



# Newsletter

**No. 183 - April 2016**

General Secretariat of the CSSF  
283, route d'Arlon, L-1150 Luxembourg  
Postal address: L-2991 Luxembourg  
Tel.: (+352) 26 251-2560  
Email: [direction@cssf.lu](mailto:direction@cssf.lu)  
Website: [www.cssf.lu/en/](http://www.cssf.lu/en/)



## NEWS

### ■ FAQ regarding the identification/verification of identity through video chat

The CSSF informs the professionals of the financial sector that, on 8 April 2016, it published a document titled *FAQ regarding the identification/verification of identity through video chat* under <http://www.cssf.lu/en/supervision/financial-crime/aml-ctf/additional-documentation/>. The purpose of the document is to take into account the development of the new technologies while fulfilling the obligations required by the applicable legal and regulatory texts in relation to the fight against money laundering and terrorist financing.

## HUMAN RESOURCES

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

### Internal Audit

Eugénie STRADIOT

### UCI departments

Grâce Edwige MUTESI

Sandra PALETTA

Jérôme PHAN

### Information systems of the CSSF

James CHARTIER

Following the departure of one agent, the CSSF employs 642 agents, 332 of whom are men and 310 are women (12 April 2016).

## 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](http://www.iosco.org/investor_protection/?subsection=investor_alerts_portal)

## NATIONAL REGULATION

### ■ Circular CSSF-CPDI 16/01

The purpose of the circular is to provide information on the collection of the 2016 ex ante contributions in accordance with Article 166(2) of the law of 18 December 2015 on the failure of credit institutions and certain investment firms.

## ■ Circular CSSF 16/635

The circular amends Circular CSSF 12/539 on technical specifications regarding the submission to the CSSF of documents under the law on prospectuses for securities and general overview of the aforementioned law as amended by Circular CSSF 15/632 by taking into account the amendments introduced by Commission Delegated Regulation (EU) 2016/301.

## SINGLE SUPERVISORY MECHANISM (SSM)

### ■ Single Supervisory Mechanism - European Central Bank (ECB)

#### Publications

**11 March 2016** – Publication of the [ECB Opinion on \(a\) a proposal for a regulation laying down common rules on securitisation and creating a European framework for simple, transparent and standardised securitisation and \(b\) a proposal for a regulation amending Regulation \(EU\) No 575/2013 on prudential requirements for credit institutions and investment firms](#) (CON/2016/11)

The ECB welcomes the objectives of the proposed regulations of promoting the further integration of Union financial markets, diversifying funding sources and unlocking capital for sound lending to the real economy. The development of a common set of substantive rules across the Union regulatory framework for all securitisations is a significant step towards regulatory harmonization and consistency. The ECB also supports the establishment of criteria to identify a subset of securitisations which can be classified as simple, transparent and standardised (STS) and welcomes the proposed CRR amendment's adjustment to capital charges to provide for a more risk-sensitive treatment for STS securitisations. Nonetheless, the proposed regulations should, in the ECB's view, be further enhanced and streamlined.

**23 March 2016** - [ECB Annual Report on supervisory activities 2015](#)

The ECB publishes its annual report for 2015 on how it has carried out its supervisory tasks. Danièle Nouy, Chair of the Supervisory Board, has presented the report to the European Parliament at a public hearing on 22 March 2016. This report reviews the key achievements for 2015. It further outlines the supervisory priorities for 2016 and the main challenges ahead.

**24 March 2016** - [ECB publishes Regulation and Guide on how to harmonize options and discretions in banking supervision](#)

Following a public consultation, the ECB has published its Regulation on the exercise of options and discretions available in Union law (ODs) and its Guide on said ODs. Both documents lay down how the exercise of ODs in banking legislation is to be harmonized in the euro area. The Regulation determines the exercise of ODs available in Union law and mandated to competent authorities, concerning prudential requirements for credit institutions. The exercise of those ODs provided for in this Regulation is directly applicable to credit institutions classified as significant. The Guide sets out the ECB's approach concerning the exercise of ODs provided for in the EU legislative framework (Regulation (EU) No 575/2013 of the European Parliament and of the Council (CRR) and Directive 2013/36/EU of the European Parliament and of the Council (CRD IV)) and which concern the prudential supervision of credit institutions. It aims to provide coherence, effectiveness and transparency regarding the supervisory policies that will be applied in supervisory processes within the SSM as far as the significant credit institutions are concerned. In particular, the policies set out in this Guide will be used as guidance by the JSTs when assessing individual requests and/or decisions that would involve the exercise of an option or discretion.

**24 March 2016** - [Public guidance on the recognition of significant credit risk transfer](#)

This ECB guidance lays down the procedure to be followed by significant supervised entities when acting as originator institutions with regard to the recognition of significant risk transfer (SRT) in accordance with CRR rules. The ECB recommends that entities follow this guidance with respect to all securitisation transactions issued after its publication. This guidance will be updated from time to time to reflect further developments.

**Interviews, Speeches and Letters**

**1 March 2016** – [“Navigating uncertainty – governance, risk management and leveraged finance”](#) – Speech by Sabine Lautenschläger, Member of the Executive Board of the ECB and Vice-Chair of the ECB’s Supervisory Board, at the 17<sup>th</sup> Annual Risk Management Convention by the Global Association of Risk Professionals, New York

**9 March 2016** – [“Banking union and the United Kingdom in the Single Market”](#) – Speech by Ignazio Angeloni, Member of the Supervisory Board of the ECB, Barclays Annual Bank Capital Conference, London

**11 March 2016** – [“Interview with Hospodárske noviny”](#) – Interview with Danièle Nouy, Chair of the Supervisory Board of the ECB, conducted by Jozef Rynik

**14 March 2016** – [“European Banking Supervision – The why, the how, the what \(slides from the presentation\)”](#) – Speech by Danièle Nouy, Chair of the ECB’s Supervisory Board, at Baden-Badener Unternehmengespräche, Baden-Baden

**■ European Banking Authority (EBA)****Publications****1 March 2016** - [EBA publishes its annual assessment of EU colleges of supervisors](#)

The EBA has published its annual assessment of EU colleges of supervisors, the forum within which joint decisions on capital and liquidity and recovery plans are organised for EU cross border banking groups. The report assesses how colleges have functioned during 2015 and identifies key activities for the effective oversight of EU cross border banking groups in 2016. In addition, it draws the attention of supervisors to some specific items for 2016, including non-performing loans (NPLs) and balance sheet cleaning, business model sustainability, conduct risk and IT risks.

**2 March 2016** - [EBA publishes results of the CRDIV-CRR/Basel III monitoring exercise as of 30 June 2015](#)

The EBA has published its ninth report of the CRDIV-CRR/Basel III monitoring exercise on the European banking system. This exercise, run 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 – risk-based and non-risk-based (leverage) ratios – and liquidity ratios – the liquidity coverage ratio (LCR) and net stable funding ratio (NSFR) – for banks in the EU. It summarises the results using data as of 30 June 2015.

**8 March 2016** - [EBA amends DPM and XBRL taxonomy 2.4 for remittance of supervisory reporting](#)

The EBA has published a corrective update (2.4.1) to the XBRL taxonomy that Competent Authorities shall use for the remittance of data under the EBA Implementing Technical Standards (ITS) on supervisory reporting. The revised taxonomy will be used for the first reports under the revised LCR and Leverage Ratio (LR) requirements resulting from Delegated Acts of the European Commission.

**8 March 2016** - [EBA publishes new DPM and XBRL taxonomy 2.5 for remittance of supervisory reporting](#)

The EBA has published a revised XBRL taxonomy that Competent Authorities should use for the remittance of data under the EBA ITS on supervisory reporting. The revised taxonomy will be used for reference dates from 31 December 2016 onwards.

**8 March 2016** - [EBA issues amended standards on supervisory reporting for institutions](#)

The EBA has published its final draft ITS amending the Commission's Implementing Regulation (EU) No 680/2014 on supervisory reporting.

**10 March 2016** - [EBA issues 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. Competent Authorities throughout the EU are informed that data submitted in accordance with these ITS should not be formally validated against the set of deactivated rules.

**23 March 2016** - [EBA publishes the report on SMEs and the SME Supporting Factor](#)

The EBA has published a Report on small and medium enterprises (SMEs) which analyses (i) the evolution of lending trends and conditions for SMEs, (ii) the effective riskiness of EU SMEs over a full economic cycle and (iii) the consistency of own funds requirements laid down in the CRR for credit risk on exposures to SMEs. Overall, the results of the EBA analysis show limited effectiveness of the SME Supporting Factor (SF). However, more data is needed before drawing firm conclusions and, therefore, the EBA recommends continued monitoring of the application of the SF.

**30 March 2016** - [EBA reports on high earners and the effects of the bonus cap](#)

The EBA report on remuneration practices shows that the number of high earners in EU banks increased significantly in 2014, while the average ratio between the variable and fixed remuneration dropped significantly for high earners, as well as for all other identified staff. The report focuses on the identification of staff, the application of deferral arrangements, the pay-out in instruments and the impact of the bonus cap on institutions financial stability and cost flexibility, which was found to have no significant effect. The report differentiates between data on the remuneration of "high-earners" and benchmarking data for "identified staff".

