

COMMISSION de SURVEILLANCE du SECTEUR FINANCIER



NEWSLETTER

No. 161
June 2014

CSSF Newsletter

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HUMAN RESOURCES

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

Legal department

Stéphanie THEIS

On-site inspection

Sylvie JEANBLANC

Olivia MOURTON

Public oversight of the audit profession

Marie-Kathrin LÖWE

Single Supervisory Mechanism (SSM)

Marco DEFENDI

Supervision of specialised PFS

Stéphanie SIMON

Supervision of Investment Firms

David FISCHER

As at 10 June 2014, the CSSF employed 519 agents, 264 of whom are men and 255 are women.

NEWS

■ SINGLE SUPERVISORY MECHANISM (SSM)

Single Supervisory Mechanism - European Central Bank (ECB)

General Framework

- 5 May 2014 - Publication of the [Decision concerning the establishment of the Administrative Board of Review](#) of the SSM and its Operating Rules (ECB/2014/16)

The Decision relates to the composition and the functioning of the Administrative Board which carries out an internal administrative review of the decisions taken by the ECB in the exercise of the powers conferred upon it under Regulation (EU) No 1024/2013 ("the SSM Regulation") after a request for a review submitted by persons to whom a decision of the ECB under the SSM Regulation is addressed, or to whom such decision is of a direct and individual concern.

- 14 May 2014 - Publication of the [ECB Recommendation for a Council Regulation amending Regulation \(EC\) No 2532/98 concerning the powers of the European Central Bank to impose sanctions](#) (ECB/2014/19)

The ECB has adopted this recommendation in order to establish a consistent regime for the imposition of sanctions by the ECB in the exercise of its banking supervisory tasks.

- 15 May 2014 – Entry into force of the [SSM Framework Regulation](#)

Regulation (EU) No 468/2014 of the European Central Bank ("the SSM Framework Regulation"), which has been published on 14 May 2014 in the Official Journal of the European Union, sets out the legal structure for the cooperation between the ECB and the national competent authorities (NCAs) within the Single Supervisory Mechanism. It governs relations between the ECB and NCAs and includes rules that apply directly to banks.

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Public consultation

- 27 May 2014 – Launch of the public consultation on a [draft Regulation of the ECB on supervisory fees](#)

The ECB has released a draft Regulation on supervisory fees for a public consultation which runs from 27 May 2014 until 11 July 2014. The draft Regulation sets out the arrangements under which the ECB will levy an annual supervisory fee for the expenditures incurred in relation to its new role, from November 2014 onwards.

Publications

- 29 April 14 – [Note on the comprehensive assessment](#)

The ECB has released a note on the comprehensive assessment and gives banks six to nine months to cover capital shortfalls following the comprehensive assessment.

For the related press release: http://www.ecb.europa.eu/press/pr/date/2014/html/pr140429_1.en.html

- 06 May 2014 - [SSM Quarterly Report 2014/2](#)

The ECB has published its second Quarterly Report to the European Parliament, the EU Council and the European Commission on progress of the operational implementation of the Single Supervisory Mechanism Regulation. This report covers the three months between 4 February and 3 May.

The key messages entailed in the report are the following:

- the establishment of the SSM governance structures, including the related organisational rules and arrangements, has largely been completed;
- the SSM Framework Regulation was adopted by the Governing Council on a proposal of the Supervisory Board and published on the ECB's website on 25 April 2014, together with a Feedback Statement on the outcome of the consultation and the amendments which had been introduced;
- work on the SSM Supervisory Manual continued during the period under review;
- the establishment of Joint Supervisory Teams (JSTs), which will be the main operational structure for the conduct of supervision by the SSM, has been initiated;
- the staffing of the SSM is proceeding at a satisfactory pace, after initial delays in the appointments at senior manager level;
- there has been significant progress in the conduct of the comprehensive assessment;
- the Supervisory Board approved a Supervisory Reporting Manual, which will provide the data framework to support the conduct of supervision; and
- the preparatory work is also well advanced in many areas, such as IT infrastructure, Human Resources, premises, internal and external communication, framework for supervisory fees, logistical organisation and legal and statistical services.

Speeches

- 12 May 2014 - "[Toward the European Banking Union: achievements and challenges](#)" - Danièle Nouy, Chair of the Supervisory Board of the Single Supervisory Mechanism, OeNB Economics Conference, Vienna

This speech illustrates the short term and long term challenges to be faced in relation to the Single Supervisory Mechanism.

- 12 May 2014 - "[Banking Union and European integration](#)" – Vitor Constâncio, Vice-President of the ECB, OeNB Economics Conference, Vienna

This speech illustrates the rationale (i.e in order to have financial stability and financial integration we must have a centralized European supervision) and objectives of Banking Union.

- 23 May 2014 - "[Making the comprehensive assessment a success](#)" – Sabine Lautenschläger, Member of the Executive Board of the ECB, at the Expansión, 5th Financial Event, Madrid

This speech firstly describes the general background and the goal of the comprehensive assessment as well as the key factors of a success of the latter, and lists the reasons to be optimistic and the crucial aspects of the remaining process ahead of the SSM. Secondly, it raises some pertinent questions on the measures to deal with capital shortfalls.

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European Banking Authority (EBA)

Public consultation

- 28 May 2014 - [Launch of a consultation on technical standards on supervisory benchmarking of internal approaches for calculating capital requirements](#)

The EBA launched a consultation on draft Implementing Technical Standards (ITS) and Regulatory Technical Standards (RTS) aimed at specifying the EU framework for the conduct of annual supervisory benchmarking of internal approaches for calculating own funds requirements for credit and market risk exposures (RWAs). The consultation runs from 28 May until 19 August 2014.

Publications

- 29 April 2014 – [Methodology and macroeconomic scenarios for the 2014 EU-wide stress test](#)

The release of the EBA methodology and macroeconomic scenarios for the 2014 EU-wide stress test comes in the middle of the process of repair of EU banks' balance sheets and will follow asset quality reviews (AQRs) undertaken by various competent authorities in the EU. The EBA's common methodology will be used by all EU supervisory authorities to ensure that the main EU banks are all assessed against common assumptions, definitions and approaches.

- 20 May 2014 - [Annual Report 2013](#)

This edition of the EBA Annual Report looks back over the first three years of activity of the EBA which contributed to the repair of the EU banking system by promoting the cleaning of EU banks' balance sheets and strengthening their capital position. In this report, the EBA also brought forward its work on the development of a truly uniform set of regulatory standards that will lead to a genuine level playing field in the EU banking sector and a truly integrated single market.

- 28 May 2014 - [List of Common Equity Tier \(CET1\) capital instruments](#)

The EBA has published a list of capital instruments across the EU that national supervisory authorities have classified as Common Equity Tier 1.

European Central Bank (ECB) / European Banking Authority (EBA)

- 28 May 2014 - ECB and EBA update of the [classification system for their reporting frameworks](#)

The ECB and the EBA have published a third version of the classification system that links their respective reporting frameworks.

