

COMMISSION de SURVEILLANCE du SECTEUR FINANCIER



NEWSLETTER

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CSSF Newsletter

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HUMAN RESOURCES

Since the publication of the last Newsletter, the CSSF has recruited 10 new agents who were assigned to the following departments:

UCI departments

Laura GEHLKOPF

Georg KIEFER

Günther MATTHYS

General and Transversal Supervision

Rossana POLLIO

Single Supervisory Mechanism (SSM)

Jean-François CARPANTIER

Fernando PEREZ

Information systems and supervision of support PFS

Elisa ALBRECHT

Pierre DESTRÉE

Supervision of Banks

Tom DHAENENS

Sophie GODIN

The CSSF counts 551 agents as at 30 November 2014, of whom 281 are men and 270 are women.

NEWS

■ PUBLICATION OF A CONSULTATION PAPER BY EIOPA

Consultation on Further Work on Solvency of IORPs :

<https://eiopa.europa.eu/en/consultations/consultation-papers/index.html>

The consultation runs until 13 January 2015.

■ CONSULTATION PAPER OF THE EUROPEAN SECURITIES MARKETS AUTHORITY (ESMA) ON THE REVIEW OF THE TECHNICAL STANDARDS ON REPORTING UNDER ARTICLE 9 OF EMIR

On 10 November 2014, ESMA published a public consultation paper on regulatory technical standards (RTS) and implementing technical standards (ITS) concerning the review of the reporting standards under Article 9 of Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories (EMIR Regulation).

The specific details set out in the consultation paper aim to introduce the following types of modifications to the current RTS and ITS:

- Clarifications of certain data fields and/or their description;
- Adaptations of existing fields to the reporting logic prescribed in existing Q&As or to reflect specific ways of populating them;
- Introductions of new fields and values to reflect market practice or regulatory requirements.

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The consultation paper is available on ESMA's website at:

<http://www.esma.europa.eu/consultation/Consultation-Review-technical-standards-reporting-under-Article-9-EMIR>

The public consultation is open until 13 February 2015 and the responses can be submitted by using the dedicated form available on the website:

<http://www.esma.europa.eu/consultation/75505/response>

WARNINGS

■ WARNINGS PUBLISHED BY IOSCO

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

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

SANCTIONS

■ SPECIALISED INVESTMENT FUNDS (SIFS)

In accordance with Article 51(1) of the law of 13 February 2007 on specialised investment funds, the CSSF imposed an administrative fine on the managers of 12 specialised investment funds for non-filing of the annual financial report.

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 managers of 12 specialised investment funds for non-filing of the management letter.

■ INVESTMENT COMPANIES IN RISK CAPITAL (SICAR)

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

■ 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 financial reports in the framework of the law of 11 January 2008 on transparency requirements for issuers of securities ("Transparency Law").

In addition, on 10 October 2014, the CSSF imposed an administrative fine on the issuer RoadChef Finance Limited and, in accordance with Article 22(2)(d) of the Transparency Law, requested the suspension from trading on the regulated market of the securities issued by this issuer.

One administrative fine was imposed on an issuer which did not observe the legal deadlines laid down in Article 11(6) of the Transparency Law as regards the publication of notifications of major shareholdings.

In accordance with Article 25(1) of the Transparency Law, the CSSF imposed an administrative fine against one issuer that failed to act in response to the CSSF's requests in the context of its mission to control the financial information as provided for in Article 22(2)(h) of that same law.

NATIONAL REGULATION

■ CIRCULAR CSSF 14/595

FATF statements concerning

- 1) jurisdictions whose anti-money laundering and combating the financing of terrorism regime has substantial and strategic deficiencies;
- 2) jurisdictions not making sufficient progress;
- 3) jurisdictions whose anti-money laundering and combating the financing of terrorism regime is not satisfactory.

This circular concerns the statements of the Financial Action Task Force (FATF) on jurisdictions which have substantial and strategic AML/CFT deficiencies, jurisdictions not making sufficient progress and jurisdictions whose AML/CFT regime is not satisfactory.

■ CIRCULAR CSSF 14/594

Transposition of the EBA guidelines on the applicable notional discount rate for variable remuneration

The purpose of this circular is to transpose in Luxembourg the EBA's guidelines on the applicable notional discount rate for variable remuneration published on 27 March 2014.

■ CIRCULAR CSSF 14/593

Supervisory reporting requirements applicable to credit institutions as from 2014

The purpose of this circular is to inform credit institutions on recent and future developments regarding reporting.

SINGLE SUPERVISORY MECHANISM (SSM):

■ EUROPEAN CENTRAL BANK (ECB)

Public consultations

- 23 October 2014 – [Launch of a public consultation on draft Regulation on reporting of supervisory financial information](#)

The ECB has published a draft regulation on reporting of supervisory financial information for public consultation. This draft regulation lays down the requirements regarding reporting on supervisory financial information to be submitted to national competent authorities (NCAs) and the ECB by supervised banks.

This reporting includes information on balance sheet items such as financial assets, non-performing exposures and financial liabilities as well as on income and expenses such as impairment due to credit losses.

The consultation runs until 4 December 2014.

Publications

- 4 September 2014 – [Final list of significant credit institutions](#)

The ECB has published a list containing the name of each supervised entity and supervised group which is directly supervised by the ECB (significant credit institutions) and a list of entities supervised by a national competent authority (less significant credit institutions).

For the related press release, please click here:

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http://www.ecb.europa.eu/press/pr/date/2014/html/pr140904_2.en.html

- 17 September 2014 – Decision of the European Central Bank on the implementation of separation between the monetary policy and supervision functions of the European Central Bank (ECB/2014/39)

This Decision sets out the arrangements complying with the requirement to separate the ECB's monetary policy function from its supervisory function, in particular with respect to professional secrecy and the exchange of information between the two policy functions.

- 29 September 2014 – Guide to banking supervision

This guide explains how the SSM will function and gives guidance on the SSM's supervisory practices. This guide sets out:

- the supervisory principles of the SSM;
- the functioning of the SSM, including:
 - the distribution of tasks between the ECB and the NCAs of the participating Member States;
 - the decision-making process within the SSM;
 - operating structure of the SSM;
 - the supervisory cycle of the SSM;
- the conduct of supervision in the SSM including:
 - authorisations, acquisitions of qualifying holdings, withdrawal of authorisation;
 - supervision of significant institutions;
 - supervision of less significant institutions;
 - overall quality and planning control

- 30 October 2014 – ECB Regulation on supervisory fees

The ECB has published the ECB Regulation on supervisory fees which has been approved by the Governing Council following a public consultation which included a public hearing. The 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 as from the 4 November 2014.

For the official text of the Regulation on supervisory fees, please click here:

http://www.ecb.europa.eu/ecb/legal/pdf/oj_jol_2014_311_r_0006_en_txt.pdf

Feedback Statement – Responses to the public consultation on the draft Regulation of the European Central Bank on supervisory fees

This document is intended to give an overview of the comments received during the public consultation on the draft ECB Regulation on supervisory fees and to present an assessment of those comments. It explains the amendments made to the ECB Regulation on supervisory fees as a result of the public consultation.

Speeches

- 2 September 2014 - "On the optimal size of the financial sector" – Benoît Coeuré, Member of the Executive Board of the ECB, at the ECB Conference "The optimal size of the financial sector", Frankfurt

M. Coeuré addresses the issue relating to the optimal size of the financial sector, as well as the issue of the size of the individual financial institutions ("too big to fail"). He highlights the benefits and the potential of the components (Single Supervisory Mechanism and Single Resolution Mechanism) of a "genuine banking union".

- 3 September 2014 - "Countdown to November: European supervision ready for lift-off" – Sabine Lautenschläger, Member of the Executive Board of the ECB, at the Handelsblatt Konferenz "Banken im Umbruch", Frankfurt am Main

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This speech aims at illustrating the benefits of the new Single Supervisory Mechanism (such as the incorporation of the perspectives of 18 Member States into a common European supervision culture, central decision making).

- 7 September 2014 – “Banking supervision – a challenge” – Sabine Lautenschläger, Member of the Executive Board of the ECB, Deutsches Institut für Wirtschaftsforschung, Hamburg

This speech addresses the issue of the interaction between the policy areas of the ECB. In fact, besides the monetary policy, the ECB is also responsible for the macro-prudential supervision of the financial system and to some extent for the supervision of individual banks. Mrs Lautenschläger illustrates the interaction between these areas of responsibility, for example by exposing how the Single Supervisory mechanism could enhance the effectiveness of monetary policy.

- 15 October 2014 – Towards the banking union – Opportunities and challenges for statistics – Seventh ECB Statistics Conference, Frankfurt am Main
 - Introductory speech by Mario Draghi

This introductory speech illustrates the big challenge for Statistics in the Banking Union and the benefits of data integration. Mario Draghi promotes firstly the integration of the ECB statistical and supervisory data and secondly very close collaboration with the banks, the ESCB, the SSM, the ESRB, the EBA and the European Commission, but also with the other European authorities, the Financial Stability Board (FSB) and the Bank of International Settlements (BIS).

- Concluding remarks by Danièle Nouy

Danièle Nouy illustrates the upcoming challenges and opportunities of the Banking Union and makes a summary of the conference contents.

- Interviews from Danièle Nouy and Sabine Lautenschläger with the newspaper of European Union Member States:
 - 4 September 2014 – Interview with Aripaev - Danièle Nouy, Chair of the Supervisory Board of the Single Supervisory Mechanism

This interview with the Estonian newspaper relates to the functioning of the Single Supervisory Mechanism and the consequences for the new banking landscape, especially the Estonian banking sector.

- 7 September 2014 – Interview with Deutschlandfunk – Sabine Lautenschläger, Member of the Executive Board of the ECB

This interview with the German newspaper addresses the functioning of the Single Supervisory Mechanism by highlighting the important innovation in banking supervision and the consequences for the new banking landscape, especially the German banking sector.