**12 April 2016** - [EBA publishes Opinion on the application of customer due diligence measures to customers who are asylum seekers from higher-risk third countries or territories](#)

The EBA has published its Opinion setting out measures credit and financial institutions can take to comply with EU Anti-Money Laundering and Counter-Terrorist Financing (AML/CFT) requirements when providing asylum seekers from higher-risk jurisdictions with access to basic financial products and services.

## Public Consultations

### CAPITAL REQUIREMENTS DIRECTIVE AND REGULATION

**4 March 2016** - [EBA seeks comments on reporting of prudent valuation information](#)

The EBA has launched a public consultation on the inclusion of prudent valuation into COREP, the reporting framework through which EU banking institutions report supervisory information. The amendments proposed by the EBA reflect the prudent valuation requirements in Commission Delegated Regulation (EU) No 2016/101. This public consultation ended on 30 March 2016.

**22 March 2016** - [EBA consults on draft Guidelines on corrections to modified duration for debt instruments](#)

The EBA has launched a public consultation on draft Guidelines on corrections to modified duration for debt instruments. These Guidelines aim to establish what type of adjustments to the modified duration (MD) - as defined according to the formulas in the CRR - have to be performed in order to appropriately reflect the effect of the prepayment risk. The consultation will run until 22 June 2016.

**23 March 2016** - [EBA seeks input at national level on FINREP and GAAP](#)

The EBA has launched a public consultation on reporting financial information using Generally Accepted Accounting Practices (GAAP) across EU jurisdictions. This is a decentralised public consultation, which takes place through National Competent Authorities (NCAs) across the EU and not through the EBA, so as to allow for a better informed discussion on questions that may be specific to the individual jurisdictions across the EU. All interested stakeholders can provide feedback directly to their NCAs by 15 April 2016.

## **MORTGAGE CREDIT DIRECTIVE**

**21 March 2016** - [EBA publishes Decision specifying the benchmark rate under the Mortgage Credit Directive](#)

The EBA has published a Decision specifying the formula to be used by creditors when calculating the benchmark rate under the Mortgage Credit Directive (MCD). The MCD requires creditors to use, under certain circumstances, a benchmark rate specified by the EBA for the illustrative examples in the European Standardised Information Sheet (ESIS) for variable rate mortgages. The EBA formula will apply 20 days after its publication in the EU Official Journal but can also be used by creditors prior to its formal publication.

## ■ **Joint Committee of the European Supervisory Authorities (ESAs)**

**8 March 2016** - [ESAs publish final draft technical standards on margin requirements for non-centrally cleared OTC derivatives](#)

The European Supervisory Authorities (EBA, EIOPA and ESMA - ESAs) have published the final draft Regulatory Technical Standards (RTS) outlining the framework of the European Market Infrastructure Regulation (EMIR). These draft RTS have been developed on the basis of Article 11(15) of EMIR, which establishes provisions aimed at increasing the safety and transparency of the over-the-counter (OTC) derivatives markets in the EU. These RTS cover the risk mitigation techniques related to the exchange of collateral to cover exposures arising from non-centrally cleared OTC derivatives. They also specify the criteria concerning intragroup exemptions and the definitions of practical and legal impediments to the prompt transfer of funds between counterparties. These standards aim at increasing the safety of the OTC derivatives markets in the EU.

## ■ **European Systemic Risk Board (ESRB)**

### **Publications**

**17 March 2016** – Adverse stress test scenario for the 2016 EU-wide banking sector stress test of the EBA. [Report](#) and [Accompanying letter](#).

The European Systemic Risk Board (ESRB) was in charge of elaborating the adverse scenario to be included in the EBA 2016 EU-wide bank stress testing exercise. Against this background, the report describes the findings of the ESRB including the assessment of main risks to financial stability of the EU financial sector, i.e. an abrupt reversal of compressed global risk premia, amplified by low secondary market liquidity; weak profitability prospects for banks and insurers in a low nominal growth environment, amid incomplete balance sheet adjustments; rising debt sustainability concerns in the public and non-financial private sectors, amid low nominal growth; prospective stress in a rapidly growing shadow banking sector, amplified by spillover and liquidity risk. The adverse scenario presented by the ESRB covers three years, starting from the first quarter of 2016, when the shocks are assumed to materialise, and ending in 2018.

**22 March 2016** – [Opinion of the European Systemic Risk Board of 18 February 2016 regarding the extension of a stricter Belgian measure based on Article 458 of the CRR \(ESRB/2016/1\)](#) and [related report](#)

The Nationale Bank van België/Banque Nationale de Belgique (NBB) notified the ESRB of its intention to extend for another year the stricter national measure for residential mortgage lending under Article 458 of the CRR.

The extension of this macroprudential measure is subject to the procedure described in paragraph 4 of Article 458 of the CRR which requires the ESRB to provide the Council of the EU, the Commission and Belgium with an opinion within one month of receiving such notification. The opinion issued by the ESRB is accompanied by an assessment of the planned extension, which addresses the points specified in paragraph 2 of Article 458 of the CRR. This document provides the required assessment. It focuses in particular on factors which have changed since the initial assessment that accompanied the ESRB opinion of 30 April 2014.

**24 March 2016** – [ESRB Risk Dashboard, March 2016](#), including the [Overview note](#) and the attached [Annex I](#) and [Annex II](#)

The ESRB risk dashboard is a set of quantitative and qualitative indicators of systemic risk in the EU financial system. Unless otherwise indicated, all EU indicators relate to the 28 Member States of the EU (the EU28) and all data series relate to the Euro19 (i.e. the euro area including Lithuania) for the whole time series.

The accompanying overview note provides a short analysis of the main results achieved with the set of indicators which is complemented by a methodological document (Annex I) and a description of the indicators used (Annex II).

**31 March 2016** – [Recommendation of the European Systemic Risk Board of 21 March 2016](#) amending Recommendation ESRB/2012/2 on funding of credit institutions (ESRB/2016/2).

The Recommendation ESRB/2012/2 aiming at incentivising sustainable funding structures for credit institutions and which has been adopted by the ESRB the 20 December 2012, has been amended by the General Board of the ESRB.

### Working papers

**11 March 2016** – [Working paper no. 3: How excessive is banks' maturity transformation?, by Anatoli Segura, Javier Suarez](#)

This paper aims at quantifying the gains from regulating banks' maturity transformation in an infinite horizon model of banks which finance long-term assets with non-tradable debt. After calibrating the model to Eurozone banking data for 2006, an analysis is conducted in order to measure the extent to which banks' average debt maturities were excessively short and the size of the welfare gains that would have been associated with regulating liquidity risk in such an environment. The final part of the paper analyses the sensitivity of the quantitative results to key aspects of the calibration strategy and discusses several possible extensions of the model.

**11 March 2016** – [Working paper no. 4: Capital market financing, firm growth, and firm size distribution, by Tatiana Didier, Ross Levine, Sergio L. Schmukler](#)

The purpose of this paper is to evaluate how many and which firms issue equity and bonds in domestic and international markets, how do these firms grow relative to non-issuing firms, and how does firm performance vary along the firm size distribution (FSD). To evaluate these questions, a new dataset was constructed by matching data on firm-level capital raising activity with balance sheet data for 45,527 listed firms in 51 countries. Three main patterns emerge from the analysis. First, only a few large firms issue equity or bonds, and among them a small subset has raised a large proportion of the funds raised during the 1990s and 2000s. Second, issuers grow faster than non-issuers in terms of assets, sales, and employment, i.e., firms do not simply use securities markets to adjust their financial accounts. Finally, the FSD of issuers evolves differently from that of non-issuers, tightening among issuers and widening among non-issuers.

**24 March 2016** – [Working paper no. 5: Securities Trading by Banks and Credit Supply: Micro-Evidence from the Crisis, by Puriya Abbassi, Rajkamal Iyer, José-Luis Peydró, Francesc R. Tous](#)

This working paper analyses securities trading by banks during the crisis and the associated spillovers to the supply of credit. For this purpose, a proprietary dataset that has the investments of banks at the security level for 2005-2012 is used in conjunction with the credit register from Germany. The main findings of the report are as follows: during the crisis, banks with higher trading expertise (trading banks) increase their investments in securities, especially in those that had a larger price drop, with the strongest impact in low-rated and long-term securities. Moreover, trading banks reduce their credit supply, and the credit crunch is binding at the firm level. All of the effects are more pronounced for trading banks with higher capital levels. Finally, banks use central bank liquidity and government subsidies like public recapitalization and implicit guarantees mainly to support trading of securities. Overall, the results suggest an externality arising from fire sales in securities markets on credit supply via the trading behavior of banks.

**24 March 2016** – [Working paper no. 6: Cross-country Exposures to the Swiss Franc, by Agustín S. Bénétrix, Philip R. Lane](#)

This paper has two main goals. Firstly, this paper documents the foreign currency exposures of Switzerland in the 2002-2012 period and finds that the large scale of the Swiss international balance sheet means that movements in the Swiss Franc generate large cross-border valuation effects. Secondly, the paper examines the Swiss Franc

holdings of the rest of the world and highlights differences in exposures between advanced and emerging economies.