Regulatory developments in the banking area

- 20 May 2014 - Publication of the [Commission Delegated Regulation \(EU\) No 523/2014](#) of 12 March 2014 supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to regulatory technical standards for determining what constitutes the close correspondence between the value of an institution's covered bonds and the value of the institution's assets.
- 20 May 2014 - Publication of the [Commission Delegated Regulation \(EU\) No 524/2014](#) of 12 March 2014 supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards specifying the information that competent authorities of home and host Member States supply to one another.
- 20 May 2014 - Publication of the [Commission Delegated Regulation \(EU\) No 525/2014](#) of 12 March 2014 supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to regulatory technical standards for the definition of market.
- 20 May 2014 - Publication of the [Commission Delegated Regulation \(EU\) No 526/2014](#) of 12 March 2014 supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to regulatory technical standards for determining proxy spread and limited smaller portfolios for credit valuation adjustment risk.
- 20 May 2014 - Publication of the [Commission Delegated Regulation \(EU\) No 527/2014](#) of 12 March 2014 supplementing Directive (EU) No 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards specifying the classes of instruments that adequately reflect the credit quality of an institution as a going concern and are appropriate to be used for the purposes of variable remuneration.
- 20 May 2014 - Publication of the [Commission Delegated Regulation \(EU\) No 528/2014](#) of 12 March 2014 supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to regulatory technical standards for non-delta risk of options in the standardised market risk approach.

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- 20 May 2014 - Publication of the [Commission Delegated Regulation \(EU\) No 529/2014](#) of 12 March 2014 supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to regulatory technical standards for assessing the materiality of extensions and changes of the Internal Ratings Based Approach and the Advanced Measurement Approach.
- 20 May 2014 - Publication of the [Commission Delegated Regulation \(EU\) No 530/2014](#) of 12 March 2014 supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards further defining material exposures and thresholds for internal approaches to specific risk in the trading book.

Publications on macroprudential matters

- 16 May 2014 - [Publication of the EBA Opinion on measures to address macro-prudential or systematic risk](#)

The EBA provided an Opinion following the notification by the National Bank of Belgium (NBB) of its intention to modify capital requirements in order to address an increase in macroprudential or systemic risk that could have a severe impact on the financial system and the Belgian real economy. Based on the evidence submitted by the NBB, the EBA does not object the adoption of the proposed measures, which are in line with Article 458 of Regulation (EU) 575/2013 (CRR).

- 28 May 2014 - [Publication of the Financial Stability Review \(FSR\)](#)

The FSR has been prepared with the involvement of the ESCB's Financial Stability Committee. It includes several special features tackling both topical issues as well as those underlying preparatory work at the ECB for the new macro-prudential function it will inherit in November 2014.

The FSR shows progress in strengthening banks and sovereigns; the hunt for yield could contribute to the build-up of new risks.

For the related press release: <http://www.ecb.europa.eu/press/pr/date/2014/html/pr140528.en.html>

- 30 April 2014 - [ESRB response to the call for advice by the European Commission on macro-prudential rules in the CRD/CRR](#)

According to Article 513 CRR, the ESRB received a call for advice from the EU Commission on the sufficiency of macroprudential provisions to mitigate systemic risks in the EU sectors, regions and Member States. The advice provided by the ESRB is based on a conceptual, rather than empirical analysis.

■ NEW REGULATORY FRAMEWORK OF LEGAL AUDIT

The amended directive and the new regulation on legal audit were published in the Official Journal of the European Union no L 158 of 27/05/2014

- REGULATION (EU) No 537/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC
- DIRECTIVE 2014/56/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 16 April 2014 amending Directive 2006/43/EC on statutory audits of annual accounts and consolidated accounts

<http://eur-lex.europa.eu/legal-content/en/TXT/PDF/?uri=OJ:L:2014:158:FULL#page=198>

Member States have two years (as from 16 June 2014) in which to transpose the new directive into national law. The CSSF will create a working group to that end.

WARNINGS

■ WARNING CONCERNING THE ACTIVITIES OF AN ENTITY NAMED TJB TRADING

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

<http://www.cssf.lu/en/financial-consumer-protection-and-education/warnings/news-cat/90/>.

■ WARNINGS PUBLISHED BY IOSCO

Several warnings have been published on IOSCO's website at:

http://www.iosco.org/investor_alerts/.

SANCTIONS

■ ISSUERS OF SECURITIES

Since the publication of the last newsletter, the CSSF imposed an administrative fine on an issuer which failed to act in response to an order as regard the publication of financial reports within the framework of the law of 11 January 2008 on transparency requirements for issuers of securities (the "Transparency Law") and an administrative fine on an issuer which has not fully acted in response to an order as regards the publication of several annual and half-yearly financial reports within the framework of the Transparency Law.

■ INVESTMENT COMPANIES IN RISK CAPITAL

In accordance with Article 17(1) of the law of 15 June 2004 relating to investment companies in risk capital, the CSSF imposed administrative fines on the members of the board of directors of the general partner of an investment company in risk capital for non-filing of the annual financial report of the investment company.

■ SPECIALISED INVESTMENT FUNDS

In accordance with Article 51(1) of the law of 13 February 2007 relating to specialised investment funds, the CSSF imposed administrative fines on the members of the management board of a *fonds commun de placement* (mutual fund) for non-filing of the management letter of the specialised investment fund.

In accordance with Article 51(1) of the law of 13 February 2007 relating to specialised investment funds, the CSSF imposed an administrative fine on the management board of the management company of a *fonds commun de placement* for non-filing of the annual financial report of the specialised investment fund.

■ SPECIALISED PFS

In accordance with Article 63 of the law of 5 April 1993 on the financial sector, the CSSF imposed an administrative fine on a specialised PFS for non-filing of the documents relating to the 2013 closure.

COMMUNIQUES

■ SINGLE SUPERVISORY MECHANISM (SSM) - 28 MAY 2014: VISIT OF MS DANIELE NOUY IN LUXEMBOURG

Communiqué dated 5 June 2014

The Luxembourg had the privilege to receive the visit of Ms Danièle Nouy, Chair of the Supervisory Board of the Single Supervisory Mechanism (SSM) at the European Central Bank (ECB).

Following a meeting with the members of the executive boards of the Commission de Surveillance du Secteur Financier and of the Banque centrale du Luxembourg, Madame Nouy asked to meet the staff of these authorities

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involved in the SSM and who work closely within the context of the implementation of the new banking supervision framework.

As part of her presentation, Ms Nouy shared her thoughts on the European banking supervision as exercised within the SSM, as well as more generally the importance and the challenges of the current regulatory developments. The intervention of Ms Nouy gave rise to an open discussion during which she answered the questions she was asked in particular in relation to the future co-operation between the local authorities and the ECB, once the SSM is fully operational.