- 5 October 2014 – Interview with the Times of Malta – Danièle Nouy, Chair of the Supervisory Board on the Single Supervisory Mechanism

This interview with the Maltese newspaper relates to the functioning of the Single Supervisory Mechanism and the consequences for the new banking landscape, especially the Maltese banking sector.

- 24 October 2014 – Interview with Hospodárske noviny – Danièle Nouy, Chair of the Supervisory Board of the Single Supervisory Mechanism

This interview with the Czech Newspaper relates, amongst others, mainly to the greatest obstacles the SSM had to overcome and the contribution of the SSM to the European project

- 31 October 2014 – Interview with Irish Times – Danièle Nouy, Chair of the Supervisory Mechanism

This interview with the Irish newspaper relates to the outcome of the stress test and the situation of the Irish banking market on the aftermath of the stress test. Danièle Nouy also illustrates what the new system of supervision means for Irish banks.

■ EUROPEAN BANKING AUTHORITY (EBA)

Public consultations

BRRD:

- 22 September 2014 - Launch of a consultation on triggers for use of early intervention measures and resolution

The EBA launched a consultation on two draft Guidelines on:

- the triggers for using early intervention measures (triggers for use of early intervention)
- the circumstances under which an institution shall be considered as 'failing or likely to fail' (triggers for resolution).

The two Guidelines ensure continuum between the on-going supervision conducted by national authorities in line with the CRD and the BRRD and aim at promoting convergence of supervisory practices in relation to how to apply early intervention measures and to how resolution should be triggered.

The consultations for both Guidelines run until 22 December 2014.

- 24 September 2014 - Launch of a consultation on the implementation of resolution tools

The EBA consults on three sets of Guidelines related to the BRRD which aim at fostering convergent practices among Member States' resolution authorities by giving comprehensive guidance on which circumstances resolution authorities should assess when taking their decisions and at facilitating the implementation of resolution tools in the EU banking sector, and in particular at regulating the sale of business tool and the asset separation tool, as well as the transfer of an institution or its assets under any of the resolution tools:

- Guidelines on the asset separation tool

They give, in particular, guidance on assets that may be transferred under the asset separation tool.

- Guidelines on the sale of business tool

They specify, in particular, when authorities may deviate from certain marketing requirements for the sale of the business of an institution under resolution.

- Guidelines on necessary services

They define, in particular, a minimum list of necessary 'critical' services that the resolution authority may require from the institution under resolution.

The consultation for the three Guidelines runs until 22 December 2014.

- 25 September 2014 - Launch of a consultation on the eligibility of institutions for simplified obligations for recovery and resolution planning

The EBA launched two consultations on its draft Guidelines and Implementing Technical Standards (ITS) related to recovery planning, resolution planning and resolvability assessments under the BRRD. In particular, the draft Guidelines define how EU authorities should assess whether an institution is eligible for simplified obligations. The EBA will monitor any divergence of approach in the application of simplified obligations and will report accordingly to the European Parliament, the Council and the Commission. The papers launched for consultation are part of the EBA's work to promote convergence of practices between competent and resolution authorities across the EU.

These consultations run until 3 January 2015.

- 26 September 2014 - Launch of a consultation on qualitative and quantitative recovery plan indicators

The EBA launched a consultation on Guidelines identifying the minimum qualitative and quantitative indicators that institutions should include in their recovery plans. The proposed Guidelines have been developed within the framework established by the BRRD for the recovery and resolution of credit institutions and investment firms.

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The consultation runs until 2 January 2015.

- 1 October 2014 – Launch of a consultation on treatment of liabilities in bail-in

The EBA has launched a consultation on draft Guidelines clarifying the interrelationship between the sequence in which liabilities should be written down or converted when the bail-in power introduced by the BRRD is used, and the hierarchy of capital instruments in the CRR. This is the first of several EBA regulatory mandates under the BRRD which aim to ensure that bail-in power is an effective way of absorbing losses and recapitalising banks in resolution and the resolution authorities and other stakeholders have a clear understanding of the terms under which it should be applied.

The consultation runs until 3 January 2015.

- 3 October 2014 – Launch of a consultation on group financial support

The EBA has launched a consultation on draft Regulatory Technical Standards (RTS) and Guidelines specifying the various conditions for the provision of group financial support, and on draft Implementing Technical Standards (ITS) on the disclosure of group financial support agreements. These Technical Standards and Guidelines have been developed within the framework established by the BRRD and aim at strengthening integrated risk management by removing possible uncertainties around supporting entities in distress within the same group.

The consultation runs until 4 January 2014.

Deposit guarantee schemes directive (DGSD):

- 25 September 2014 - Launch of a consultation on guidelines on payment commitments to deposit guarantee schemes

The EBA launched a consultation on Guidelines on payment commitments to deposit guarantee schemes. These Guidelines are part of the EBA's work to promote a consistent and coherent approach to deposit guarantee schemes across the EU.

The consultation runs until 2 January 2015.

Publications

BRRD:

- 22 September 2014 – Guidelines on recovery and resolution

The EBA published its final Guidelines specifying the type of tests, review or exercises that may lead to extraordinary public support measures for institutions in the banking sector. These Guidelines aim at promoting a consistent and coherent approach to bank resolution across the European Union and will be part of the EU Single Rulebook in the banking sector.

Regulatory Framework:

- 11 September 2014 – Results of the Basel III monitoring exercise as of 31 December 2013

The EBA published its sixth report of the Basel III monitoring exercise on the European banking system. This exercise which runs in parallel with the one conducted by the Basel Committee on Banking Supervision (BCBS) at a global level, allows the gathering of aggregate results on capital, liquidity (liquidity coverage ratio (LCR) and net stable funding ratio (NSFR)) and leverage ratios for banks in the EU.

- 29 September 2014 – Indicators from global systemically important institutions (G-SIIs)

The EBA published indicators from G-SIIs as provided for in the ITS and Guidelines on disclosure rules applicable to large institutions.

- 30 September 2014 – Introduction of a new feature to EBA's Single Rulebook Q&A tool

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The EBA has introduced an additional improvement to its Single Rulebook Q&A tool that is intended to facilitate the review of Q&As. In the 'Search for Q&As' section, users now have the possibility to export all or a sub-set of Q&As into a PDF format.

- 7 October 2014 – EBA report on Additional Tier 1 (AT1) of EU institutions

The report presents the first results of the review done by the EBA on the issuances of AT1 capital instruments. The CRR tasks the EBA with monitoring the quality of own funds instruments issued by institutions across the EU. This review is preliminary and the EBA expects to gather further insight on the basis of future issuances.

- 10 October 2014 – EBA acknowledgment of the adoption by the European Commission of LCR and LR delegated acts

The EBA notes the Commission's adoption of the delegated act on the liquidity coverage requirement (LCR) and leverage ratio (LR), for which the EBA had provided its technical advice. In this respect, the EBA will remain vigilant on the implementation and further impact of these provisions in particular on the business and the risk profile of institutions.

- 15 October 2014 – EBA disclosure of probe into EU bankers allowances

The EBA has published the findings of its investigation regarding discretionary remuneration practices across the EU banking sector. The report shows that some institutions have classified the so-called 'role-based' allowances in a way that increases the fixed component of remuneration, which may impact on the limitation of the bonus cap. As a result of this analysis, the EBA issued an opinion to the European Commission and EU competent authorities calling for supervisors to ensure that the institutions' remuneration practices on allowances comply with EU legislation.

- 22 October 2014 – EBA issue of revised list of ITS validation rules

The EBA has issued a revised list of validation rules in its ITS on supervisory reporting, highlighting those which have been deactivated either for incorrectness or for triggering IT problems. National authorities throughout the EU are informed that data submitted in accordance with these ITS should not be validated against the set of deactivated rules.

- 29 October 2014 – EBA opinion on the application of prudential requirements for credit and investment institutions

The EBA has published an opinion addressed to the European Commission on the appropriateness of the rules governing the levels of application of prudential requirements for credit and investment institutions (Pillar 1 and 2), in particular the exemption regime.

General Framework:

- 13 October 2014 – EBA release of work plans for 2015

The EBA has published its work programme for 2015, describing its main objectives and deliverables in the forthcoming year. In 2015, the EBA will progress with its activities aimed at building a single regulatory and supervisory framework for the entire banking sector in the 28 EU Member States, while ensuring that risk assessment in the EU banking sector remains a key priority. The EBA will also carry on with its work for consumers in the banking sector, enhancing their protection from detriment and their fair and equal treatment across the entire EU.

Speeches

- 23 September 2014 – Hearing at the Committee on Economic and Monetary Affairs (ECON) - introductory remark Andrea Enria, Chairman of the EBA

This statement was delivered during the annual public hearing of the chairpersons of the three ESAs at the ECON of the European Parliament.

- 30 October 2014 - Clarification statement – Andrea Enria, Chairman of the EBA, following his address at FRSN conference in Berlin

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The EBA released a clarification statement following Andrea Enria's address at the FRSN conference in Berlin on "The Comprehensive Assessment, the ECB's New Role and Limits of a Common Supervision in the EU".

■ EBA AND ECB

ECB comprehensive assessment and EBA EU-wide stress test results

- 26 October 2014 – [CSSF Press release 14/56](#)

This CSSF Press release relates to the results of the comprehensive assessment by the ECB and the results of the 2014 EU-wide stress test by the EBA with focus on the Luxembourg institutions.

ECB:

- 10 October 2014 – [Publication of the institutions included in the comprehensive assessment](#)

The ECB published the list of all the institutions which have been included in the comprehensive assessment. For Luxembourg the included institutions are the following:

- Banque et Caisse d'Epargne de l'Etat, Luxembourg
- Clearstream Banking S.A.
- Precision Capital S.A. (Holding of Banque Internationale à Luxembourg and KBL European Private Bankers S.A.)
- RBC Investor Services Bank S.A.
- State Street Bank Luxembourg S.A.
- UBS (Luxembourg) S.A.

