

COMMISSION de SURVEILLANCE
du SECTEUR FINANCIER

CSSF
NEWSLETTER

No. 142

November 2012



HUMAN RESOURCES

Since the publication of the last Newsletter, the CSSF has recruited three new agents who were assigned to the following departments:

Supervision of banks

Gaston COLBACH

Supervision of investment firms

Magali ALVES VIDEIRA

Supervision of undertakings for collective investment

Ali ZERKTOUNI

Hence, the CSSF counts 447 agents, 226 of whom are men and 221 are women as at 8 November 2012.

NEWS

Short selling

Regulation (EU) No 236/2012 of the European Parliament and of the Council of 14 March 2012 on short selling and certain aspects of credit default swaps came into force on 1 November 2012. To this end, the CSSF has published, on 31 October 2012, Circular CSSF 12/548 regarding the entry into force of that Regulation giving details on the notification procedures, the disclosure of significant net short or uncovered positions and the exemption for market making activities and primary market operations. The circular also refers to documents and information published by the European Securities and Markets Authority (ESMA) on the practical application of European regulations on short selling and certain aspects of credit default swaps. On the same day, the CSSF has published a press release on the entry into force of those regulations and the revocation of its decision of 19 September 2008 to prohibit uncovered ("naked") short selling in relation to publicly quoted credit institutions and insurance companies. Moreover, since the beginning of November 2012, the CSSF has opened its Short Selling Platform to the persons concerned for the notification of significant net short or uncovered positions or, where applicable, for the publication of significant net short positions in accordance with the aforementioned regulation. The Short Selling Platform is available at <http://shortselling.cssf.lu>. The CSSF publishes the relevant documents and information relating to the new regime regarding short selling and certain aspects of credit default swaps in Luxembourg, including the user manual for the Short Selling Platform, dated 31 October 2012, on its website in the new section "Short Selling".

Takeover bids

Following the entry into force on 1 October 2012 of the law of 21 July 2012 on mandatory squeeze-out and sell-out of securities issued by companies currently admitted or previously admitted to trading on a regulated market or having been offered to the public, the CSSF added on its website a new sub-section "Squeeze-out and sell-out" under the section "Takeover bids". In this subsection, the CSSF publishes the documents relating to that law, as well as the list of companies for which information on holdings has been validly notified under Articles 3(1) and 10(1) of that law.

NATIONAL REGULATION

Circular CSSF 12/549

The purpose of this circular is to detail the technical specifications regarding the submission to the CSSF, under the law on prospectuses for securities, of documents for offers to the public of units or shares of Luxembourg closed-end undertakings for collective investment and/or admissions of units or shares of Luxembourg closed-end undertakings for collective investment to trading on a regulated market.

Circular CSSF 12/548

This circular draws the attention of the persons concerned to the entry into force of Regulation (EU) No 236/2012 of the European Parliament and of the Council of 14 March 2012 on short selling and certain aspects of the credit default swaps. It also specifies certain practical aspects of notification, disclosure and exemption procedures.

Circular CSSF 12/547

By means of Circular CSSF 12/547 of 24 October 2012, the CSSF draws the attention of the professionals of the financial sector to a statement of the Financial Action Task Force (FATF) concerning certain jurisdictions whose anti-money laundering and combating the financing of terrorism regime has substantial and strategic deficiencies. Moreover, the CSSF also informs that the list of jurisdictions whose progress regarding anti-money laundering and combating the financing of terrorism is not considered sufficient by the FATF, as well as the list of jurisdictions whose anti-money laundering and combating the financing of terrorism regime is currently considered unsatisfactory by the FATF, have been updated.

Circular CSSF 12/546

The purpose of this circular is to replace Circulars CSSF 03/108 and CSSF 05/185 applicable to all Luxembourg management companies under Luxembourg law subject to Chapter 15 of the law of 17 December 2010 relating to undertakings for collective investment (hereafter "2010 Law") and to all investment companies that have not designated a management company within the meaning of Article 27 of the 2010 Law and Regulation CSSF No. 10-4 transposing Commission Directive 2010/43/EU of 1 July 2010. It incorporates Circular CSSF 11/508 so that the conditions for obtaining and maintaining the management company and SIAG authorisation are gathered in a single text. Moreover, it provides additional clarifications on certain conditions for authorisation, including in particular regarding the re-use of own funds, the management bodies, arrangements concerning the central administration and delegation rules.

SANCTIONS

SICARs

In accordance with Article 17 of the law of 15 June 2004 relating to investment companies in risk capital (SICARs), the CSSF imposed four administrative fines on the managers of one investment company in risk capital (SICAR) for non-filing of the audited annual report and management letter for the financial year ending on 31 December 2011.

In this context, the CSSF would like to remind SICARs and their *réviseurs d'entreprises agréés* (approved statutory auditors) of the obligations incumbent on them, pursuant to Circular CSSF 11/503 relating to the transmission and publication of financial information, and the relating deadlines. The CSSF would also like to point out the importance of the implementation by SICARs and their *réviseurs d'entreprises agréés* of an adequate organisation allowing compliance by SICARs with the statutory deadlines applicable for transmission and publication of financial information.

Undertakings for collective investment

In accordance with Article 51(1) of the law of 13 February 2007 on specialised investment funds, the CSSF imposed administrative fines on the managers of three SIFs for non-filing of the management letter. On the basis of that Article, the CSSF imposed administrative fines on the managers of five SIFs for non-transmission of the audited annual reports within the statutory deadlines.

Management companies

In accordance with Article 148(1) of the law of 17 December 2010 relating to undertakings for collective investment, the CSSF imposed administrative fines on the managers of two management companies for non-filing of the audited annual reports within the statutory deadlines.

Support PFS

The CSSF imposed an administrative fine on three managers of a support PFS for non-compliance with the deadlines laid down within the procedure for the transmission of electronic reporting.

Banks

Pursuant to Article 63 of the law of 5 April 1993 on the financial sector, the CSSF imposed an administrative fine on the board of directors of a bank for non-compliance with the professional obligations in respect of internal control.

Specialised PFS

Pursuant to Article 63 of the law of 5 April 1993 on the financial sector, the CSSF imposed an administrative fine on the board of directors of a specialised PFS for non-compliance with the professional obligations regarding the fight against money laundering and terrorist financing.

Investment firms

Pursuant to Article 63 of the law of 5 April 1993 on the financial sector, the CSSF imposed an administrative fine on an investment firm for non-compliance with the professional obligations regarding the fight against money laundering and terrorist financing.

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 an order of the CSSF as regards the publication of a financial report within 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 remedy against these administrative fines may be sought within three months.

WARNING

Warning published by the Central Bank of Ireland concerning the activities of an entity named Walten Pichler

The warning is published on the CSSF's website at: http://www.cssf.lu/fileadmin/files/Protection_consommateurs/Avertissements/A_Walten_Pichler_181012.pdf.

Warning issued by the UK authority (FSA) regarding the activities of an entity named Walten Pichler

The warning is published on the CSSF's website at: http://www.cssf.lu/fileadmin/files/Protection_consommateurs/Avertissements/A_Walten_Pichler_FSA_221012.pdf.

Warning regarding the activities of an entity named European Value Partner Advisors

The warning is published on the CSSF's website at:

http://www.cssf.lu/fileadmin/files/Protection_consommateurs/Avertissements/A_EVPA_091112_eng.pdf.