Earlier in the day, Ms Nouy met the executives of a certain number of banks in the financial centre. The presentation of Ms Nouy was followed by a constructive exchange of views on the issues for the Luxembourg banks and on the progress of the SSM.

Within the context of this visit, Ms Nouy was received by the Minister of Finance, Pierre Gramegna. This meeting allowed a comprehensive overview on the work in progress on the SSM.

■ THE ECB LAUNCHES PUBLIC CONSULTATION ON DRAFT ECB REGULATION ON SUPERVISORY FEES

Communique dated 28 May 2014

The ECB launched a [public consultation on its draft regulation on supervisory fees](#). The consultation opened on 27 May for a four-week period until 11 July 2014.

■ ESMA LAUNCHES CONSULTATION PROCESS ON MIFID II REFORMS

Communique dated 27 May 2014

On 22 May 2014, ESMA launched a consultation process for the implementation of the revised Markets in Financial Instruments Directive (MiFID II) and Regulation (MiFIR).

In order to ensure that MiFID II objectives are met, ESMA published the following documents:

[Consultation Paper on MiFID/MiFIR Technical Advice](#) – ESMA needs to deliver this advice to the European Commission by December 2014;

[Discussion Paper on MiFID/MiFIR draft RTS/ITS](#) – this focuses on a number of innovative or technically complex topics. A second public consultation paper on the draft RTS/ITS is expected to be issued in late 2014 / early 2015.

Both consultations are open until 1 August 2014, and open hearings will take place on 7 and 8 July.

PRESS RELEASES

■ GLOBAL SITUATION OF UNDERTAKINGS FOR COLLECTIVE INVESTMENT AT THE END OF APRIL 2014

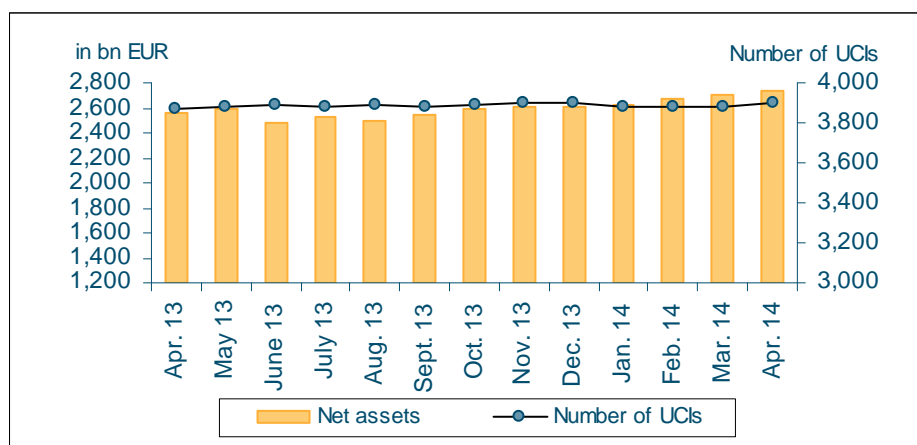
Press release 14/31 of 27 May 2014

I. Overall situation

As at 30 April 2014, total net assets of undertakings for collective investment and specialised investment funds reached EUR 2,742.208 billion compared to EUR 2,709.201 billion as at 31 March 2014, i.e. a 1.22% growth over one month. Over the last twelve months, the volume of net assets increased by 6.90%.

Consequently, the Luxembourg UCI industry registered a positive variation amounting to EUR 33.007 billion in April. This increase represents the balance of positive net issues of EUR 30.306 billion (+1.12%) and a positive development in financial markets amounting to EUR 2.701 billion (+0.10%).

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The number of undertakings for collective investment (UCIs) and specialised investment funds (SIFs) taken into consideration totalled 3,898 as against 3,885 in the previous month. A total of 2,546 entities have adopted an umbrella structure, which represents 12,373 sub-funds. When adding the 1,352 entities with a traditional structure to that figure, a total of 13,725 entities are active in the financial centre.

As regards, on the one hand, the impact of financial markets on Luxembourg UCIs and SIFs (hereinafter "UCIs") and, on the other hand, the net capital investment in these UCIs, the following can be said about April:

The various categories of equity UCIs developed differently during the month under review.

The global market and European equity UCIs closed the month with slight price increases, whereas the US and Japanese equity UCIs faced price losses, as a result in particular of less positive economic data.

As regards emerging markets, downward trends were observed at the level of Eastern Europe and Asian equity UCI categories due in particular to the events in Ukraine and a slowdown in China's growth, while positive economic perspectives had a positive impact on the prices of Latin American equity UCIs.

In April, equity UCI categories registered an overall positive net capital investment.

Development of equity UCIs during the month of April 2014*

	Market variation in %	Net issues in %
Global market equities	0.46%	0.58%
European equities	0.06%	1.24%
US equities	-1.88%	0.19%
Japanese equities	-2.85%	0.44%
Eastern European equities	-1.94%	-0.99%
Asian equities	-0.37%	0.22%
Latin American equities	1.69%	1.53%
Other equities	-0.10%	1.19%

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

The bonds denominated in euros were in high demand from investors during the period under review, resulting in a price increase. Moreover, in times of lower uncertainty, the yield spreads between government bonds of euro area countries have narrowed. On the private bond market, prices increased and a tightening of risk premiums between the different private bond categories was recorded also due to higher demand from investors.

The publication of lower than expected economic data in the United States entailed, as a result of the fall in bond yields, an increase in prices at the level of USD-denominated bond UCIs.

A strong demand also benefited emerging market bonds, enabling emerging market bond UCIs to end the month on a positive note.

In April, fixed-income UCI categories registered an overall positive net capital investment.

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Development of fixed-income UCIs during the month of April 2014*

	Market variation in %	Net issues in %
EUR money market	0.02%	-1.17%
USD money market	-0.44%	-2.06%
Global market money market	-0.81%	0.04%
EUR-denominated bonds	0.66%	0.21%
USD-denominated bonds	0.43%	1.71%
Global market bonds	0.50%	0.74%
Emerging market bonds	0.42%	4.19%
High Yield bonds	0.16%	1.56%
Others	0.21%	4.32%

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

The development of the 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 April 2014*

	Market variation in %	Net issues in %
Diversified UCIs	0.35%	2.14%
Funds of Funds	-0.01%	0.64%

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

II. Breakdown of the number and the net assets of UCIs according to Parts I and II, respectively, of the 2010 law and of SIFs according to the 2007 law