- 26 October 2014 – [ECB in-depth review showing banks need to take further action](#)

The ECB has published the results of a thorough year-long examination of the resilience and positions of the 130 largest banks in the euro area as of 31 December 2013. The ECB review presents the key results of the comprehensive assessment of the 130 largest euro area banks. The aim of this unprecedented in-depth review of the largest banks' positions is to boost public confidence in the banking sector and this should facilitate more lending in Europe and therefore help economic growth.

For the country by country results, please click here:

<https://www.bankingsupervision.europa.eu/banking/comprehensive/html/index.en.html>

For the aggregate report on the comprehensive assessment, please click here:

<http://www.ecb.europa.eu/pub/pdf/other/aggreatereportonthecomprehensiveassessment201410.en.pdf>

The comprehensive assessment resulted in aggregate adjustments of €48 billion to participating banks' asset carrying values which will be reflected in their accounts or in supervisory capital requirements. Overall, the exercise has identified capital shortfalls for 25 banks, totalling €25 billion.

[Transcript of the comprehensive assessment press conference \(with Q&A\) – Vitor Constâncio, Vice-President of the ECB and Danièle Nouy, Chair of the Supervisory Board of the Single Supervisory Mechanism, Frankfurt am Main](#)

This transcript relates to the press conference about the results of the comprehensive assessment held at Frankfurt. Vitor Constâncio makes an explanation on the stress test, whereas Danièle Nouy highlights some key findings from the asset quality review.

For the dedicated multimedia section on the SSM press conference, please click here:

<http://www.youtube.com/watch?v=RKl9r7tbduq&feature=youtu.be>

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EBA:

- 23 October 2014 – [EBA video on the EU-wide stress test](#)

Piers Haben, Director of the EBA Oversight, explains in a short video all that's needed to know on the 2014 EU-wide stress test.

For the dedicated multimedia section on the stress test, please click here:

<https://www.eba.europa.eu/risk-analysis-and-data/eu-wide-stress-testing/2014/visual-material-and-infographics#video>

- 26 October 2014 – [Publication of the 2014 EU-wide stress test results](#)

The EBA has published the results of the 2014 EU-wide stress test of 123 banks.

The aim of the 2014 EU-wide stress test is to assess the resilience of EU banks to adverse economic developments, so as to understand remaining vulnerabilities, complete the repair of the EU banking sector and increase confidence.

The EU-wide stress test is coordinated by the EBA and carried out in cooperation with the ECB, the European Systemic Risk Board (ESRB), the European Commission and the Competent Authorities (CAs) from all relevant national jurisdictions.

On average, EU banks' common equity ratio (CET1) drops by 260 basis points, from 11.1% at the start of the exercise, after the asset quality reviews' (AQRs) adjustment, to 8.5% after the stress. By disclosing these results, the EBA is providing unparalleled transparency into EU banks' balance sheets, with up to 12,000 data points per bank, an essential step towards enhancing market discipline in the EU.

For the related link on the official EBA website, please click here:

<http://www.eba.europa.eu/-/eba-publishes-2014-eu-wide-stress-test-results>

■ EUROPEAN SUPERVISORY AUTHORITIES (ESAS)

- 22 September 2014 – [EU Supervisory Authorities' update on risks in EU financial system](#)

The Joint Committee of the European Supervisory Authorities (ESAs) published its bi-annual report on risks and vulnerabilities in the European Union's financial system. The report identifies a number of risks to financial stability in the EU, including prolonged weak economic growth in an environment characterised by high indebtedness, intensified search for yield in a protracted low interest rate environment, and uncertainties in global emerging market economies. The report also highlights risks related to conduct of business and Information Technologies.

- 10 October 2014 – [The ESAs' Joint Committee publication of the 2015 Work Programme](#)

The Joint Committee of the European Supervisory Authorities (EBA, the European Securities and Markets Authority (ESMA) and the European Insurance and Occupational Pensions Authority (EIOPA)) published its Work Programme for the upcoming year. Throughout 2015, the Joint Committee will continue to give high priority to Consumer Protection and Cross-Sectoral Risk Analysis.

- 23 October 2014 – [Updated list of identified Financial Conglomerates](#)

The Joint Committee has published the 2014 List of Identified Financial Conglomerates. The latest version of the list shows 71 financial conglomerates with the head of group in an EU/EEA country, one with the head of group in Australia, two with the head of group in Switzerland, and two with the head of group in the United States.

- 30 October 2014 – [EBA, ESMA and EIOPA publication of the addendum to joint consultation on mapping of ECAIs](#)

The Joint Committee of the ESAs has published an addendum to the joint consultation on the mapping of the credit assessments to risk weights of External Credit Assessment Institutions (ECAIs). The addendum provides further details on the application of the rules proposed in the draft ITS in relation to particular ECAIs and is to be considered as an extension of the consultation process.

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The consultation period has been reopened until 30 November 2014 in order to collect additional comments.

COMMUNIQUES

■ PROFIT AND LOSS ACCOUNT OF CREDIT INSTITUTIONS AS AT 30 SEPTEMBER 2014

Press release 14/59 of 31 October 2014

The CSSF estimates profit before provisions of the Luxembourg banking sector at EUR 4,255 million as at 30 September 2014. Compared to the same period in 2013, profit before provisions thus decreased by 1.1%.

The banking sector performed less well than in the two previous quarters. Banking income, which recorded an annual increase according to the quarterly reports of March and June, is now decreasing (-0.3%). Moreover, general expenses, which had fallen in March and June 2014, rose by 0.6% as at 30 September 2014. This led to a slight year-over-year decrease of profit before provisions of 1.1%.

Profit and loss account as at 30 September 2014

Items in million EUR	September 2013	September 2014	%
Interest-rate margin ¹	3,851	3,881	0.8%
Commissions received	3,091	3,042	-1.6%
Other net income	1,126	1,122	-0.3%
Banking income	8,068	8,045	-0.3%
Staff costs	2,060	2,030	-1.5%
Other general expenses	1,706	1,760	3.2%
General expenses	3,765	3,790	0.6%
Profit before provisions	4,302	4,255	-1.1%

¹ Including dividends received from subsidiaries

■ SUSPENSION OF PAYMENTS: ASSYA ASSET MANAGEMENT LUXEMBOURG S.A. - APPOINTMENT OF AN ADMINISTRATOR

Press release 14/58 of 30 October 2014

This press release follows up on press release 14/57 of 27 October 2014.

On 24 October 2014, the Luxembourg investment firm Assya Asset Management Luxembourg S.A. filed an application for suspension of payments.

In accordance with Article 60-2 of the law of 5 April 1993 on the financial sector, the *Tribunal d'arrondissement de Luxembourg* (Luxembourg district court), sitting in commercial matters, decided, at its public hearing of 30 October 2014, to allow Assya Asset Management Luxembourg S.A. to qualify under the suspension of payments procedure.

By the same judgment, the Commission de Surveillance du Secteur Financier was appointed as administrator to control the management of the assets of the company Assya Asset Management Luxembourg S.A..

This stabilisation regime implies a suspension of all payments by this company and the prohibition, on pain of nullity, of all measures other than protective measures, unless otherwise authorised by the administrator.

■ APPLICATION FOR SUSPENSION OF PAYMENTS: ASSYA ASSET MANAGEMENT LUXEMBOURG S.A.

Press release 14/57 of 27 October 2014

In accordance with Article 60-2 of the law of 5 April 1993 on the financial sector, the company ASSYA ASSET MANAGEMENT LUXEMBOURG S.A. has filed an application for suspension of payments with the *Tribunal d'arrondissement de Luxembourg* (Luxembourg district court), sitting in commercial matters, on 24 October 2014.

ASSYA ASSET MANAGEMENT LUXEMBOURG S.A. is an investment firm within the meaning of Article 1 of the law of 5 April 1993 on the financial sector and carries out activities as investment adviser, broker in financial instruments, commission agent and private portfolio manager pursuant to Articles 24, 24-1, 24-2 and 24-3 of this law.

The filing of the application by ASSYA ASSET MANAGEMENT LUXEMBOURG S.A. entails, *ipso jure*, for ASSYA ASSET MANAGEMENT LUXEMBOURG S.A., and pending a final decision on the application, the suspension of payments by said institution and prohibition, on pain of nullity, of all measures other than protective measures, unless otherwise authorised by the CSSF or provided for in the law.

■ RESULTS OF THE COMPREHENSIVE ASSESSMENT BY THE ECB AND RESULTS OF THE 2014 EU-WIDE STRESS TEST BY THE EBA

Press release 14/56 of 26 October 2014

Article 33(4) of the Regulation on the Single Supervisory Mechanism (SSM Regulation¹) requires the ECB to carry out a Comprehensive Assessment prior to the SSM assuming its supervisory responsibilities and duties for the significant Eurozone banks on 4 November 2014. The Comprehensive Assessment comprises two main quantitative pillars, namely the Asset Quality Review and the Stress Test.

The Asset Quality Review aimed to review the quality of banks' assets, including the adequacy of asset and collateral valuation and related provisions as of 31 December 2013. The Stress Test examined the banks' ability to withstand two hypothetical scenarios in 2014-2016. The two scenarios – the “baseline” scenario and the “adverse” scenario – are those published by the EBA on 29 April 2014.

