

COMMISSION de SURVEILLANCE
du SECTEUR FINANCIER

CSSF
NEWSLETTER

No. 131

December 2011



NEWS

New developments at European level

On 19 January 2011, the European Commission sent a request to ESMA (the "Mandate") for advice on possible delegated acts concerning the Prospectus Directive as amended by Directive 2010/73/EU. The Mandate sets out the areas on which the European Commission is requesting advice in Sections 3, 4 and 5.

In a first step, ESMA delivered its advice on Sections 3.1, 3.2 and 3.3 on 30 September 2011.

The European Commission allowed ESMA to focus on Sections 3.5 and 4 in the second part of the Mandate. As for the Sections 3.4 and 5, they will be dealt with at a further stage (Part III of the Mandate).

ESMA is aiming to send its technical advice on Sections 3.5 and 4 of the Mandate to the European Commission by 29 February 2012. In this respect, ESMA has started a consultation on 13 December 2011, which will end on 6 January 2012. The relevant consultation paper is published on ESMA's website: <http://www.esma.europa.eu/consultation/ESMA%E2%80%99s-technical-advice-possible-delegated-acts-concerning-Prospectus-Directive-amended>

All contributions should be submitted online at www.esma.europa.eu under the heading "Your input > Consultations" by 6 January 2012.

SANCTIONS

Banks

The CSSF imposed administrative fines on the approved managers of two credit institutions due to deficiencies in the implementation of the anti-money laundering and counter-terrorist financing framework laid down in the law of 12 November 2004 on the fight against money laundering and terrorist financing.

Investment firms

The CSSF imposed administrative fines on approved managers of an investment firm which had deficiencies in the implementation of the anti-money laundering and counter-terrorist financing framework laid down in the law of 12 November 2004 on the fight against money laundering and terrorist financing. The CSSF imposed two administrative fines on another investment firm, as a legal person, which did not comply with certain legal requirements laid down in the law of 5 April 1993 on the financial sector.

Issuers of securities

Since the publication of the last Newsletter, the CSSF imposed three administrative fines on issuers which failed to act in response to orders of the CSSF as regards the publication of financial reports in the framework of the law of 11 January 2008 on transparency requirements for issuers of securities. In accordance with Article 27 of the Transparency Law, a court action against these administrative fines may be filed within three months.

NATIONAL REGULATION

Circular CSSF 11/526

The purpose of this circular is to remind the banks, as already referred to in Circular CSSF 08/386, that they must use their lump sum provision at the end of the financial year 2011 in order to cover the unrealised losses resulting from the turmoil in the financial markets. This circular essentially concerns the accounts published under Lux GAAP since the majority of banks in the financial centre continue publishing their annual accounts under Lux GAAP.

WARNING

Warning issued by ESMA regarding trading in foreign exchange (forex)

The warning is published on our website at:

http://www.cssf.lu/fileadmin/files/Publications/Communiqués/Communiqués_2011/A_ESMA_Forex_081211_eng.pdf

Warning regarding the activities of an entity named Premier Partners

The Commission de Surveillance du Secteur Financier (CSSF) warns the public of the activities of an entity named Premier Partners, which claims to be located at Tour la Porte I, Place de l'Europe, Plateau de Kirchberg in Luxembourg, (website: www.premier-partners.com).

According to the information available to the CSSF, this entity proposes investment services and investment advice to the persons contacted.

The CSSF informs the public that Premier Partners has not been granted the required authorisation to offer financial services in or from Luxembourg.

Warning issued by the UK authority (FSA) regarding the activities of an entity named Winterthur Fund Management

The warning is published on our website at:

http://www.cssf.lu/fileadmin/files/Protection_consommateurs/Avertissements/A_Winterthur_Fund_Management_051211.pdf

PRESS RELEASES

■ ARM ASSET BACKED SECURITIES S.A.

Press release 11/48 of 13 December 2011

We refer to our press release 11/42 of 11 November 2011, informing that on 10 November 2011 the Luxembourg district court, sitting in commercial matters, decided i.a. that the protective measures listed in article 28 of the Luxembourg law of 22 March 2004 on securitisation, are applicable to the Luxembourg *société anonyme* ARM Asset Backed Securities S.A. (“**ARM**”).

The Commission de Surveillance du Secteur Financier (“**CSSF**”) was informed on 29 November 2011 that ARM has lodged an appeal before the Court of appeal (*Cour d’appel*) against the district court’s said judgment of 10 November 2011. As the judgment had been declared immediately enforceable notwithstanding any appeal, the situation remains unaltered until the Court of appeal will reach its decision.

It follows that ERNST & YOUNG, with registered office at 7, rue Gabriel Lippmann, Parc d’Activités Syrdall 2, L-5365 Munsbach, represented by Mr. Jean-Michel Pacaud, remain appointed as supervisory commissioner (*commissaire de surveillance*) of ARM (the “**Supervisory Commissioner**”). Accordingly, the regime of suspension of payments by ARM and prohibition for ARM, under penalty of voidance, to take any measures other than protective measures unless otherwise authorised by the Supervisory Commissioner also remain in place. Please note that the Supervisory Commissioner has set up an ad hoc e-mail address for any questions in connection with its mandate: supervisory.commissioner@lu.ey.com.

Further, the CSSF was informed on 8 December 2011 that on 29 November 2011, ARM also brought a petition (*recours administratif*) before the Luxembourg administrative tribunal (*tribunal administratif*) to obtain judicial review of the CSSF’s decision of 29 August 2011 to refuse to grant a license to ARM as a regulated securitisation undertaking under the Luxembourg law of 22 March 2004 on securitisation. Depending on the decision by the administrative tribunal, the CSSF or ARM could thereafter appeal to the administrative court (*Cour administrative*) against the administrative tribunal’s decision at first instance.

Please find below links to former CSSF press-releases relating to ARM:

29 August 2011: www.cssf.lu/fileadmin/files/Publications/Communiques/Communiques_2011/CP_1128.pdf

23 September 2011: www.cssf.lu/fileadmin/files/Publications/Communiques/Communiques_2011/CP_1131.pdf

26 October 2011: www.cssf.lu/fileadmin/files/Publications/Communiques/CP_1136_ARM_Addendum1.pdf

26 October 2011: www.cssf.lu/fileadmin/files/Publications/Communiques/Communiques_2011/CP_1137_ARM_2.pdf

11 November 2011: www.cssf.lu/fileadmin/files/Publications/Communiques/Communiques_2011/CP_1142_ARM_111111.pdf

■ HALF-YEARLY FINANCIAL STATEMENTS FROM ISSUERS OF SECURITIES SUBJECT TO THE TRANSPARENCY LAW: REMINDER OF CERTAIN DISCLOSURE REQUIREMENTS ARISING FROM IAS 34

Press release 11/47 of 9 December 2011

In its mission for ensuring that the provisions of the law of 11 January 2008 on transparency requirements for issuers of securities (hereafter referred to as the "Transparency Law") are applied, the CSSF ensures that the information referred to in this law is drawn up in accordance with the relevant reporting framework.

Based on a sample of 116 issuers whose half-yearly financial statements for the year 2011 have been prepared in accordance with International Financial Reporting Standards (IFRS), the CSSF has reviewed the compliance with disclosure requirements regarding the standard IAS 34 "Interim Financial Reporting". Furthermore, issuers who failed in their obligation of filing their 2011 half-yearly financial statements at the latest two months after the end of the relevant period, have been reminded or ordered to respect the requirements of Article 4 of the Transparency Law or even sanctioned for not complying with the mentioned requirements.