PRESS RELEASES

■ UCI AND PROMOTER

Press release 12/45 of 31 October 2012

On 24 October 2012, the CSSF published Circular CSSF 12/546 (the "Circular") on the authorisation and organisation of the Luxembourg management companies subject to Chapter 15 of the Law of 17 December 2010 relating to undertakings for collective investment (the "2010 Law"), as well as to investment companies which have not designated a management company within the meaning of Article 27 of the 2010 Law (hereafter "SIAG").

The CSSF considers that the concept of promoter is no longer necessary for UCITS having taken the form of a SIAG or having designated a management company where these meet the requirements of the Circular. Indeed, the objective of maintaining a high level of investor protection is fulfilled by the fact that the requirements of the Circular are met.

Thus, the CSSF adopts the following approach with respect to Luxembourg UCITS:

I. *Fonds commun de placement* and investment firm with a management company subject to Chapter 15 of the 2010 Law

Every management company subject to Chapter 15 of the 2010 Law existing at the time of the entry into force of the Circular has until 30 June 2013 at the latest to comply with the requirements of the Circular. It must submit to the CSSF, **until 15 April 2013** at the latest, a file containing the information allowing the CSSF to check its compliance with the Circular by 30 June 2013.

Management companies that manage one or more UCITS the promoter of which wishes to formally terminate its promoter status before 30 June 2013 must submit to the CSSF a file containing the information demonstrating their compliance with the Circular. After 30 June, such formal termination will no longer be necessary, the high level of investor protection being achieved through the compliance with the provisions of the Circular.

The CSSF will analyse whether the management company of the UCITS concerned meets the requirements of the Circular.

If the CSSF concludes that the management company of the UCITS complies with the Circular, it will so inform the management company. From the date of this compliance notice, the UCITS managed by this management company are no longer bound by the concept of promoter.

Any new UCITS whose date of authorisation falls between the publication date of the Circular (i.e. 24 October 2012) and 1 July 2013 must either designate a management company subject to Chapter 15 of the 2010 Law which meets the requirements of the Circular, or have a promoter according to the usual terms.

II. SIAG

For SIAGs the approach described in point I. above applies *mutatis mutandis*.

III. UCI subject to Part II of the 2010 Law

For self-managed SICAVs subject to Part II of the 2010 Law and for FCPs and SICAVs subject to Part II of the 2010 Law managed by a management company subject to Chapter 16 of the 2010 Law, the requirements as regards the promoter remain applicable according to the usual terms.

For FCPs and SICAVs subject to Part II of the 2010 Law managed by a management company subject to Chapter 15 of that Law, the approach described in point I. above applies *mutatis mutandis*.

The situation of these UCIs will be revised after the transposition into Luxembourg law of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers.

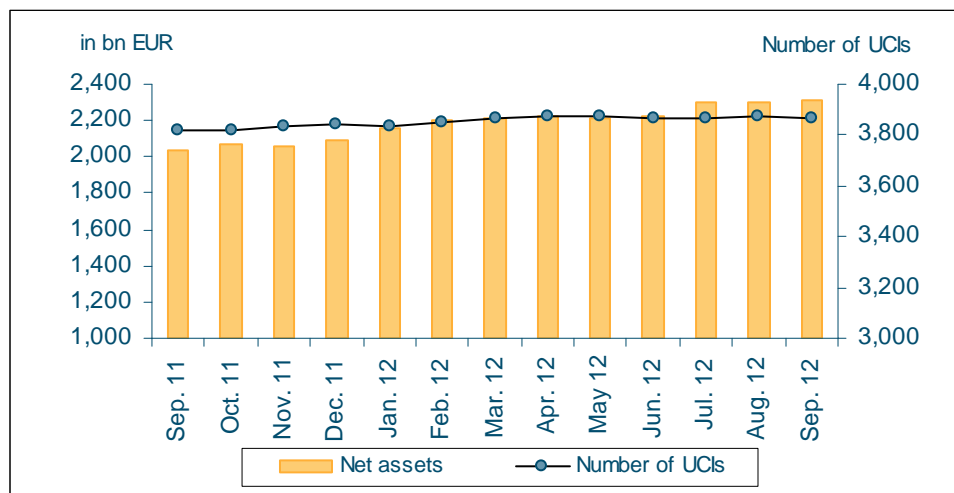
■ GLOBAL SITUATION OF UNDERTAKINGS FOR COLLECTIVE INVESTMENT AND SPECIALISED INVESTMENT FUNDS AT THE END OF SEPTEMBER 2012

Press release 12/44 of 31 October 2012

I. Overall situation

As at 30 September 2012, total net assets of undertakings for collective investment and specialised investment funds reached EUR 2,314.448 billion compared to EUR 2,295.399 billion as at 31 August 2012, i.e. a 0.83% growth over one month. Over the last twelve months, the volume of net assets increased by 13.90%.

The Luxembourg UCI industry thus registered a positive variation amounting to EUR 19.049 billion in September. This increase represents the balance of positive net issues of EUR 9.434 billion (+0.41%) and a positive development in financial markets amounting to EUR 9.615 billion (+0.42%).



The number of undertakings for collective investment (UCIs) and specialised investment funds (SIFs) taken into consideration totalled 3,866 as against 3,872 in the previous month. A total of 2,462 entities have adopted an umbrella structure, which represents 12,030 sub-funds. When adding the 1,404 entities with a traditional structure to that figure, a total of 13,434 entities are active in the financial centre.

As regards, on the one hand, the impact of financial markets on Luxembourg UCIs and, on the other hand, the net capital investment in these UCIs, the following can be said about September 2012:

As a result of the expansive monetary policy measures taken by the main central banks, and despite the ongoing sovereign debt crisis in the euro area and the economic uncertainties, most equity UCI categories recorded price increases during the period under review.

In September, the categories of equity UCIs registered overall net subscriptions.

Development of equity UCIs during the month of September 2012*

	Market variation	Net issues
Global market equities	0.11%	0.58%
European equities	1.89%	1.44%
US equities	1.71%	-0.13%
Japanese equities	-0.06%	-0.69%
Eastern European equities	2.08%	0.97%
Asian equities	4.48%	-0.53%
Latin American equities	0.33%	-0.65%
Other equities	2.28%	0.65%

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

EUR-denominated bond UCIs recorded overall price increases during the month under review. As the European Central Bank announced a buy-back, under certain conditions, of short-term government bonds of euro area countries facing budgetary difficulties, the debt securities of low-rated countries recorded decreases in their risk premiums. Considering that the government bond yields of high-rated euro area countries remained nearly unchanged, a reduction in the yield spreads between public debt securities of the different euro area countries could be observed. As regards private issue bonds, a contrasted development of risk premiums for the different countries and different sectors

was observed during the period under review. Bonds of financial institutions could thus register a risk premium reduction in September.

USD-denominated bond UCIs suffered overall price losses during the month under review, mainly due to a lower demand by investors for US government bonds as safe-haven assets and as a consequence of the USD depreciation as compared to EUR. A higher demand for private sector debt issues mitigated this trend.

Emerging market bond UCIs recorded price increases linked to a high demand for this type of bonds.

Overall, fixed-income UCI categories showed a positive net capital investment during the month under review.