The results of the Comprehensive Assessment published on 26 October 2014 show that the six Luxembourg institutions, that were directly subject to the Comprehensive Assessment, pass the reference thresholds set by the ECB for the Comprehensive Assessment, i.e. 8% CET1 ratio² for the Asset Quality Review and 5.5% CET1 ratio for the Stress Test (under the adverse scenario). Further to the Asset Quality Review and the Stress Test, the CET1% solvency ratios of the six Luxembourg institutions remain above 8%, a level that is comfortably above the 5.5% CET1% threshold for the Stress Test set by the ECB. As a consequence, no capital shortfall has been identified for the six Luxembourg institutions³. The results from the standalone Asset Quality Review confirm that the six Luxembourg institutions' assets are appropriately valued and additional prudential provisions are limited. The Stress Test results show that the six institutions are sufficiently resilient to withstand the two hypothetical Stress Test scenarios.

The complete Comprehensive Assessment results, including background information, can be obtained from the ECB website at <http://www.ecb.europa.eu/ssm/assessment/html/index.en.html>. Results for Banque et Caisse d'Epargne de

¹ Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions.

² The 8% threshold corresponds to a Common Equity Tier 1 ratio of 4.5%, a 2.5% capital conservation buffer and an add-on of 1% to take into account the systemic relevance of the banks considered significant under the SSM Regulation.

³ Although full results are not available for either bank independently, the CSSF observes, on the basis of estimations, that the two Luxembourg banks that are consolidated within Precision Capital S.A., i.e. Banque Internationale à Luxembourg and KBL European Private Bankers S.A., also pass the 8% CET1% Asset Quality Review and 5.5% CET1% Stress test hurdle rates on a standalone basis.

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l'Etat, Luxembourg and Precision Capital S.A. – the two Luxembourg institutions directly in scope of the EBA ST – are also available at the EBA website <http://www.eba.europa.eu/-/eba-publishes-2014-eu-wide-stress-test-results>.

Luxembourg institutions included in the Comprehensive Assessment

The following six Luxembourg institutions participated directly in the Comprehensive Assessment:

Banque et Caisse d'Epargne de l'Etat, Luxembourg

Clearstream Banking S.A.

Precision Capital S.A. (Holding of Banque Internationale à Luxembourg and KBL European Private Bankers S.A.)

RBC Investor Services Bank S.A.

State Street Bank Luxembourg S.A.

UBS (Luxembourg) S.A.

Since the Comprehensive Assessment is carried out at the highest level of consolidation in participating Member States, the Luxembourg branches and subsidiaries of European banks included in the Comprehensive Assessment are indirectly covered, through the inclusion of the Luxembourg based activities in the consolidated figures of their parent companies.

Besides Banque et Caisse d'Epargne de l'Etat, Luxembourg and Precision Capital S.A., there are a number of subsidiaries and branches from EU banks that serve the domestic retail market. These institutions are (in alphabetical order) Banque BCP S.A. (Luxembourg subsidiary of the French banking group BPCE), Banque de Luxembourg S.A., BGL BNP Paribas, Caixa Geral de Depósitos SA, Lisboa (Portugal) (Luxembourg branch) and ING Luxembourg. As a result of the Comprehensive Assessment, no capital shortfall has been identified at the level of the parent companies of these branches and subsidiaries.

Resources allocated to the Comprehensive Assessment in Luxembourg

The Comprehensive Assessment required significant resources at the national level. At the CSSF, 20 staff members were permanently involved in the Comprehensive Assessment over the course of the last year. An additional dozen staff members worked for 4 to 6 months on quality assurance with respect to the Asset Quality Review or the Stress Test results. Given that the Asset Quality Review was conducted as a targeted and risk-based exercise focusing on the portfolios with the highest chance of material misstatements, only three Luxembourg institutions⁴ underwent a Credit File Review. Following sampling, some 1,400 debtors were analysed during the Credit File Review and 800 collateral items valued. Furthermore, 24 collective provisioning challenger models were built and 90 level three non-derivative assets re-valued. The Asset Quality Review also involved third-party audit firms, chosen through a public procurement procedure. At the level of these third parties, more than 100 additional auditors contributed to the execution of the Asset Quality Review.

■ GLOBAL SITUATION OF UNDERTAKINGS FOR COLLECTIVE INVESTMENT AND SPECIALISED INVESTMENT FUNDS AT THE END OF SEPTEMBER 2014

Press release 14/55 of 24 October 2014

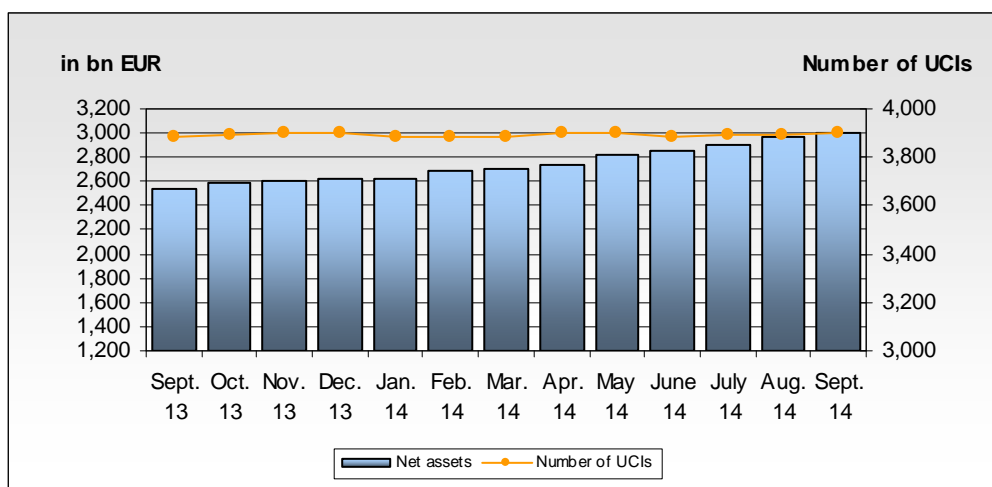
I. Overall situation

As at 30 September 2014, total net assets of undertakings for collective investment and specialised investment funds reached EUR 3,006.762 billion compared to EUR 2,970.520 billion as at 31 August 2014, i.e. a 1.22% growth over one month. Over the last twelve months, the volume of net assets increased by 18.41%.

The Luxembourg UCI industry thus registered a positive variation amounting to EUR 36.242 billion in September. This increase represents the balance of positive net issues of EUR 22.688 billion (+0.76%) and a positive development in financial markets amounting to EUR 13.554 billion (+0.46%).

⁴ Banque et Caisse d'Epargne de l'Etat, Luxembourg, Precision Capital S.A. and State Street Bank Luxembourg S.A.

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The number of undertakings for collective investment (UCIs) and specialised investment funds (SIFs) taken into consideration totalled 3,900 as against 3,896 in the previous month. A total of 2,532 entities have adopted an umbrella structure, which represents 12,431 sub-funds. When adding the 1,368 entities with a traditional structure to that figure, a total of 13,799 entities are active in the financial centre.

As regards, on the one hand, the impact of financial markets on Luxembourg UCIs and SIFs (hereafter "UCIs") and, on the other hand, the net capital investment in these UCIs, the following can be said about September 2014.

The categories of equity UCIs did not develop homogeneously during the month under review.

Thus, in Europe, due to a rebound of industrial activity in some countries and the expansive monetary measures decided by the European Central Bank, the category of European equity UCIs closed the month with price increases. While US equity markets slightly fell despite positive economic data, the category of US equity UCIs nonetheless finished the month in positive territory, as a result, inter alia, of the substantial 4.81% rise of the USD against the EUR.

The positive economic data in the United States, the continuing expansive monetary policy in Japan, as well as the depreciation of the yen against the US dollar, had a positive impact on the category of Japanese equity UCIs.

The category of Asian equity UCIs saw some slight gains as the stock market losses were offset by the appreciation of the Asian currencies against the euro. Value losses were recorded for Eastern European and Latin American equity UCIs, the scale of the losses for the latter being related to the political and economic uncertainties in Brazil.

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

Development of equity UCIs during the month of September 2014*

	Market variation in %	Net issues in %
Global market equities	0.64%	0.42%
European equities	0.17%	-0.57%
US equities	2.52%	-1.44%
Japanese equities	3.64%	0.74%
Eastern European equities	-1.85%	-1.37%
Asian equities	0.76%	0.69%
Latin American equities	-8.65%	-0.12%
Other equities	-1.31%	0.08%

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

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As regards the category of EUR-denominated bond UCIs, the return of long-term government bonds remained broadly unchanged, as the decisions of the European Central Bank to decrease key interest rates and to launch the asset buy-back programme had only a weak impact on bond markets. Furthermore, private sector risk premiums remained relatively stable. Overall, EUR-denominated bond UCIs registered a slight fall in prices during the month under review.

In the United States, the positive economic figures and the prospect of a more restrictive monetary policy of the American Federal Reserve made yields of the US bonds, as well as the exchange rate of the USD against the other currencies, climb, which resulted in a rise in the prices of bonds denominated in USD.

Given the global growth problems, risk premiums of emerging market bonds increased slightly. Nonetheless, emerging market bond UCIs could finish the month with an increase owing notably to the substantial appreciation of the USD against the EUR.

In September, fixed-income UCIs registered an overall positive net capital investment.