The results of this review lead the CSSF to remind some disclosure requirements regarding IAS 34 that should be respected in the half-yearly financial statements, consolidated or not, drawn up in accordance with IFRS.

Thus, IAS 34 requires entities whose debt or equity instruments are traded in a public market to disclose information regarding its operating segments, as defined by the standard IFRS 8 "Operating Segments", in relation to revenues from external customers, intersegment revenues and the measure of segment profit or loss. Furthermore, entities shall include the total assets for which there has been a material change from the amount disclosed in the last annual financial statements, a description of differences from the last annual financial statements in the basis of segmentation or in the basis of measurement of segment profit or loss and a reconciliation of the total of the reportable segments' measures of profit or loss to the entity's profit or loss before tax and discontinued operations. Based on the results of the review, the CSSF noted that, for 22% of the issuers reviewed, the segment reporting disclosure requirements of this standard were incomplete or missing.

Furthermore, the CSSF has also noted other inconsistencies or breaches with regard to the presentation and the notes of the half-yearly financial statements and would thus like to remind issuers of a certain number of disclosure requirements addressed by IAS 34. Hence, this standard requires entities to disclose:

- an explicit statement of compliance with IFRSs or more specifically with IAS 34:
- half-yearly financial statements for periods or dates as follows:
 - a statement of financial position as of the end of the current half-yearly period and a comparative statement of financial position as of the end of the immediately preceding financial year,
 - statements of comprehensive income for the current half-yearly period and cumulatively for the current financial year to date, with comparative statements of comprehensive income for the comparable half-yearly periods (current and year-to-date) of the immediately preceding financial year.

As permitted by IAS 1, a half-yearly report may present for each period either a single statement of comprehensive income, or a statement displaying components of profit or loss (separate income statement) and a second statement beginning with profit or loss and displaying components of other comprehensive income (statement of comprehensive income),

- a statement of changes in equity cumulatively for the current financial year to date, with a comparative statement for the comparable year-to-date period of the immediately preceding financial year,
- a statement of cash flows cumulatively for the current financial year to date, with a comparative statement for the comparable year-to-date period of the immediately preceding financial year;
- dividends paid separately for ordinary shares and other shares;
- a statement indicating that the same accounting policies and methods of computation are followed in the half-yearly financial statements as compared with the most recent annual financial statements or, if those policies or methods have been changed, a description of the nature and effect of the change.

These reminders are the result of a general review of disclosure requirements addressed by IAS 34. They should not, in any case, anticipate any results of other specific reviews carried out by the CSSF in its mission for monitoring the published financial information by issuers of securities subject to the Transparency Law. Even if, this year, the CSSF has decided not to individually remind all of the 55 issuers concerned by the inconsistencies or breaches observed of those requirements, in 2012, each issuer who will fail to comply with the requirements of IAS 34 will be reminded or ordered to respect the requirements of the above-mentioned standard, or even sanctioned for not complying with this standard.

Further information relating to the review of the CSSF, in its mission for ensuring that the provisions of Article 22(2)(h) of the Transparency Law are applied, can be found in its 2010 Annual Report, which is available on its website under the heading [Publications > Annual Reports](#).

■ DECISION TO RECAPITALISE THE EUROPEAN BANKS

Press release 11/46 of 8 December 2011

Following the press release dated 27 October 2011, the CSSF publishes the banking recapitalisation measures as confirmed by the European Banking Authority (EBA) in charge of coordinating these measures.

In accordance with EBA's recommendation of 8 December 2011, based on a decision taken at the EU summit on 26 October 2011, the national authorities supervising 71 European banks must ensure that, as from end of June 2012, the banks concerned have a temporary capital buffer allowing them to comply with a capital ratio "Core Tier 1" of 9% after taking into account the unrealised losses linked to exposures to the European public sector.

While in Luxembourg only the *Banque et Caisse d'Épargne de l'État*, Luxembourg (BCEE) is included in the sample of 71 banks, the measures indirectly cover a large part of the Luxembourg banking sector's exposures as a whole. That is the case for the exposures of Luxembourg bank subsidiaries whose parent company is included in the sample on a consolidated basis.

The EBA confirmed that the BCEE already meets the requirements. Consequently, **there is no recapitalisation measure required for BCEE**. Details of this assessment are available on the CSSF's website under "EU-wide Stress Testing Exercise, 2011".

Please also refer to EBA's press release: <http://www.eba.europa.eu/>

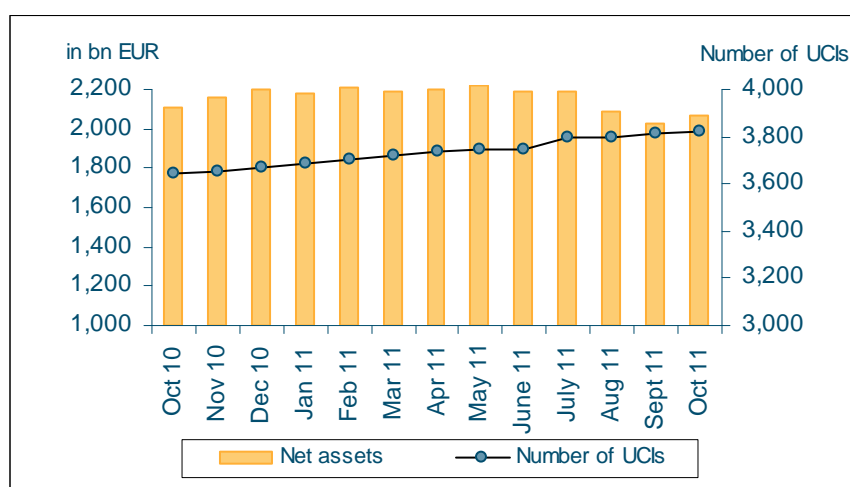
■ GLOBAL SITUATION OF UNDERTAKINGS FOR COLLECTIVE INVESTMENT AND SPECIALISED INVESTMENT FUNDS AT THE END OF OCTOBER 2011

Press release 11/45 of 1 December 2011

I. Overall situation

As at 31 October 2011, total net assets of undertakings for collective investment and specialised investment funds reached EUR 2,071.937 billion compared to EUR 2,032.077 billion as at 30 September 2011, i.e. a 1.96% growth over one month. Over the last twelve months, the volume of net assets decreased by 1.69%.

Overall, the Luxembourg UCI industry registered a positive variation amounting to EUR 39.860 billion during October. This increase is the result of the favourable impact of the financial markets amounting to EUR 47.566 billion (+2.34%) and the negative net issues amounting to EUR 7.706 billion (-0.38%).



The number of undertakings for collective investment (UCIs) and specialised investment funds (SIFs) taken into consideration totalled 3,819 as against 3,816 in the previous month. A total of 2,428 entities have adopted an umbrella structure, which represents 11,916 sub-funds. When adding the 1,391 entities with a traditional structure to the previous figure, a total of 13,307 entities are active in the financial centre.

As regards net capital investment and the impact of financial markets on Luxembourg UCIs, the following can be said about October 2011.