	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 €)
31/12/2011	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 €	1,381	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 €
31/10/2012	1,820	1,860.241 €	563	199.842 €	1,485	269.566 €	3,868	2,329.649 €
30/11/2012	1,815	1,891.001 €	561	196.886 €	1,487	271.835 €	3,863	2,359.722 €
31/12/2012	1,801	1,913.089 €	555	193.769 €	1,485	276.968 €	3,841	2,383.826 €
31/01/2013	1,803	1,936.513 €	550	191.354 €	1,487	278.061 €	3,840	2,405.928 €
28/02/2013	1,809	1,990.596 €	548	194.399 €	1,492	283.075 €	3,849	2,468.070 €
31/03/2013	1,806	2,038.580 €	543	199.556 €	1,505	290.784 €	3,854	2,528.920 €
30/04/2013	1,818	2,068.815 €	542	201.405 €	1,511	295.036 €	3,871	2,565.256 €
31/05/2013	1,817	2,086.281 €	541	202.228 €	1,526	295.590 €	3,884	2,584.099 €
30/06/2013	1,815	2,004.275 €	541	197.248 €	1,534	285.061 €	3,890	2,486.584 €
31/07/2013	1,804	2,038.269 €	543	197.344 €	1,537	287.573 €	3,884	2,523.186 €
31/08/2013	1,806	2,014.560 €	539	196.025 €	1,549	288.254 €	3,894	2,498.839 €
30/09/2013	1,807	2,047.112 €	534	195.663 €	1,543	296.425 €	3,884	2,539.200 €
31/10/2013	1,806	2,089.408 €	529	194.796 €	1,555	305.924 €	3,890	2,590.128 €
30/11/2013	1,815	2,107.898 €	526	191.211 €	1,562	308.619 €	3,903	2,607.728 €

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31/12/2013	1,817	2,121.458 €	523	187.380 €	1,562	306.525 €	3,902	2,615.363 €
31/01/2014	1,817	2,128.746 €	518	186.766 €	1,550	308.324 €	3,885	2,623.836 €
28/02/2014	1,823	2,182.477 €	515	186.477 €	1,543	310.557 €	3,881	2,679.511 €
31/03/2014	1,824	2,216.005 €	510	181.493 €	1,551	311.703 €	3,885	2,709.201 €
30/04/2014	1,831	2,250.792 €	509	179.885 €	1,558	311.531 €	3,898	2,742.208 €

■ PUBLICATION OF THE FRAMEWORK REGULATION RELATING TO THE SINGLE SUPERVISORY MECHANISM (SSM)

Press release 14/30 of 15 May 2014

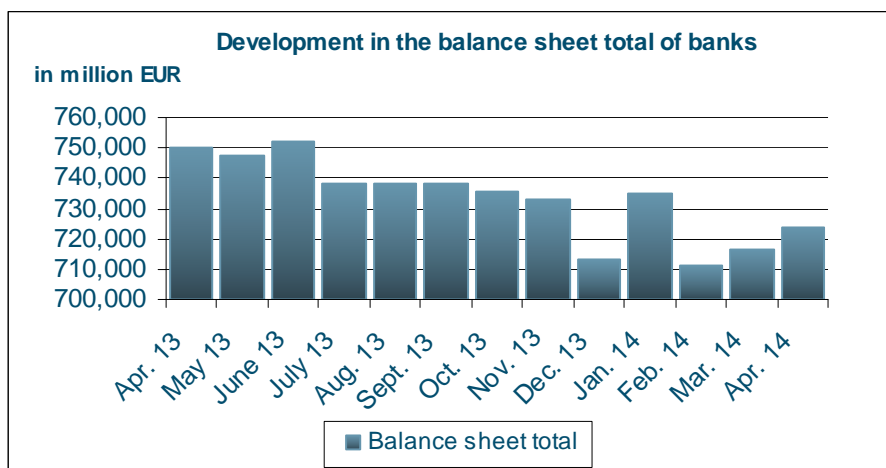
The framework regulation relating to the Single Supervisory Mechanism (SSM) was published in the Official Journal of the European Union on 14 May 2014. The regulation enters into force today, on 15 May 2014. The document is available on the following website:

http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1400152704987&uri=OJ:JOL_2014_141_R_0001