## ■ European Commission

### **CAPITAL REQUIREMENTS DIRECTIVE AND REGULATION**

**5 March 2016** – Publication of the [Commission Implementing Regulation \(EU\) 2016/313](#) of 1 March 2016 amending Implementing Regulation (EU) No 680/2014 with regard to additional monitoring metrics for liquidity reporting

**10 March 2016** – Publication of the [Commission Implementing Regulation \(EU\) 2016/322 of 10 February 2016](#) amending Implementing Regulation (EU) No 680/2014 laying down implementing technical standards with regard to supervisory reporting of institutions of the liquidity coverage requirement

### **BANK RECOVERY AND RESOLUTION DIRECTIVE**

**30 March 2016** – Publication of the [Commission Delegated Regulation \(EU\) 2016/451 of 16 December 2015](#) laying down general principles and criteria for the investment strategy and rules for the administration of the Single Resolution Fund

## ■ Basel Committee on Banking Supervision (BCBS)

**24 March 2016** – [BCBS proposed measures to reduce the variation in credit risk-weighted assets](#)

The EBA has released a consultative document on proposed measures to reduce the variation in credit risk-weighted assets. The proposed changes to the IRB approaches are: (i) remove the option to use the IRB approaches for certain exposure categories; where the IRB approaches remain available (ii) adopt exposure-level, model-parameter floors to ensure a minimum level of conservatism for portfolios and (iii) provide greater specification of parameter estimation practices. The consultation will run until 24 June 2016.

## ■ Financial Stability Board (FSB)

**18 March 2016** – [FSB published the Second Thematic Peer Review on Resolution Regimes](#)

The peer review recommends to: (i) introduce missing powers in bank resolution regimes; (ii) review and extend as necessary the scope of their regimes; (iii) introduce recovery and resolution planning requirements for all banks that are potentially systemic in failure; and (iv) adopt powers to require banks to take measures to improve their resolvability.

**31 March 2016** – [Meeting of the Financial Stability Board in Tokyo on 30-31 March](#)

A key deliverable agreed at this meeting was elements of a public consultation to take place in mid-2016 on policy recommendations to address structural vulnerabilities from asset management activities.

## PENALTIES

### ■ Undertakings for collective investment (UCIs)

In accordance with Article 148(1) of the law of 17 December 2010 relating to undertakings for collective investment, the CSSF imposed an administrative fine on a natural person for filing of an incomplete declaration of honour.



## COMMUNIQUES

**■ Publications of the Commission des Normes Comptables (Accounting Standards Board)****Communiqué of 11 April 2016**

The CSSF draws attention to the following publications of the Commission des Normes Comptables (CNC):

- FAQ 01/2016 "Land and buildings under the LUX GAAP framework: application of the cost model";
- Communiqué: "Publication of FAQ on the Standard Chart of Accounts (SCA)";
- FAQ SCA 01/2016 "Deletion of the category of exceptional income and expenses: practical implications".

These documents are available in French on the website of the Ministry of Justice, under Législation > Législation commerciale > Droit comptable (<http://www.mj.public.lu/legislation/commerciale/>).

**■ Panama Papers****Press release 16/19 of 5 April 2016**

The Commission for the Supervision of the Financial Sector (CSSF) has taken note of the "Panama Papers" by the International Consortium of Investigative Journalists.

The CSSF will continue to request that Luxembourg banks and investment firms thoroughly follow their professional obligations, specifically with regards to the prevention of money laundering and will draw the appropriate consequences if they fail to do so.

Moreover Luxembourg banks are collecting information with regards to automatic exchange of information with counterparts in the EU and OECD, covering both natural persons and beneficial owners of legal entities.

**■ Derogation Takeover Law (KSG Agro S.A.)****Press release 16/18 of 4 April 2016**

The CSSF has granted on 4<sup>th</sup> April 2016, on the basis of Article 4 (5) of the law of 19 May 2006 on takeover bids (the "**Takeover Law**"), a derogation from the mandatory bid rule laid down by Article 5 (1) of the Takeover Law with respect to the shares of KSG Agro S.A., a company incorporated under the laws of Luxembourg, having its registered office at 24, rue Astrid, L-1143 Luxembourg (the "**Company**") whose shares are admitted to trading on the regulated market of the Warsaw stock exchange.

The derogation has been granted to Olbis Investments LTD SA, a company having its registered office at Edificio PH Plaza 2000, Calle 50, Apartado 0816-01098, Panama, Republic of Panama, as regards the 9,705,500 Company shares bought from ICD Investments SA, a company having its registered office at Via Nassa 60, 6901 Lugano, Switzerland. The shares in question represent 64.62% of the Company's share capital. Theretofore Olbis Investments LTD SA owned no shares in the Company.

The CSSF considered that the derogation is justified because both the purchaser and the seller are controlled by Mr Sergiy Kasianov. As a result, based on the information provided to the CSSF, no real change of control follows at the level of the beneficial owner from the acquisition by Olbis Investments LTD SA of the shares in question. In granting the derogation, the CSSF furthermore took into consideration that the sale took place at the official market price of the Company's shares as of the date of the share purchase agreement between the parties.

## ■ Publication of Circular CSSF 16/635

### Communiqué of 1 April 2016

On 1 April 2016, the CSSF published Circular CSSF 16/635, which amends with immediate effect Circular CSSF 12/539 as amended by Circular CSSF 15/632.

The purpose of Circular CSSF 12/539 is notably to detail the technical specifications regarding the submission to the CSSF, under the law of 10 July 2005 on prospectuses for securities, of documents for offers to the public of securities and/or admissions of securities to trading on a regulated market.

The amendments at hand:

- take into account the provisions in relation to the submission of applications for approval, their receipt and processing, the changes to the draft documents submitted for approval and the submission of the final versions of these documents by Delegated Regulation (EU) 2016/301 of 30 November 2015 by updating the technical specifications regarding the submission to the CSSF of documents for approval or notification; and
- update the process of filing of final terms of base prospectuses approved by the CSSF in accordance with Articles 8(4) and 32(4) of the law on prospectuses for securities as well as the information which the filing of these final terms shall contain.

It should be noted that, from the date of Circular CSSF 16/635 on, the final terms shall be filed via a dedicated form, which is available on the website of the CSSF at <https://finalterms.apps.cssf.lu/>.

In this context, it should be noted that Delegated Regulation (EU) 2016/301 has entered into force on 24 March 2016 and also contains other provisions, which have not been covered by Circular CSSF 16/635.

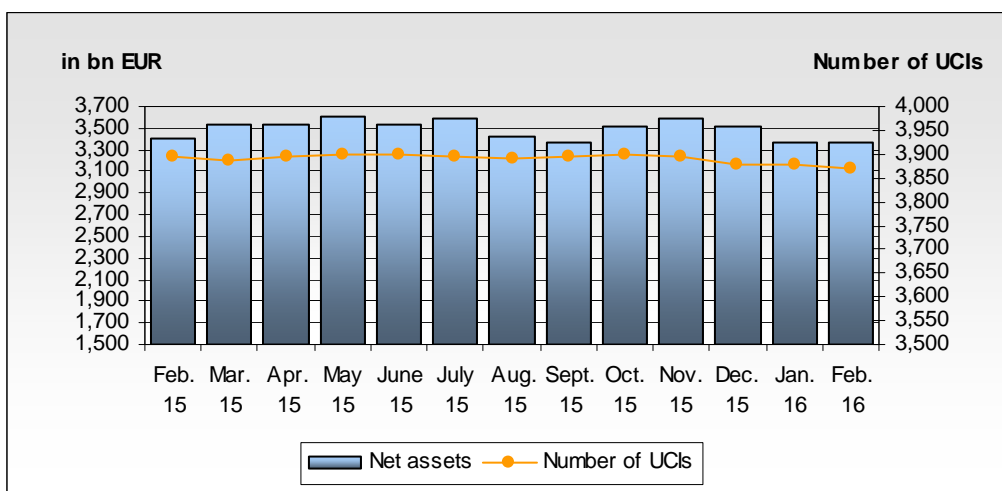
## ■ Global situation of undertakings for collective investment and specialised investment funds at the end of February 2016

### Press release 16/17 of 31 March 2016

#### I. Overall situation

As at 29 February 2016, total net assets of undertakings for collective investment and specialised investment funds amounted to EUR 3,358.484 billion compared to EUR 3,370.999 billion as at 31 January 2016, i.e. a 0.37% decrease over one month. Over the last twelve months, the volume of net assets decreased by 1.33%.

The Luxembourg UCI industry registered a negative variation amounting to EUR 12.515 billion during the month of February. This decrease represents the balance of the negative net issues of EUR 1.383 billion (-0.04%) and the negative development in financial markets amounting to EUR 11.132 billion (-0.33%).