Development of fixed-income UCIs during the month of September 2012*

	Market variation	Net issues
EUR money market	0.04%	-2.84%
USD money market	-2.44%	-0.37%
Global market money market	-0.47%	-2.30%
EUR-denominated bonds	0.48%	0.35%
USD-denominated bonds	-1.43%	-2.47%
Global market bonds	-0.56%	0.84%
Emerging market bonds	1.52%	1.64%
High Yield bonds	0.15%	3.99%
Others	-0.19%	-0.77%

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

The development of net assets of diversified Luxembourg UCIs and of funds of funds is illustrated in the table below:

Diversified income UCIs and funds of funds during the month of September 2012*

	Market variation	Net issues
Diversified UCIs	0.59%	0.68%
Funds of funds	0.65%	0.65%

* 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 laws 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 €
30/11/2011	1,862	1,623.445 €	605	200.459 €	1,366	235.515 €	3,833	2,059.419 €
31/12/2011	1,870	1,655.509 €	601	201.671 €	1,374	239.332 €	3,845	2,096.512 €
31/01/2012	1,856	1,709.460 €	594	202.915 €	1,387	244.706 €	3,837	2,157.081 €
29/02/2012	1,854	1,750.218 €	591	203.540 €	1,402	249.401 €	3,847	2,203.159 €
31/03/2012	1,860	1,762.166 €	587	202.875 €	1,419	252.165 €	3,866	2,217.206 €
30/04/2012	1,858	1,768.717 €	583	203.300 €	1,431	253.583 €	3,872	2,225.600 €
31/05/2012	1,859	1,750.722 €	582	203.715 €	1,433	257.590 €	3,874	2,212.027 €
30/06/2012	1,841	1,762.870 €	581	202.440 €	1,445	259.169 €	3,867	2,224.479 €
31/07/2012	1,835	1,823.366 €	576	207.093 €	1,453	266.258 €	3,864	2,296.717 €
31/08/2012	1,834	1,825.035 €	573	204.103 €	1,465	266.261 €	3,872	2,295.399 €
30/09/2012	1,827	1,845.500 €	567	201.592 €	1,472	267.356 €	3,866	2,314.448 €

■ ENTRY INTO FORCE ON 1 NOVEMBER 2012 OF REGULATION (EU) NO 236/2012 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 14 MARCH 2012 ON SHORT SELLING AND CERTAIN ASPECTS OF CREDIT DEFAULT SWAPS

■ REMOVAL OF THE BAN ON UNCOVERED SHORT SELLING

Press release 12/43 of 31 October 2012

The CSSF is publishing today its [Circular CSSF 12/548](#) relating to the entry into force on 1 November 2012 of Regulation (EU) No 236/2012 of the European Parliament and of the Council of 14 March 2012 on short selling and certain aspects of credit default swaps. The circular sets out details on certain practical aspects of notification, disclosure and exemption procedures.

In this context, the CSSF draws your attention to the fact that taking into account the aforementioned regulation, the decisions of the CSSF published on 19 and 29 September 2008 on the prohibition of uncovered (“naked”) short selling in relation to publicly quoted banks and insurance companies are repealed as from 1 November 2012.

■ PROFIT AND LOSS ACCOUNT OF CREDIT INSTITUTIONS AS AT 30 SEPTEMBER 2012

Press release 12/42 of 18 October 2012

The CSSF estimates profit before provisions of the Luxembourg banking sector at EUR 3,716 million for the first three quarters of 2012. Compared to the same period in 2011, profit before provisions thus decreased by 11.1%.

As at 30 September 2012, the profit and loss account of the Luxembourg banking sector continued to be characterised by very difficult economic and financial conditions. On the income side, the interest-rate margin's continuing decline was linked to intermediation margins that remained at a very low level. However, it should be noted that the extent

of the downturn (-5.5%) was linked to a German bank that closed its activities in Luxembourg and whose intermediation profits represented 3% of the interest margin for the financial year 2011. As a consequence, the interest margin is reduced by the same extent for the financial year 2012 compared to last year. As far as "commissions received" are concerned, the very uncertain stock exchange context brought along declining income in wealth management activities.

Overall, **banking income** dropped by 4.9% year-on-year.

Considering the 2.5% increase in the "general expenses", the result before provisions decreased by 11.1% year-on-year, in accordance with the observations made for the first two quarters of 2012.

Profit and loss account as at 30 September 2012

Items in million EUR	September 2011	September 2012	%
Interest-rate margin ¹	4,342	4,105	-5.5%
Commissions received	2,917	2,822	-3.3%
Other net income	433	387	-10.5%
Banking income	7,691	7,314	-4.9%
Staff costs	1,901	1,922	+1.1%
Other general expenses	1,609	1,676	+4.2%
General expenses	3,510	3,598	+2.5%
Result before provisions	4,181	3,716	-11.1%

¹ Including dividends received from subsidiaries

■ SUSPENSION OF KBC SHARES

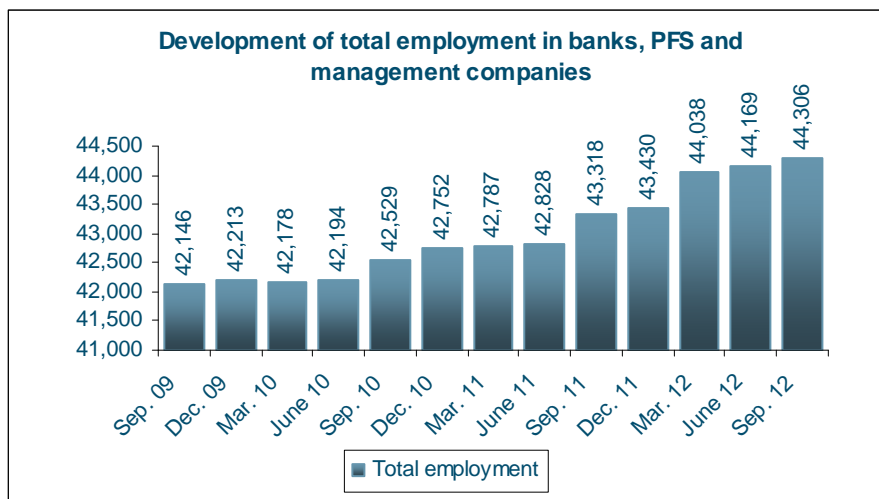
Press release 12/41 of 16 October 2012

The Commission de Surveillance du Secteur Financier (CSSF) has been informed by the Financial Services and Markets Authority (FSMA), the competent authority of Belgium, of the suspension of KBC shares (BE0003565737) (and derivatives) from trading on NYSE Euronext Brussels on 16 October 2012 as from 9:00 a.m. pending the publication of a press release. Therefore, the CSSF has required, in accordance with article 9(3) of the law of 13 July 2007 on markets in financial instruments, the suspension of said financial instrument from trading on the regulated market of the Luxembourg Stock Exchange until the market has been duly informed.