STATISTICS

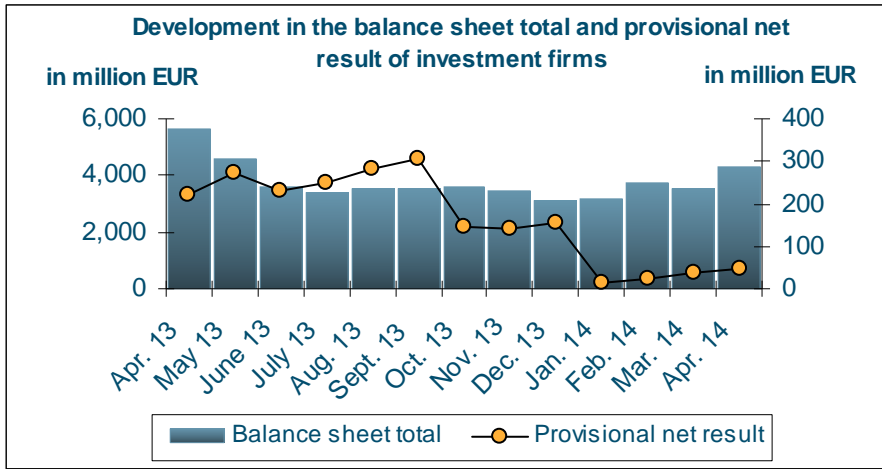
■ BANKS

Increase in the banks' balance sheet total as at 30 April 2014



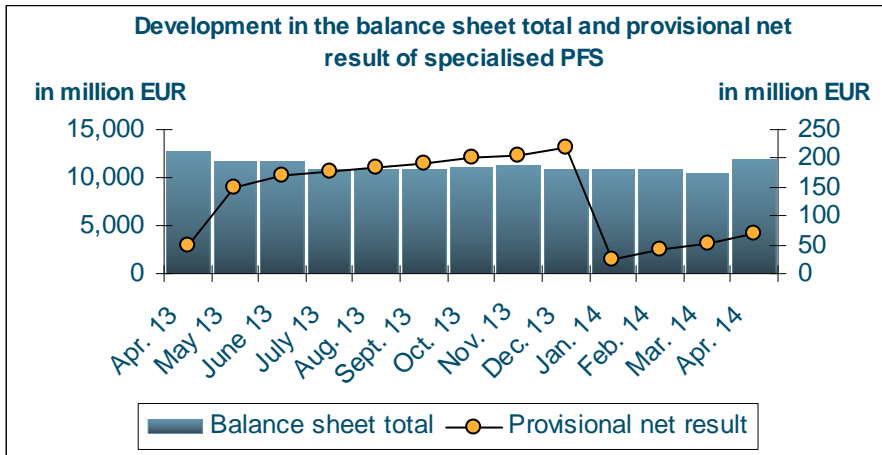
■ INVESTMENT FIRMS

Increase in the investment firms' balance sheet total as at 30 April 2014



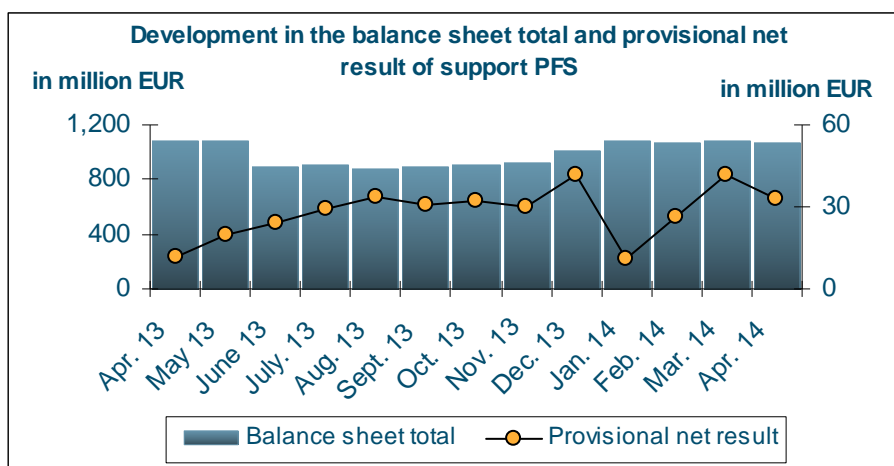
■ SPECIALISED PFS

Increase in the specialised PFS' balance sheet total as at 30 April 2014



■ SUPPORT PFS

Decrease in the support PFS' balance sheet total as at 30 April 2014



■ SICARS

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

- SOUTHBRIDGE EUROPE MEZZANINE S.C.A. SICAR, 5 allée Scheffer, L-2520 Luxembourg

The following SICAR was deregistered from the official list of SICARs governed by the law of 15 June 2004 relating to investment companies in risk capital (SICAR):

- HUNZA VENTURES II S.C.A., SICAR, 40, boulevard Joseph II, L-1840 Luxembourg

As at 5 June 2014, the number of SICARs registered on the official list amounted to **280 entities**.

■ PENSION FUNDS AND SECURITISATION UNDERTAKINGS

As at 10 June 2014, **14 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 **15**.

Since the publication of the last Newsletter, the following **securitisation undertaking** has been registered on the official list of authorised securitisation undertakings governed by the law of 22 March 2004 on securitisation:

- PURPLE PROTECTED ASSET, 22, rue Jean-Pierre Brasseur, L-1258 Luxembourg

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 10 June 2014.

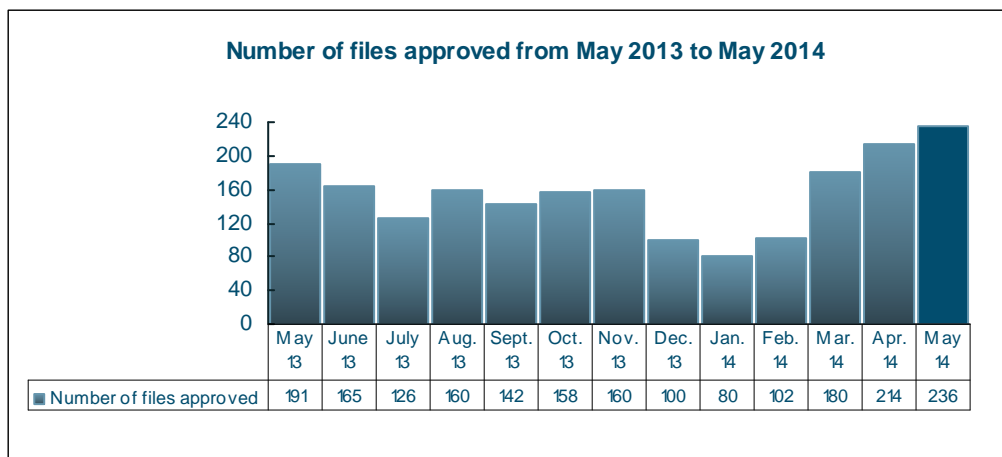
■ PUBLIC OVERSIGHT OF THE AUDIT PROFESSION

The public oversight of the audit profession covered 66 *cabinets de révision agréés* (approved audit firms) and 227 *réviseurs d'entreprises agréés* (approved statutory auditors) as at 31 May 2014. The oversight also includes 48 third-country auditors and audit firms duly registered in accordance with the law of 18 December 2009 concerning the audit profession.

Commission de Surveillance du Secteur Financier

■ 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)

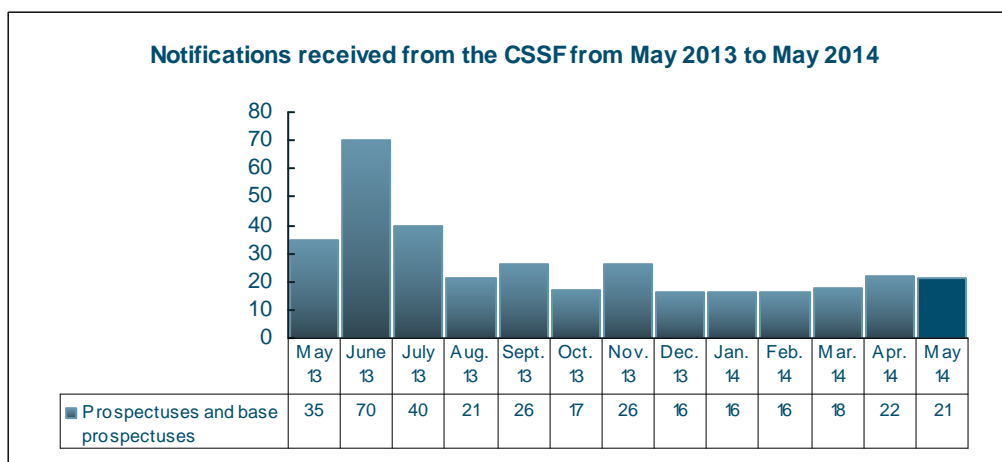
1. CSSF approvals



In May 2014, the CSSF approved a total of 236 documents pursuant to the Prospectus Law, which break down as follows:

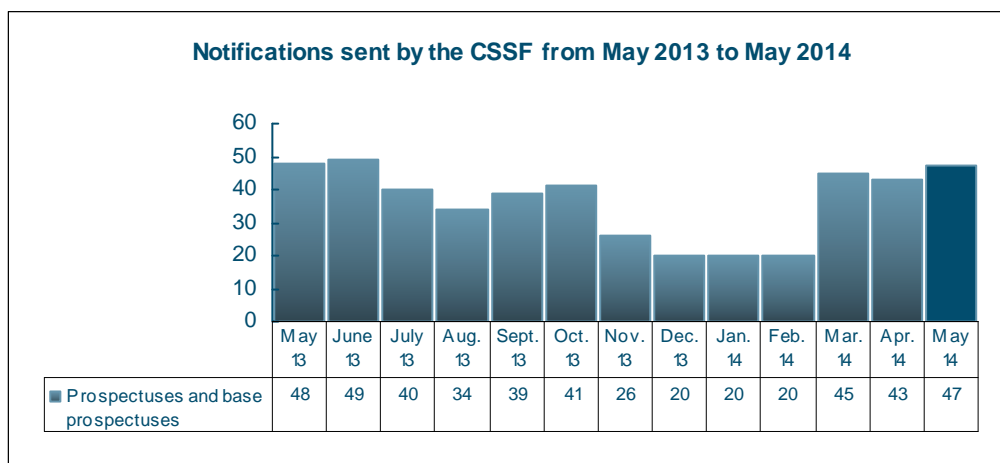
base prospectuses:	55	(23.30 %)
other prospectuses:	37	(15.68 %)
registration documents:	3	(1.27 %)
supplements:	141	(59.75 %)

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



In May 2014, the CSSF received 21 notifications relating to prospectuses and base prospectuses and 127 notifications relating to supplements from the competent authorities of other EEA Member States.