The number of undertakings for collective investment (UCIs) and specialised investment funds (SIFs) taken into consideration totalled 3,869 as against 3,877 in the previous month. A total of 2,550 entities have adopted an umbrella structure, which represents 12,818 sub-funds. When adding the 1,319 entities with a traditional structure to that figure, a total of 14,137 fund units 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 February.

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

As far as developed countries are concerned, while the European equity UCIs recorded price losses due notably to uncertainties related to the global economic conditions and the possible Brexit, the category of US equity UCIs ended the month with more or less stable prices, amid results of corporates which exceeded expectations but also uncertainties as regards the Fed's policy of increasing key interest rate. The drop in value of Japanese equity UCIs is due, in particular, to the sharp appreciation of the JPY against the EUR and the USD which penalized Japanese exports and to economic indicators in Japan that are lower than the investors' expectations.

As far as emerging countries are concerned, in view of uncertainties in relation to economic growth and structural changes in China, Asian equity UCIs finished the month in negative territory, despite heterogeneous developments across the different equity markets in the region. Notwithstanding geopolitical and political tensions, Eastern European and Latin American equity UCIs appreciated as a result of the increase in oil prices and in certain commodities as well as of the improved economic indicators.

In February, the equity UCIs registered an overall negative net capital investment.

**Development of equity UCIs during the month of February 2016\***

	Market variation in %	Net issues in %
Global market equities	0.26%	0.33%
European equities	-2.04%	0.15%
US equities	0.02%	-0.92%
Japanese equities	-4.71%	-2.01%
Eastern European equities	1.53%	-0.51%
Asian equities	-2.63%	-1.86%
Latin American equities	4.28%	-0.40%
Other equities	-0.50%	-0.11%

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

In the context of economic uncertainties and the growing risk aversion of investors, European and American government bonds continued to benefit from their "safe-haven" status, their yields further decreasing in February.

As far as EUR-denominated bond UCIs are concerned, government bonds as well as private bonds recorded price increases due, among others, to the potentially new monetary easing in Europe. The rate spreads in the euro area thus expanded between high-rated bonds and low-rated bonds in the public as well as private sector and risk premiums for private bonds rose. All in all, EUR-denominated bond UCIs are up.

Similarly, USD-denominated bond UCIs, in the context of positive performance of government bonds and private bonds, managed to record profits, in particular, as a result of uncertainties which burdened economic growth in the United States and a possible review of the increase of key interest rates by the Fed. The appreciation of the USD against the EUR sustained this movement.

Despite the downgrade of certain emerging countries, emerging countries bond UCIs benefited from the increase in oil price and record an overall positive performance.

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

**Development of fixed-income UCIs during the month of February 2016\***

	Market variation in %	Net issues in %
EUR money market	-0.01%	2.81%
USD money market	0.29%	-0.96%
Global market money market	-0.60%	1.89%
EUR-denominated bonds	1.20%	0.24%
USD-denominated bonds	1.71%	1.85%
Global market bonds	-0.14%	-0.59%
Emerging market bonds	1.14%	0.52%
High Yield bonds	-0.16%	-0.70%
Others	-0.20%	-0.58%

\* 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 February 2016\***

	Market variation in %	Net issues in %
Diversified UCIs	-0.32%	0.14%
Funds of funds	-0.06%	-0.05%

\* 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 €)
31/12/2013	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 €
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 €
31/10/2015	1,903	2,952.296 €	391	173.421 €	1,607	387.676 €	3,901	3,513.393 €
30/11/2015	1,895	3,019.572 €	386	175.406 €	1,613	394.693 €	3,894	3,589.671 €
31/12/2015	1,892	2,946.860 €	384	169.896 €	1,602	389.445 €	3,878	3,506.201 €
31/01/2016	1,903	2,819.861 €	378	164.531 €	1,596	386.607 €	3,877	3,370.999 €
29/02/2016	1,904	2,813.421 €	373	157.278 €	1,592	387.785 €	3,869	3,358.484 €

During the month of February, the following 24 undertakings for collective investment and specialised investment funds have been registered on the official list:

### 1) UCITS Part I 2010 Law:

- FULLGOAL INTERNATIONAL UCITS ETF, 106, route d'Arlon, L-8210 Mamer
- GKB (LU), 19, rue de Bitbourg, L-1273 Luxembourg
- IQ GLOBAL, 1C, rue Gabriel Lippmann, L-5365 Munsbach
- LINNEX CAPITAL SICAV, 5, rue Jean Monnet, L-2180 Luxembourg
- PNR GLOBAL (EX-JAPAN) AGGREGATE BOND, 8-10, rue Jean Monnet, L-2180 Luxembourg
- UNIINSTITUTIONAL BASIC EMERGING MARKETS, 308, route d'Esch, L-1471 Luxembourg
- UNIINSTITUTIONAL BASIC GLOBAL CORPORATES HY, 308, route d'Esch, L-1471 Luxembourg
- UNIINSTITUTIONAL BASIC GLOBAL CORPORATES IG, 308, route d'Esch, L-1471 Luxembourg
- UNIINSTITUTIONAL CORPORATE HYBRID BONDS, 308, route d'Esch, L-1471 Luxembourg
- VIA AM SICAV, 2, rue Jean Monnet, L-2180 Luxembourg

### 2) SIFs:

- ALLIANCE SICAV-SIF S.A., 2, rue d'Alsace, L-1122 Luxembourg
- AXA IM REPRESENTATIVE, 49, avenue J-F Kennedy, L-1855 Luxembourg
- BRIDGE S.C.A., SICAV-SIF, 20, boulevard Emmanuel Servais, L-2535 Luxembourg
- CIS CLO SELECT I SICAV-SIF, S.A., 40-42 Grand-Rue, L-6630 Wasserbillig
- EDR PRIVATE EQUITY SELECT ACCESS FUND S.A., SICAV-SIF, 20, boulevard Emmanuel Servais, L-2535 Luxembourg
- EQUINOX III, SLP-SIF, 9-11, Grand-Rue, L-1661 Luxembourg
- H.I.G. INVESTMENT FUND I S.À.R.L., SICAV-SIF, 5, rue Guillaume Kroll, L-1882 Luxembourg

- INTERNATIONAL PATRIMONIUM FUND SICAV-SIF S.C.A., 11, rue Aldringen, L-1118 Luxembourg
- LICANCABUR INVESTMENT FUND S.A., SICAV-SIF, 58, rue Charles Martel, L-2134 Luxembourg
- MOTION SECURE FUND, 33A, avenue J-F Kennedy, L-1855 Luxembourg
- QUATTREX S.C.A., SICAV-SIF, 2, rue d'Alsace, L-1122 Luxembourg
- SPIRAL S.A., SICAV-SIF, 5, rue Jean Monnet, L-2180 Luxembourg
- VOLKSBANK HEILBRONN ASSET ALLOCATION HQLA, 308, route d'Esch, L-1471 Luxembourg
- WEALTHCAP ZWEITMARKTWERTE 5 SCS SICAV-SIF, 5, rue Heienhaff, L-1736 Senningerberg

The following 32 undertakings for collective investment and specialised investment funds have been deregistered from the official list during the month of February:

**1) UCITS Part I 2010 Law:**

- ALLIANZ PIMCO LAUFZEITFONDS WÄHRUNGEN 2016, Bockenheimer Landstraße 42-44, D-60232 Frankfurt am Main
- DB PLATINUM III, 11-13, boulevard de la Foire - Centre Etoile, L-1528 Luxembourg
- DEGROOF MONETARY, 12, rue Eugène Ruppert, L-2453 Luxembourg
- FTSE EPRA EUROPE THEAM EASY UCITS ETF, 33, rue de Gasperich, L-5826 Howald-Hesperange
- KENNOX STRATEGIC VALUE FUND FEEDER (LUXEMBOURG), 2-4, rue Eugène Ruppert, L-2453 Luxembourg
- NEW VILLAGE FUND, 12, rue Eugène Ruppert, L-2453 Luxembourg
- NMX@30 INFRASTRUCTURE GLOBAL THEAM EASY UCITS ETF, 33, rue de Gasperich, L-5826 Howald-Hesperange
- PGT CAPITAL, 26, avenue de la Liberté, L-1930 Luxembourg
- PULSAR (LUX), 11, rue Aldringen, L-1118 Luxembourg
- PWM MANDAT - DWS, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
- YCAP SELECTION INVESTMENT, 9A, boulevard du Prince Henri, L-1724 Luxembourg

**2) UCIs Part II Law 2010:**

- CARAVELA FUND, 11, rue Aldringen, L-1118 Luxembourg
- SINCRO SICAV II, 42, rue de la Vallée, L-2661 Luxembourg
- SMBC NIKKO INVESTMENT FUND (LUX), 9A, rue Robert Stumper, L-2557 Luxembourg
- UBS LUXEMBOURG DIVERSIFIED SICAV, 33A, avenue J-F Kennedy, L-1855 Luxembourg