All equity markets recorded a strong upturn mainly due to the approval by the national parliaments of the Euro zone to support the idea to build up the "European Financial Stability Facility" (EFSF), followed by the measures adopted by the European summit of 26 October on the sovereign debt. Thus, at the end of October, almost all categories of Luxembourg equity UCIs registered price increases. The only exception to the upward trend was the category of Japanese equity UCIs which recorded losses resulting from the almost 5% depreciation of the Japanese currency compared to the Euro following the sudden and massive intervention by the Bank of Japan on the currency market.

As regards net capital investment, all categories of equity UCIs recorded net redemptions except the category of UCIs investing in European equities.

Development of equity UCIs during the month of October 2011*

	Market variation	Net issues
Global market equities	5.92%	-0.52%
European equities	6.84%	0.04%
US equities	7.38%	-0.95%
Japanese equities	-2.13%	-3.05%
Eastern European equities	8.20%	-1.97%
Asian equities	7.20%	-1.06%
Latin American equities	12.02%	-1.37%
Other equities	7.21%	-0.56%

* Variation in % of Net Assets as compared to the previous month

On the European government bond markets, yield differences between countries continued widening in October. The European Central Bank continued redeeming the peripheral bonds in order to control the contagion risks. Risk premiums rose again in the weakest Euro zone states. The measures decided during the European summit on the sovereign debt on 26 October temporarily reduced volatilities on the government bond markets. However, on the markets of European undertakings' bonds, a decrease of risk premiums entailed an increase in prices during October. EUR-denominated bonds recorded, on average, price increases.

On the US government bond markets, difficulties to agree on a budget in the United States, uncertainties linked to the sovereign debt crisis in Europe and the higher inflation anticipations for the United States triggered a rise of yields on the whole yield curve.

The markets of emerging market bonds registered price increases in October due to a decrease of risk premiums.

The categories of fixed-income UCIs recorded, on average, negative net issues in October. Only the categories of USD-denominated bond UCIs and UCIs investing in high yield bonds registered net capital investment.

Development of fixed-income UCIs during the month of October 2011*

	Market variation	Net issues
EUR money market	0.05%	-1.14%
USD money market	-3.45%	-1.39%
Global market money market	0.53%	-0.48%
EUR-denominated bonds	0.06%	-1.07%
USD-denominated bonds	-1.20%	1.80%
Global market bonds	0.72%	-0.48%
Emerging market bonds	1.65%	-1.24%
High Yield bonds	1.53%	3.44%
Others	1.06%	-1.09%

* Variation in % of Net Assets as compared to the previous month

The development of net assets of Luxembourg UCIs investing in mixed transferable securities and of funds of funds during the month of October is illustrated in the table below:

Diversified income UCIs and funds of funds during the month of October 2011*

	Market variation	Net issues
Diversified UCIs	2.15%	-0.22%
Funds of funds	1.94%	0.45%

* Variation in % of Net Assets as compared to the previous month

II. Breakdown of the number and the net assets of UCIs according to Parts I and II of the 2002 and 2010 law and SIFs

	PART I UCIs		PART II UCIs		SIFs		TOTAL	
	NUMBER	NET ASSETS (in bn €)	NUMBER	NET ASSETS (in bn €)	NUMBER	NET ASSETS (in bn €)	NUMBER	NET ASSETS (in bn €)
31/12/2007	1,653	1,646.341 €	643	295.939 €	572	117.115 €	2,868	2,059.395 €
31/01/2008	1,662	1,539.494 €	653	293.197 €	617	118.450 €	2,932	1,951.141 €
29/02/2008	1,680	1,543.385 €	654	296.900 €	638	122.560 €	2,972	1,962.845 €
31/03/2008	1,700	1,480.352 €	663	292.614 €	649	122.479 €	3,012	1,895.445 €
30/04/2008	1,733	1,541.312 €	675	296.483 €	675	126.281 €	3,083	1,964.076 €
31/05/2008	1,736	1,566.198 €	678	303.800 €	691	126.961 €	3,105	1,996.959 €
30/06/2008	1,755	1,480.895 €	682	292.539 €	716	128.658 €	3,153	1,902.092 €
31/07/2008	1,784	1,471.973 €	688	292.279 €	748	132.105 €	3,220	1,896.357 €
31/08/2008	1,817	1,487.918 €	695	293.025 €	772	137.050 €	3,284	1,917.993 €
30/09/2008	1,827	1,375.104 €	699	285.360 €	796	136.232 €	3,322	1,796.696 €
31/10/2008	1,845	1,243.344 €	701	270.891 €	805	132.793 €	3,351	1,647.028 €
30/11/2008	1,840	1,206.535 €	709	265.744 €	815	131.958 €	3,364	1,604.237 €
31/12/2008	1,826	1,169.389 €	708	259.809 €	837	130.455 €	3,371	1,559.653 €
31/01/2009	1,837	1,183.116 €	710	252.878 €	851	135.540 €	3,398	1,571.534 €
28/02/2009	1,838	1,149.100 €	709	246.367 €	855	134.824 €	3,402	1,530.291 €
31/03/2009	1,840	1,154.891 €	698	240.229 €	858	131.443 €	3,396	1,526.563 €
30/04/2009	1,847	1,213.147 €	697	240.906 €	871	138.879 €	3,415	1,592.932 €
31/05/2009	1,849	1,243.508 €	693	235.626 €	883	140.135 €	3,425	1,619.269 €
30/06/2009	1,846	1,255.762 €	691	232.770 €	898	142.724 €	3,435	1,631.256 €
31/07/2009	1,848	1,327.841 €	684	234.610 €	906	143.579 €	3,438	1,706.030 €
31/08/2009	1,851	1,360.316 €	678	232.282 €	920	146.819 €	3,449	1,739.417 €
30/09/2009	1,849	1,394.016 €	670	229.669 €	938	150.149 €	3,457	1,773.834 €
31/10/2009	1,844	1,399.816 €	664	227.254 €	946	150.458 €	3,454	1,777.528 €
30/11/2009	1,858	1,415.274 €	651	221.603 €	964	152.033 €	3,473	1,788.910 €
31/12/2009	1,843	1,465.743 €	649	221.203 €	971	154.047 €	3,463	1,840.993 €
31/01/2010	1,842	1,477.013 €	649	220.250 €	989	163.425 €	3,480	1,860.688 €
28/02/2010	1,843	1,511.384 €	646	221.532 €	1,009	165.018 €	3,498	1,897.934 €
31/03/2010	1,847	1,584.238 €	643	226.268 €	1,026	170.032 €	3,516	1,980.538 €
30/04/2010	1,842	1,611.938 €	640	227.551 €	1,039	173.398 €	3,521	2,012.887 €
31/05/2010	1,846	1,589.202 €	637	225.773 €	1,059	177.438 €	3,542	1,992.413 €
30/06/2010	1,843	1,600.977 €	636	224.773 €	1,071	184.887 €	3,550	2,010.637 €
31/07/2010	1,849	1,610.800 €	638	222.244 €	1,095	186.179 €	3,582	2,019.223 €
31/08/2010	1,855	1,653.112 €	637	223.081 €	1,122	192.797 €	3,614	2,068.990 €
30/09/2010	1,858	1,667.806 €	631	220.834 €	1,144	195.100 €	3,633	2,083.740 €
31/10/2010	1,854	1,688.755 €	630	219.558 €	1,161	199.262 €	3,645	2,107.575 €
30/11/2010	1,851	1,733.602 €	629	219.956 €	1,176	207.314 €	3,656	2,160.872 €
31/12/2010	1,846	1,762.666 €	629	222.178 €	1,192	214.150 €	3,667	2,198.994 €
31/01/2011	1,847	1,748.015 €	626	220.255 €	1,211	215.757 €	3,684	2,184.027 €
28/02/2011	1,857	1,770.049 €	620	220.032 €	1,228	218.117 €	3,705	2,208.198 €
31/03/2011	1,858	1,755.924 €	622	216.151 €	1,244	218.821 €	3,724	2,190.896 €
30/04/2011	1,858	1,759.531 €	624	213.823 €	1,254	222.054 €	3,736	2,195.408 €
31/05/2011	1,864	1,782.367 €	619	211.981 €	1,266	224.860 €	3,749	2,219.208 €
30/06/2011	1,864	1,750.292 €	616	210.172 €	1,269	224.535 €	3,749	2,184.999 €