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

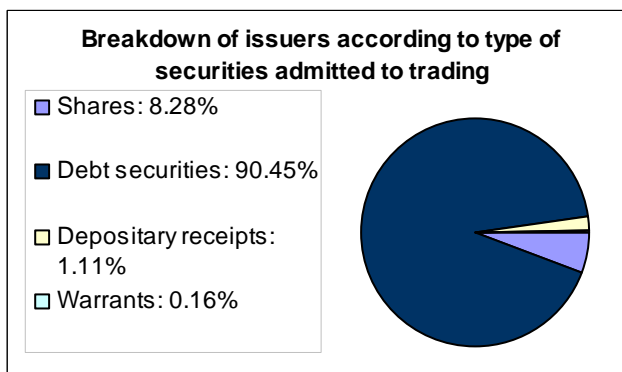
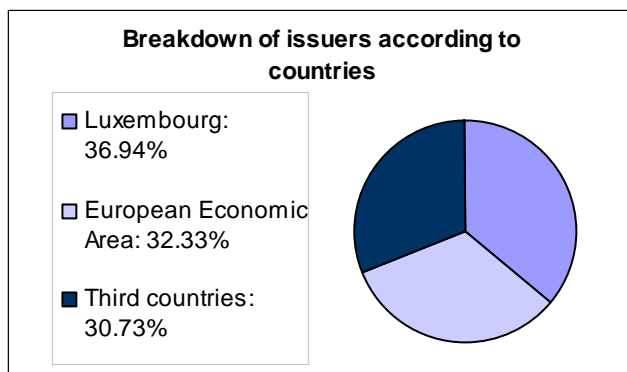


In May 2014, the CSSF sent 47 notifications relating to prospectuses and base prospectuses and 101 notifications relating to supplements to competent authorities of other EEA Member States¹.

■ **ISSUERS OF SECURITIES 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 12 May 2014, two issuers have chosen Luxembourg as home Member State for the purposes of the Transparency Law. Moreover, five issuers were deregistered from the list due to the fact that they do no longer fall within the scope of the Transparency Law.

As at 3 June 2014, 628 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.



¹ These figures are 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.

OFFICIAL LISTS

■ LIST OF BANKS

Deregistration:

BANCO ITAÚ EUROPE LUXEMBOURG S.A.
26, boulevard Royal, L-2449 Luxembourg
Change of corporate purpose as from 26 May 2014

Change of denomination:

BANQUE PRIVÉE EDMOND DE ROTHSCHILD EUROPE into
EDMOND DE ROTHSCHILD (EUROPE)

Changes of address:

BANQUE HAPOALIM (LUXEMBOURG) S.A.
7, rue de la Chapelle, L-1325 Luxembourg

BANQUE HAPOALIM (SUISSE) S.A., SUCCURSALE DE LUXEMBOURG
7, rue de la Chapelle, L-1325 Luxembourg

CRÉDIT SUISSE (LUXEMBOURG) S.A.
5, rue Jean Monnet, L-2180 Luxembourg

**COMPAGNIE DE BANQUE PRIVÉE QUILVEST S.A., IN ABBREVIATED FORM CBP
QUILVEST S.A.**
48, rue Charles Martel, L-2134 Luxembourg

■ LIST OF FINANCIAL HOLDING COMPANIES

Change of address:

QUILVEST WEALTH MANAGEMENT S.A.
48, rue Charles Martel, L-2134 Luxembourg

■ LIST OF PROFESSIONALS OF THE FINANCIAL SECTOR (PFS)

Registrations:

GLOBESETTLE S.A.
Dairy House, 16, boulevard d'Avranches, L-1160 Luxembourg
Status: professional custodian of financial instruments
Ministerial authorisation of 6 May 2014

LANGHAM HALL LUXEMBOURG S.A R.L.
24, rue Beaumont, L-1219 Luxembourg
Statuses: registrar agent, client communication agent, administrative agent of the financial sector, domiciliation agent of companies and professional performing services of setting-up and of management of companies
Ministerial authorisation of 16 May 2014

LRI DEPOSITARY S.A.
9A, rue Gabriel Lippmann, L-5365 Munsbach
Statuses: 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 and professional depository of assets other than financial instruments
Ministerial authorisation of 5 May 2014

OBSIEGER CAPITAL MANAGEMENT S.A.
37, Val Saint-André, L-1128 Luxembourg
Statuses: investment adviser, broker in financial instruments, commission agent, private portfolio manager
Ministerial authorisation of 13 May 2014

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Changes of address:

IF-FUND SERVICES S.A.
45, rue des Scillas, L-2529 Howald

LUXGLOBAL TRUST SERVICES S.A.
50, rue Charles Martel, 1st floor, L-2134 Luxembourg

Changes of status:

HMS LUX S.A.
36-38, Grand-Rue, L-1660 Luxembourg
Additional statuses: private portfolio manager, professionals acting for their own account

VALOR CAPITAL S.A.
28, avenue Monterey, L-2163 Luxembourg
Additional statuses: domiciliation agent of companies and professional performing services of setting-up and of management of companies

Change of denomination:

DIMENSION DATA FINANCIAL SERVICES S.A. into
DIMENSION DATA COMMUNICATIONS PSF LUXEMBOURG S.A.