**3) SIFs:**

- AVIVA INVESTORS CENTRAL EUROPEAN PROPERTY FUND, 2, rue du Fort Bourbon, L-1249 Luxembourg
- BGV III FEEDER 2 SICAV-FIS, 6, rue Eugène Ruppert, L-2453 Luxembourg
- BGV III FEEDER 3 SICAV-FIS, 6, rue Eugène Ruppert, L-2453 Luxembourg
- BGV III FEEDER 4 SICAV-FIS, 6, rue Eugène Ruppert, L-2453 Luxembourg
- BMS SICAV-SIF, 33, rue de Gasperich, L-5826 Howald-Hesperange
- BRZ FUND, 15, avenue J-F Kennedy, L-1855 Luxembourg
- CENTRAL EUROPEAN INDUSTRIAL FUND, 2, rue du Fort Bourbon, L-1249 Luxembourg
- CONQUEST SICAV-SIF, 2, place Dargent, L-1413 Luxembourg
- CORDEA SAVILLS ITALIAN OPPORTUNITIES NO.2, S.C.A., SICAV-SIF, 10, rue C-M Spoo, L-2546 Luxembourg
- CYAN OAK GLOBAL OPPORTUNITIES FUND, 28-32, place de la Gare, L-1616 Luxembourg
- KING'S MEADOW FUND SA, SICAV-FIS, 6, rue Eugène Ruppert, L-2453 Luxembourg
- MUGC AB MEXICO INTERMEDIATE BOND FUND, 287-289, route d'Arlon, L-1150 Luxembourg
- MUGC AB MEXICO LONG DURATION BOND FUND, 287-289, route d'Arlon, L-1150 Luxembourg
- MUGC/HS ASIAN USD BOND FUND, 287-289, route d'Arlon, L-1150 Luxembourg
- MUGC/PRAMERICA LATIN AMERICA USD BOND FUND, 287-289, route d'Arlon, L-1150 Luxembourg
- R-CAP RESOURCES INVESTMENTS SICAV-SIF, SCA, 63-65, rue de Merl, L-2146 Luxembourg
- SFM, 33, rue de Gasperich, L-5826 Howald-Hesperange

## ■ Publication of Commission Delegated Regulation (EU) 2016/438 (UCITS V)

### Communiqué de 25 March 2016

Commission Delegated Regulation (EU) 2016/438 of 17 December 2015 supplementing Directive 2009/65/EC of the European Parliament and of the Council with regard to obligations of depositaries was published in the Official Journal of the European Union on 24 March 2016. The Regulation shall apply from 13 October 2016. The document is available at the following address:

[http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:JOL\\_2016\\_078\\_R\\_0004&from=EN](http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:JOL_2016_078_R_0004&from=EN)

## ■ Mr Romain Strock sworn in by the Minister of Finance as Director Resolution

Press release 16/16 of 24 March 2016

Mr Romain Strock has been sworn in today by the Minister of Finance, Mr Pierre Gramegna, as Director Resolution. The Director Resolution shall chair the Resolution Board, a new CSSF body that carries out tasks and exercises powers conferred on the CSSF as Luxembourg resolution authority. This role was conferred on the CSSF in the framework of the law of 18 December 2015 on the failure of credit institutions and certain investment firms and is separate from its role as supervisory authority.



Left to right: Mr Pierre Gramegna, Mr Romain Strock

## ■ Launch of the website of the Fonds de garantie des dépôts Luxembourg

Press release 16/15 of 22 March 2016

As announced in Press release 16/09, the Fonds de garantie des dépôts Luxembourg created a website at the following address [www.fgdl.lu](http://www.fgdl.lu). The purpose of this website, the content of which is still being developed, is to inform the depositors of Luxembourg banks of the system which insures their deposits within the limits laid down in the law of 18 December 2015 on the failure of credit institutions and certain investment firms.

## ■ European audit regulators discuss audit quality with one audit network and the Public Interest Oversight Board

Press release 16/14 of 21 March 2016

The 17<sup>th</sup> plenary meeting of the European Audit Inspection Group (EAIG) was hosted by the Hellenic Accounting and Auditing Standards Oversight Board in Athens on March 16 and 17, 2016. The meeting was chaired by the Haut Conseil du Commissariat aux comptes (H3C) of France.

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:

#### **Dialogue with European audit networks**

As part of the audit regulators' ongoing dialogue on improvements in audit quality with the largest European audit networks, the EAIG members met with representatives of one network for the second time. The focus of the discussions was the network's initiatives in continuing improve the quality of their audits.

#### **Meeting with the Public Interest Oversight Board (PIOB)**

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 on an analysis of the pan-European audit inspection findings database, which is maintained by the EAIG.

The PIOB Chair, Mr. Eddy Wymeersch, and Secretary General, Mr. Gonzalo Ramos, shared with the audit regulators their strategic plan regarding the oversight of the standard setters' projects.

#### **EAIG Common Audit Inspection Methodology (CAIM)**

Since 2015, the EAIG members use a 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, contribute to the harmonization of the inspections of audit firms across Europe.

In Athens, EAIG members approved the first common work programmes developed on selected areas of audit engagement reviews.

#### **Topics relevant to the new Audit Directive and Regulation**

Members discussed various topics relating to the new Audit Directive and Regulation, with a focus on the impacts foreseen on national inspections regimes.

#### **Way forward**

The next meeting of the EAIG will take place in June 2016 in Oslo at the invitation of Financial Supervisory Authority of Norway.

Further information about the EAIG can be found on its website ([www.eaigweb.org](http://www.eaigweb.org)).

For further information about the CSSF please visit ([www.cssf.lu](http://www.cssf.lu)).

For further information about this press release, please contact:

**Mrs Agathe Pignon**

Deputy Head of the department Public Oversight of the audit profession

Phone : +352 26 25 12 5 71

E-mail : [agathe.pignon@cssf.lu](mailto:agathe.pignon@cssf.lu)



## ■ Profit and loss account of credit institutions as at 31 December 2015

Press release 16/13 of 15 March 2016

**The CSSF estimates profit before provisions of the Luxembourg banking sector for the year 2015 at EUR 5,463 million. Compared to the same period in 2014, profit before provisions thus increased by 1.6%.**

The development of the profit and loss account of credit institutions in Luxembourg is due to a rise in banking income of 4.9% partially compensated by an increase in general expenses.

The upward trend of banking income is supported by all categories of income, in particular net commissions received and interest-rate margin. **Net commissions received** which mainly result from asset management activities on behalf of private and institutional clients, rose by 5.8% compared to 2014. Year-on-year, these net commissions received benefited from a rather favourable stock market environment despite the increased volatility. The **interest-rate margin** is up for half of the banks but its scale is mainly due to specific factors relating to a limited number of credit institutions. The low or negative interest rate situation continues to represent a real challenge for the profitability of banks in Luxembourg and, more generally, in the euro area. It is clear that, despite the increase over a year, the interest-rate margin remains below the levels reached in 2010-2012.

**General expenses** increased by 8.5% compared to 2014. This rise is mainly related to the other general expenses which increased by 14.2% compared to 2014. This rise in general expenses affects most of the banks in the financial centre, reflecting, besides the investments in technical infrastructures, additional expenses to be borne by banks in order to comply with a new and more complex regulatory framework.

As a result of the above-mentioned developments, profit before provisions increased by 1.6% year-on-year.

### Profit and loss account as at 31 December 2015

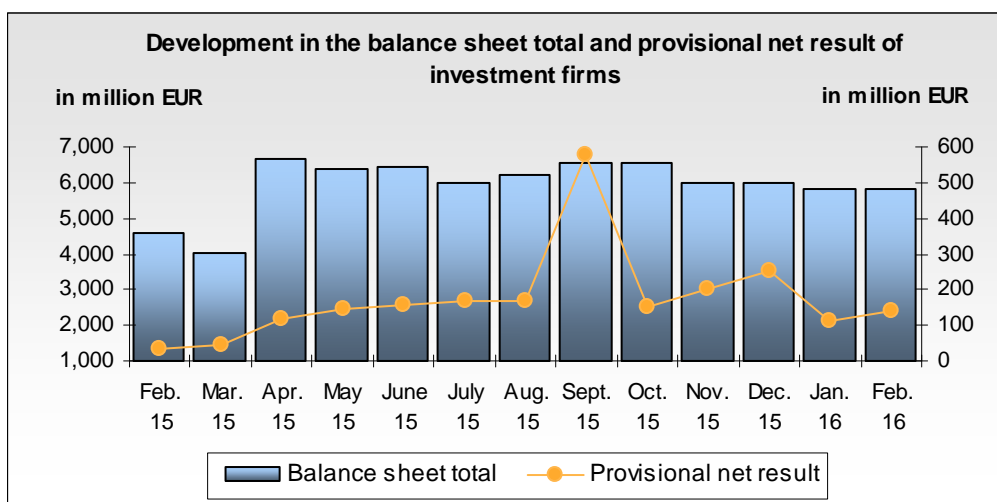
Items in million EUR	December 2014	December 2015	%
Interest-rate margin <sup>1</sup>	4,066	4,276	5.2%
Net commissions received	4,101	4,339	5.8%
Other net income <sup>1</sup>	2,217	2,280	2.8%
<b>Banking income</b>	<b>10,384</b>	<b>10,895</b>	<b>4.9%</b>
Staff costs	2,624	2,714	3.4%
Other general expenses	2,381	2,718	14.2%
<b>General expenses</b>	<b>5,005</b>	<b>5,432</b>	<b>8.5%</b>
<b>Profit before provisions</b>	<b>5,379</b>	<b>5,463</b>	<b>1.6%</b>

<sup>1</sup> 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.