STATISTICS

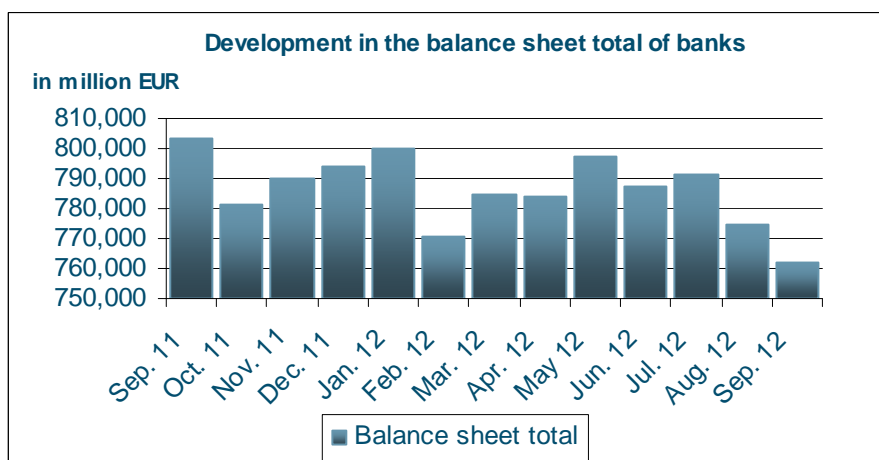
■ **EMPLOYMENT**

Total employment of banks, PFS and management companies



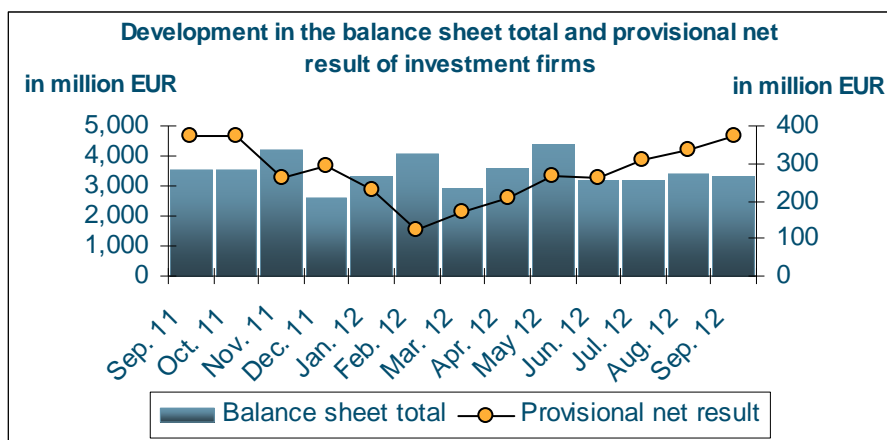
■ **BANKS**

Decrease in the banks' balance sheet total as at 30 September 2012



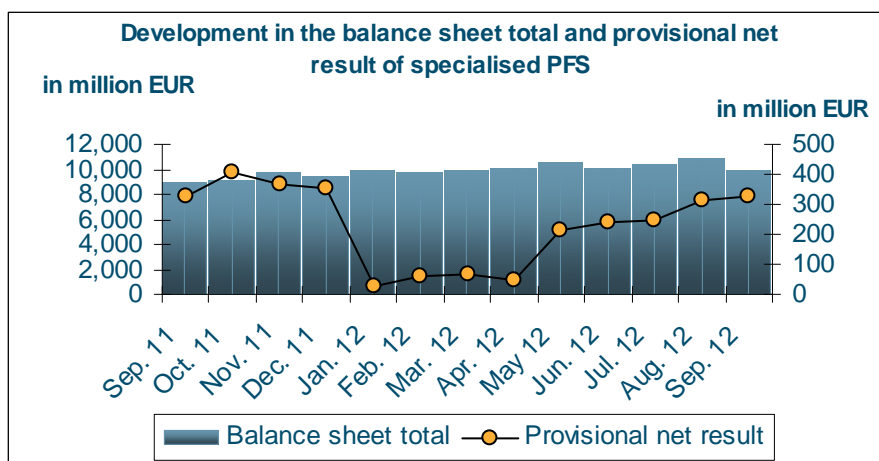
■ INVESTMENT FIRMS

Decrease in the investment firms' balance sheet total as at 30 September 2012



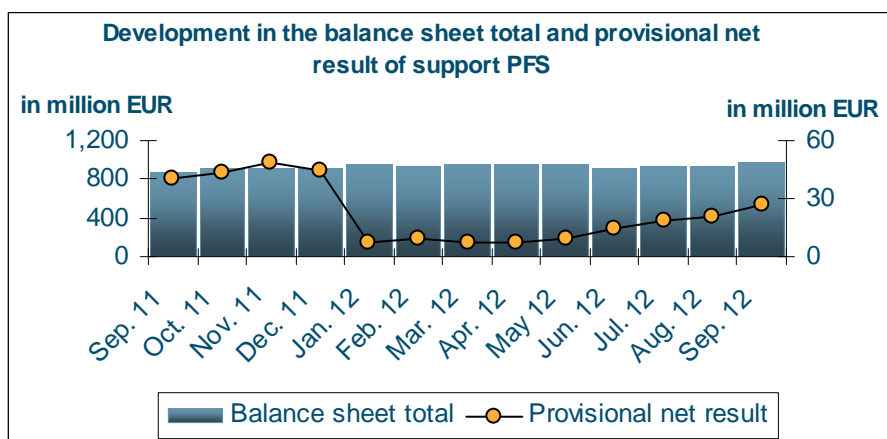
■ SPECIALISED PFS

Decrease in the specialised PFS' balance sheet total as at 30 September 2012



■ SUPPORT PFS

Increase in the support PFS' balance sheet total as at 30 September 2012



■ PENSION FUNDS, SICARS AND AUTHORISED SECURITISATION UNDERTAKINGS

As at 5 November 2012, 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.

On the same date, the number of professionals authorised to act as liability managers for pension funds subject to the law of 13 July 2005 amounted to 14.

Since the publication of the last Newsletter, the following three 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).

- REDL (SCA) SICAR, 33, rue de Gasperich, L-5826 HESPERANGE
- SLB BRAZIL ECONOMY FUND S.A. SICAR, 41, Boulevard Royal, L-2449 Luxembourg
- OQUENDO MEZZANINE II (SCA) SICAR, 19-21, boulevard du Prince Henri, L-1724 Luxembourg.

The following SICAR was withdrawn from the official list:

- DEVERA S.A., SICAR, 1C, rue Gabriel Lippmann, L-5365 Munsbach.

As at 5 November 2012, the number of SICARs registered on the official list amounted to 280.

The number of securitisation undertakings authorised by the CSSF in accordance with the law of 22 March 2004 on securitisation amounted to 32 entities as at 5 November 2012.

■ PUBLIC OVERSIGHT OF THE AUDIT PROFESSION

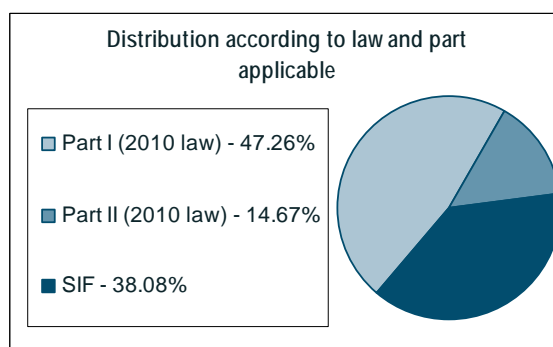
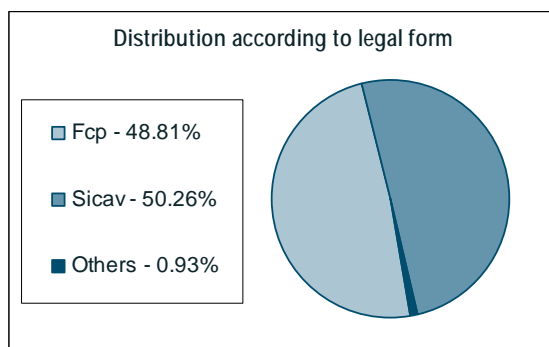
The public oversight of the audit profession covered 70 *cabinets de révision agréés* (approved audit firms) and 225 *réviseurs d'entreprises agréés* (approved statutory auditors) as at 31 October 2012. The oversight also includes 54 third-country auditors and audit firms duly registered in accordance with the law of 18 December 2009 concerning the audit profession.

