

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 recruited eight new agents who were assigned to the following departments:

UCI departments

Patrick HOFFMANN

Marie WALLERS

Baptiste LOPEZ

Accounting, auditing and transparency

Clément RENAC

On-site inspection

Laurence VAN ECKE

Supervision of banks

Christophe BRUGMANS

Franck CHARREYRE

Marjorie CANU

The CSSF counts 622 agents as at 9 November 2015, of whom 321 are men and 301 are women.

NEWS

■ INFORMATION ON INTRAGROUP EXEMPTION FROM THE CLEARING OBLIGATION

The first Commission Delegated Regulation with regard to regulatory technical standards on the clearing obligation of certain classes of interest rate derivatives has been adopted by the Commission on 6 August 2015. This first regulatory technical standard (RTS) is estimated to enter into force by the end of the year 2015.

The RTS lays down four different categories¹ for which different phase-in periods for the clearing obligation apply:

- (1) For counterparties in category 1, 6 months after the entry into force of the RTS.
- (2) For counterparties in category 2, 12 months after the entry into force of the RTS.
- (3) For counterparties in category 3, 18 months after the entry into force of the RTS.
- (4) For counterparties in category 4, 3 years after the entry into force of the RTS.

As defined in Article 4(2) of EMIR, financial counterparties established in Luxembourg and where the CSSF is the competent authority, and non-financial counterparties established in Luxembourg can make use of the exemptions from the clearing obligation for intragroup transactions in OTC derivatives contracts. They have to notify²/apply³ to the CSSF not less than 30 calendar days before the intended use of the exemption.

¹ Please refer to Article 2.1 of the RTS defining the counterparties belonging to the different categories.

² Notification in accordance with Article 4.2(a) of EMIR.

³ Application in accordance with Article 4.2(b) of EMIR.

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Intragroup transactions with third country counterparties

As long as no implementing act has been adopted pursuant to Article 13(2) of EMIR, intragroup transactions in OTC derivatives between counterparties in category 1, 2 and 3 and third-country counterparties enjoy a deferred application of the clearing obligation as foreseen in Article 3(2) of the RTS. However, the counterparty established in Luxembourg has to apply to the CSSF for intragroup exemptions.

Intragroup transactions with counterparties in category 4

The date of notification/application of the clearing obligation for these types of transactions is 3 years after the entry into force of the RTS. This phase-in period also applies to transactions concluded between a financial counterparty and a non-financial counterparty seeking intragroup exemption from the clearing obligation. Therefore, the concerned counterparties have sufficient time to make their notification/application.

How to make a notification/application?

Notifications/applications for intragroup exemptions can be submitted to the CSSF by filling in the interactive form which will be published on the website once the RTS enters into force.

Applicants can preview this form at the following address: http://www.cssf.lu/fileadmin/files/EMIR/Template_IGT_exemption_CO_FINAL_v10.xls in order to be able to gather all required information before submitting their notification/application via the interactive form.

Changes to the information provided in the interactive form

If changes to the information provided in the form occur after exemption from the clearing obligation was granted, the CSSF must be informed by written notice to be sent to the following e-mail addresses:

For financial counterparties: emir_fcp_ige@cssf.lu

For non-financial counterparties: emir_nfcp@cssf.lu by mentioning in the subject line of your e-mail: EMIR-IG exemption.

WARNINGS

■ WARNINGS PUBLISHED BY IOSCO

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

http://www.iosco.org/investor_protection/?subsection=investor_alerts_portal

NATIONAL REGULATION

■ CIRCULAR CSSF 15/624

Electronic transmission of documents to the CSSF

The circular introduces, in addition to the dispatch on paper, the electronic transmission via one of the secured channels E-File or SOFiE of the reports on annual accounts defined in Circular CSSF 01/27, the ICAAP defined in Circular CSSF 07/301, the summary report of the internal control functions defined in Circular CSSF 12/552 and the statement of the authorised management on compliance with this circular, the statement of the authorised management on compliance with Circular CSSF 13/555 and the recovery plans referred to in Directive 2014/59/EU for credit institutions subject to this obligation.

■ CIRCULAR CSSF 15/623

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.

The purpose of this circular is to inform the relevant persons of the FATF statements issued during its plenary in October 2015 and which related to: jurisdictions whose anti-money laundering and combating the financing of terrorism ("AML/CFT") regime has substantial and strategic deficiencies and that are subject to an FATF call on its members and other jurisdictions to apply counter-measures, jurisdictions not making sufficient progress and jurisdictions whose AML/CFT regime is not satisfactory.

■ CIRCULAR CSSF 15/622

Higher ratio notification procedure applicable to remuneration policy according to Article 94(1)(g)(ii) of Directive 2013/36/EU ("CRD IV") following its transposition into Luxembourg law via Article 19(7)(g) of the law of 23 July 2015 (the "Law")

The circular lays down the higher ratio notification procedure applicable to remuneration policy according to CRD IV. The necessary forms are attached to the circular. Moreover, the circular replaces and repeals Circular CSSF 15/601.

■ CIRCULAR CSSF 15/621

Update of Circular CSSF 14/593, as amended by Circular CSSF 15/613, on supervisory reporting requirements applicable to credit institutions

This circular amends Circular CSSF 14/593 by adding the latest developments in reporting requirements.

PENALTIES

■ ISSUERS OF SECURITIES

Since the publication of the last Newsletter, the CSSF imposed administrative fines on two issuers which failed to act in response to an order of the CSSF as regards the publication of a financial report under the law of 11 January 2008 on transparency requirements for issuers of securities ("Transparency Law").

■ 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 (SICAR), the CSSF imposed an administrative fine on the directors (*dirigeants*) of four investment companies in risk capital for non-filing of the annual financial report.

In accordance with Article 17(1) of the law of 15 June 2004 relating to the Investment company in risk capital (SICAR), the CSSF imposed an administrative fine on the directors of four investment companies in risk capital for non-filing of the management letter.

■ SPECIALISED INVESTMENT FUNDS (SIFS)

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 directors of 15 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 directors of 14 specialised investment funds for non-filing of the management letter.

COMMUNIQUES

■ AUDIT REGULATORS SHARE INSIGHTS FROM INSPECTIONS WITH STANDARD SETTERS

Press release 15/47 of 2 November 2015

The 16th plenary meeting of the European Audit Inspection Group (EAIG) was hosted by the Maltese Quality Assurance Unit of the Accountancy Board in Sliema/Malta on October 27 and 28, 2015. The meeting was opened by the Honourable Professor Edward Scicluna, Minister of Finance of Malta, and was chaired by the German Auditor Oversight Commission (AOC). Matters discussed included the work program for 2016 and an update on the extension of the Common Audit Inspection Methodology (CAIM) developed and implemented by members of the EAIG. A meeting was also held with the International Auditing and Assurance Standards Board (IAASB) and the International Ethics Standards Board for Accountants (IESBA).