STATISTICS

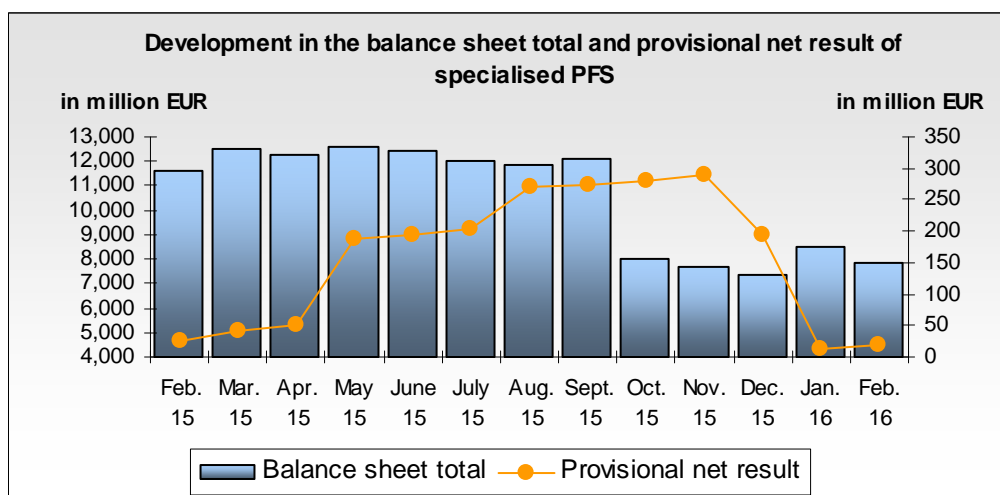
■ Investment firms

Increase in the investment firms' balance sheet total as at 29 February 2016



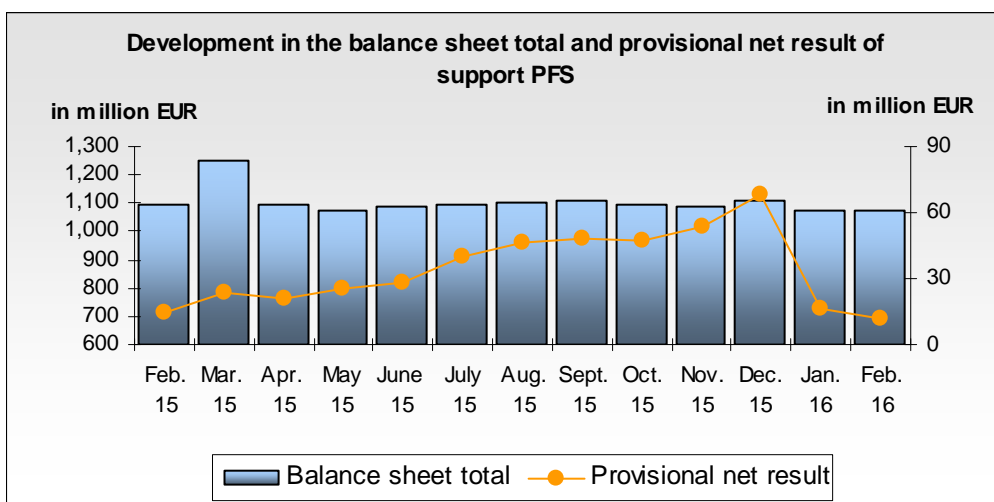
Specialised PFS

Decrease in the specialised PFS' balance sheet total as at 29 February 2016



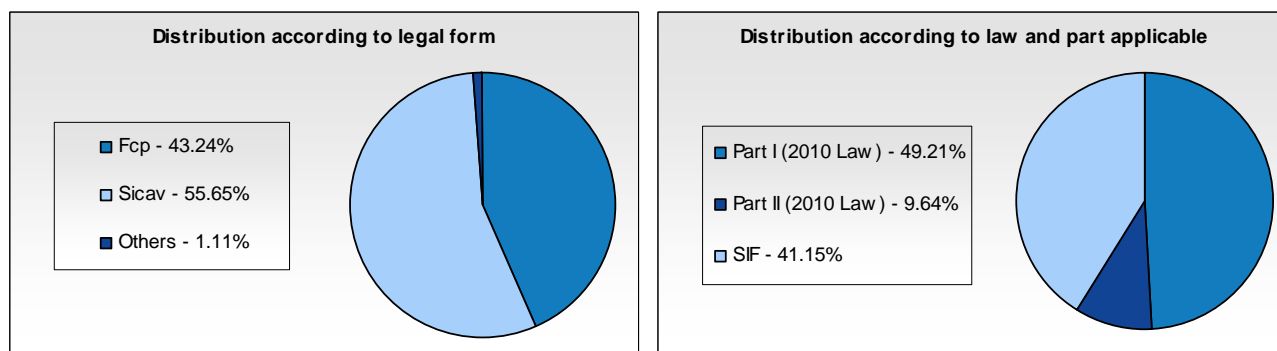
## ■ Support PFS

### Decrease in the support PFS' balance sheet total as at 29 February 2016



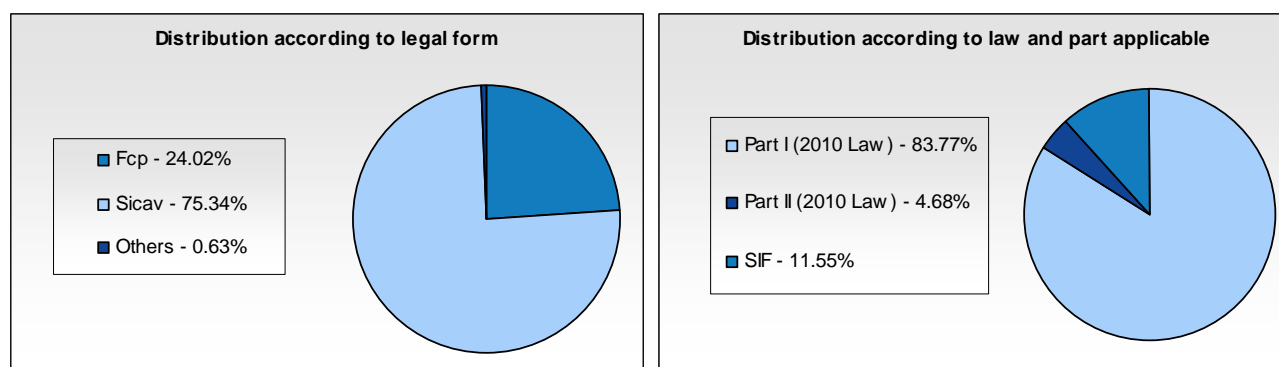
## ■ UCIs (Situation as at 29 February 2016)

### Number of UCIs



Law, part/legal form	FCPs	SICAVs	Others	Total
Part I (2010 Law)	1,055	849	0	1,904
Part II (2010 Law)	183	187	3	373
SIFs	435	1,117	40	1,592
<b>TOTAL</b>	<b>1,673</b>	<b>2,153</b>	<b>43</b>	<b>3,869</b>

## Net assets of UCIs



Law, Part/legal form (in bn EUR)	FCPs	SICAVs	Others	Total
Part I (2010 Law)	593.867	2,219.554	0.000	2,813.421
Part II (2010 Law)	63.699	92.992	0.587	157.278
SIFs	149.230	217.857	20.698	387.785
<b>TOTAL</b>	<b>806.796</b>	<b>2,530.403</b>	<b>21.285</b>	<b>3,358.484</b>

## Breakdown according to investment policy

Breakdown according to investment policy	Net assets (in bn €)	Number of fund units <sup>2</sup>
Fixed-income transferable securities	1,025.976	3,090
Variable-yield transferable securities	976.783	3,779
Mixed transferable securities	736.776	4,097
Funds of funds	222.445	2,053
Money market instruments and other short-term securities	282.992	262
Cash	2.294	22
Private equity	21.520	159
Venture capital	1.425	26
Real estate	43.742	317
Futures and/or options	11.989	145
Other assets	32.542	187
<b>Total</b>	<b>3,358.484</b>	<b>14,137</b>

<sup>2</sup> "Fund units" refers to both traditionally structured UCIs and sub-funds of umbrella funds.