■ UCI STATISTICS

Quarterly statistics on the undertakings for collective investment industry – Situation as at 30 September 2012

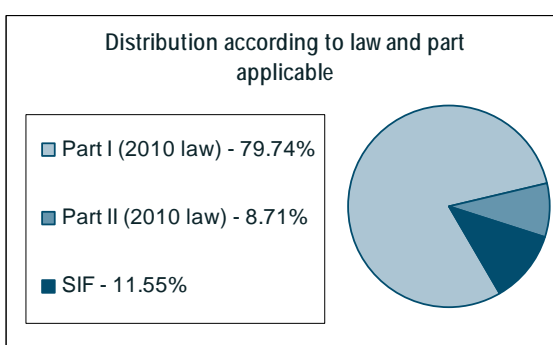
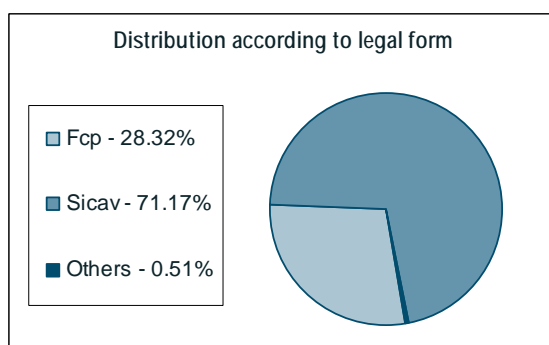
Every three months, in addition to the monthly statistics, the CSSF newsletter provides more detailed information on the investment fund sector, in particular regarding the origin of the promoters and the investment policy of the UCIs.

■ NUMBER OF UCIS



Law, Part/legal form	FCPs	SICAVs	Others	Total
Part I (2010 law)	1,086	741	0	1,827
Part II (2010 law)	278	285	4	567
SIFs	523	917	32	1,472
TOTAL	1,887	1,943	36	3,866

■ NET ASSETS OF UCIS

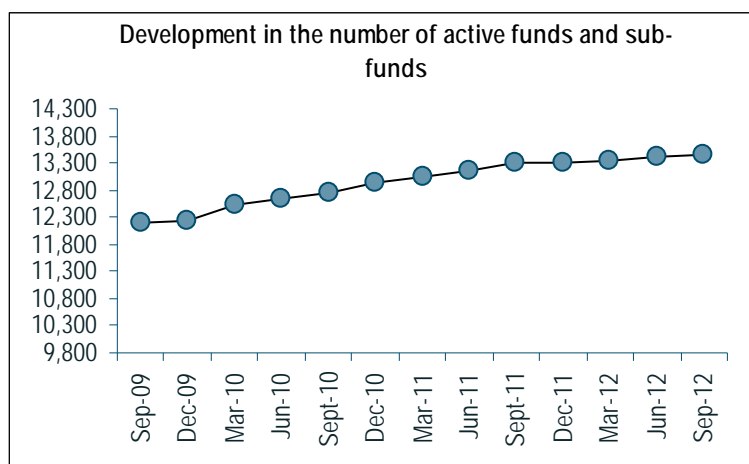


Law, Part/legal form (in bn EUR)	FCPs	SICAVs	Others	Total
Part I (2010 law)	462.933	1,382.567	0.000	1,845.500
Part II (2010 law)	79.596	121.017	0.979	201.592
SIFs	112.943	143.698	10.715	267.356
TOTAL	655.472	1,647.282	11.694	2,314.448

■ ORIGIN OF THE PROMOTERS OF LUXEMBOURG UCIS

	Net assets (in bn EUR)	In %
United States	542.228	23.4%
Germany	369.348	16.0%
Switzerland	347.141	15.0%
Great Britain	317.093	13.7%
Italy	180.437	7.8%
France	168.790	7.3%
Belgium	118.161	5.1%
Luxembourg	46.317	2.0%
Netherlands	46.292	2.0%
Sweden	42.315	1.8%
Others	136.326	5.9%
TOTAL	2,314.448	100%

■ DEVELOPMENT IN THE NUMBER OF UNITS



■ INVESTMENT POLICY OF LUXEMBOURG UCIS

	Net assets (in bn EUR)
Fixed-income transferable securities (*)	1,030.650
Variable-yield transferable securities (**)	636.925
Mixed transferable securities (***)	429.371
Fund of funds (****)	152.717
Cash	6.908
Real estate	24.556
Futures, options, warrants	19.270
Others (*****)	14.051
TOTAL	2,314.448

(*) Including EUR 269.856 billion in money market instruments and other short-term securities

(**) Including EUR 6.830 billion in non-listed transferable securities and EUR 0.278 billion in venture capital

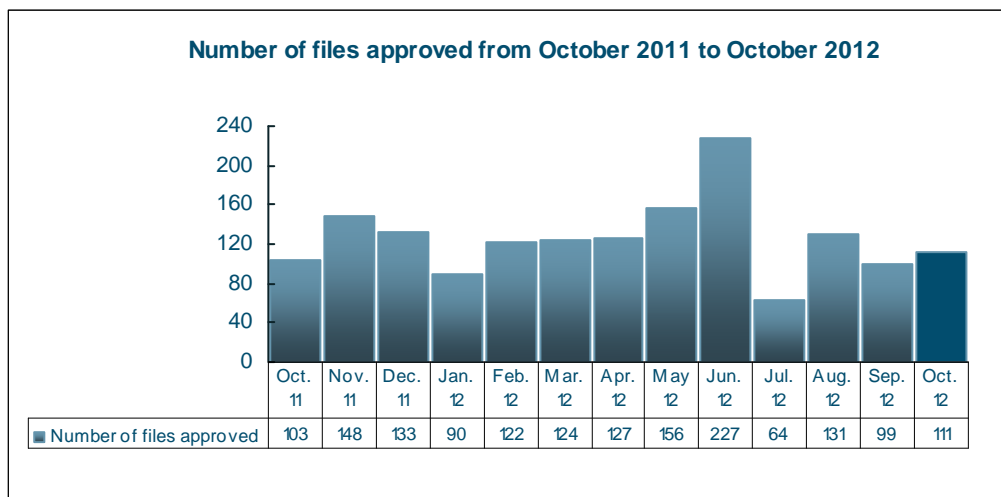
(***) Including EUR 3.566 billion in non-listed transferable securities and EUR 0.534 billion in venture capital

(****) Including EUR 0.479 billion in non-listed transferable securities and EUR 0.011 billion in venture capital

(*****) Including EUR 0.146 billion in venture capital

■ 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)