The EAIG provides a pan-European platform for cooperation among audit regulators. The primary purpose of the EAIG is to create awareness of important issues and promote cooperation and consistency amongst European audit regulators on inspections. The group shares inspection practices and findings amongst its members and facilitates discussions on topics related to audit inspections with third parties, such as the audit standard setters (IAASB/IESBA boards) and the audit profession. The European Commission attends the EAIG meetings as an observer, except for those parts where confidential supervisory information is discussed.

Highlights of the meeting include:

Meeting with International Standard Setters

As part of the annual liaison with the international standard setters the EAIG met with the IAASB and the IESBA. Representatives of both boards updated the EAIG on their current workstreams and on how comments raised by regulators have been taken into account in their processes. Members of the EAIG regularly contribute to the standard setting process with comment letters, based on their exclusive insight in the application of standards in the audit practice as well as, in part, on an analysis of the pan-European audit inspection findings database which is maintained by the EAIG.

EAIG Common Audit Inspection Methodology (CAIM)

In November 2014, the EAIG members adopted the first suite of common work programmes for the inspection of firms' internal quality control procedures. These work programmes, which have been developed on the basis of the EU Directive on Statutory Audit and the International Standard for Quality Control, will contribute to the harmonisation of the inspections of audit firms across Europe.

EAIG members discussed the progress in the implementation of the CAIM and the development of further common work programmes on selected areas of audit engagement reviews.

Dialogue with audit networks

As part of the audit regulators' ongoing dialogue on improvements in audit quality with the largest European audit networks sub-groups have been established within the EAIG. At the meeting the chairs of the sub-groups presented their plans for the forthcoming year. The sub-groups aim at a coordination of the inspection approaches of audit regulators with regard to a particular network. Potential network specific issues identified in the course of inspections will be discussed by the respective sub-group with representatives of that network.

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At a meeting in London on September 25, 2015 the EAIG Steering Group met with the European Contact Group, representing the six largest European Audit Networks (BDO, Deloitte, EY, Grant Thornton, KPMG and PwC) to discuss audit quality matters as well as certain aspects of the EU audit reform.

Way forward

The next meeting of the EAIG will take place in March 2015 in Athens at the invitation of the Hellenic Accounting and Auditing Standards Oversight Board (ELTE).

Further information about the EAIG can be found on its website (www.eaigweb.org).

For further information about the CSSF please visit (www.cssf.lu).

For further information about this press release, please contact

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■ PROFIT AND LOSS ACCOUNT OF CREDIT INSTITUTIONS AS AT 30 SEPTEMBER 2015

Press release 15/45 of 29 October 2015

The CSSF estimates profit before provisions of the Luxembourg banking sector for the first nine months of 2015 at EUR 4,068 million. Compared to the same period in 2014, profit before provisions thus decreased by 3.8%.

The items which mainly contributed to this decrease are other net income and other general expenses which experienced strong fluctuations compared to their level in the third quarter of 2014.

Whereas the intermediation activity remained at the same level, the **interest-rate margin** declined by 1.4%. This downward development reflected the banks' difficulty to operate in the current environment characterised by low interest rates.

Compared to their level at the end of the third quarter of 2014, **net commissions received** climbed by 5.5%. This rise took place in a context of favourable financial markets and of an increase of activities, particularly at the level of depositary banks. These developments resulted in the increase of commissions/fees receivable.

During the same period, **other net income** experienced a negative trend (-6.3%). This item is usually more volatile due to its composition. The drop observed at the end of September 2015 compared to the same period in 2014 is only due to a limited number of banks of the financial centre and results from non-recurrent factors.

General expenses rose by 4.5% over a year. This increase is exclusively linked to the other general expenses whereas staff costs fell by 0.5% over a year. The increase of other general expenses was particularly sharp in depositary banks and related to the positive developments of their activities. The rise is partly explained by the investments in IT systems.

The aggregated amount of the aforementioned developments results in a 3.8% decrease of the profit before provisions year-on-year.

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Profit and loss account as at 30 September 2015

Items in million EUR	September 2014	September 2015	%
Interest rate margin ¹	3,143	3,100	-1.4%
Net commissions received	3,037	3,205	5.5%
Other net income ⁴	1,835	1,720	-6.3%
Banking income	8,015	8,025	0.1%
Staff costs	2,032	2,023	-0.5%
Other general expenses	1,756	1,934	10.1%
General expenses	3,788	3,957	4.5%
Profit before provisions	4,227	4,068	-3.8%

■ EBA, EIOPA AND ESMA CONSULT ON ANTI-MONEY LAUNDERING AND COUNTERING THE FINANCING OF TERRORISM

Press release 15/44 of 28 October 2015

On 21 October 2015, the Joint Committee of the three European Supervisory Authorities (EBA, EIOPA and ESMA, the "ESAs") launched a public consultation on two anti-money laundering and countering the financing of terrorism (AML/CFT) Guidelines:

- 1) Guidelines on risk factors and simplified and enhanced due diligence
- 2) Guidelines on risk based supervision.

These Guidelines are based on the mandates provided for in Articles 17, 18(4) and 48(10) of the EU Directive 2015/849 on the prevention of the use of the financial system for the purposes of money laundering and terrorist financing. They shall promote a common understanding of the risk-based approach to AML/CFT and set out how it should be applied, on the one hand, by credit and financial institutions and, on the other hand, by competent authorities across the EU.

The consultation runs until **22 January 2016**. Please be advised that the ESA's will hold a public hearing at the EBA premises in London on **15 December 2015**.

The documents can be accessed by the following link:

<http://www.eba.europa.eu/-/eba-eiopa-and-esma-consult-on-anti-money-laundering-and-countering-the-financing-of-terrorism>

■ GLOBAL SITUATION OF UNDERTAKINGS FOR COLLECTIVE INVESTMENT AND SPECIALISED INVESTMENT FUNDS AT THE END OF SEPTEMBER 2015

Press release 15/43 of 28 October 2015

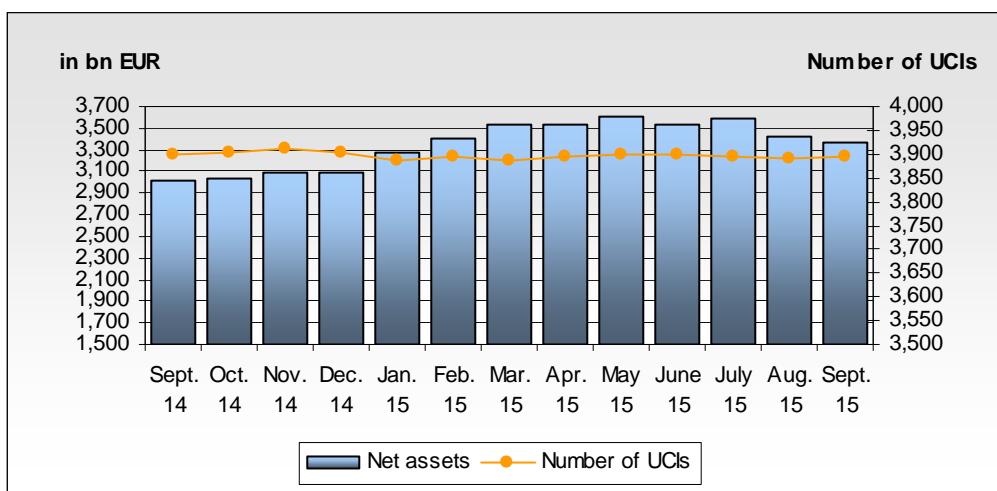
I. Overall situation

As at 30 September 2015, total net assets of undertakings for collective investment and specialised investment funds reached EUR 3,366.826 billion compared to EUR 3,422.987 billion as at 31 August 2015, i.e. a 1.64% decrease over one month. Over the last twelve months, the volume of net assets increased by 11.98%.