31/07/2011	1,861	1,752.281 €	629	210.582 €	1,305	226.802 €	3,795	2,189.665 €
31/08/2011	1,860	1,652.805 €	627	204.518 €	1,312	228.618 €	3,799	2,085.941 €
30/09/2011	1,858	1,600.158 €	618	201.939 €	1,340	229.980 €	3,816	2,032.077 €
31/10/2011	1,856	1,635.157 €	611	203.545 €	1,352	233.235 €	3,819	2,071.937 €

■ THE EUROPEAN SECURITIES AND MARKETS AUTHORITY (ESMA) ISSUED A STATEMENT ON SOVEREIGN DEBT IN IFRS FINANCIAL STATEMENTS

Press release 11/44 of 29 November 2011

On 25 November 2011, the European Securities and Markets Authority (ESMA) published a statement concerning the accounting treatment in relation with sovereign debt exposures in IFRS financial statements.

This public statement, available at the following address:

<http://www.esma.europa.eu/popup2.php?id=8073>, pointed out:

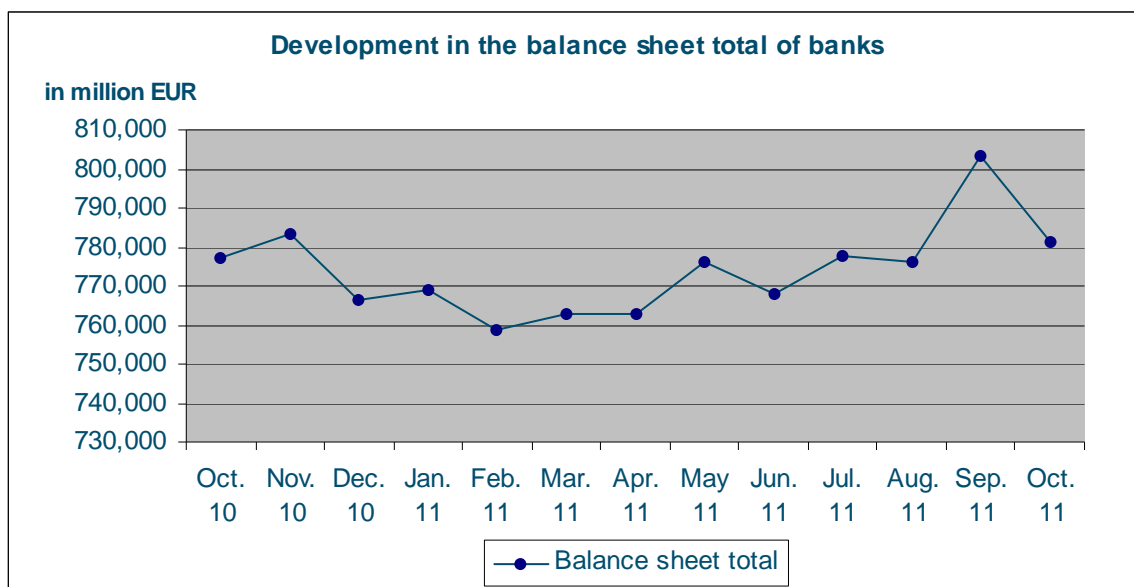
- the key elements that should be considered by issuers and their auditors in relation to exposure to sovereign debts when preparing their financial statements for the upcoming year-end, and;
- the ESMA opinion, based on information collected by national competent authorities, on the accounting treatment of Greek sovereign debt in the IFRS interim financial statements ended on 30 June 2011 for European listed issuers.

ESMA published this public statement in order to promote the effective and consistent application of European securities and markets legislation and notably of IFRS. It is following the statement of 28 July 2011 in which ESMA pointed out the need for enhanced transparency and the importance of applying the relevant IFRS in the context of exposures to sovereign debt in financial statements for European listed issuers using IFRS.

STATISTICS

■ BANKS

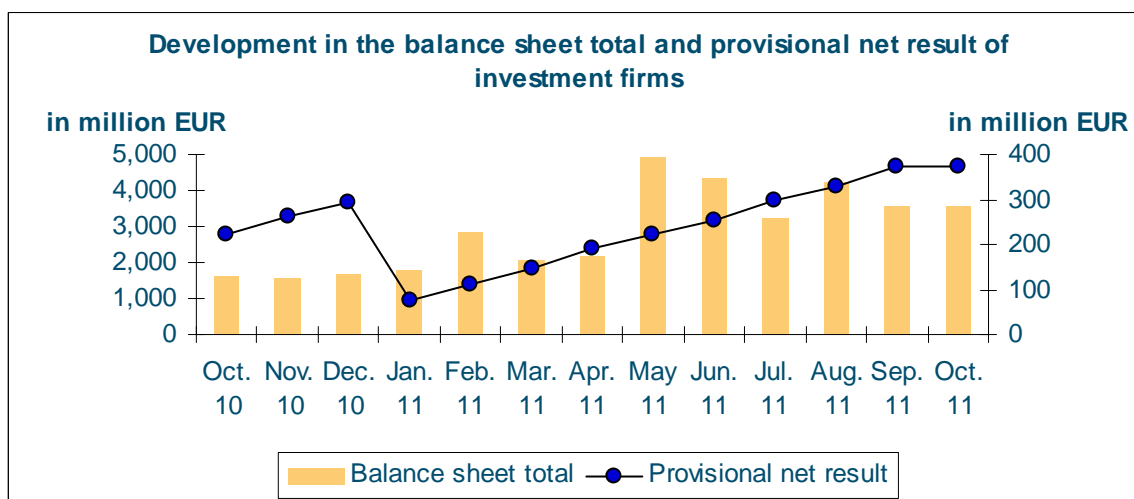
Decrease in the banks' balance sheet total as at 31 October 2011



The balance sheet total decreased by 2.75 % over one month. The balance sheet total increased by 0.51% over a year.

