20 December 2002 and the law of 19 July 1991, during the month of October 2006

Registrations

- GLOBAL FAMILY PROTECT UMBRELLA FUND; 1C, Parc d'activité Syrdall; L-5365 Munsbach
- TRIODOS SICAV I; 69, route d'Esch; L-1470 Luxembourg
- SCHRODER REAL ESTATE FUND OF FUNDS; 5, Heienhaff; L-1736 Senningerberg
- DEKA-SPREADGARANT 12/2013; 5, rue des Labours; L-1912 Luxembourg
- DNB NOR FUND; 5, allée Scheffer; L-2520 Luxembourg
- DIT-GARANTIEFONDS KLASSIK 100; 6A, route de Trèves; L-2633 Senningerberg
- DIT-GARANTIEFONDS KLASSIK 100 II; 6A, route de Trèves; L-2633 Senningerberg
- DIT-GARANTIEFONDS KLASSIK 100 III; 6A, route de Trèves; L-2633 Senningerberg
- PREMIUMMANDAT BALANCE; 6A, route de Trèves; L-2633 Senningerberg
- PREMIUMMANDAT DEFENSIV; 6A, route de Trèves; L-2633 Senningerberg
- PREMIUMMANDAT DYNAMIK; 6A, route de Trèves; L-2633 Senningerberg
- PREMIUMMANDAT EINKOMMEN; 6A, route de Trèves; L-2633 Senningerberg
- HVB HIGH YIELD GELDMARKT MIX; 4, rue Alphonse Weicker; L-2721 Luxembourg
- DB X-TRACKERS; 49, avenue J-F Kennedy; L-1855 Luxembourg
- DIT-GARANTIE PLUS 2013; 6A, route de Trèves; L-2633 Senningerberg
- VON DER HEYDT KERSTEN ALL PROPERTIES; 10, rue Henri Schnadt; L-2530 Luxembourg
- WESTLB MELLON HORIZON FUND; 49, avenue J-F Kennedy; L-1855 Luxembourg
- DEXIA SUSTAINABLE L; 69, route d'Esch; L-1470 Luxembourg
- BARCLAYS LUXEMBOURG PORTFOLIOS (STERLING) SICAV; 46A, avenue J-F Kennedy; L-1855 Luxembourg
- UNIOPTIRENTA 2010; 308, route d'Esch; L-1471 Luxembourg
- KAIROS INTERNATIONAL SICAV; 33, rue de Gasperich; L-5826 Howald-Hesperange
- BARCLAYS LUXEMBOURG PORTFOLIOS (EURO & DOLLAR) SICAV; 46A, avenue J-F Kennedy; L-1855 Luxembourg
- COMINVEST EUROPA PROTECT 1/2012; 25, rue Edward Steichen; L-2540 Luxembourg
- COMINVEST EUROPA PROTECT 2/2012; 25, rue Edward Steichen; L-2540 Luxembourg
- GEM2; 14, boulevard Royal; L-2449 Luxembourg
- DEKA-WORLDBGARANT 2/2012; 5, rue des Labours; L-1912 Luxembourg
- DIAMAN SICAV; 12, rue Eugène Ruppert; L-2453 Luxembourg
- TOPGELD 97SI; 4, rue Alphonse Weicker; L-2721 Luxembourg
- CADMOS FUND MANAGEMENT; 1, boulevard Royal; L-2449 Luxembourg
- MERIDIO FUNDS; 1B, Parc d'activité Syrdall; L-5365 Munsbach
- EUROPEAN PROPERTY FUND; 34, avenue de la Liberté; L-1930 Luxembourg
- DEKA-MIDDLEEAST; 5, rue des Labours; L-1912 Luxembourg
- UNIGARANTPLUS: DEUTSCHLAND (2012); 308, route d'Esch; L-1471 Luxembourg
- ALLIANZ-DIT PREMIUMINVEST BALANCE; 6A, route de Trèves; L-2633 Senningerberg
- ALLIANZ-DIT PREMIUMINVEST DEFENSIV; 6A, route de Trèves; L-2633 Senningerberg
- ALLIANZ-DIT PREMIUMINVEST DYNAMIK; 6A, route de Trèves; L-2633 Senningerberg
- STORM FUND; 6A, Circuit de la Foire Internationale; L-1347 Luxembourg
- AIPP ASIA; 2-8, avenue Charles de Gaulle; L-1653 Luxembourg
- DIAM FUND; 1B, Parc d'activité Syrdall; L-5365 Munsbach
- PLUS FUND II; 5, allée Scheffer; L-2520 Luxembourg

Withdrawals

- EUROSCOR; 69, route d'Esch; L-1470 Luxembourg
- PLUS FUND; 5, allée Scheffer; L-2520 Luxembourg
- COLUMBUS; 23, avenue de la Porte-Neuve; L-2227 Luxembourg
- UEB ALTERNATIVE FUND 2; 23, avenue de la Porte-Neuve; L-2227 Luxembourg
- LILUX III GLOBAL EQUITY; 2, rue Jean Monnet; L-2180 Luxembourg
- ACTIVEST LUX GLOBALSTARCONTROL 08/2006; 4, rue Alphonse Weicker; L-2721 Luxembourg
- UNIGARANT: EURO STOXX 50 (2006); 308, route d'Esch; L-1471 Luxembourg
- APO WORLD INVEST PLUS 2006; 25, rue Edward Steichen; L-2540 Luxembourg
- SWIP GLOBAL SICAV; 49, avenue J-F Kennedy; L-1855 Luxembourg

FINANCIAL CENTRE

Main updated figures regarding the financial centre:

Number of banks: **155** (30 November 2006)

Balance sheet total: **EUR 851.411 billion** (31 October 2006)

Profit before provisions: **EUR 5.024 billion** (30 September 2006)

Employment: **24,354 people** (30 September 2006)

Number of UCIs: **2,220** (11 December 2006)

Total net assets: **EUR 1,781.117 billion** (31 October 2006)

Number of SICARs: **90** (11 December 2006)

Number of pension funds: **15** (30 November 2006)

Number of management companies: **144** (11 December 2006)
(chapter 13 of the law of 20 December 2002)

Employment: **2,051 people** (30 September 2006)

Number of PFS: **197** (30 November 2006)

Balance sheet total: **EUR 70.751 billion** (31 October 2006)

Net profit: **EUR 425.78 million** (31 October 2006)

Employment: **8,458 people** (30 September 2006)

Number of securitisation vehicles: **10** (30 November 2006)

Total employment in the supervised establishments: **33,298 people** (31 March 2006)

Total employment in the supervised establishments: **34,048 people** (30 June 2006)

Total employment in the supervised establishments: **34,863 people** (30 September 2006)

CSSF Newsletter

Design and editing: General Secretariat of the CSSF

110, route d'Arlon, L-2991 LUXEMBOURG

Tel.: (+352) 26 251 237 / 327

E-mail: direction@cssf.lu

Website: www.cssf.lu