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

	Market variation in %	Net issues in %
EUR money market	0.01%	1.49%
USD money market	4.80%	4.11%
Global market money market	0.97%	1.19%
EUR-denominated bonds	-0.08%	0.85%
USD-denominated bonds	1.97%	3.50%
Global market bonds	0.69%	1.65%
Emerging market bonds	0.54%	1.29%
High Yield bonds	0.32%	-2.12%
Others	0.20%	0.12%

* Variation in % of Net Assets in EUR 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 2014*

	Market variation in %	Net issues in %
Diversified UCIs	-0.39%	1.34%
Funds of Funds	0.43%	0.80%

* 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 €

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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	195.894 €	1,549	288.385 €	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 €
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 €
31/05/2014	1,829	2,318.076 €	502	181,248 €	1,569	316.545 €	3,900	2,815.869 €
30/06/2014	1,824	2,355.462 €	490	179.083 €	1,570	320.095 €	3,884	2,854.640 €
31/07/2014	1,868	2,405.883 €	452	170.630 €	1,571	327.623 €	3,891	2,904.136 €
31/08/2014	1,884	2,461.916 €	446	171.092 €	1,566	337.512 €	3,896	2,970.520 €
30/09/2014	1,887	2,497.035 €	441	172.581 €	1,572	337.146 €	3,900	3,006.762 €

During the month of September 2014, the following 28 undertakings for collective investment and specialised investment funds were registered on the official list:

1) UCIs Part I 2010 Law:

- AGCM FUND, 4, rue Peternelchen, L-2370 Howald
- BOUSSARD & GAVAUDAN SICAV, 5, allée Scheffer, L-2520 Luxembourg
- CPR INVEST, 5, allée Scheffer, L-2520 Luxembourg
- PORTLAND HILL FUND SICAV, 2, boulevard de la Foire, L-1528 Luxembourg
- RESOURCE EFFICIENCY LEADERS FUND, 4, rue Thomas Edison, L-1445 Luxembourg-Strassen
- ROUVIER, 14, boulevard Royal, L-2449 Luxembourg
- U ACCESS, 287-289, route d'Arlon, L-1150 Luxembourg
- UNIEURORENTA EM 2021, 308, route d'Esch, L-1471 Luxembourg
- UNIEURORENTA UNTERNEHMENSANLEIHEN EM 2021, 308, route d'Esch, L-1471 Luxembourg
- UNIINSTITUTIONAL STRUCTURED CREDIT HIGH YIELD, 308, route d'Esch, L-1471 Luxembourg
- ZEBRA CAPITAL INTERNATIONAL, 7A, rue Robert Stümper, L-2557 Luxembourg

2) SIFs:

- AUDA CAPITAL FEEDER SCA SICAV-SIF, 5, rue Heienhaff, L-1736 Senningerberg
- FABBRIANI INVESTMENT FUND S.C.A., SICAV-SIF, 58, rue Charles Martel, L-2134 Luxembourg
- FINECTIVE SICAV-SIF, 20, boulevard Emmanuel Servais, L-2535 Luxembourg
- GREENOAK US (EU PARALLEL) II S.C.S., SICAV-SIF, 5, rue Heienhaff, L-1736 Senningerberg
- INTEGRATED INVESTMENTS SICAV-SIF, 2, boulevard de la Foire, L-1528 Luxembourg
- LOMBARD ODIER SECONDARY FUND II, 5, allée Scheffer, L-2520 Luxembourg
- LYXOR SME CREDIT FUND, 28-32, place de la Gare, L-1616 Luxembourg
- MANDATUM LIFE SICAV-SIF, 26-28, rue Edward Steichen, L-2540 Luxembourg
- MANTRA SECONDARY OPPORTUNITIES, 28-32, place de la Gare, L-1616 Luxembourg
- MERACUS, 4, rue Thomas Edison, L-1445 Luxembourg-Strassen
- OBERON CREDIT INVESTMENT FUND II SCA SICAV-SIF, 51, avenue J-F Kennedy, L-1855 Luxembourg
- PINEBRIDGE LUXEMBOURG COMMINGLED, 47, avenue J-F Kennedy, L-1855 Luxembourg
- PROBUS OPPORTUNITIES SA, SICAV-FIS, 41, op Bierg, L-8217 Mamer
- SUSTAINABLE GROWTH FUND, SCSP, SICAV-SIF, 5, rue Heienhaff, L-1736 Senningerberg
- THOMASLOYD SICAV-SIF, 5, Allée Scheffer, L-2520 Luxembourg
- TIKEHAU INVESTMENT S.C.S, SICAV-SIF, 5, allée Scheffer, L-2520 Luxembourg
- WPA FONDS, 3, rue Jean Monnet, L-2180 Luxembourg

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The following 24 undertakings for collective investment and specialised investment funds have been deregistered from the official list during the month under review:

- 1) **UCIs Part I 2010 Law:**
 - BAUMANN TOP INVEST, 9A, rue Gabriel Lippmann, L-5365 Munsbach
 - CREDIT SUISSE INVESTMENT PRODUCTS, 5, rue Jean Monnet, L-2180 Luxembourg
 - DWS RENTEN DIREKT 2014 II, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
 - MVM FONDS, 4, rue Thomas Edison, L-1445 Luxembourg-Strassen
 - PIONEER INVESTMENTS GUARANTEED FUNDS, 8-10, rue Jean Monnet, L-2180 Luxembourg
 - RELIANCE ALTERNATIVE SICAV, 7A, rue Robert Stümper, L-2557 Luxembourg
 - ROGGE GLOBAL FUNDS (LUXEMBOURG), 18-20, rue Gabriel Lippmann, L-5365 Munsbach
 - UNIGARANTPLUS: BEST OF ASSETS (2014) II, 308, route d'Esch, L-1471 Luxembourg
 - UNIGARANTPLUS: BRIC (2014), 308, route d'Esch, L-1471 Luxembourg
- 2) **UCIs Part II 2010 Law:**
 - DEXIA LUXPART, 69, route d'Esch, L-1470 Luxembourg
 - DNB PART II FUND, 5, allée Scheffer, L-2520 Luxembourg
 - LF OPEN WATERS OP, 4, rue Jean Monnet, L-2180 Luxembourg
 - THE TURQUOISE FUND, 16, boulevard d'Avranches, L-1160 Luxembourg
- 3) **SIFs:**
 - 1798 FUNDS, 5, allée Scheffer, L-2520 Luxembourg
 - ASIA REAL ESTATE INCOME FUND, 9, avenue Guillaume, L-1651 Luxembourg
 - CASADORES INVESTMENTS, SCA-SICAV-SIF, 25A, boulevard Royal, L-2449 Luxembourg
 - FI OPPORTUNITIES FUND FCP-FIS, 1, rue Joseph Hackin, L-1746 Luxembourg
 - GOLDING ALTERNATIVE INVESTMENTS SICAV-FIS II, 43, avenue J-F Kennedy, L-1855 Luxembourg
 - GOLDING ALTERNATIVE INVESTMENTS SICAV-FIS, 43, avenue J-F Kennedy, L-1855 Luxembourg
 - KANDEO SICAV-SIF SCA, 6A, rue Gabriel Lippmann, L-5365 Munsbach
 - MMIO FUND FCP-FIS, 1, rue Joseph Hackin, L-1746 Luxembourg
 - PRIVATE MARKET INVESTMENTS, 6C, route de Trèves, L-2633 Senningerberg
 - SOLVENTA SICAV-SIF S.C.A., 2, place Dargent, L-1413 Luxembourg
 - WHIRLWIND, 4, rue Jean Monnet, L-2180 Luxembourg

■ PUBLIC CONSULTATION ON THE DRAFT REGULATION ON REPORTING OF SUPERVISORY FINANCIAL INFORMATION

Communiqué dated 23 October 2014

On 23 October 2014, the European Central Bank (ECB) launched a public consultation on the draft Regulation on reporting of supervisory financial information. This draft regulation lays down the requirements regarding reporting on supervisory financial information to be submitted to national competent authorities and the ECB by supervised banks.

The consultation will be open for six weeks until 4 December 2014. A public hearing will be held on 13 November 2014.

The consultation paper is published in the Banking Supervision section of the ECB's website at the following address:

<https://www.ecb.europa.eu/ssm/consultations/html/reporting.en.html>

■ ACCEPTANCE OF THE PRICE OFFERED FOR THE ORDINARY SHARES OF THE COMPANY ARCELORMITTAL AS FAIR PRICE UNDER THE SQUEEZE-OUT/SELL-OUT LAW

Press release 14/54 of 15 October 2014

On 8 August 2014, in accordance with the provisions of the law of 21 July 2012 on mandatory squeeze-out and sell-out of securities of companies currently admitted or previously admitted to trading on a regulated market or having been offered to the public (hereafter the "**Squeeze-Out/Sell-Out Law**"), the company ArcelorMittal (hereafter the "**Majority Shareholder**") informed the CSSF of its decision to exercise its right of mandatory squeeze-out on the shares of the company ArcelorMittal Luxembourg (formerly Arcelor Luxembourg and originally constituted under the denomination ARBED) (hereafter the "**Company**") (ISIN code LU0006047129).

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On 8 September 2014, the Majority Shareholder communicated to the CSSF and published the proposed price of EUR 776.13 per share of the Company and a valuation report of the shares of the Company prepared by KPMG Luxembourg S.à r.l.

In view of the above, and taking into consideration that the CSSF has not received a letter of opposition to the squeeze-out procedure on the shares of the Company as provided for in Article 4(6) of the Squeeze-Out/Sell-Out Law, the CSSF accepts the price proposed by the Majority Shareholder of EUR 776.13 per share of the Company as a fair price. In accordance with the provisions of this same article, the CSSF has informed the Majority Shareholder and the Company of the acceptance of the price.

■ SQUEEZE-OUT PROCEDURE ON THE SHARES OF UTOPIA S.A. UNDER THE SQUEEZE-OUT/SELL-OUT LAW

Press release 14/53 of 14 October 2014

This press release follows "**press release 14/46**" published by the CSSF on 29 August 2014, "**press release 14/08**" published by the CSSF on 27 January 2014 and "**press release 14/14**" published by the CSSF on 27 February 2014. It concerns the mandatory squeeze-out procedure initiated by Utopia Management, CLdN Fin S.A. and CLdN Finance S.A. acting in concert (hereafter the "**Majority Shareholder**") and relating to the shares of Utopia S.A. (the "**Company**"). This mandatory squeeze-out procedure is governed by the provisions of the law of 21 July 2012 on mandatory squeeze-out and sell-out of securities of companies currently admitted or previously admitted to trading on a regulated market or having been offered to the public (hereafter the "**Squeeze-Out/Sell-Out Law**").