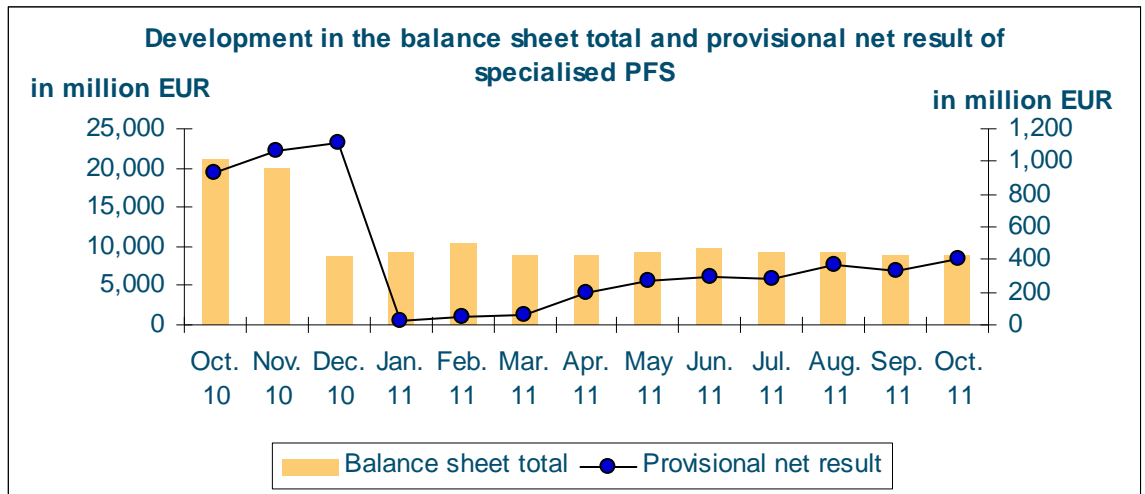
■ INVESTMENT FIRMS

Increase in the investment firms' balance sheet total as at 31 October 2011



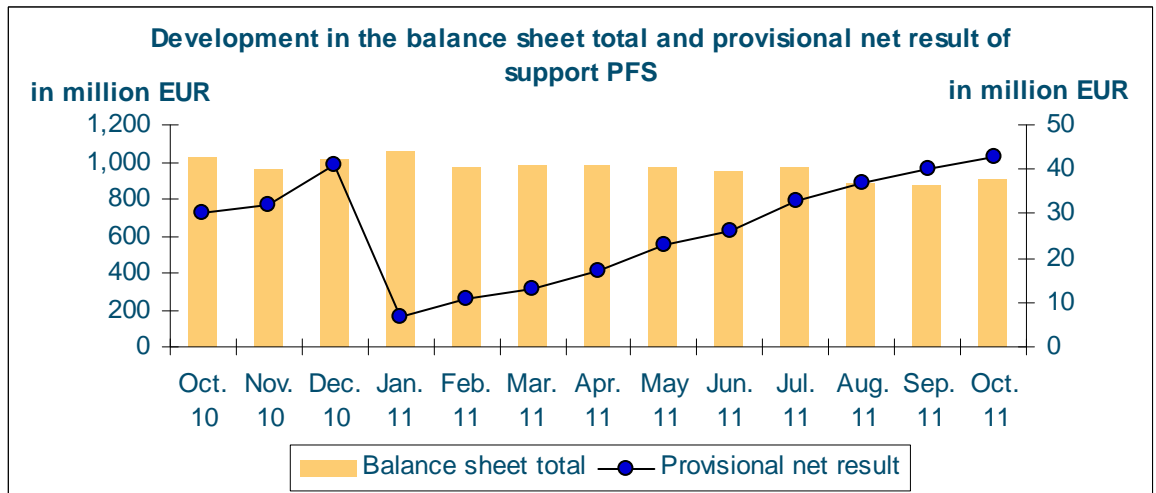
■ SPECIALISED PFS

Increase in the specialised PFS' balance sheet total as at 31 October 2011



■ SUPPORT PFS

Increase in the support PFS' balance sheet total as at 31 October 2011



■ PENSION FUNDS, SICARS AND AUTHORISED SECURITISATION UNDERTAKINGS

As at 13 December 2011, 15 pension funds in the form of pension savings companies with variable capital (sepcav) and pension savings associations (assep) were registered on the official list of pension funds subject to the law of 13 July 2005.

The number of professionals authorised to act as liability managers for pension funds subject to the law of 13 July 2005 amounted to 14 as at 13 December 2011.

Since the publication of the last Newsletter, the following four new SICARs have been registered on the official list of SICARs governed by the law of 15 June 2004 relating to the investment company in risk capital (SICAR):

- AERIS PRIVATE INVESTMENTS B S.A., SICAR, 2, rue Heinrich Heine, L-1720 Luxembourg
- DARBY CONVERGING EUROPE FUND III (SCS) SICAR, 15, rue Edward Steichen, L-2540 Luxembourg
- ELEMENT POWER CAPITAL S.C.A. SICAR, 2, Boulevard Konrad Adenauer, L-1115 Luxembourg
- NORDEA LIFE & PENSIONS INVESTMENTS NORWAY – SICAR- S.A R.L., 562, rue de Neudorf, L-2220 Luxembourg

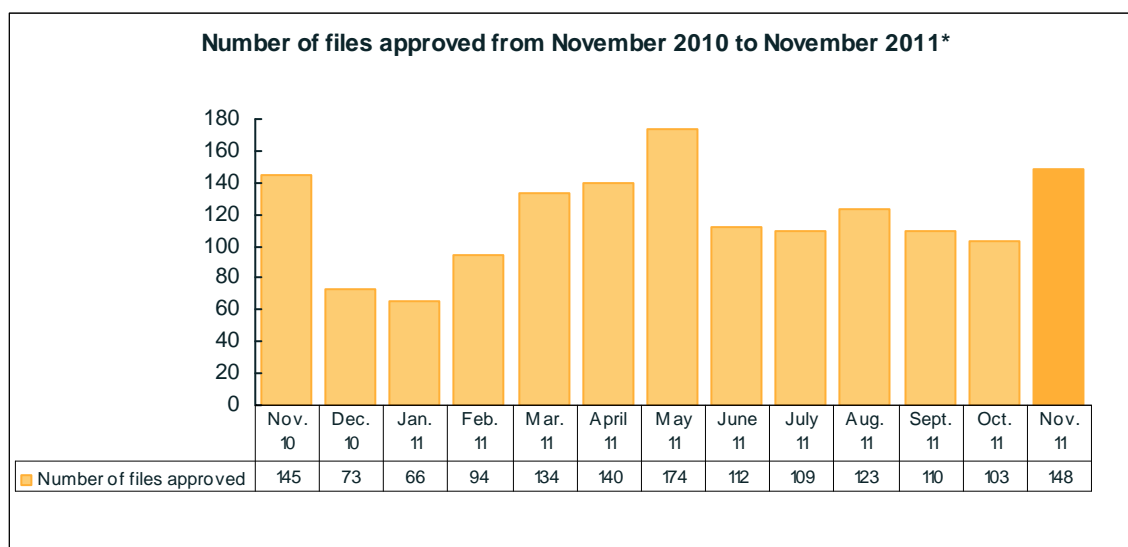
As at 13 December 2011, the number of SICARs registered on the official list amounted to 274 entities.

The number of securitisation undertakings authorised by the CSSF in accordance with the law of 22 March 2004 on securitisation amounted to 27 entities as at 13 December 2011.

■ PUBLIC OVERSIGHT OF THE AUDIT PROFESSION

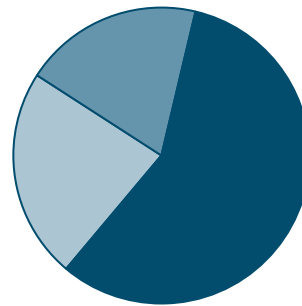
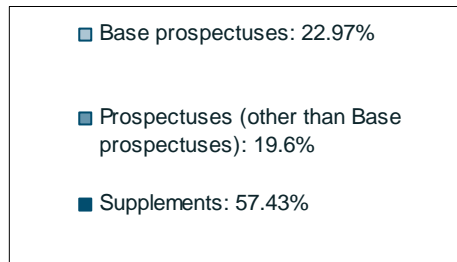
The public oversight of the audit profession covers 71 *cabinets de révision agréés* (approved audit firms) and 232 *réviseurs d'entreprises agréés* (approved statutory auditors) as at 30 November 2011. The oversight also includes 54 third-country auditors and audit firms duly registered in accordance with the law of 18 December 2009 concerning the audit profession.