The Luxembourg UCI industry registered a negative variation amounting to EUR 56.161 billion during the month of September. This decrease results from the positive net issues of EUR 8.176 billion (+0.24%) combined with the negative development in financial markets amounting to EUR 64.337 billion (-1.88%).

⁴ In order to better reflect the trends of the different income sources of the banks, the dividends received have been reclassified from interest-rate margin to other net income. This reclassification appropriately reflects the existing relation between the assets valued at fair value and the distribution of relating dividends.

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The number of undertakings for collective investment (UCIs) and specialised investment funds (SIFs) taken into consideration totalled 3,894 as against 3,891 in the previous month. 2,543 entities have adopted an umbrella structure, which represents 12,730 sub-funds. When adding the 1,351 entities with a traditional structure to that figure, a total of 14,081 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 2015.

All categories of equity UCIs experienced a negative development during the month under review which was mainly related to uncertainties linked to global economic growth and the Fed's interest rate policy.

In this context, European, American and Japanese equity UCI categories closed with a decrease and the weak economic data of Japan caused higher losses for this category.

If, at the level of emerging countries, the equity UCI categories followed the global downward trend, the Asian equity UCI category limited its losses in relation to the economic programmes launched by the Chinese government. The price drop of commodities due to the Chinese economic growth slowdown and the persisting structural problems of some South American countries explain the more significant losses incurred by the Latin American equity UCI category.

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

Development of equity UCIs during the month of September 2015*

	Market variation in %	Net issues in %
Global market equities	-3.52%	1.10%
European equities	-3.07%	2.22%
US equities	-3.78%	0.50%
Japanese equities	-6.61%	1.79%
Eastern European equities	-3.60%	0.09%
Asian equities	-1.55%	-1.94%
Latin American equities	-5.54%	-1.92%
Other equities	-2.80%	0.03%

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

As far as EUR-denominated government bonds are concerned, the yields declined due, notably, to the Fed's decision to maintain the level of its key interest rates and the announcement of the European Central Bank to extend its asset buy-back programme in case deflationary risks materialise. Risk premiums of EUR-denominated corporate bonds increased following the bad news about certain specific companies. All in all, EUR-denominated bond UCIs ended the month down.

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As regards USD-denominated bond UCIs, a slight increase in prices was registered in the context of the Fed's decision not to increase its key interest rates in the light of the uncertainties about the global economic growth.

The decline of the demand for emerging market bonds in the light of the possibility of an imminent rise of the US key interest rates explains the negative performance of emerging market bond UCIs.

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

Development of fixed-income UCIs during the month of September 2015*

	Market variation in %	Net issues in %
EUR money market	-0.03%	0.64%
USD money market	0.11%	0.75%
Global market money market	-0.52%	1.41%
EUR-denominated bonds	-0.16%	0.10%
USD-denominated bonds	0.09%	1.56%
Global market bonds	-1.01%	-0.56%
Emerging market bonds	-2.16%	-2.06%
High Yield bonds	-2.67%	-1.23%
Others	-1.09%	-1.39%

* 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 2015*

	Market variation in %	Net issues in %
Diversified UCIs	-1.78%	0.31%
Funds of Funds	-2.02%	0.31%

* 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 UCITS		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 €)
31/12/2012	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 €

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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 €
31/10/2014	1,883	2,525.079 €	436	169.371 €	1,585	340.008 €	3,904	3,034.458 €
30/11/2014	1,895	2,567.847 €	433	169.526 €	1,585	345.981 €	3,913	3,083.354 €
31/12/2014	1,893	2,578.423 €	422	168.915 €	1,590	347.649 €	3,905	3,094.987 €
31/01/2015	1,896	2,734.590 €	412	178.286 €	1,577	364.137 €	3,885	3,277.013 €
28/02/2015	1,896	2,851.312 €	409	181.463 €	1,588	371.091 €	3,893	3,403.866 €
31/03/2015	1,891	2,955.916 €	405	186.664 €	1,592	382.213 €	3,888	3,524.793 €
30/04/2015	1,895	2,970.878 €	403	185.177 €	1,596	382.531 €	3,894	3,538.586 €
31/05/2015	1,900	3,027.262 €	401	187.084 €	1,600	387.179 €	3,901	3,601.525 €
30/06/2015	1,903	2,962.778 €	399	182.163 €	1,599	383.190 €	3,901	3,528.131 €
31/07/2015	1,901	3,015.582 €	392	181,228 €	1,602	386.300 €	3,895	3,583.110 €
31/08/2015	1,899	2,871.083 €	391	173.038 €	1,601	378.866 €	3,891	3,422.987 €
30/09/2015	1,900	2,820.370 €	391	169.729 €	1,603	376.727 €	3,894	3,366.826 €

In September, the following 24 undertakings for collective investment and specialised investment funds were registered on the official list:

1) UCITS Part I 2010 Law:

- CARNEGIE FONDER PORTFOLIO II, 5, place de la Gare, L-1616 Luxembourg
- CME GOLD & SILVER EQUITY FUND, 4, rue Thomas Edison, L-1445 Luxembourg-Strassen
- E FUND SICAV, 2-8, avenue Charles de Gaulle, L-1653 Luxembourg
- FORMUEPLEJE LUX SICAV, 5, place de la Gare, L-1616 Luxembourg
- PROBUS INVESTMENT FUND UCITS, 33A, avenue J-F Kennedy, L-1855 Luxembourg
- PROSPECT YIELD FUND, 25, Grand-rue, L-1661 Luxembourg
- SAMARANG UCITS, 7A, rue Robert Stümper, L-2557 Luxembourg

2) UCIs Part II 2010 Law:

- CITUS, 15, rue de Flaxweiler, L-6776 Grevenmacher

3) SIFs:

- BENCHMARK INDEX FUND S.A., SICAV-SIF, 12, rue Eugène Ruppert, L-2453 Luxembourg
- BEST IDEAS FUND SICAV-SIF, 2, boulevard de la Foire, L-1528 Luxembourg
- CGI FUND SICAV SIF S.A., 25A, boulevard Royal, L-2449 Luxembourg
- EMPIRA FONDS SCS SICAV-FIS, 9A, rue Gabriel Lippmann, L-5365 Munsbach
- FASCHIM MULTI ASSET, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
- FLAVEO INFRASTRUCTURE EUROPE SCS SICAV-FIS, 2, place Dargent, L-1413 Luxembourg
- GLOBAL PREMIUM FCP-SIF, 2, place Dargent, L-1413 Luxembourg
- GNT INVESTMENTS SICAV-FIS, 44, boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg
- IFORE SICAV-SIF S.C.A., 20, boulevard Emmanuel Servais, L-2535 Luxembourg
- KGAL APF 2 OPPORTUNITIES SICAV-SIF S.C.S., 1C, rue Gabriel Lippmann, L-5365 Munsbach
- MEAG GLOBAL FCP-SIF, 15, rue Notre-Dame, L-2240 Luxembourg
- MY CAPITAL S.C.S. SICAV-SIF, 1C, rue Gabriel Lippmann, L-5365 Munsbach
- QUAESTA CAPITAL UMBRELLA SICAV-SIF, 5, allée Scheffer, L-2520 Luxembourg
- SILUX SCS, SICAV-FIS, 33, rue de Gasperich, L-5826 Hesperange
- STELARIS CAPITAL SICAV SIF, 12, rue Eugène Ruppert, L-2453 Luxembourg
- SWISS LIFE REAL ESTATE MANAGEMENT FUNDS I S.C.S. SICAV-SIF, 23, route d'Arlon, L-8009 Strassen

The following 21 undertakings for collective investment and specialised investment funds were deregistered from the official list during the month under review:

1) UCITS Part I 2010 Law:

- AXA IM HORIZON, 49, avenue J-F Kennedy, L-1855 Luxembourg
- DWS GLOBAL PROTECT 80 II, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
- H & A SHAREWISE, 1C, rue Gabriel Lippmann, L-5365 Munsbach
- MICHELANGELO SICAV, 19-21, boulevard du Prince Henri, L-1724 Luxembourg
- QUAESTA CAPITAL UMBRELLA SICAV, 5, allée Scheffer, L-2520 Luxembourg
- RETURN SOLUTIONS, 1C, rue Gabriel Lippmann, L-5365 Munsbach
- UNIGARANT: DEUTSCHLAND (2015), 308, route d'Esch, L-1471 Luxembourg
- UNIGARANT: EUROPA (2015) II, 308, route d'Esch, L-1471 Luxembourg

2) UCIs Part II 2010 Law:

- BO FUND II, 5, allée Scheffer, L-2520 Luxembourg

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3) SIFs:

- AB INSTITUTIONAL STRATEGIES, 2-4, rue Eugène Ruppert, L-2453 Luxembourg
- CLEAN POWER FUND SA, SICAV-SIF, 16, rue Jean-Pierre Brasseur, L-1258 Luxembourg
- ECCE VINUM CAPITAL SCA SICAV-SIF, 6, rue Eugène Ruppert, L-2453 Luxembourg
- FABBRIANI INVESTMENT FUND S.C.A., SICAV-SIF, 58, rue Charles Martel, L-2134 Luxembourg
- FAHRENHEIT SICAV-SIF, 33A, avenue J-F Kennedy, L-1855 Luxembourg
- MOSELLE SICAF/SIF, 33A, avenue J-F Kennedy, L-1855 Luxembourg
- MUGC/B GREATER CHINA EQUITY FUND, 287-289, route d'Arlon, L-1150 Luxembourg
- MUGC/HS BRAZIL EQUITY FUND, 287-289, route d'Arlon, L-1150 Luxembourg
- NEW ERA FUND SICAV-SIF, 28-32, place de la Gare, L-1616 Luxembourg
- PARS ASPIRE FUND, 49, avenue J-F Kennedy, L-1855 Luxembourg
- SSGA US EQUITY FUND EX FIN, 287-289, route d'Arlon, L-1150 Luxembourg
- VOSTOK INVESTMENT OPPORTUNITIES FUND SIF, 26, avenue de la Liberté, L-1930 Luxembourg

■ EBA CONSULTS ON COMMUNICATION BETWEEN COMPETENT AUTHORITIES SUPERVISING CREDIT INSTITUTIONS AND STATUTORY AUDITORS

Press release 15/42 of 23 October 2015

On 21 October 2015, EBA launched a consultation on its draft Guidelines on the communication between competent authorities supervising credit institutions and statutory auditors of those institutions. Effective communication between competent authorities and auditors should contribute to fostering financial stability, safety and soundness of the banking system. The consultation runs until 21 January 2016.

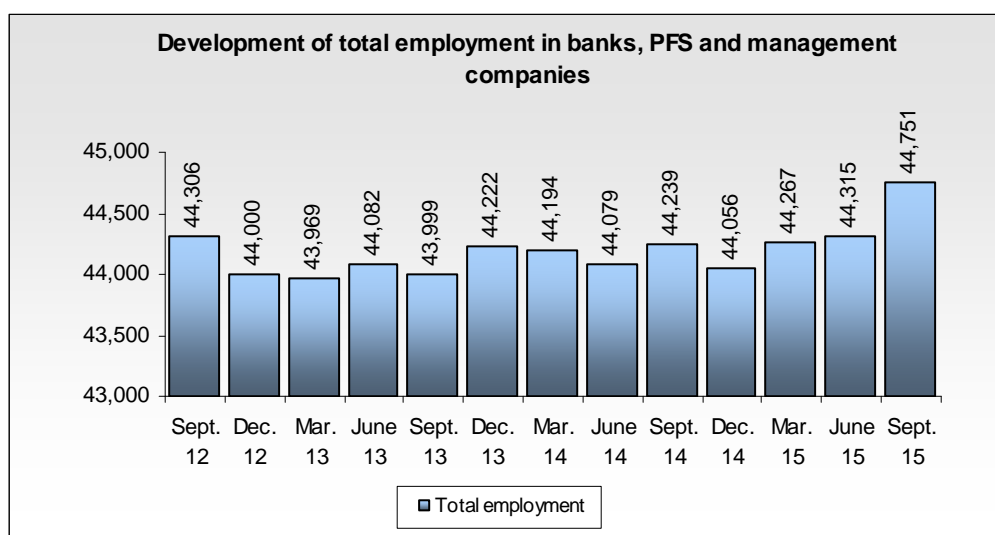
A public hearing will take place at the EBA premises on 5 January 2016.

The document can be accessed by the following link: <http://www.eba.europa.eu/-/eba-consults-on-communication-between-competent-authorities-supervising-credit-institutions-and-statutory-auditors>.