On 8 October 2014, the company Ricol Lasteyrie Corporate Finance ("**RLCF**"), acting in its capacity of second expert appointed by the CSSF in accordance with the provisions of Article 4(7) of the Squeeze-Out/Sell-Out Law, submitted its valuation report regarding the Company's shares to the CSSF.

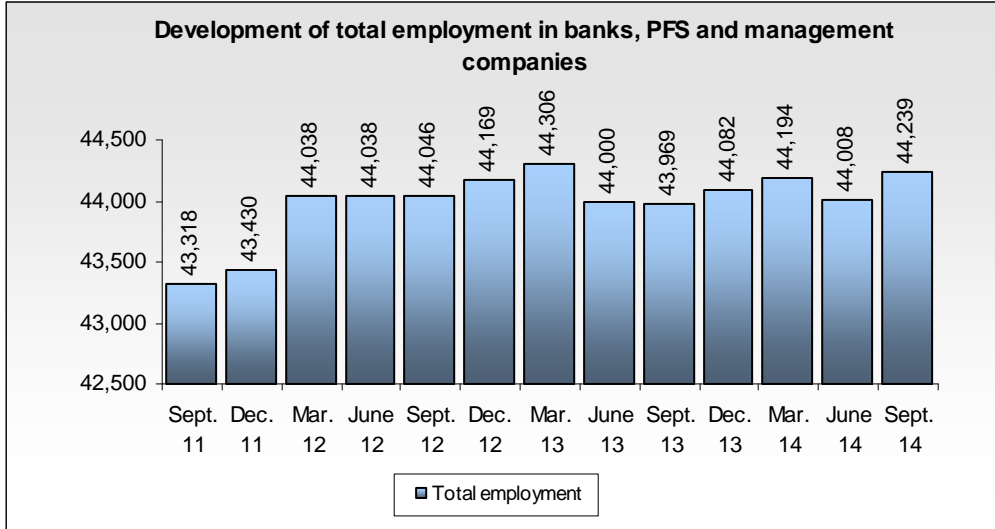
The full version of the RLCF's valuation report is available at this address: <https://www.bourse.lu/instrument/listdocuments?cdVal=205465&cdTypeVal=ACT>.

Under Article 4(7) of the Squeeze-Out/Sell-Out Law, the CSSF has three months as from the receipt of this report to take a decision on the fair price to be paid by the Majority Shareholder to the other shareholders of the Company. The aforementioned decision of the CSSF will be published on its website by means of a press release in accordance with the provisions of Article 4(7) of the Squeeze-Out/Sell-Out Law.

STATISTICS

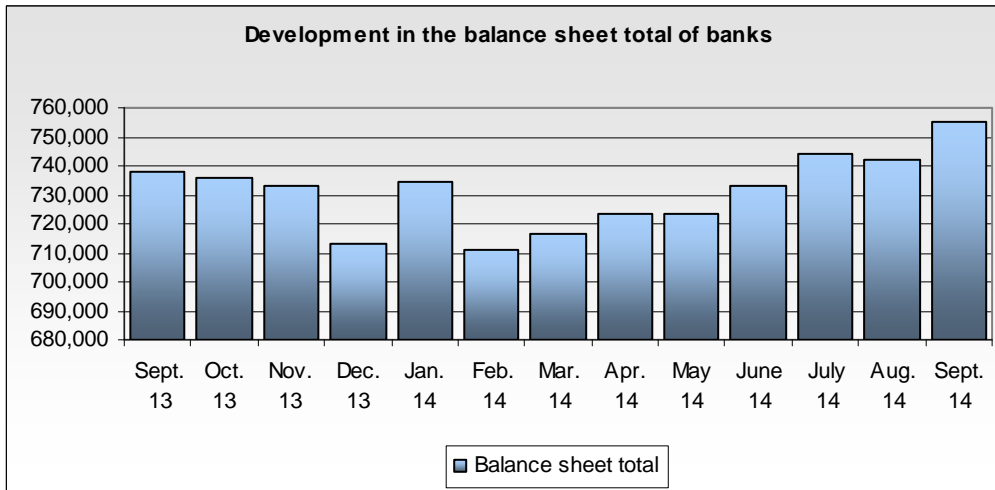
■ EMPLOYMENT

Movements in total staff numbers



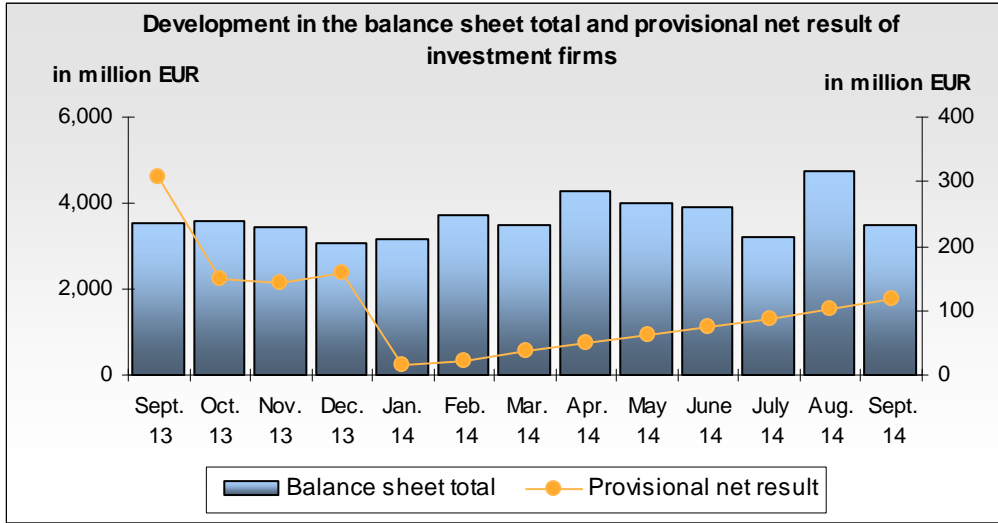
■ BANKS

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



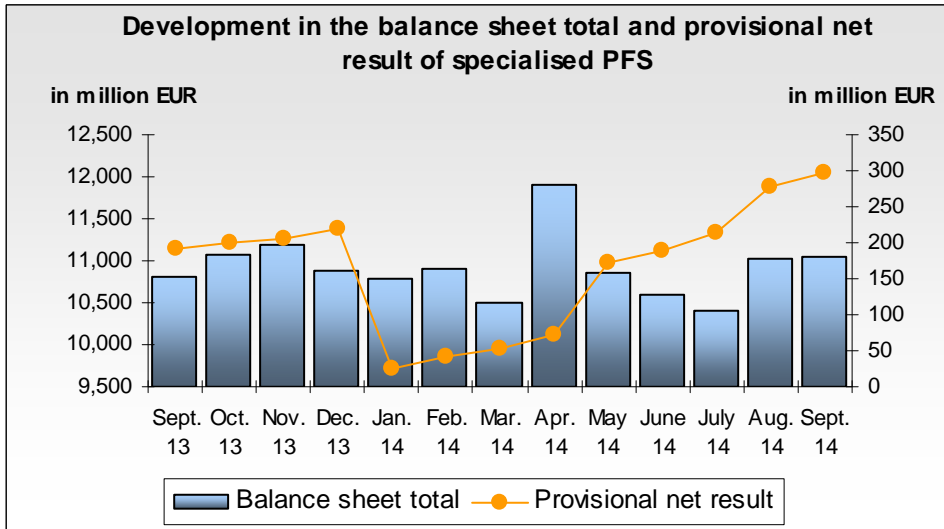
■ INVESTMENT FIRMS

Decrease in the investment firms' balance sheet total as at 30 September 2014



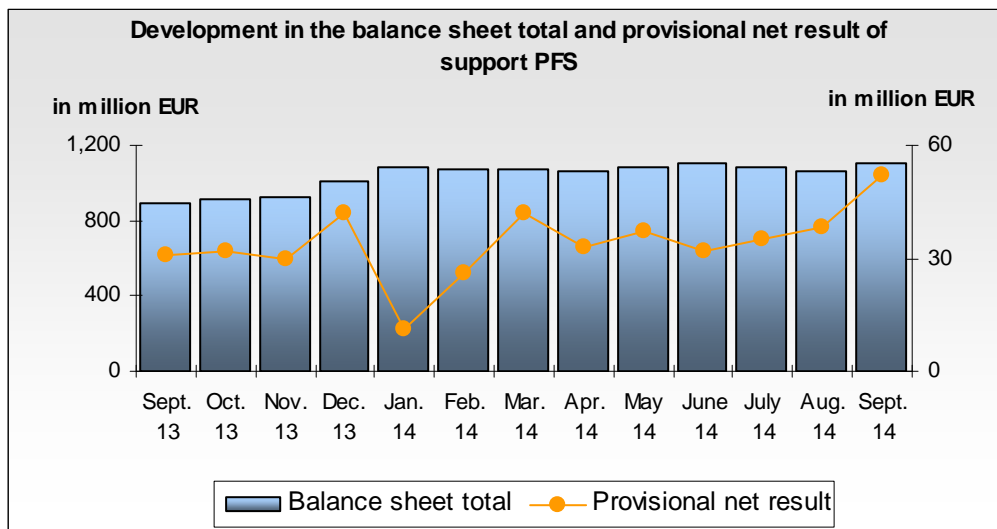
■ SPECIALISED PFS

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



■ SUPPORT PFS

Increase in the support PFS' balance sheet total as at 30 September 2014



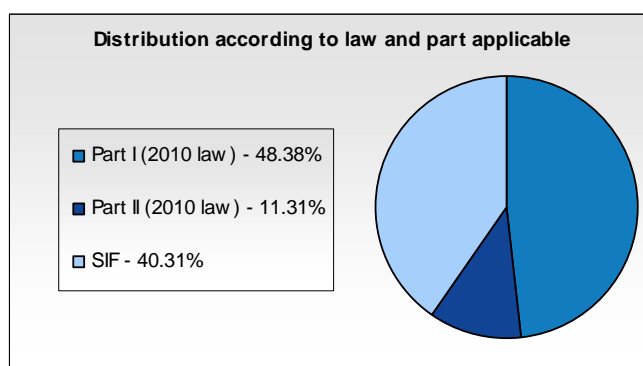
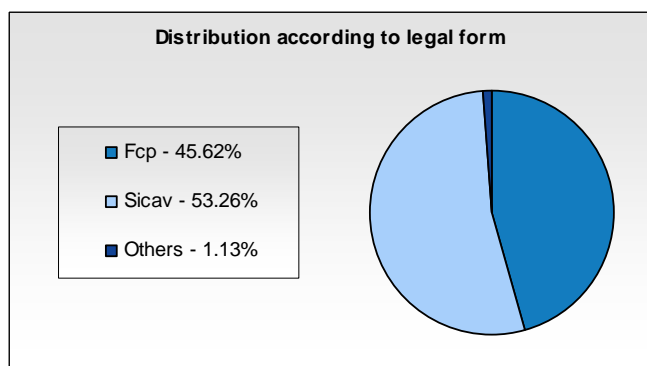
■ UCIS

Quarterly statistics on the undertakings for collective investment industry

Situation as at 30 September 2014

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.