■ PROSPECTUSES FOR SECURITIES IN THE EVENT OF AN OFFER TO THE PUBLIC OR ADMISSION TO TRADING ON A REGULATED MARKET (PART II AND PART III, CHAPTER 1 OF THE LAW ON PROSPECTUSES FOR SECURITIES)

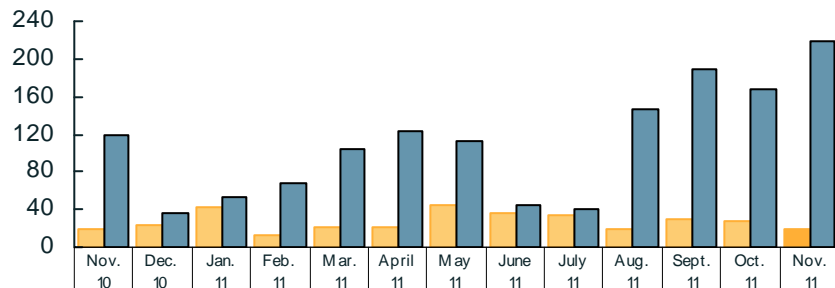


* among which: 29 prospectuses, 34 base prospectuses and 85 supplements

Breakdown of files approved in November 2011

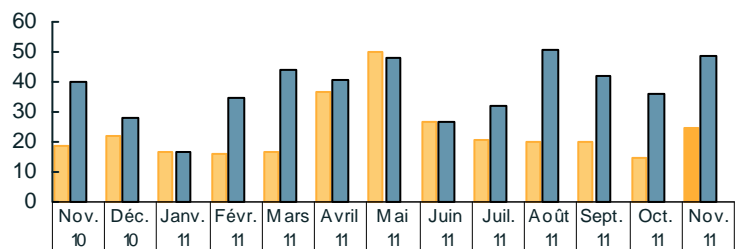


Notifications received by the CSSF from November 2010 to November 2011



	Nov. 10	Dec. 10	Jan. 11	Feb. 11	Mar. 11	April 11	May 11	June 11	July 11	Aug. 11	Sept. 11	Oct. 11	Nov. 11
■ Prospectuses and base prospectuses	20	24	43	13	21	21	44	36	35	20	29	28	19
■ Supplements	119	36	54	68	105	124	113	44	41	146	189	167	218
Total	139	60	97	81	126	145	157	80	76	166	218	195	237

Notifications sent by the CSSF from November 2010 to November 2011*



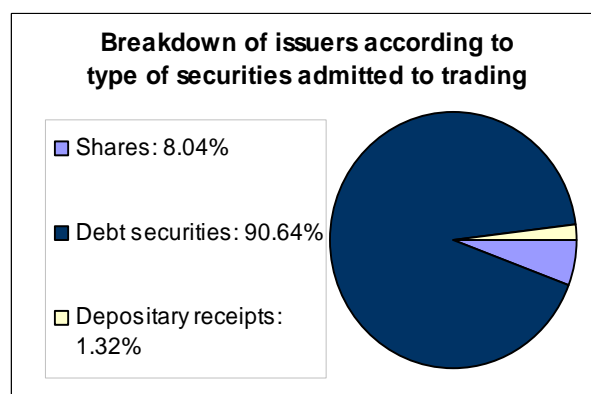
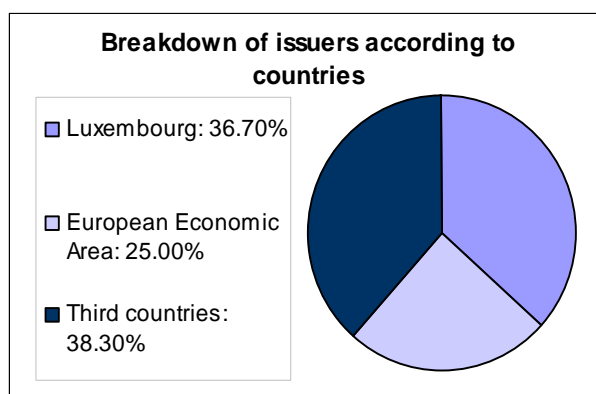
	Nov. 10	Déc. 10	Jan. 11	Févr. 11	Mars 11	Avril 11	Mai 11	Juin 11	Juil. 11	Août 11	Sept. 11	Oct. 11	Nov. 11
■ Prospectuses and base prospectuses	19	22	17	16	17	37	50	27	21	20	20	15	25
■ Supplements	40	28	17	35	44	41	48	27	32	51	42	36	49
Total	59	50	34	51	61	78	98	54	53	71	62	51	74

*This figure is the number of prospectuses, base prospectuses and supplements for which the CSSF sent one or several notifications. Where notifications have been sent at different dates and/or in several Member States, only the first notification is included in the statistical calculations. Each document notified in one or several Member States is thus only counted once.

■ ISSUERS FOR WHICH LUXEMBOURG IS THE HOME MEMBER STATE PURSUANT TO THE LAW OF 11 JANUARY 2008 ON TRANSPARENCY REQUIREMENTS FOR ISSUERS OF SECURITIES (THE "TRANSPARENCY LAW")

Since 10 November 2011, 2 issuers have chosen Luxembourg as home Member State for the purposes of the Transparency Law. Moreover, 11 issuers were removed from the list due to the fact that they do not fall within the scope of the Transparency Law any more.

As at 12 December 2011, 684 issuers, subject to the supervision of the CSSF, were included in the list of issuers for which Luxembourg is the home Member State pursuant to the Transparency Law.



OFFICIAL LISTS

■ LIST OF PFS

New authorisations:

ALPHA PATRIMOINE S.A.

13, rue des Sources, L-7334 Heisdorf

Statuses: investment adviser, broker in financial instruments, commission agent, private portfolio manager

Ministerial authorisation of 3 November 2011

CIRCLE INVESTMENT SUPPORT SERVICES (LUXEMBOURG) S.A.

22, avenue de la Liberté, L-1930 Luxembourg

Statuses: registrar agent, administrative agent of the financial sector, client communication agent, domiciliation agent of companies, professional performing services of setting-up and of management of companies

Ministerial authorisation of 3 November 2011

STONEHAGE CORPORATE SERVICES LUXEMBOURG S.A.

26, boulevard Royal, L-2449 Luxembourg

Statuses: registrar agent, administrative agent of the financial sector, client communication agent, domiciliation agent of companies, professional performing services of setting-up and of management of companies

Ministerial authorisation of 15 November 2011

Withdrawals:

DOMICILIATION + SERVICES S.A R.L.

Cessation of PFS activities

FIDEOS FINANCIAL SERVICES S.A.

Merger by takeover by Alter Domus Alternative Asset Fund Administration S.à r.l.

Changes of address:

C-SERVICES S.A.

89A, rue Pafebruch, L-8308 Capellen

DRIEGE & WEGHSTEEN INTERNATIONAL LUXEMBOURG S.A.

3, rue de la Libération, L-8245 Mamer

GREENLEAF FINANCIAL LUXEMBOURG S.A.