STATISTICS

■ EMPLOYMENT

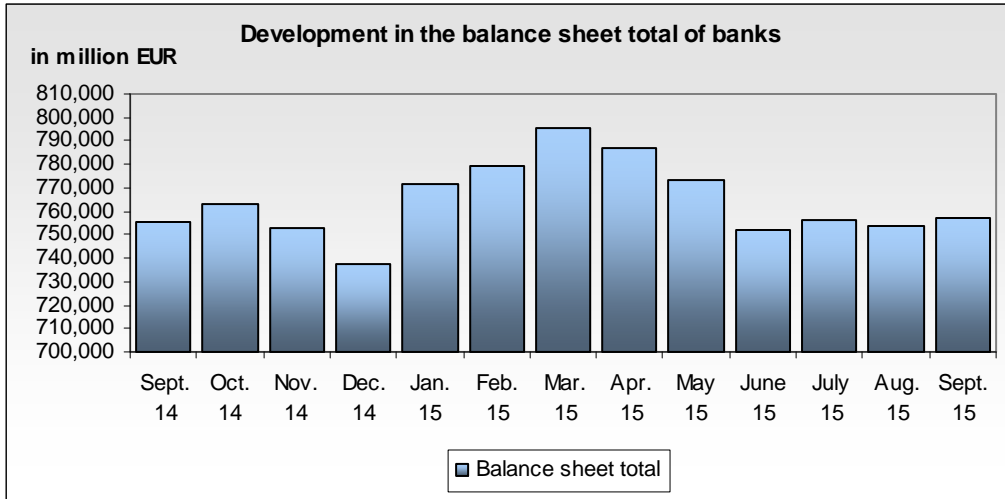
Movements in total staff numbers



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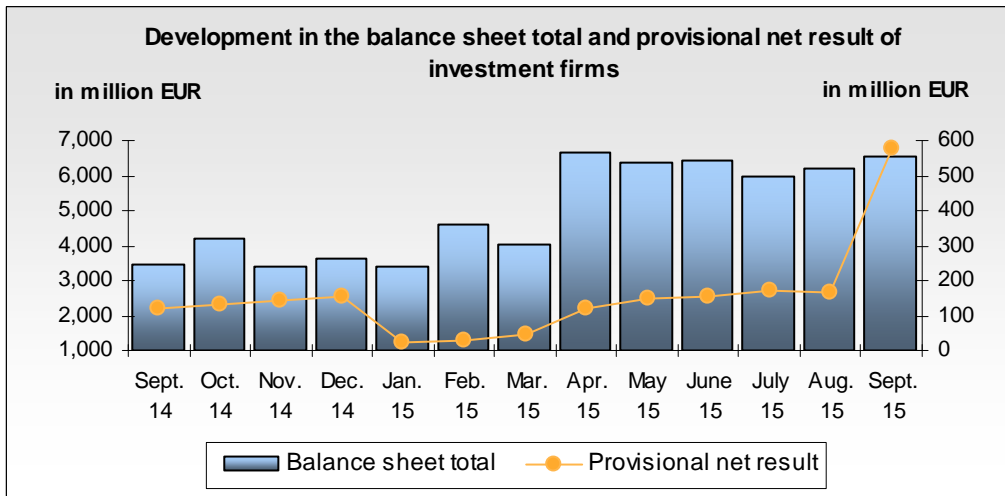
■ BANKS