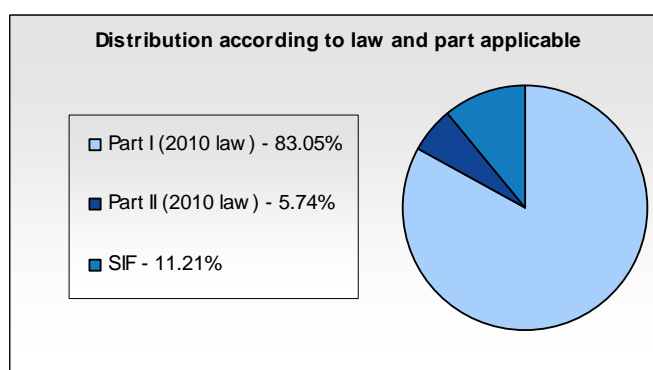
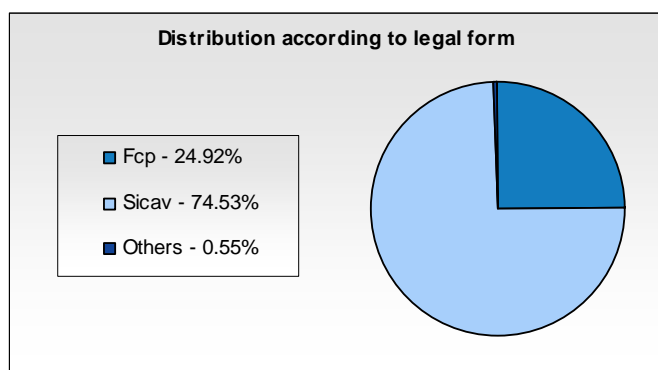
Number of UCIs



Law, part/legal form	FCPs	SICAVs	Others	Total
Part I (2010 law)	1,085	802	0	1,887
Part II (2010 law)	209	228	4	441
SIFs	485	1,047	40	1,572
TOTAL	1,779	2,077	44	3,900

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Net assets of UCIs



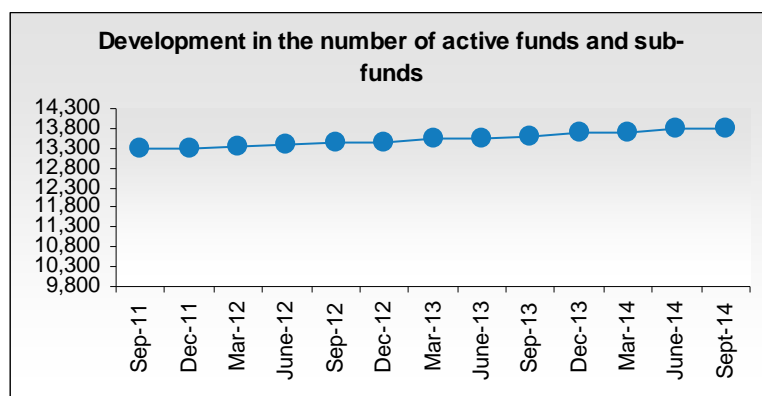
Law, part/legal form (in bn EUR)	FCPs	SICAVs	Others	Total
Part I (2010 law)	536.395	1,960.640	0.000	2,497.035
Part II (2010 law)	75.226	96.498	0.857	172.581
SIFs	137.648	183.730	15.768	337.146
TOTAL	749.269	2,240.868	16.625	3,006.762

Origin of the promoters of Luxembourg UCIs

	Net assets (in bn EUR)	In %
United States	677.363	22.5 %
United Kingdom	492.420	16.4 %
Germany	444.816	14.8 %
Switzerland	421.222	14.0 %
Italy	246.278	8.2 %
France	221.294	7.4 %
Belgium	136.571	4.5 %
Luxembourg	68.634	2.3 %
Netherlands	63.110	2.1 %
Sweden	51.486	1.7 %
Others	183.568	6.1 %
TOTAL	3,006.762	100 %

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Development in the number of units



Investment policy of Luxembourg UCIs

	Net assets (in bn EUR)
Fixed-income transferable securities (*)	1,209.255
Variable-yield transferable securities (**)	909.624
Mixed transferable securities (***)	626.871
Fund of funds (****)	188.969
Cash	3.467
Real estate	32.565
Futures, options, warrants	14.069
Others (*****)	21.942
TOTAL	3,006.762

(*) Including EUR 241.965 billion in money market instruments and other short-term securities

(**) Including EUR 8.768 billion in non-listed transferable securities and EUR 0.292 billion in venture capital

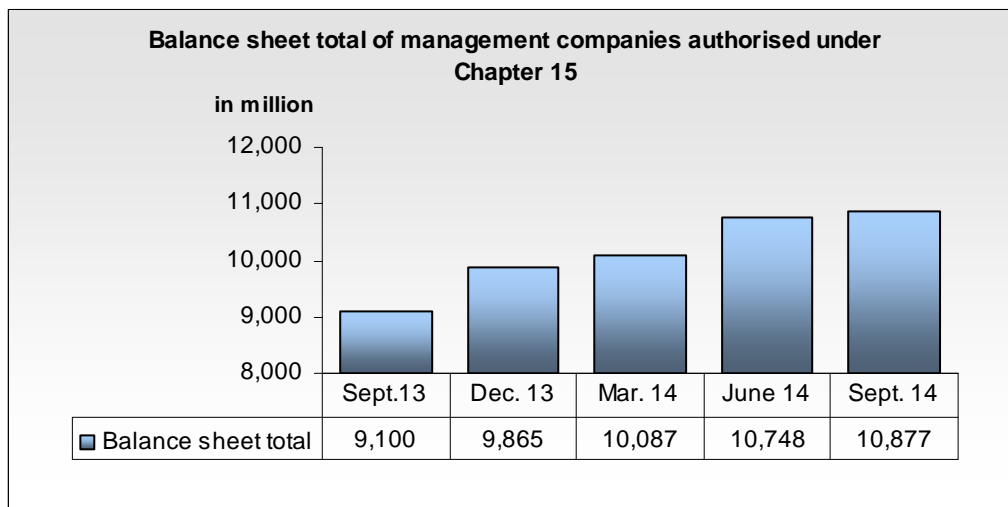
(***) Including EUR 5.309 billion in non-listed transferable securities and EUR 0.603 billion in venture capital

(****) Including EUR 1.494 billion in non-listed transferable securities and EUR 0.035 billion in venture capital

(*****) Including EUR 0.187 billion in venture capital

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

Increase in balance sheet total of management companies authorised according to Chapter 15 as at 30 September 2014



■ SICARS

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

- RBS PPP INVESTMENTS S.C.A. SICAR, 46A, avenue J-F Kennedy, L-1855 Luxembourg

As at 11 November 2014, the number of SICARs registered on the official list amounted to **284 entities**.

■ PENSION FUNDS AND SECURITISATION UNDERTAKINGS

As at 10 November 2014, **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 **16**.

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 November 2014.

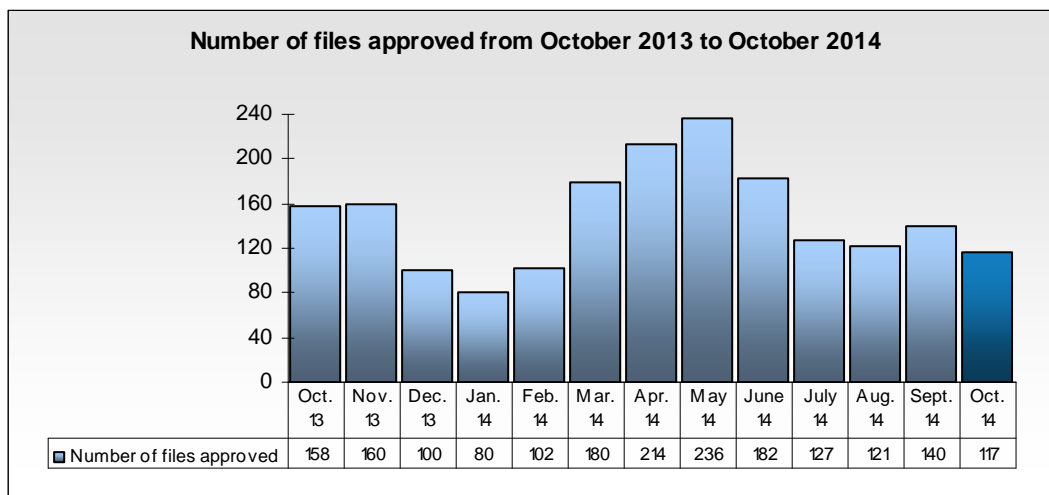
■ PUBLIC OVERSIGHT OF THE AUDIT PROFESSION

As at 31 October 2014, the public oversight of the audit profession covered **66 cabinets de révision agréés** (approved audit firms) and **246 réviseurs d'entreprises agréés** (approved statutory auditors). 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.