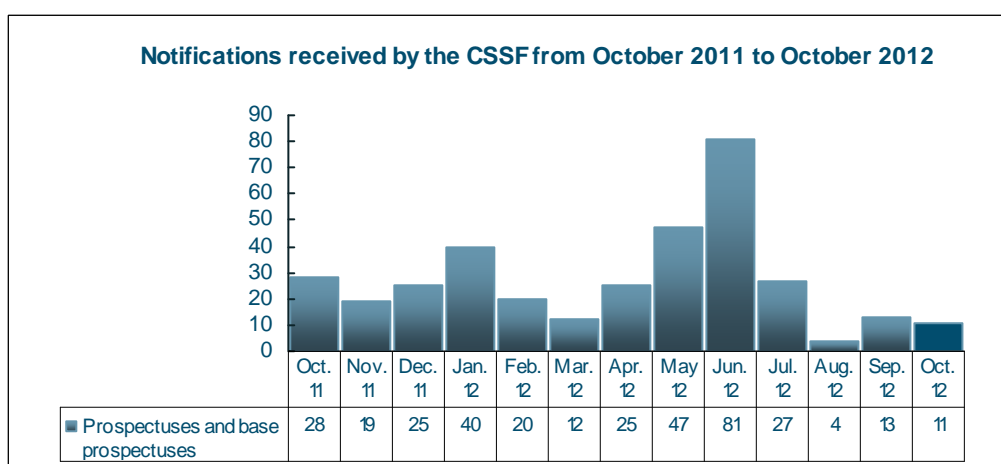
1. CSSF approvals



In October 2012, the CSSF approved a total of 111 documents pursuant to the Prospectus Law, which break down as follows:

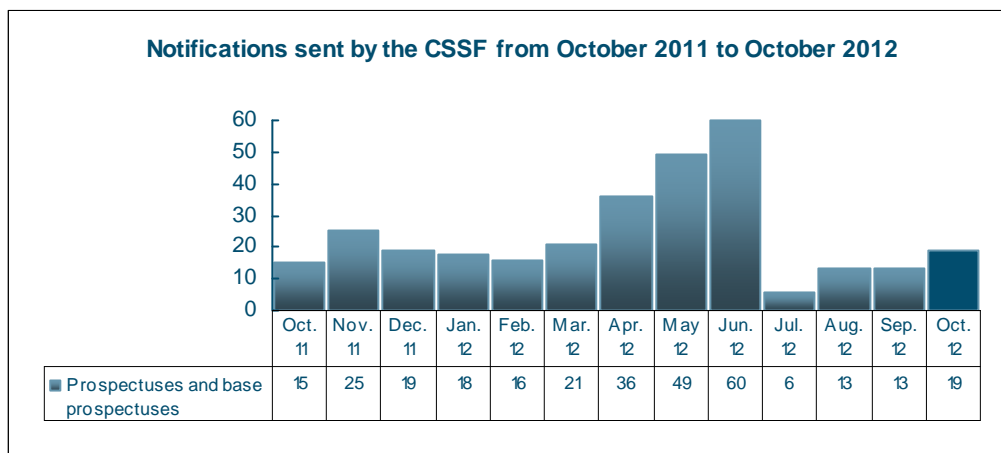
- base prospectuses: 12 (10.81 %)
- other prospectuses: 30 (27.03 %)
- supplements: 69 (62.16 %)

2. Notifications received by the CSSF from the competent authorities of other EU Member States



In October 2012, the CSSF received 11 notifications relating to prospectuses and base prospectuses and 64 notifications relating to supplements from the competent authorities of other EU Member States.

3. Notifications sent by the CSSF to the competent authorities of other EU Member States

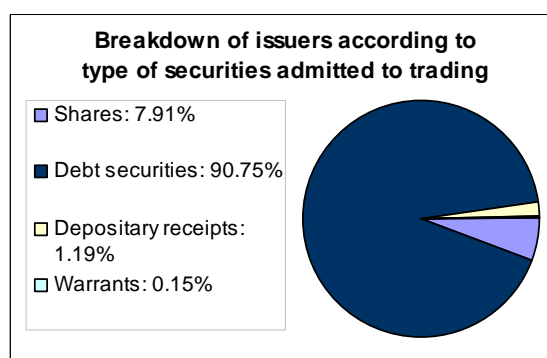
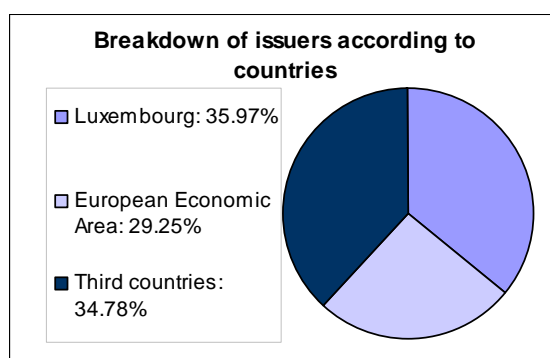


In October 2012, the CSSF sent 19 notifications relating to prospectuses and base prospectuses and 39 notifications relating to supplements to the competent authorities of other EU Member States*.

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

Since 10 October 2012, 2 issuers have chosen Luxembourg as home Member State for the purposes of the Transparency Law. Moreover, 10 issuers were removed from the list due to the fact that they do no longer fall within the scope of the Transparency Law.

As at 13 November 2012, 670 issuers, subject to the supervision of the CSSF, were included in the list of issuers whose home Member State is Luxembourg pursuant to the Transparency Law.



* These figures correspond to the number of prospectuses, base prospectuses and supplements for which the CSSF sent one or several notifications. Where notifications were sent on 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.

OFFICIAL LISTS

■ LIST OF BANKS

Registration:

ABLV BANK LUXEMBOURG S.A.
26A, Boulevard Royal, L-2449 Luxembourg
Beginning of activities on 1 October 2012

Change of address:

SUMITOMO MITSUI TRUST BANK (LUXEMBOURG) S.A.
2, rue Peternelchen, L-2370 Howald

■ LIST OF ELECTRONIC MONEY INSTITUTIONS

Registration:

YAPITAL FINANCIAL A.G.
5, rue Goethe, L-1637 Luxembourg

■ LIST OF PFS

Registrations:

ESPIRITO SANTO WEALTH MANAGEMENT (EUROPE) S.A.
21-25, allée Scheffer, L-2520 Luxembourg
Statuses: investment adviser, broker in financial instruments, commission agent, private portfolio manager
Ministerial authorisation of 2 October 2012

GEORGES & ASSOCIES S.AR.L.
34A, boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg
Statuses: domiciliation agent of companies and professional performing services of setting-up and of management of companies
Ministerial authorisation of 2 October 2012

HALIAN S.A R.L.
23, rue des Bruyères, L-1274 Howald
Statuses: primary IT systems operator of the financial sector and secondary IT systems and communication networks operator of the financial sector
Ministerial authorisation of 8 October 2012

Withdrawal:

DUSSMANN SECURITY S.A R.L.

1A, Zone Industrielle Bombicht, L-6947 Niederanven
Abandonment of status as from 16 October 2012

Changes of status:

ACTAGON S.A.

13, rue de l'Industrie, L-8069 Bertrange
Addition of the status as administrative agent of the financial sector as of 2 May 2012.

FINIMMO LUXEMBOURG S.A.

18, rue Robert Stümper, L-2557 Luxembourg
Cessation of investment firm activities to become specialised PFS as of 2 October 2012

Changes of address:

ELGON S.A.

6, route d'Arlon, L-8399 Windhof

FACTS SERVICES S.A.

1-3, boulevard de la Foire, L-1528 Luxembourg

GFI PSF S.A R.L.

LOFT – Z.A. « Am Bann », 2 rue Drosbach, L-3372 Leudelange

Change of denomination:

CALLATÄY & WOUTERS ASSOCIATION D'INGENIEURS – CONSEILS S.A. has become
SOPRA BANKING SOFTWARE LUXEMBOURG

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

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

Withdrawal:

DEUTSCHE POSTBANK VERMÖGENS-MANAGEMENT S.A.