Change of denomination and address:

NEXTIRAONE LUXEMBOURG PSF S.A.
Parc d'Activités Syrdall, 12, rue Gabriel Lippmann, L-5364 Munsbach
into
DIMENSION DATA LUXEMBOURG PSF S.A.
89D, rue Pafbruch, L-8308 Capellen

■ **LISTS OF UNDERTAKINGS FOR COLLECTIVE INVESTMENT (UCIS) AND SPECIALISED INVESTMENT FUNDS (SIFS)**

Registrations:

During the month under review, the following 30 undertakings for collective investment and specialised investment funds have been registered on the official list:

■ UCIs Part I 2010 Law:

ALATUS UCITS
15, avenue J-F Kennedy, L-1855 Luxembourg

ALLIANZ RENDITE PLUS 2019
6A, route de Trèves, L-2633 Senningerberg

DEUTSCHLAND ETHIK 30 AKTIENINDEXFONDS
4, rue Thomas Edison, L-1445 Strassen

ES-INVESTSELECT: DEFENSIV
3, rue des Labours, L-1912 Luxembourg

LFIS VISION UCITS
33, rue de Gasperich, L-5826 Howald-Hesperange

SCOUT INVESTMENTS FUNDS
33, rue de Gasperich, L-5826 Hesperange

SQ NEW NORMAL FUND
1C, rue Gabriel Lippmann, L-5365 Munsbach

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TIKEHAU FUND

5, allée Scheffer, L-2520 Luxembourg

UNIGARANT: CHANCENVIELFALT (2021)

308, route d'Esch, L-1471 Luxembourg

UNIGARANT95: CHANCENVIELFALT (2019)

308, route d'Esch, L-1471 Luxembourg

UNIINSTITUTIONAL EURO SUBORDINATED BONDS

308, route d'Esch, L-1471 Luxembourg

■ UCIs Part II 2010 Law:

PIONEER SOLUTIONS SICAV

8-10, rue Jean Monnet, L-2180 Luxembourg

■ SIFs:

AGORA INVEST REM 2 SICAV SIF

304, route de Thionville, L-5884 Howald-Hesperange

AMADABLUM PAN EUROPEAN EQUITY FUND

287-289, route d'Arlon, L-1150 Luxembourg

APN SICAV-FIS

5, Heienhaff, L-1736 Senningerberg

ASSAFWA SHARIA

2, avenue Charles de Gaulle, L-1653 Luxembourg

AWM LUXEMBOURG SICAV-SIF

2, boulevard Konrad Adenauer, L-1115 Luxembourg

CHORUS INFRASTRUCTURE FUND S.A. SICAV-SIF

1C, rue Gabriel Lippmann, L-5365 Munsbach

EUROPEAN COMMERCIAL REAL ESTATE LOANS SCS SICAF-SIF

21, boulevard Grande-Duchesse Charlotte, L-1331 Luxembourg

FRACTALUX

2, boulevard de la Foire, L-1528 Luxembourg

GENERAL CAPITAL - S.C.A., SICAV-SIF

28-32, place de la Gare, L-1616 Luxembourg

IBERIAN DISTRESSED ASSETS FUND (S.C.A.) SICAV-SIF

6A, rue Gabriel Lippmann, L-5365 Munsbach

KEYSTONE HOSPITALITY FUND S.C.A., SICAV-FIS

9A, rue Gabriel Lippmann, L-5365 Munsbach

MS FUND S.C.A., SICAV-SIF

58, rue Charles Martel, L-2134 Luxembourg

NREP NORDIC STRATEGIES FUND FCP-FIS

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

PORTUGAL REAL ESTATE OPPORTUNITIES FUND (S.C.A.) SICAV-SIF

6A, rue Gabriel Lippmann, L-5365 Munsbach

THE FIVE

33A, avenue J-F Kennedy, L-1855 Luxembourg

THIBAUT S.A., SICAV-SIF

58, rue Charles Martel, L-2134 Luxembourg

U.RG RENEWABLE GENERATION FUND S.C.A. SICAV-SIF

5, rue Guillaume Kroll, L-1882 Luxembourg

UGA (QII) INTERMEDIATE US CORPORATE BOND FUND

287-289, route d'Arlon, L-1150 Luxembourg

Commission de Surveillance du Secteur Financier

Deregistrations:

The following 17 undertakings for collective investment and specialised investment funds have been deregistered from the official list during the month under review:

■ UCIs Part I 2010 Law:

ALLIANZ COMMODITIES STRATEGY

6A, route de Trèves, L-2633 Senningerberg

ALPHA CENTAURI

8, rue Lou Hemmer, L-1748 Findel-Golf

GLOBAL SELECT SICAV

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

STRATEJI SICAV

4, rue Thomas Edison, L-1445 Luxembourg-Strassen

TRENDCONCEPT FUND

1C, rue Gabriel Lippmann, L-5365 Munsbach

W.P. STEWART QUALITY GROWTH FUNDS

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

■ UCIs Part II 2010 Law:

ERSTE BANK TRADING

5, allée Scheffer, L-2520 Luxembourg

■ SIFs:

ADONNE FINANCE

28-32, place de la Gare, L-1616 Luxembourg

ALLIANCEBERNSTEIN STRATEGIC OPPORTUNITIES LUXEMBOURG FUND

2-4, rue Eugène Ruppert, L-2453 Luxembourg

DWS BALKAN SIF

2, boulevard Konrad Adenauer, L-1115 Luxembourg

DWS GO FRONTIER MARKETS FUND SIF

2, boulevard Konrad Adenauer, L-1115 Luxembourg

DWS MEDICAL INNOVATION FUND SIF

2, boulevard Konrad Adenauer, L-1115 Luxembourg

GLOBAL GREEN FUND FCP-SIF

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

MUGC/UGA ASIAN USD BOND FUND

287-289, route d'Arlon, L-1150 Luxembourg

NA RENEWABLE ENERGY S.C.A., SICAV-FIS

9, place de Clairefontaine, L-1341 Luxembourg

ST. JAMES LUX

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

WESTERN ASSET INSTITUTIONAL FCP – FIS

145, rue du Kiem, L-8030 Strassen

Withdrawals decided by the CSSF:

Further to the decision taken by the CSSF to withdraw the *société d'investissement à capital variable* AES PRINCIPAL FUND SICAV-SIF from the official list of specialised investment funds according to Articles 43(2) and 46 of the law dated 13 February 2007 relating to specialised investment funds, the VIth Chamber of the Luxembourg District Court dealing with commercial matters has, per judgement on 5 June 2014, pronounced the dissolution and ordered the liquidation of the specialised investment fund AES PRINCIPAL FUND SICAV-SIF. The same judgement has appointed Mr Thierry Schiltz as reporting judge and Me Lionel Gueth-Wolf as liquidator.