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■ 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)

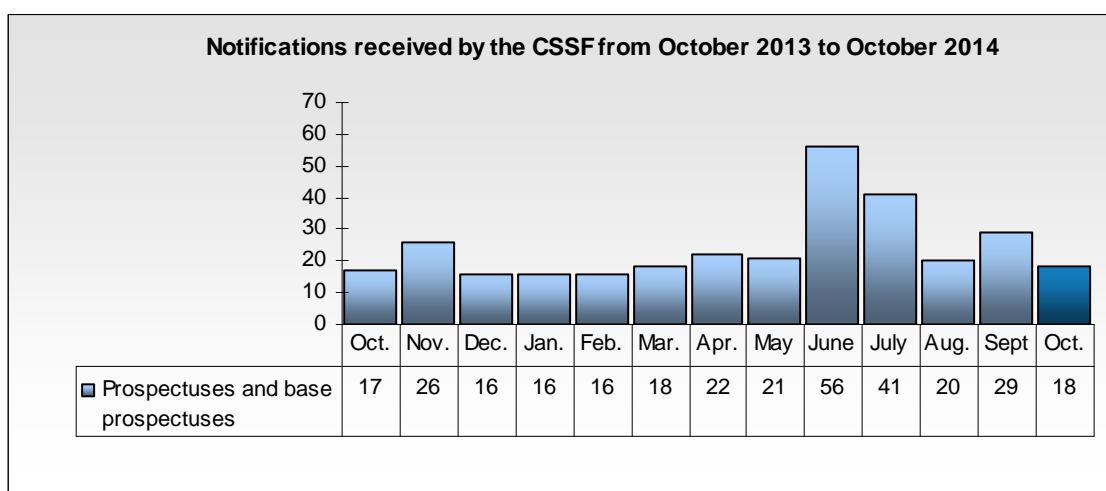
1. CSSF approvals



In October 2014, the CSSF approved a total of 117 documents pursuant to the Prospectus Law, which break down as follows:

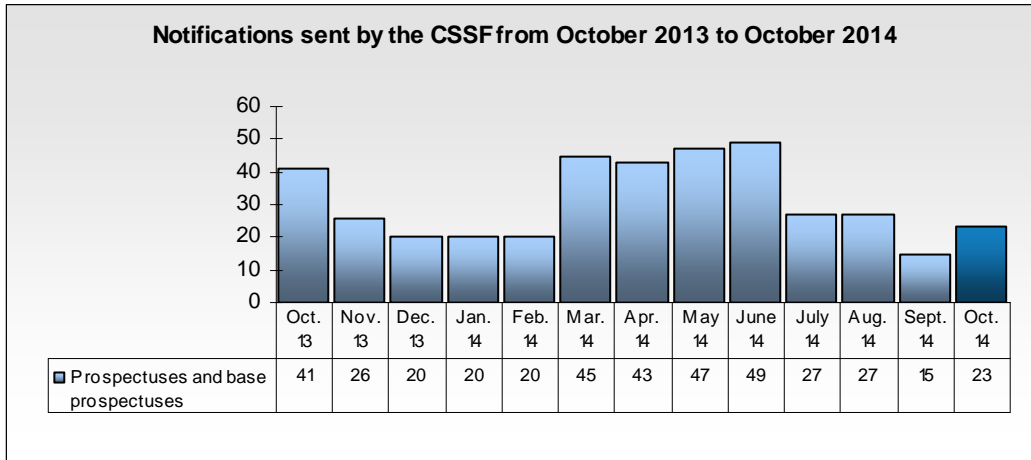
base prospectuses:	24	(20.51 %)
other prospectuses:	31	(26.50 %)
supplements:	62	(52.99 %)

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



In October 2014, the CSSF received 18 notifications relating to prospectuses and base prospectuses and 34 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

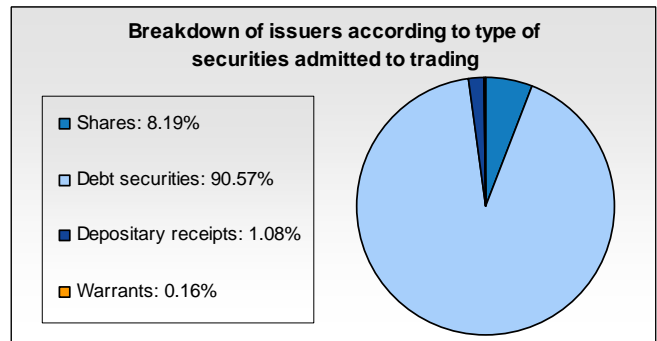
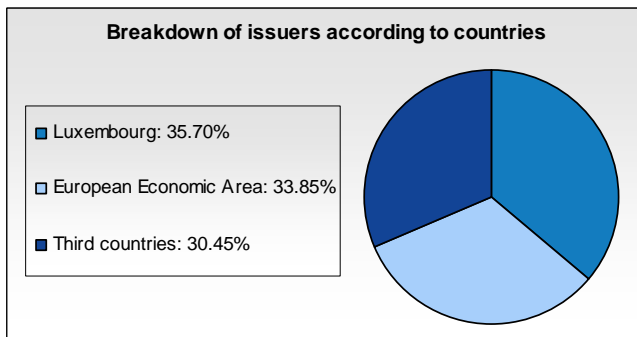


In October 2014, the CSSF sent 23 notifications relating to prospectuses and base prospectuses and 35 notifications relating to supplements to the competent authorities of other EEA Member States⁵.

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 7 October 2014, four issuers have chosen Luxembourg as home Member State for the purposes of the Transparency Law.

As at 10 November 2014, 647 issuers were included in the list of issuers whose home Member State is Luxembourg pursuant to the Transparency Law and are thus subject to the supervision of the CSSF



⁵ These figures reflect 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

■ NEW APPLICATION "SUPERVISED ENTITIES"

Following the implementation of the new search tool "Supervised Entities" on the CSSF's website: <http://supervisedentities.cssf.lu/#Home>, all the changes that have taken place over the last two months can now be consulted online under "Recent changes" and downloaded as PDF file or CSV file.

■ WITHDRAWALS DECIDED BY THE CSSF:

A decision to withdraw the specialised investment fund **CLEARNESS INVESTMENT FUND S.C.A., SICAV-SIF** from the official list of specialised investment funds was taken by the CSSF on 15 October 2014.

A decision to withdraw the specialised investment fund **CASADORES INVESTMENTS, SCA-SICAV-SIF** from the official list of specialised investment funds was taken by the CSSF on 10 September 2014.

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FINANCIAL CENTRE

Main updated figures regarding the financial centre:

			Annual comparison
Banks	Number (11/11/2014)	148	↗ 1 entity
	Balance sheet total (31/08/2014)	EUR 755.280 billion	↗ EUR 17.355 billion
	Profit before provisions (30/09/2014)	EUR 4.25 billion	↘ EUR 0.02 billion
Payment institutions	Number (11/11/2014)	9 including 1 branch	↗ 4 entities
Electronic money institutions	Number (11/11/2014)	6	↗ 1 entity
UCIs	Number (11/11/2014)	Part I 2010 Law: 1,888	↗ 76 entities
		Part II 2010 Law: 436	↘ 94 entities
		SIFs: 1,585	↗ 30 entities
		TOTAL: 3,909	↗ 12 entities
	Total net assets (30/09/2014)	EUR 3,006.762 billion	↗ EUR 467.562 billion
Management companies (Chapter 15)	Number (31/10/2014)	206	↗ 17 entities
	Balance sheet total (30/09/2014)	EUR 10.877 billion	n/a
Management companies (Chapter 16)	Number (31/10/2014)	180	↘ 18 entities
AIFMs	Number (12/11/2014)	147	↗ 139
SICARs	Number (11/11/2014)	284	↗ 5 entities
Pension funds	Number (10/11/2014)	15	↗ 1 entity
Authorised securitisation undertakings	Number (10/11/2014)	32	↗ 2 entities
Investment firms	Number (11/11/2014)	110 including 7 branches	↘ 2 entities
	Balance sheet total (30/09/2014)	EUR 3.466 billion	↘ EUR 68 million
	Provisional net profit (30/09/2014)	EUR 118.622 million	↘ EUR 187.619 million
Specialised PFS	Number (11/11/2014)	128	↗ 2 entities
	Balance sheet total (30/09/2014)	EUR 11.051 billion	↗ EUR 245 million
	Provisional net profit (30/09/2014)	EUR 296.330 million	↗ EUR 104.962 million
Support PFS	Number (11/11/2014)	82	↘ 1 entity
	Balance sheet total (30/09/2014)	EUR 1.104 billion	↗ EUR 212.677 million
	Provisional net profit (30/09/2014)	EUR 52.34 million	↗ EUR 20.35 million
Issuers of securities whose home Member State is Luxembourg pursuant to the Transparency Law	Number (10/11/2014)	647	↗ 12 entities
Public oversight of the audit profession	Number (31/10/2014)	66 <i>cabinets de révision agréés</i>	↘ 6 entities
		246 <i>réviseurs d'entreprises agréés</i>	↗ 17 people
		48 third-country auditors and audit firms	↘ 5 entities
Employment (30/09/2014)	Banks	26,151 people	↘ 80 people
	Management companies (Chapter 15)	3,339 people	↗ 322 people
	Investment firms	2,347 people	↘ 347 people
	Specialised PFS	3,386 people	↗ 263 people
	Support PFS	9,016 people	↗ 82 people
	Total	44,239 people	↗ 240 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.