## Breakdown of net assets according to investment policy

Breakdown according to investment policy	Net assets (in bn €)	Number of fund units <sup>2</sup>	Subscriptions (in bn €)	Redemptions (in bn €)	Net subscriptions (in bn €)
<b>PART I</b>					
Fixed-income transferable securities	932.536	2,418	43.873	46.735	-2.862
Variable-yield transferable securities	914.817	3,369	39.419	41.331	-1.912
Mixed transferable securities	574.383	2,759	22.629	21.547	1.082
Funds of funds	119.719	926	2.758	2.818	-0.060
Money market instruments and other short-term securities	261.574	195	127.915	125.031	2.884
Cash	1.494	11	0.095	0.103	-0.008
Futures and/or options	5.741	61	0.170	0.216	-0.046
Other assets	3.157	10	0.124	0.061	0.063
<b>TOTAL PART I:</b>	<b>2,813.421</b>	<b>9,749</b>	<b>236.983</b>	<b>237.842</b>	<b>-0.859</b>
<b>PART II</b>					
Fixed-income transferable securities	21.043	138	0.342	0.540	-0.198
Variable-yield transferable securities	17.982	90	0.213	0.341	-0.128
Mixed transferable securities	51.387	274	3.416	3.130	0.286
Funds of funds	37.019	356	0.295	0.746	-0.451
Money market instruments and other short-term securities	18.823	55	1.265	1.778	-0.513
Cash	0.782	9	0.005	0.024	-0.019
Private equity	2.941	14	0.192	0.337	-0.145
Venture capital	0.027	2	0.000	0.000	0.000
Real estate	0.952	20	0.000	0.000	0.000
Futures and/or options	3.626	35	0.041	0.036	0.005
Other assets	2.696	14	0.028	0.032	-0.004
<b>TOTAL PART II:</b>	<b>157.278</b>	<b>1,007</b>	<b>5.797</b>	<b>6.964</b>	<b>-1.167</b>
<b>SIFs</b>					
Fixed-income transferable securities	72.397	534	0.810	0.723	0.087
Variable-yield transferable securities	43.984	320	0.409	0.190	0.219
Mixed transferable securities	111.006	1,064	3.462	3.908	-0.446
Funds of funds	65.707	771	1.670	1.648	0.022
Money market instruments and other short-term securities	2.595	12	0.099	0.112	-0.013
Cash	0.018	2	0.000	0.000	0.000
Private equity	18.579	145	0.131	0.100	0.031
Venture capital	1.398	24	0.004	0.007	-0.003
Real estate	42.790	297	0.422	0.188	0.234
Futures and/or options	2.622	49	0.270	0.051	0.219
Other assets	26.689	163	0.745	0.452	0.293
<b>TOTAL SIFs:</b>	<b>387.785</b>	<b>3,381</b>	<b>8.022</b>	<b>7.379</b>	<b>0.643</b>
<b>TOTAL LUXEMBOURG UCIs</b>	<b>3,358.484</b>	<b>14,137</b>	<b>250.802</b>	<b>252.185</b>	<b>-1.383</b>

## Origin of the initiators of Luxembourg UCIs

Country	Net assets (in bn €)	in %	Number of UCIs	in %	Number of fund units <sup>2</sup>	in %
United States	705.418	21.0%	166	4.3%	1,042	7.4%
United Kingdom	551.563	16.4%	267	6.9%	1,532	10.8%
Germany	501.692	14.9%	1,460	37.7%	2,783	19.7%
Switzerland	469.198	14.0%	521	13.4%	2,662	18.8%
Italy	302.355	9.0%	138	3.6%	1,229	8.7%
France	263.779	7.9%	275	7.1%	1,274	9.0%
Belgium	142.745	4.2%	169	4.4%	1,010	7.1%
Netherlands	73.568	2.2%	49	1.3%	225	1.6%
Luxembourg	72.662	2.2%	204	5.3%	548	3.9%
Sweden	58.366	1.7%	100	2.6%	309	2.2%
Others	217.138	6.5%	520	13.4%	1,523	10.8%
<b>Total</b>	<b>3,358.484</b>	<b>100.0%</b>	<b>3,869</b>	<b>100.0%</b>	<b>14,137</b>	<b>100.0%</b>

## Breakdown of UCI fund units registered in Luxembourg by reference currency

Currency	Net assets (in bn €)	in %	Number of fund units <sup>2</sup>	in %
AUD	5.883	0.170%	29	0.205%
CAD	1.672	0.047%	27	0.191%
CHF	52.856	1.558%	304	2.152%
CNH	0.577	0.018%	12	0.092%
CNY	0.123	0.004%	2	0.014%
CZK	1.364	0.041%	67	0.482%
DKK	2.793	0.084%	11	0.078%
EUR	1,881.958	55.915%	9,025	63.802%
GBP	75.059	2.285%	331	2.379%
HKD	4.310	0.131%	11	0.078%
HUF	0.255	0.007%	29	0.205%
ILS	0.001	0.000%	1	0.007%
JPY	68.328	2.089%	224	1.607%
MXN	0.008	0.000%	1	0.007%
NOK	3.569	0.107%	26	0.184%
NZD	0.830	0.024%	5	0.036%
PLN	0.519	0.015%	24	0.170%
RON	0.439	0.013%	5	0.035%
SEK	46.223	1.378%	194	1.373%
SGD	0.530	0.015%	7	0.050%
TRY	0.035	0.001%	3	0.021%
USD	1,211.131	36.097%	3,797	26.818%
ZAR	0.021	0.001%	2	0.014%
<b>Total</b>	<b>3,358.484</b>	<b>100.000%</b>	<b>14,137</b>	<b>100.000%</b>

## ■ SICAR

Since the publication of the last Newsletter, the number of **SICARs** registered on the official list of SICARs governed by the law of 15 June 2004 relating to the Investment company in risk capital (SICAR) remained unchanged.

As at 7 April 2016, the number of SICARs **registered** on the official list amounted to **284** entities.

## ■ Pension funds

As at 11 April 2016, **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

Since the publication of the last Newsletter, the following **securitisation undertaking** was **deregistered** from the official list of authorised securitisation undertakings governed by the law of 22 March 2004 on securitisation:

SYNAPSIA SA

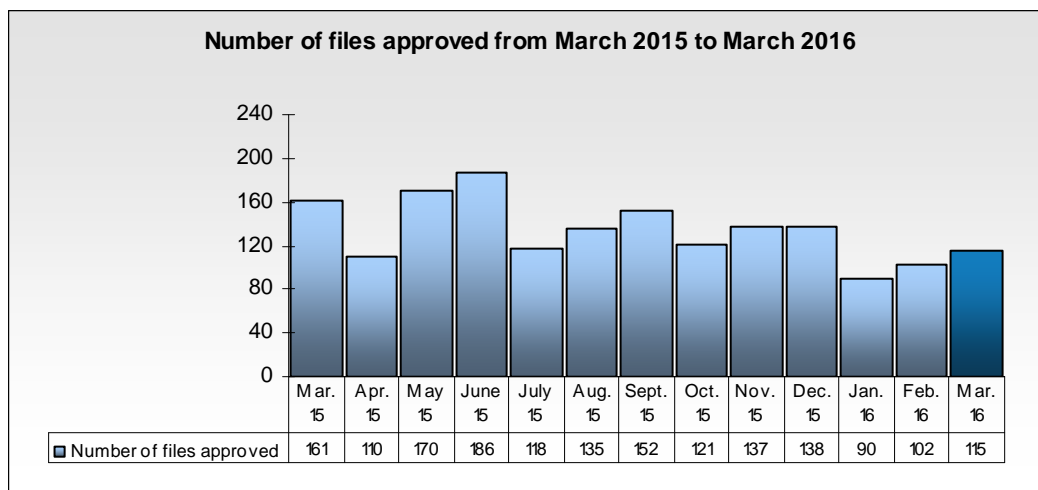
The number of securitisation undertakings authorised by the CSSF in accordance with the law of 22 March 2004 on securitisation amounted to **31 entities** as at 11 April 2016.

## ■ Public oversight of the audit profession

The public oversight of the audit profession covered **66 cabinets de révision agréés** (approved audit firms) and **278 réviseurs d'entreprises agréés** (approved statutory auditors) as at 31 March 2016. The oversight also included **44 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)

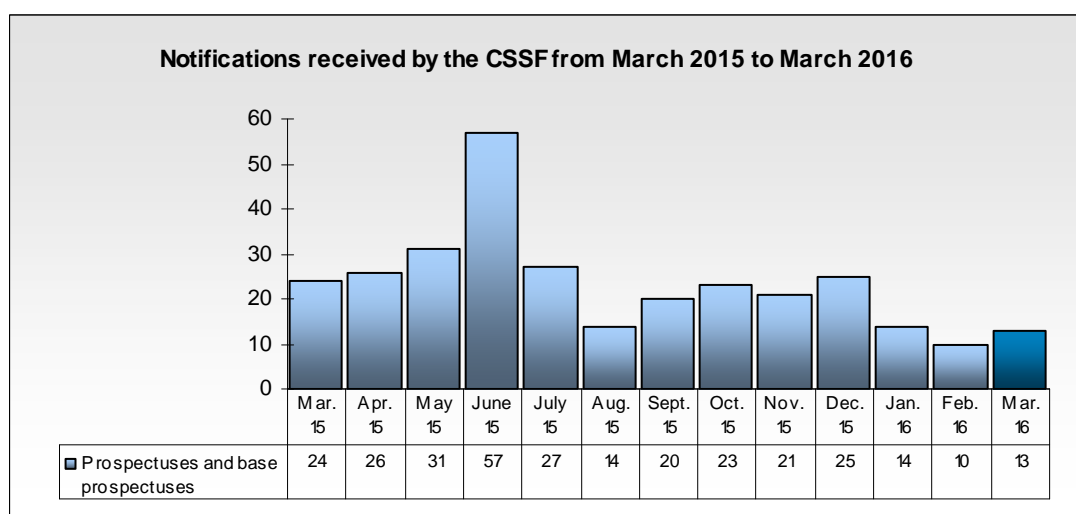
1. CSSF approvals



In March 2016, the CSSF approved a total of 115 documents pursuant to the Prospectus Law, which break down as follows:

base prospectuses:	20	(17.39 %)
other prospectuses:	38	(33.04 %)
supplements:	57	(49.57 %)