43, rue Marechal Foch, L-1527 Luxembourg

STATE STREET SERVICES (LUXEMBOURG) S.A.

47, avenue J. F. Kennedy, L-1855 Luxembourg

XEROX LUXEMBOURG S.A.

4, route d'Arlon, L-8399 Windhof

Changes of denomination:

CB RICHARD ELLIS INVESTORS S.A R.L. became

CBRE GLOBAL INVESTORS LUXEMBOURG S.A R.L.

DEVOTEAM GUIDANCE S.A. became

DEVOTEAM S.A.

GLOBAL IT SERVICES S.A R.L. became

GLOBAL IT SERVICES PSF S.A R.L.

Change of status:

AUREA FINANCE COMPANY S.A.

Statuses: investment adviser, broker in financial instruments, commission agent, private portfolio manager, professional acting for its own account, distributor of units/shares in UCIs with payment, registrar agent, client communication agent, administrative agent of the financial sector, domiciliation agent of companies, professional performing services of setting-up and of management of companies

Ministerial authorisation of 24 November 2011

■ LIST OF MANAGEMENT COMPANIES AUTHORISED ACCORDING TO CHAPTER 15 OF THE LAW OF 17 DECEMBER 2010

Management companies whose authorisation covers exclusively the activity of collective management within the meaning of Article 101(2) of the law of 17 December 2010 relating to UCIs

Withdrawal:

*POLARIS INVESTMENT S.A.

5, allée Scheffer, L-2520 Luxembourg

Management companies whose authorisation covers, in addition to the activity of collective management within the meaning of Article 101(2), one or several services referred to in Article 101(3) of the law of 17 December 2010 relating to UCIs.

Registration:

*POLARIS INVESTMENT S.A.

5, allée Scheffer, L-2520 Luxembourg

Change of denomination:

CARLSON FUND MANAGEMENT COMPANY S.A. became

DNB ASSET MANAGEMENT S.A.

■ LIST OF MANAGEMENT COMPANIES AUTHORISED ACCORDING TO CHAPTER 16 OF THE LAW OF 17 DECEMBER 2010

Registration:

HOTCHKIS AND WILEY (LUXEMBOURG) S.A.

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

Withdrawal:

SLGB MANAGEMENT S.A.

33, rue de Gasperich, L-5826 Howald-Hesperange

Change of denomination:

ABERDEEN INDIRECT PROPERTY PARTNERS ASIA S.A. became

ABERDEEN GLOBAL PROPERTY MULTIMANAGER S.A.

Changes of address:

AVANA INVESTMENT MANAGEMENT COMPANY S.A R.L.

16, rue Jean-Pierre Brasseur, L-1258 Luxembourg

CAPITAL INTERNATIONAL MANAGEMENT COMPANY S.A.

6C, route de Trèves, L-2633 Senningerberg

* the management company received autorisation to exercise activities laid down in Article 101(3) of the law of 17 December 2010 relating to UCIs

ENERGY ASSET MANAGEMENT S.A R.L.

23, avenue Monterey, L-2163 Luxembourg

NORTHAM PROPERTY FUNDS MANAGEMENT S.A R.L.

5, rue Guillaume Kroll, L-1882 Luxembourg

■ **LIST OF SICARS**

Registrations:

AERIS PRIVATE INVESTMENTS B S.A., SICAR,

2, rue Heinrich Heine, L-1720 Luxembourg

DARBY CONVERGING EUROPE FUND III (SCS) SICAR

15, rue Edward Steichen, L-2540 Luxembourg

ELEMENT POWER CAPITAL S.C.A. SICAR

2, Boulevard Konrad Adenauer, L-1115 Luxembourg

NORDEA LIFE & PENSIONS INVESTMENTS NORWAY – SICAR – S.A R.L.

562, rue de Neudorf, L-2220 Luxembourg

■ **LIST OF ISSUERS OF SECURITIES FOR WHICH LUXEMBOURG IS THE HOME MEMBER STATE PURSUANT TO THE TRANSPARENCY LAW**

New issuers:

<u>NAME</u>	<u>COUNTRY OF INCORPORATION</u>
Chorus Limited	New Zealand
WMC Finance (USA) Limited	Australia

Withdrawals:

<u>NAME</u>	<u>COUNTRY OF INCORPORATION</u>
AG Capital Recovery II Holdings PLC	Isle of Man
Archimedes Funding III	Cayman Islands
Crédit Suisse Group Capital (Guernsey) V Limited	Guernsey
Dresdner RCM Caywood Scholl CBO I Ltd	Cayman Islands
Fiat Finance and Trade LTD	Luxembourg
Findomestic Banca S.P.A.	Italy
First Data Corporation	United States of America
La Banque Postale	France
PCCW-HKT Capital Limited	Virgin Islands (British)
Prinus Invest S.A.	Luxembourg
Sintonia Finance S.R.L.	Italy

■ LIST OF UNDERTAKINGS FOR COLLECTIVE INVESTMENT (UCIS)

Registrations and withdrawals from the official list of the Luxembourg undertakings for collective investment during the month of October 2011

During the month under review, the following twenty-nine undertakings for collective investment and specialised investment funds have been registered on the official list:

1) UCIs Part I Law 2010:

- AD-VANEMICS, 1B, rue Gabriel Lippmann, L-5365 Munsbach
- ALLIANZ PIMCO LAUFZEITFONDS EXTRA 2016, 6A, route de Trèves, L-2633 Senningerberg
- ALLIANZ PIMCO LAUFZEITFONDS WÄHRUNGEN 2016, 6A, route de Trèves, L-2633 Senningerberg
- ATRIUM SICAV, 1, boulevard Royal, L-2449 Luxembourg
- CHILTON UCITS, 2, rue Albert Borschette, L-1246 Luxembourg
- DB PWM, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
- GLOBALYZE FUND, 1B, rue Gabriel Lippmann, L-5365 Munsbach
- MERCURIO SICAV, 19-21, boulevard du Prince Henri, L-1724 Luxembourg
- PAI, 4, rue Thomas Edison, L-1445 Luxembourg-Strassen
- W.P. STEWART QUALITY GROWTH FUNDS, 2-8, avenue Charles de Gaulle, L-1653 Luxembourg

2) SIFs:

- 3P CONDOR S.C.A., SICAV-FIS, 4, rue Heinrich Heine, L-1720 Luxembourg
- ALLIANCEBERNSTEIN RECOVERY ASSETS (LUXEMBOURG) SIF, 2-4, rue Eugène Ruppert, L-2453 Luxembourg
- APPIA GLOBAL INFRASTRUCTURE PORTFOLIO A S.C.S, SICAF-FIS, 6, route de Trèves, L-2633 Senningerberg
- APPIA GLOBAL INFRASTRUCTURE PORTFOLIO S.C.A., SICAV-FIS, 6, route de Trèves, L-2633 Senningerberg
- ASTELLON FUND SICAV-SIF, 49, avenue J-F Kennedy, L-1855 Luxembourg
- BE INTERNATIONAL EQUITIES SA, SICAV-SIF, 412F, route d'Esch, L-1471 Luxembourg
- CYPANGA SICAV SIF, 1, boulevard Royal, L-2449 Luxembourg
- EUROPEAN INCOME OPPORTUNITIES SICAV-FIS, 4, rue Heinrich Heine, L-1720 Luxembourg
- GOLDEN AGE REAL ESTATE FUND SCA SIF, 2, rue d'Alsace, L-1122 Luxembourg
- GOLDMAN SACHS FUNDS FCP-SIF, 2, rue Albert Borschette, L-1246 Luxembourg
- HP LUX SICAV-SIF S.A., 5, place de la Gare, L-1616 Luxembourg
- IKAV SICAV-FIS SCA, 2, place Dargent, L-1413 Luxembourg
- ITAÛ SPECIALISED INVESTMENT FUNDS, 69, route d'Esch, L-1470 Luxembourg
- KINGFISHER INVESTMENTS, SICAV-FIS, 58, rue Charles Martel, L-2134 Luxembourg
- PARTNER FONDS GOVERNMENT & COVERED SELECT, 18-20, rue Gabriel Lippmann, L-5365 Munsbach
- PRIVIUM SELECTION FUND S.C.A. SICAV-SIF, 15, rue Edward Steichen, L-2540 Luxembourg
- QUADRATIM CAPITAL S.C.A. SICAV-FIS, 16, boulevard Royal, L-2449 Luxembourg
- SL INVESTMENT GENERAL PARTNERS FUND SCA, SICAV-SIF, 5, allée Scheffer, L-2520 Luxembourg
- VIADUCT INVEST FCP-SIF (THE FUND), 19, rue de Bitbourg, L-1273 Luxembourg