18-20, rue Gabriel Lippmann, L-5365 Munsbach

Change of denomination:

IPCONCEPT FUND MANAGEMENT S.A. has become
IPCONCEPT (LUXEMBURG) S.A.

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

Registrations:

ARCHSTONE MANAGEMENT GERMANY II S.A R.L.

46A, avenue J-F Kennedy, L-1855 Luxembourg

GLOBAL GREEN MANAGEMENT S.A R.L.

51, avenue J-F Kennedy, L-1855 Luxembourg

ICMBLACKWOOD MANAGEMENT COMPANY S.A R.L.

9, avenue Guillaume, L-1651 Luxembourg

Withdrawals:

AVIVA INVESTORS PROPERTIES ASIA S.A.

2, rue du Fort Bourbon, L-1249 Luxembourg

DA PARTNERS

5, allée Scheffer, L-2520 Luxembourg

PAO MANAGEMENT COMPANY S.A.

69, route d'Esch, L-1470 Luxembourg

■ LIST OF SICARS

Registrations:

TRAMUNTANA S.C.A., SICAR

33, rue de Gasperich, L-5826 Hesperange

SLB BRAZIL ECONOLOGY FUND S.A. SICAR

41, boulevard Royal, L-2449 Luxembourg

OQUENDO MEZZANINE II (S.C.A) SICAR

19-21, boulevard du Prince Henri, L-1724 Luxembourg

Withdrawal:

DEVERA S.A., SICAR

1C, rue Gabriel Lippmann, L-5365 Munsbach

Changes of address:

NEREO GREENCAPITAL (S.C.A) SICAR

19-21 boulevard du Prince Henri, L-1724 Luxembourg

PCV INVESTMENT S.A R.L., SICAR

1-3, Boulevard de la Foire, L-1528 Luxembourg

OPEN MIND INVESTMENTS S.C.A. SICAR

26-28, Rives de Clausen, L-2165 Luxembourg

■ LIST OF ISSUERS OF SECURITIES WHOSE HOME MEMBER STATE IS LUXEMBOURG PURSUANT TO THE TRANSPARENCY LAW

New issuers:

<u>NAME</u>	<u>COUNTRY OF INCORPORATION</u>
Sheffield City Trust	United Kingdom
Holcim Us Finance S.a r.l. & Cie S.C.S.	Luxembourg

Withdrawals:

<u>NAME</u>	<u>COUNTRY OF INCORPORATION</u>
Lavoro Finance S.R.L.	Italy
Edelweiss Auto Funding Limited	Jersey
Chartwell CBO I	Cayman Islands
Chase Issuance Trust	United States
Stuyvesant CDO IV Ltd	Cayman Islands
Silver Maple Investment Corporation Ltd	Singapore
BB&T Corporation	United States
BlueOrchard Loans for Development S.A.	Luxembourg
Alfa Diversified Payment Rights Finance Company S.A.	Luxembourg
ProLogis European Properties	Luxembourg

■ LIST OF UNDERTAKINGS FOR COLLECTIVE INVESTMENT (UCIS)

Registrations and withdrawals during September 2012

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

1) UCIs Part I Law 2010:

- ARTESIS INVESTMENT FUNDS, 1C, rue Gabriel Lippmann, L-5365 Munsbach
- BANKHAUS NEELMEYER RENTENSTRATEGIE, 14, rue Gabriel Lippmann, L-5365 Munsbach
- BLACKROCK GLOBAL INDEX FUNDS, 49, avenue J-F Kennedy, L-1855 Luxembourg
- DWS SELECT, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
- FFPB, 4, rue Thomas Edison, L-1445 Luxembourg-Strassen
- GET CAPITAL QUANT GLOBAL EQUITY FONDS, 25, rue Edward Steichen, L-2540 Luxembourg
- KITE FUND SICAV, 20, boulevard Emmanuel Servais, L-2535 Luxembourg
- PRODIGY CAPITAL PARTNERS FUND, 7A, rue Robert Stümper, L-2557 Luxembourg
- RBR FUNDS, 5, rue Jean Monnet, L-2180 Luxembourg
- UNIINSTITUTIONAL EURO CORPORATE BONDS 2019, 308, route d'Esch, L-1471 Luxembourg
- USM, 1B, rue Gabriel Lippmann, L-5365 Munsbach

2) UCIs Part II Law 2010:

- EVOLUTION, 2, place Dargent, L-1413 Luxembourg
- UNIGARANT: CHANCENVIELFALT (2019) II, 308, route d'Esch, L-1471 Luxembourg

3) SIFs:

- AERIS CAPITAL LIQUID FUNDS, 2, rue Heinrich Heine, L-1720 Luxembourg
- ALTICREST S.C.A., SICAV-SIF, 2, boulevard de la Foire, L-1528 Luxembourg
- BCS MULTIFIZ S.C.A., SICAV-SIF, 42, rue de la Vallée, L-2661 Luxembourg
- CLEARNESS INVESTMENT FUND S.C.A., SICAV-SIF, 42, rue de la Vallée, L-2661 Luxembourg
- COMOI FUND S.C.A., SIF-SICAV, 5, rue Guillaume Kroll, L-1882 Luxembourg
- EURO ASSETS LIQUIDITY ENHANCEMENT SICAV SIF S.A R.L., 69, route d'Esch, L-1470 Luxembourg
- FINETHIC S.C.A., SICAV-SIF, 14, boulevard Royal, L-2449 Luxembourg
- GERMAN GOVERNMENT BOND STRATEGIES SICAV-FIS, 4, rue Heinrich Heine, L-1720 Luxembourg
- GERMAN INCOME OPPORTUNITIES SICAV-FIS, 4, rue Heinrich Heine, L-1720 Luxembourg
- GERMAN SOVEREIGN OPPORTUNITIES SICAV-FIS, 4, rue Heinrich Heine, L-1720 Luxembourg
- IMPACT VENTURES S.A., SICAV-SIF, 2, place Dargent, L-1413 Luxembourg
- LEINE INVESTMENT SICAV-SIF, 5, rue Eugène Ruppert, L-2453 Luxembourg
- M LUXEMBOURG SIF, 5, rue Jean Monnet, L-2180 Luxembourg
- MULTI ASSET PLUS S.A., SICAV-FIS, 18-20, rue Gabriel Lippmann, L-5365 Munsbach
- PHEIM SICAV-SIF, 12, rue Eugène Ruppert, L-2453 Luxembourg
- REM FCP-SIF, 22, Parc d'activité Syrdall, L-5365 Munsbach
- RUFFER PROTECTION STRATEGIES, 15, avenue J-F Kennedy, L-1855 Luxembourg
- SWISS LIFE REF (LUX) COMMERCIAL PROPERTIES SWITZERLAND, FCP-SIF, 23, route d'Arlon, L-8008 Strassen
- UGA (QII) US CORPORATE (EX.FINANCIAL) BOND FUND, 287-289, route d'Arlon, L-1150 Luxembourg
- VALIANCE FARMLAND SICAV-FIS, 20, rue de la Poste, L-2346 Luxembourg

The following thirty-nine undertakings for collective investment and specialised investment funds were withdrawn from the official list during the month under review:

1) UCIs Part I Law 2010:

- ABERDEEN GLOBAL IV, 2B, rue Albert Borschette, L-1246 Luxembourg
- AC MULTISTRATEGY, 5, Heienhaff, L-1736 Senningerberg
- CB FONDS PREMIUM MANAGEMENT CHANCE TIMING 2012, 6A, route de Trèves, L-2633 Senningerberg
- CB FONDS PREMIUM MANAGEMENT WACHSTUM TIMING 2012, 6A, route de Trèves, L-2633 Senningerberg
- CREDIT SUISSE SYSTEMATIC ALPHA (LUX), 5, rue Jean Monnet, L-2180 Luxembourg
- DEKA-PRIVATEEQUITY, 5, rue des Labours, L-1912 Luxembourg
- DEKA-WORLDGARANT 3/2012, 5, rue des Labours, L-1912 Luxembourg
- DEKA-WORLDGARANT PLUS 6/2012, 5, rue des Labours, L-1912 Luxembourg
- DEKA-WORLDTOPGARANT, 5, rue des Labours, L-1912 Luxembourg
- EUROPA BONUS STRATEGIE OP, 4, rue Jean Monnet, L-2180 Luxembourg
- FHC FONDS, 5, Heienhaff, L-1736 Senningerberg
- GLOBALYZE FUND, 1B, rue Gabriel Lippmann, L-5365 Munsbach
- HSBC TRINKAUS ASIEN TOP INVEST, 8, rue Lou Hemmer, L-1748 Findel-Golf
- IKANO FUNDS, 31, Z.A. Bourmicht, L-8070 Bertrange
- LUX-GARANTIE, 1, place de Metz, L-1930 Luxembourg
- NATIXIS ABSOLUTE GLOBAL SICAV, 5, allée Scheffer, L-2520 Luxembourg
- TOP PRIVATE BANKING FONDS, 2, place Dargent, L-1413 Luxembourg
- UNIGARANT: DEUTSCHLAND (2012) II, 308, route d'Esch, L-1471 Luxembourg

2) UCIs Part II Law 2010:

- BELMONT (LUX), 20, rue de la Poste, L-2346 Luxembourg
- H & A LUX CREDIT PLUS, 21, avenue de la Liberté, L-1931 Luxembourg
- LOMBARD ODIER PREMIA FUND, 5, allée Scheffer, L-2520 Luxembourg
- OPUS ALTERNATIVE INVESTMENT FUNDS, 5, Heienhaff, L-1736 Senningerberg
- STRATEGIEKONZEPT ZERTIFIKATE, 4, rue Jean Monnet, L-2180 Luxembourg
- STRATEM FUND, 12, rue Eugène Ruppert, L-2453 Luxembourg
- UNIGARANTPLUS: COMMODITIES (2012) II, 308, route d'Esch, L-1471 Luxembourg
- W.P. STEWART GLOBAL GROWTH FUND, 2-8, avenue Charles de Gaulle, L-1653 Luxembourg

3) SIFs:

- ABERDEEN INDIRECT PROPERTY PARTNERS - ACTIVE, 2-8, avenue Charles de Gaulle, L-1653 Luxembourg
- AMUNDI RE PROPERTY SICAV-FIS, 2-8, avenue Charles de Gaulle, L-1653 Luxembourg
- CAVENAGH ASIA FEEDER FUND S.C.A. SICAV-SIF, 31, Z.A. Bourmicht, L-8070 Bertrange
- CAVENAGH ASIA FUND FCP-SIF, 31, Z.A. Bourmicht, L-8070 Bertrange
- GLOBAL STATISTICAL ARBITRAGE (LUXEMBOURG), 5, rue Jean Monnet, L-2180 Luxembourg
- LFG NUMMUS FCP-FIS, 19, rue de Bitbourg, L-1273 Luxembourg
- MAMA SUSTAINABILITY FUND SICAV-SIF, 36, avenue du X Septembre, L-2550 Luxembourg
- PFF GLOBAL FCP-FIS, 8, rue Lou Hemmer, L-1748 Findel-Golf
- SIXTINA SICAV SIF, 5, allée Scheffer, L-2520 Luxembourg
- VALBAY STRATEGIES FUND, 5, allée Scheffer, L-2520 Luxembourg
- VOLKSBANK HEILBRONN AKTIEN, 308, route d'Esch, L-1471 Luxembourg
- VOLKSBANK HEILBRONN RENTEN, 308, route d'Esch, L-1471 Luxembourg
- VOLKSBANK HEILBRONN ROHSTOFF & CREDITS, 308, route d'Esch, L-1471 Luxembourg

FINANCIAL CENTRE

Main updated figures regarding the financial centre:

Number of banks: **143** (14 November 2012) (↗ by 1 entity over a year)
Balance sheet total: **EUR 761.755 billion** (30 September 2012) (↘ by 41.568 billion over a year)
Profit before provisions: **EUR 3.71 billion** (30 September 2012) (↘ by 0.55 billion over a year)

Number of UCIs: - Part I of the 2010 law: **1,822** (14 November 2012)
- Part II of the 2010 law: **563** (14 November 2012)
- Specialised investment funds (SIF): **1,488** (14 November 2012)
TOTAL: **3,873** (↗ by 50 entities over a year)

Total net assets: **EUR 2,314.448 billion** (30 September 2012) (↗ by 282.371 billion over a year)

Number of management companies: Chapter 15 of the 2010 law: **180** (31 October 2012) (↘ by 4 entities over a year)

Number of management companies: Chapter 16 of the 2010 law: **200** (31 October 2012) (↘ by 13 entities over a year)

Number of investment firms: **115** including **11** branches (14 November 2012) (no change over a year)
Balance sheet total: **EUR 3.344 billion** (30 September 2012) (↘ by 205 billion over a year)
Provisional net profit: **EUR 373.203 million** (30 September 2012) (↗ by 45.423 million over a year)

Number of specialised PFS: **123** (14 November 2012) (↗ by 2 entities over a year)
Balance sheet total: **EUR 9.871 billion** (30 September 2012) (↗ by 918 billion over a year)
Provisional net profit: **EUR 326.296 million** (30 September 2012) (↘ by 3.467 million over a year)

Number of support PFS: **86** (14 November 2012) (↘ by 1 entity over a year)
Balance sheet total: **EUR 974.307 million** (30 September 2012) (↗ by 99.29 million over a year)
Provisional net profit: **EUR 27.66 million** (30 September 2012) (↘ by 13.18 million over a year)

Number of pension funds: **15** (5 November 2012) (no change over a year)

Number of SICARs: **280** (5 November 2012) (↗ by 10 entities over a year)

Number of authorised securitisation undertakings: **32** (5 November 2012) (↗ by 5 entities over a year)

Number of issuers of securities whose home Member State is Luxembourg pursuant to the Transparency Law: **670** (13 November 2012) (↘ by 23 entities over a year)

Number of payment institutions: **5** of which **1** branch (14 November 2012)

Number of electronic money institutions: **4** (14 November 2012)

Total employment of banks, PFS and management companies: **44,306** persons (30 September 2012) (↗ by 988 persons over a year*), including:

- banks: **26,619** persons (30 September 2012)
- management companies: (Chapter 15) **2,763** persons (30 September 2012)
- investment firms: **2,691** persons (30 September 2012)
- specialised PFS: **3,001** persons (30 September 2012)
- support PFS: **9,232** persons (30 September 2012)

*This development does not mean a net creation or loss of jobs, but includes the transfer of existing jobs from the non-financial sector to the financial sector and vice versa.

CSSF Newsletter

Design and editing: General Secretariat of the CSSF
110, route d'Arlon, L-1150 Luxembourg. Postal address: L-2991 Luxembourg
Tel.: (+352) 26 251-560
E-mail: direction@cssf.lu
Website: www.cssf.lu