Commission de Surveillance du Secteur Financier

■ LIST OF SICARS

Registration:

SOUTHBRIDGE EUROPE MEZZANINE S.C.A. SICAR
5, allée Scheffer, L-2520 Luxembourg

Deregistration:

HUNZA VENTURES II S.C.A., SICAR
40, boulevard Joseph II, L-1840 Luxembourg

Changes of address:

ADVANS S.A., SICAR
11-13, boulevard de la Foire, L-1528 Luxembourg

PATHENA (SCA) SICAR
6, rue Eugène Ruppert, L-2453 Luxembourg

VALLIS SUSTAINABLE INVESTMENTS I, S.C.A., SICAR
6, rue Eugène Ruppert, L-2453 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

Registrations:

*** ALLEGRO S.A R.L.**
23, avenue Monterey, L-2163 Luxembourg

CREDIT ANDORRA ASSET MANAGEMENT LUXEMBOURG
30, boulevard Royal, L-2449 Luxembourg

Change of address:

EDMOND DE ROTHSCHILD INVESTMENT ADVISORS
20, boulevard Emmanuel Servais, L-2335 Luxembourg

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

Registrations:

HINES POLAND MANAGEMENT COMPANY S.A R.L.
205, route d'Arlon, L-1150 Luxembourg

MPEP LUXEMBOURG MANAGEMENT S.A R.L.
12F, rue Guillaume Kroll, L-1882 Luxembourg

MS MANAGEMENT SERVICES S.A.
58, rue Charles Martel, L-2134 Luxembourg

ROYALTON PARTNERS
3, avenue Monterey, L-2163 Luxembourg

* The management company is subject to the provisions of Article 101 of Chapter 15 of the law of 17 December 2010.

Commission de Surveillance du Secteur Financier

Deregistrations:

ALERIO CAPITAL MANAGEMENT

65, boulevard Grande-Duchesse Charlotte, L-1331 Luxembourg

*** ALLEGRO S.A R.L.**

23, avenue Monterey, L-2163 Luxembourg

Change of denomination:

MASSENA PARTNERS LUXEMBOURG into
MASSENA WEALTH MANAGEMENT

■ LIST OF ALTERNATIVE INVESTMENT FUND MANAGERS AUTHORISED ACCORDING TO CHAPTER 2 OF THE LAW OF 12 JULY 2013

Registrations:

BIL MANAGE INVEST S.A.

42, rue de la Vallée, L-2661 Luxembourg

DJE INVESTMENT S.A.

4, rue Thomas Edison, L-1445 Strassen

EAST CAPITAL ASSET MANAGEMENT S.A.

19, rue de Bitbourg, L-1273 Luxembourg

EDMOND DE ROTHSCHILD ASSET MANAGEMENT (LUXEMBOURG)

20, boulevard Emmanuel Servais, L-2535 Luxembourg

HENDERSON PROPERTY MANAGEMENT COMPANY (LUXEMBOURG) No.1 S.A R.L.

4A, rue Henri M. Schnadt, L-2530 Luxembourg

LOMBARD ODIER FUNDS (EUROPE) S.A.

5, allée Scheffer, L-2520 Luxembourg

MPEP LUXEMBOURG MANAGEMENT S.A R.L.

12F, rue Guillaume Kroll, L-1882 Luxembourg

MS MANAGEMENT SERVICES S.A.

58, rue Charles Martel, L-2134 Luxembourg

PICTET FUNDS (EUROPE) S.A.

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

PURE CAPITAL S.A.

2, route d'Arlon, L-8399 Windhof

ROYALTON PARTNERS

3, avenue Monterey, L-2163 Luxembourg

SARASIN FUND MANAGEMENT (LUXEMBOURG) S.A.

11-12, boulevard de la Foire, L-1528 Luxembourg

SWISS LIFE REIM (LUXEMBOURG) S.A.

23, route d'Arlon, L-8009 Strassen

UNION INVESTMENT LUXEMBOURG S.A.

308, route d'Esch, L-1471 Luxembourg

■ LIST OF SECURITISATION UNDERTAKINGS

Registration:

PURPLE PROTECTED ASSET

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

Commission de Surveillance du Secteur Financier

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

Registrations:

<u>NAME</u>	<u>COUNTRY OF INCORPORATION</u>
IBL CQS 2013 S.r.l.	Italy
Stabilus S.A.	Luxembourg

Deregistrations:

<u>NAME</u>	<u>COUNTRY OF INCORPORATION</u>
Belfius Funding N.V.	Netherlands
Qiagen Euro Finance (Luxembourg) S.A.	Luxembourg
Schaeffler Finance B.V.	Netherlands
Siena Lease 11-1 S.r.l.	Italy
TPSA Eurofinance France S.A.	France

Commission de Surveillance du Secteur Financier

FINANCIAL CENTRE

Main updated figures regarding the financial centre:

			Annual comparison
Banks	Number (10/06/2014)	150	↗ 8 entities
	Balance sheet total (30/04/2014)	EUR 723.479 bn	↘ EUR 26.72 bn
	Profit before provisions (31/03/2014)	EUR 1.36 bn	↗ EUR 0.09 bn
Payment institutions	Number (10/06/2014)	8 of which 1 branch	↗ 3 entities
Electronic money institutions	Number (10/06/2014)	6	↗ 1 entity
UCIs	Number (12/06/2014)	Part I (2010 Law): 1,828	↗ 22 entities
		Part II 2010 law: 498	↘ 43 entities
		SIFs: 1,570	↗ 39 entities
		TOTAL: 3,896	↗ 18 entities
	Total net assets (30/04/2014)	EUR 2,742.208 bn	↗ EUR 176.952 bn
Management companies (Chapter 15)	Number (31/05/2014)	204	↗ 16 entities
	Balance sheet total (31/03/2014)	EUR 10.08 bn	n/a
Management companies (Chapter 16)	Number (31/05/2014)	180	↘ 13 entities
AIFMs	Number (10/06/2014)	52	n/a
SICARs	Number (05/06/2014)	280	↗ 5 entities
Pension funds	Number (10/06/2014)	14	no variation
Authorised securitisation undertakings	Number (10/06/2014)	32	no variation
Investment firms	Number (10/06/2014)	107 of which 9 branches	↘ 1 entity
	Balance sheet total (30/04/2014)	EUR 4.272 bn	↘ EUR 1.381 bn
	Provisional net profit (30/04/2014)	EUR 49.06 m	↘ EUR 170.395 m
Specialised PFS	Number (10/06/2014)	128	↗ 6 entities
	Balance sheet total (30/04/2014)	EUR 11.908 bn	↘ EUR 721 m
	Provisional net profit (30/04/2014)	EUR 71.12 m	↗ EUR 22.89 m
Support PFS	Number (10/06/2014)	80	↘ 5 entities
	Balance sheet total (30/04/2014)	EUR 1.066 bn	↘ EUR 24 m
	Provisional net profit (30/04/2014)	EUR 33.82 m	↗ EUR 20.99 m
Issuers of securities for which Luxembourg is the home Member State pursuant to the Transparency Law	Number (03/06/2014)	628	↘ 17 entities
Public oversight of the audit profession	Number (31/05/2014)	66 authorised audit firms	↘ 3 entities
		227 <i>réviseurs d'entreprises agréés</i>	↗ 5 people
		48 third-country auditors and audit firms	↘ 4 entities
Employment (31/03/2014)	Banks	26,144 people	↘ 249 people
	Management companies (Chapter 15)	3,268 people	↗ 503 people
	Investment firms	2,356 people	↘ 319 people
	Specialised PFS	3,448 people	↗ 379 people
	Support PFS	8,978 people	↘ 89 people
	Total	44,194 people	↗ 225 people *

*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.