Increase in the banks' balance sheet total as at 30 September 2015



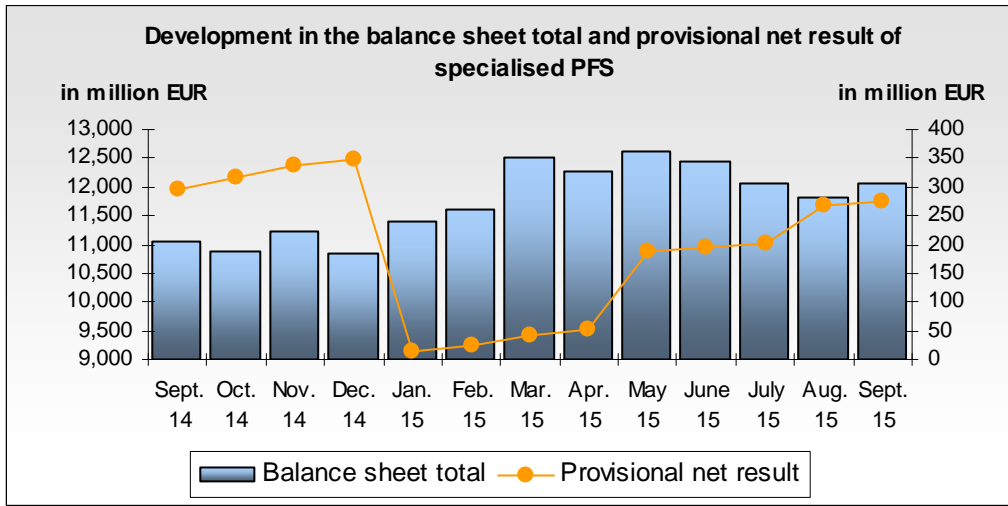
■ INVESTMENT FIRMS

Increase in the investment firms' balance sheet total as at 30 September 2015



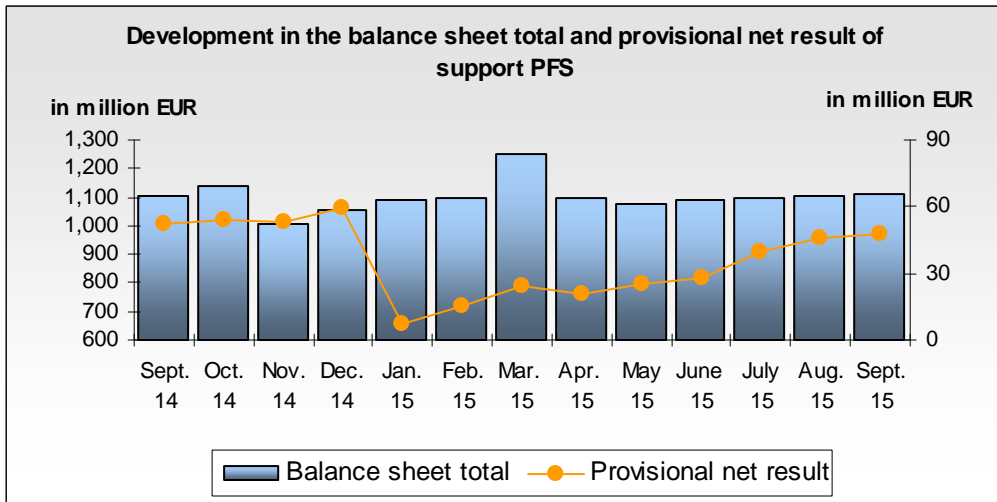
■ SPECIALISED PFS

Increase in the specialised PFS' balance sheet total as at 30 September 2015



■ SUPPORT PFS

Increase in the support PFS' balance sheet total as at 30 September 2015



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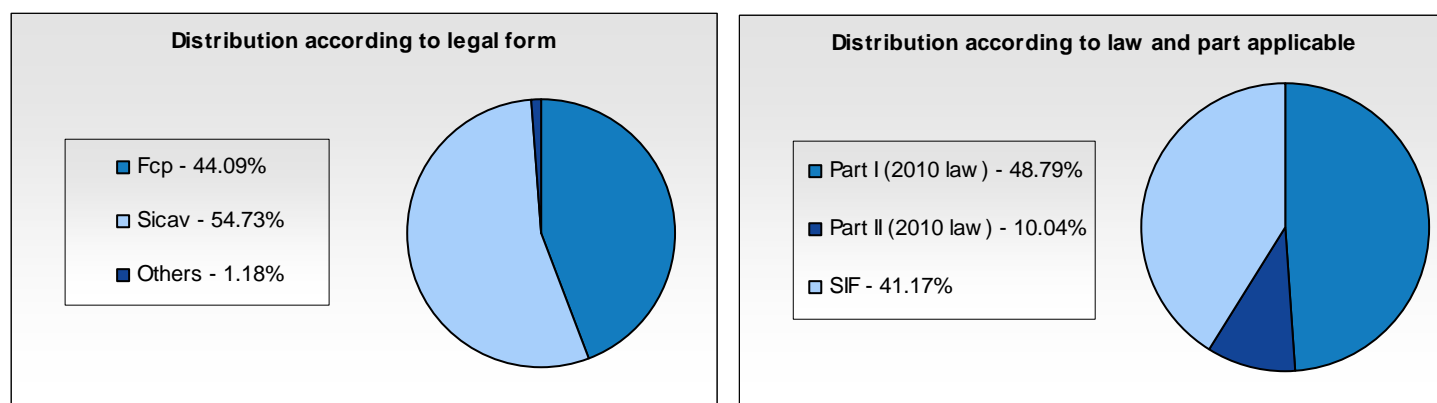
■ UCIS

Quarterly statistics on the undertakings for collective investment industry

Situation as at 30 September 2015

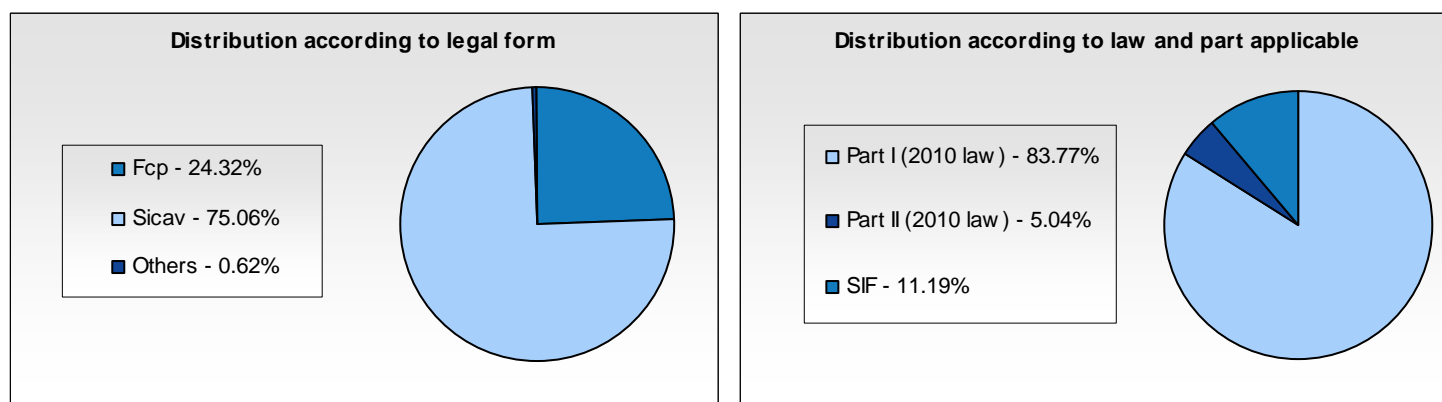
Every three months, in addition to the monthly statistics, the CSSF newsletter provides more detailed information on the investment fund sector, in particular regarding the origin of the promoters and the investment policy of the UCIs.

Number of UCIs



Law, part/legal form	FCPs	SICAVs	Others	Total
Part I (2010 Law)	1,071	829	0	1,900
Part II (2010 Law)	189	198	4	391
SIFs	457	1,104	42	1,603
TOTAL	1,717	2,131	46	3,894

Net assets of UCIs



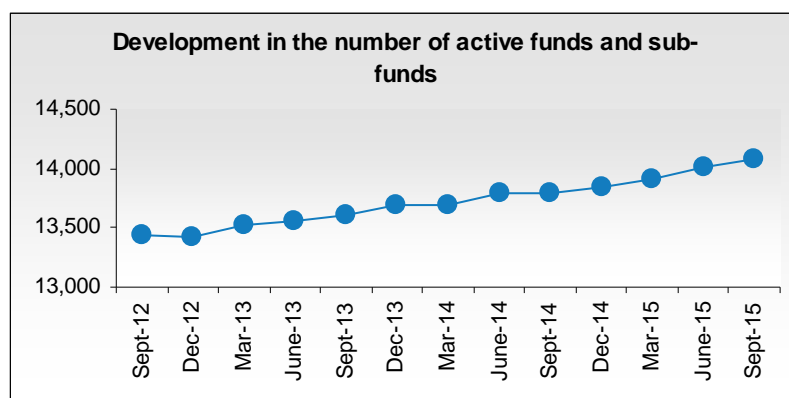
Law, part/legal form (in bn EUR)	FCPs	SICAVs	Others	Total
Part I (2010 Law)	600.227	2,220.143	0.000	2,820.370
Part II (2010 Law)	69.112	99.798	0.819	169.729
SIFs	149.372	207.149	20.206	376.727
TOTAL	818.711	2,527.090	21.025	3,366.826

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Origin of the initiators of Luxembourg UCIs

	Net assets (in bn EUR)	In %
United States	721.105	21.4 %
United Kingdom	557.921	16.6 %
Germany	500.437	14.9 %
Switzerland	475.850	14.1 %
Italy	293.917	8.7 %
France	258.570	7.7 %
Belgium	144.992	4.3 %
Netherlands	73.118	2.2 %
Luxembourg	72.638	2.2 %
Sweden	58.119	1.7 %
Others	210.159	6.2 %
TOTAL	3,366.826	100 %