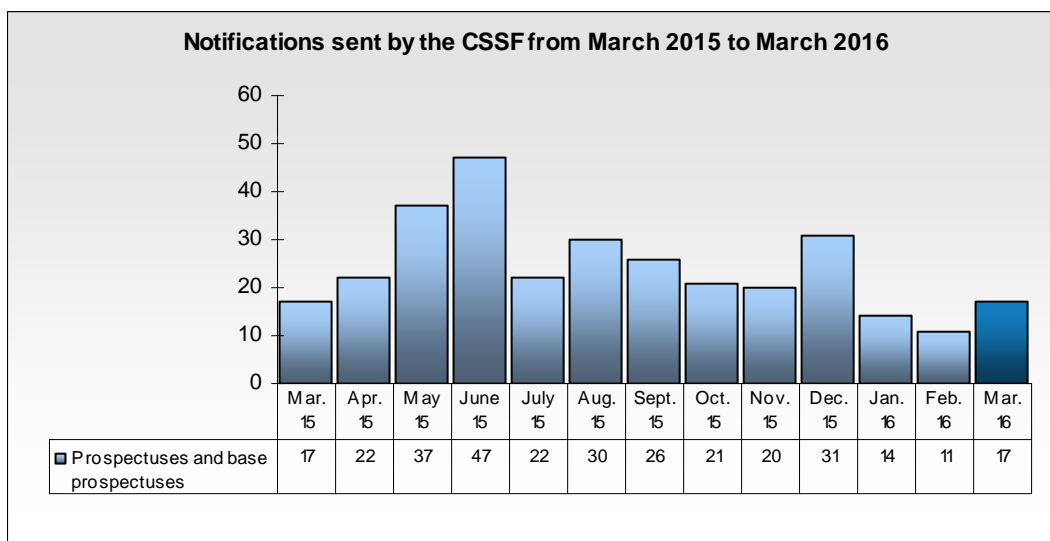
2. Notifications received by the CSSF from the competent authorities of other EEA Member States



In March 2016, the CSSF received 13 notifications relating to prospectuses and base prospectuses and 71 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



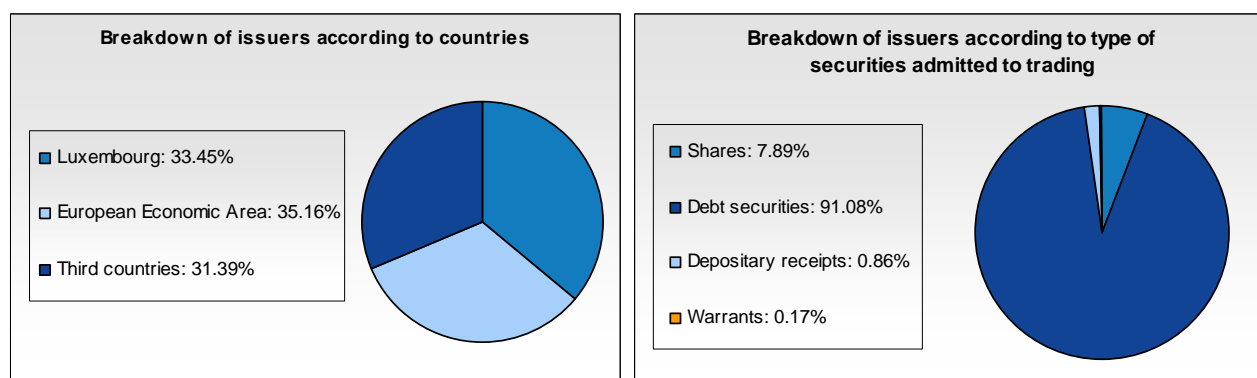
In March 2016, the CSSF sent 17 notifications relating to prospectuses and base prospectuses and 36 notifications relating to supplements to the competent authorities of other EEA Member States<sup>3</sup>.

<sup>3</sup> These figures are the number of prospectuses, base prospectuses and supplements for which the CSSF sent one or several notifications. Where notifications have been sent at different dates and/or in several Member States, only the first notification is included in the statistical calculations. Each document notified in one or several Member States is thus only counted once.

■ **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 3 March 2016, **16** issuers have chosen Luxembourg as home Member State for the purposes of the Transparency Law. Moreover, six issuers were removed from the list due to the fact that they do not fall within the scope of the Transparency Law any more.

As at 11 April 2016, **583** issuers, subject to the supervision of the CSSF, were included on the list of issuers for which Luxembourg is the home Member State pursuant to the Transparency Law.



**OFFICIAL LISTS**

■ **Withdrawal decided by the CSSF**

Following the CSSF's decision to withdraw FABBRIANI INVESTMENT FUND S.C.A., SICAV-SIF from the official list of specialised investment funds, the VIth Chamber of the Luxembourg District Court, dealing with commercial matters, per judgement on 24 March 2016, pronounced the dissolution and ordered the liquidation of the specialised investment fund FABBRIANI INVESTMENT FUND S.C.A., SICAV-SIF. The same judgement has appointed Mr Laurent Lucas as reporting judge and Mr Laurent Bizzotto as liquidator.

## FINANCIAL CENTRE

## Main updated figures regarding the financial centre:

			Annual comparison
Banks	Number (14/04/2016)	144 <sup>4</sup>	↗ 1 entity
	Balance sheet total (31/12/2015)	EUR 743.197 bn	↗ EUR 5.953 bn
	Profit before provisions (31/12/2015)	EUR 5.463 bn	↘ EUR 182 m
Payment institutions	Number (14/04/2016)	9 including 1 branch	no variation
Electronic money institutions	Number (14/04/2016)	5	↘ 1 entity
UCIs	Number (14/04/2016)	Part I 2010 Law: 1,898	↗ 7 entities
		Part II 2010 Law: 370	↘ 34 entities
		SIFs: 1,606	↗ 12 entities
	TOTAL: 3,874	↘ 15 entities	
	Total net assets (29/02/2016)	EUR 3,358.484 bn	↗ EUR 45.382 bn
Management companies (Chapter 15)	Number (31/03/2016)	200	↘ 5 entities
	Balance sheet total (31/12/2015)	EUR 12.636 bn <sup>5</sup>	↗ 1.31 bn
Management companies (Chapter 16)	Number (31/03/2016)	173	↘ 4 entities
AIFMs	Number (14/04/2016)	204	↗ 20 entities
SICARs	Number (07/04/2016)	284	↘ 9 entities
Pension funds	Number (11/04/2016)	14	no variation
Authorised securitisation undertakings	Number (10/04/2016)	31	↘ 1 entity
Investment firms	Number (14/04/2016)	106 of which 9 branches	↘ 3 entities
	Balance sheet total (29/02/2016)	EUR 5.842 bn	↗ EUR 1.227 bn
	Provisional net profit (29/02/2016)	EUR 141.293 m	↗ EUR 110.003 m
Specialised PFS	Number (14/04/2016)	125	↗ 1 entity
	Balance sheet total (29/02/2016)	EUR 8.539 bn	↘ EUR 3.086 bn
	Provisional net profit (29/02/2016)	EUR 19.69 m	↘ EUR 4.67 m
Support PFS	Number (14/04/2016)	78	↘ 2 entities
	Balance sheet total (29/02/2016)	EUR 1.071 bn	↘ EUR 23 m
	Provisional net profit (29/02/2016)	EUR 23.79 m	↗ EUR 8.14 m
Issuers of securities whose home Member State is Luxembourg pursuant to the Transparency Law	Number (11/04/2016)	583	↘ 48 entities
Public oversight of the audit profession	Number (31/03/2016)	66 <i>cabinets de révision agréés</i>	↗ 1 entity
		278 <i>réviseurs d'entreprises agréés</i>	↗ 28 people
		44 third-country auditors and audit firms	↘ 4 entities
Employment (31/12/2015)	Banks	25,938 people	↗ 153 people
	Management companies (Chapter 15)	3,768 people <sup>5</sup>	↗ 361 people
	Investment firms	2,278 people	↘ 112 people
	Specialised PFS	3,787 people	↗ 356 people
	Support PFS	9,218 people	↗ 175 people
	Total	44,989 people	↗ 933 people <sup>6</sup>

<sup>4</sup> 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.

<sup>5</sup> Provisional data

<sup>6</sup> 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.