The following twenty-six undertakings for collective investment and specialised investment funds have been withdrawn from the official list in October 2011:

1) UCIs Part I Law 2010:

- AC BRIC, 36, avenue du X Septembre, L-2550 Luxembourg
- CEROS FUND, 4, rue Thomas Edison, L-1445 Luxembourg-Strassen
- COMINVEST EUROPA INVEST 10/2011, 6A, route de Trèves, L-2633 Senningerberg
- COMINVEST EUROPA PROTECT 10/2011, 6A, route de Trèves, L-2633 Senningerberg
- DWS FLEXIBLE INVEST 10, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
- DWS FLEXIBLE INVEST 30, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
- DWS FLEXIBLE INVEST 50, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
- DWS FLEXIBLE INVEST 70, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
- DWS FLEXIBLE INVEST 90, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
- DWS NOVA SOLUTION I, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
- EURIZON RISERVA, 8, avenue de la Liberté, L-1930 Luxembourg
- FINTER FUND, 33A, avenue J-F Kennedy, L-1855 Luxembourg
- TERCAS SICAV LUX, 33A, avenue J-F Kennedy, L-1855 Luxembourg

2) UCIs Part II Law 2010:

- ALANDBANKEN HEDGE, 19, rue de Bitbourg, L-1273 Luxembourg
- ALPINEX LONG/SHORT GLOBAL EMERGING MARKETS FUND, 5, allée Scheffer, L-2520 Luxembourg
- GLITNIR HEDGE FUND, 5, allée Scheffer, L-2520 Luxembourg
- HAIG ASAHI-INVESTMENTFUND, 21, avenue de la Liberté, L-1931 Luxembourg
- ROBECO ALTERNATIVE INVESTMENT STRATEGIES, 5, allée Scheffer, L-2520 Luxembourg
- VERMÖGENSSTRATEGIE OP, 4, rue Jean Monnet, L-2180 Luxembourg

3) SIFs:

- 1798 MULTI-ALPHA ABSOLUTE RETURN STRATEGIES, 5, allée Scheffer, L-2520 Luxembourg
- ALLIANZ LJ RISK CONTROL FUND JPY FCP-FIS, 6A, route de Trèves, L-2633 Senningerberg
- ALTIMA SITUATIONAL CREDIT FUND S.A., 1A, rue Höhenhof, L-1736 Senningerberg
- EMERA SICAV, 5, allée Scheffer, L-2520 Luxembourg
- HDB US REAL ESTATE OPPORTUNITY FUND, FCP-SIF, 205, route d'Arlon, L-1150 Luxembourg
- TMA UMBRELLA FUND II, 1B, rue Gabriel Lippmann, L-5365 Munsbach
- YENGA-SIF, 2, place Dargent, L-1413 Luxembourg

Withdrawals from the official list decided by the CSSF:

- A decision to withdraw the *société d'investissement à capital variable* KALAN CAPITAL S.C.A., SICAV-SIF from the official list of specialised investment funds was taken by the CSSF on 1 December 2011 according to Articles 43(2) and 46 of the law of 13 February 2007 relating to specialised investment funds.
- A decision to withdraw the *société d'investissement à capital variable* EXCELLENCIA CAPITAL S.A. SICAV SIF from the list of specialised investment funds was taken by the CSSF on 1 December 2011 according to Articles 43(2) and 46 of the law of 13 February 2007 relating to specialised investment funds.

FINANCIAL CENTRE

Main updated figures regarding the financial centre:

Number of banks: **142** (13 December 2011) (↘ by 5 entities over a year)
Balance sheet total: **EUR 781.270 billion** (31 October 2011) (↗ by 3.924 billion over a year)
Profit before provisions: **EUR 4.26 billion** (30 September 2011) (↗ by 0.34 billion over a year)

Number of UCIs: - Part I of the 2010 law: **1,865** (13 December 2011)
 - Part II of the 2010 law: **606** (13 December 2011)
 - Specialised investment funds (SIFs): **1,367** (13 December 2011)
 TOTAL: **3,838** (↗ by 186 entities over a year)

Total net assets: **EUR 2,071.937 billion** (31 October 2011) (↘ by 35.638 billion over a year)

Number of management companies: Chapter 15 (law of 17 December 2010): **184** (30 November 2011)
Number of management companies: Chapter 16 (law of 17 December 2010): **213** (30 November 2011)

Number of investment firms: **116** of which **11** branches (13 December 2011)
(↗ by 5 entities over a year)
Balance sheet total: **EUR 3.550 billion** (31 October 2011) (↗ by 2.482 billion over a year)
Provisional net profit: **EUR 373.809 million** (31 October 2011) (↗ by 149.185 million over a year)

Number of specialised PFS: **119** (13 December 2011) (↗ by 7 entities over a year)
Balance sheet total: **EUR 9.050 billion** (31 October 2011) (↘ by 12.029 billion over a year)
Provisional net profit: **EUR 404.159 million** (31 October 2011) (↘ by 527.128 million over a year)

Number of support PFS: **87** (13 December 2011) (↗ by 10 entities over a year)
Balance sheet total: **EUR 910.923 million** (31 October 2011) (↘ by 113 million over a year)
Provisional net profit: **EUR 43.11 million** (31 October 2011) (↗ by 13.08 million over a year)

Number of pension funds: **15** (13 December 2011) (no change over a year)

Number of SICARs: **274** (13 December 2011) (↗ by 31 entities over a year)

Number of authorised securitisation undertakings: **27** (13 December 2011) (↗ by 1 entity over a year)

Number of issuers of securities for which Luxembourg is the home Member State pursuant to the Transparency Law: **684** (12 December 2011) (↘ by 39 entities over a year)

Total employment in the supervised establishments: **43,318 persons** (30 September 2011)
(↗ by 789 persons over a year), including:

- banks **26,804 persons** (30 September 2011)
- management companies (Chapter 15) **2,496 persons** (30 September 2011)
- investment firms **2,627 persons** (30 September 2011)
- specialised PFS **3,112 persons** (30 September 2011)
- support PFS **8,279 persons** (30 September 2011)

This rise does not mean a net creation of jobs, but includes the transfer of existing jobs from the non-financial sector to the financial sector.

CSSF Newsletter

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