Development in the number of units



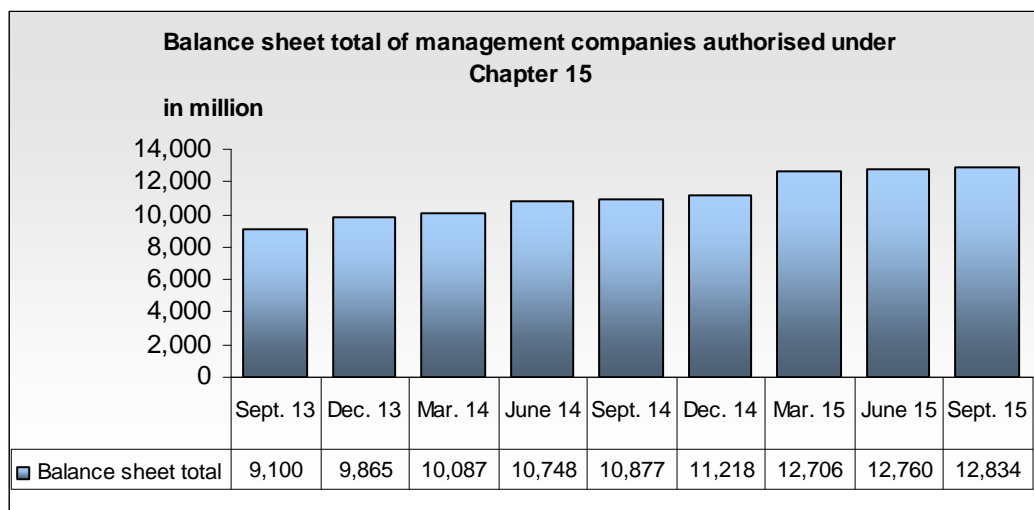
Investment policy of Luxembourg UCIs

	Net assets (in bn EUR)
Fixed-income TS	1,049.151
Variable-yield TS	973.659
Mixed TS	731.404
Fund of funds	219.705
Money market instruments and other short-term securities	286.626
Cash	2.491
Non-listed TS	20.352
Venture capital	1.437
Real estate	40.473
Futures and/or options	12.513
Other assets	29.015
TOTAL	3,366.826

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

Increase in the balance sheet total of management companies authorised under Chapter 15 as at 30 September 2015



■ SICARS

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

- TRANSPORT INFRASTRUCTURE INVESTMENT COMPANY 2, S.C.A. SICAR, 20, boulevard Emmanuel Servais, L-2535 Luxembourg

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

- LNR EUROPE INVESTORS S.A R.L. SICAR, 25C, boulevard Royal, L-2449 Luxembourg
- PARTNERS GROUP REAL ESTATE 2014 (EUR) S.C.A., SICAR, 2, rue Jean Monnet, L-2180 Luxembourg
- PCV INVESTMENT S.A R.L., SICAR, 1-3, boulevard de la Foire, L-1528 Luxembourg

As at 9 November 2015, the number of SICARs registered on the official list amounted to **290 entities**.

■ PENSION FUNDS

As at 10 November 2015, **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 **17**.

■ SECURITISATION UNDERTAKINGS

The number of **securitisation undertakings** authorised by the CSSF in accordance with the law of 22 March 2004 on securitisation amounted to **33 entities** as at 9 November 2015.

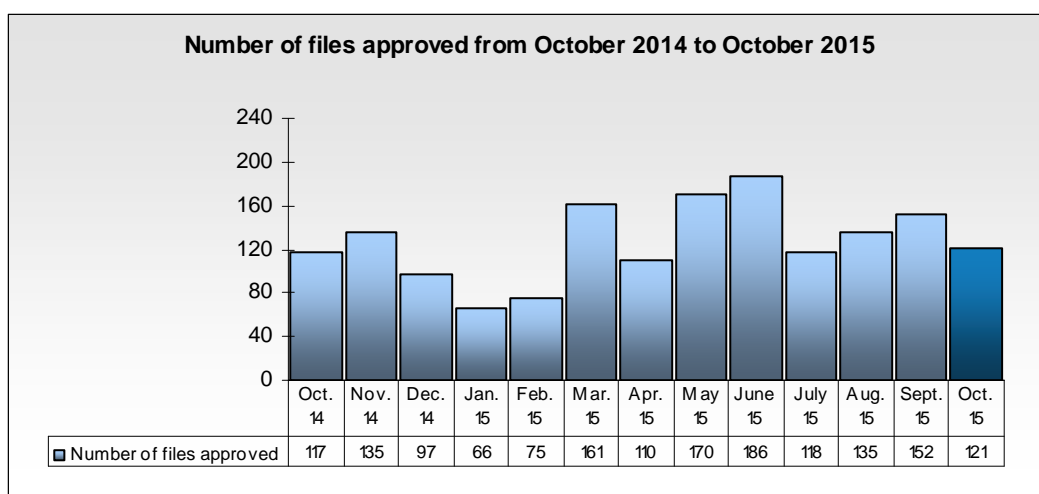
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■ PUBLIC OVERSIGHT OF THE AUDIT PROFESSION

The public oversight of the audit profession covered **66 *cabinets de révision agréés*** (approved audit firms) and **266 *réviseurs d'entreprises agréés*** (approved statutory auditors) as at 31 October 2015. The oversight also included **46 third-country auditors and audit firms** duly registered in accordance with the law of 18 December 2009 concerning the audit profession.

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

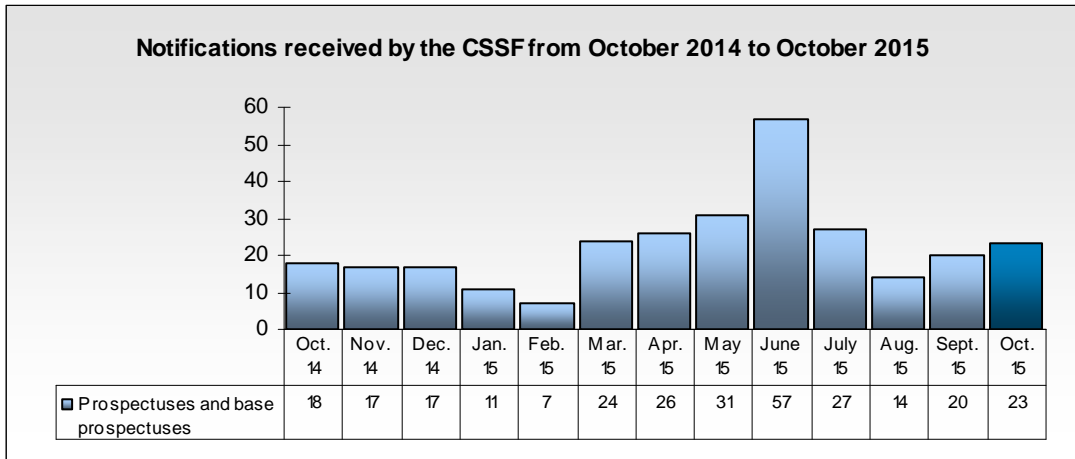
1. CSSF approvals



In October 2015, the CSSF approved a total of 121 documents pursuant to the Prospectus Law, which break down as follows:

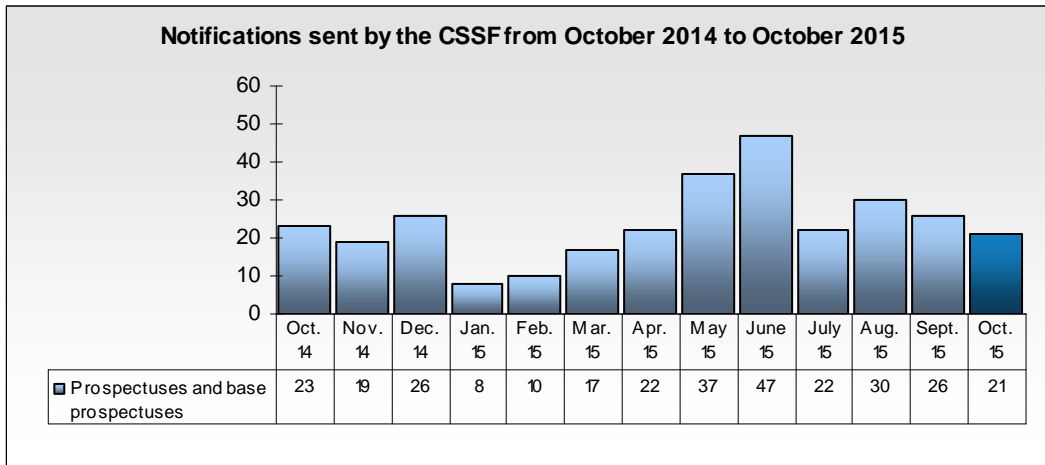
base prospectuses:	16	(13.22 %)
other prospectuses:	29	(23.97 %)
supplements:	76	(62.81 %)

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



In October 2015, the CSSF received 23 notifications relating to prospectuses and base prospectuses and 75 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 2015, the CSSF sent 21 notifications relating to prospectuses and base prospectuses and 49 notifications relating to supplements to the competent authorities of other EEA Member States⁵.

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.

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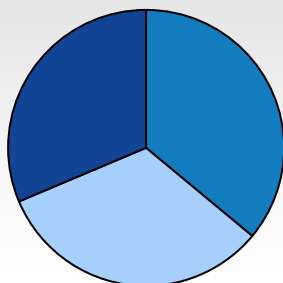
■ ISSUERS OF SECURITIES WHOSE HOME MEMBER STATE IS LUXEMBOURG PURSUANT TO THE LAW OF 11 JANUARY 2008 ON TRANSPARENCY REQUIREMENTS FOR ISSUERS OF SECURITIES (THE "TRANSPARENCY LAW")

Since 9 October 2015, **one** issuer has chosen Luxembourg as home Member State for the purposes of the Transparency Law. **No** issuer was deregistered from the list due to the fact that it no longer falls within the scope of the Transparency Law.

As at 10 November 2015, **596** 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.

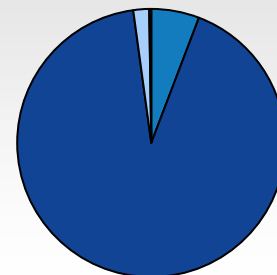
Breakdown of issuers according to countries

■ Luxembourg: 35.74%
■ European Economic Area: 34.73%
■ Third countries: 29.53%



Breakdown of issuers according to type of securities admitted to trading

■ Shares: 8.39%
■ Debt securities: 90.60%
■ Depository receipts: 0.84%
■ Warrants: 0.17%



OFFICIAL LISTS

■ APPLICATION "SUPERVISED ENTITIES"

Following the implementation of the search tool "Supervised Entities" on the CSSF's website: <http://supervisedentities.cssf.lu/index.html?language=en>, all the recent changes can now be viewed online under "Recent changes" and downloaded as PDF or CSV file.

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FINANCIAL CENTRE

Main updated figures regarding the financial centre:

			Annual comparison
Banks	Number (11/11/2015)	143 ⁶	↘ 5 entities
	Balance sheet total (30/09/2015)	EUR 757.437 billion	↗ EUR 2.157 billion
	Profit before provisions (30/09/2015)	EUR 4.068 billion	↘ EUR 182 million
Payment institutions	Number (11/11/2015)	10 including 1 branch	↗ 1 entity
Electronic money institutions	Number (11/11/2015)	5	↘ 1 entity
UCIs	Number (11/11/2015)	Part I 2010 Law: 1,903	↗ 15 entities
		Part II 2010 Law: 390	↘ 46 entities
		SIFs: 1,607	↗ 22 entities
		TOTAL: 3,900	↘ 9 entities
	Total net assets (30/09/2015)	EUR 3,666.826 billion	↗ EUR 660.064 billion
Management companies (Chapter 15)	Number (31/10/2015)	206	no variation
	Balance sheet total (30/09/2015)	EUR 12.834 billion	↗ 1.957 billion
Management companies (Chapter 16)	Number (31/10/2015)	178	↘ 2 entities
AIFMs	Number (11/11/2015)	196	↗ 49
SICARs	Number (09/11/2015)	290	↗ 6 entities
Pension funds	Number (10/11/2015)	14	↘ 1 entity
Authorised securitisation undertakings	Number (09/11/2015)	33	↗ 1 entity
Investment firms	Number (11/11/2015)	106 of which 10 branches	↘ 4 entities
	Balance sheet total (30/09/2015)	EUR 6.525 billion	↗ EUR 3.059 billion
	Provisional net profit (30/09/2015)	EUR 580.803 million	↗ EUR 462.181 million
Specialised PFS	Number (11/11/2015)	126	↘ 2 entities
	Balance sheet total (30/09/2015)	EUR 12.075 billion	↗ EUR 1.024 million
	Provisional net profit (30/09/2015)	EUR 275.253 million	↘ EUR 21.077 million
Support PFS	Number (11/11/2015)	80	↘ 2 entities
	Balance sheet total (30/09/2015)	EUR 1.108 billion	↗ EUR 4 million
	Provisional net profit (30/09/2015)	EUR 48.60 million	↘ EUR 3.74 million
Issuers of securities whose home Member State is Luxembourg pursuant to the Transparency Law	Number (10/11/2015)	596	↘ 51 entities
Public oversight of the audit profession	Number (31/10/2015)	66 <i>cabinets de révision agréés</i>	no variation
		266 <i>réviseurs d'entreprises agréés</i>	↗ 20 people
		46 third-country auditors and audit firms	↘ 2 entities
Employment (30/09/2015)	Banks	25,844 people	↘ 307 people
	Management companies (Chapter 15)	3,743 people	↗ 404 people
	Investment firms	2,286 people	↘ 61 people
	Specialised PFS	3,730 people	↗ 344 people
	Support PFS	9,148 people	↗ 132 people
	Total	44,751 people	↗ 512 people ⁷

⁶ A difference with the number stated in the application "Supervised entities" may occur. This difference is due to the fact that the list in the application includes the banks that are already closed, but whose closure has not yet been confirmed by the ECB.

⁷ 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.