



Newsletter

No 208 - May 2018

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HUMAN RESOURCES

CSSF staff evolution

Since the publication of the last Newsletter, the CSSF has recruited 9 new agents who were assigned to the following departments:

Banking Supervisory Policy and Single Supervisory Mechanism ("SSM")

Xavier SANS SANSA

Lean manager

Edward LARIJANI

UCI departments

Cristina DOS SANTOS

Stéphanie DUVIVIER

Personnel, administration and finance

Pedro DUARTE

Daniel SCHWIENKE

Information systems of the CSSF

Philippe BERNARD

Nicolas GEYER

Jean-Yves HENDRIX

Following the departure of four agents, the CSSF counts 802 agents of which 435 are men and 367 are women as at 1 May 2018.

WARNINGS

Warnings published by the CSSF

Since the publication of the last Newsletter, the CSSF has published the following warnings:

- 17 April 2018: Warning regarding the activities of an entity named SC Global Fund/SunCorp
- 17 April 2018: Warning regarding the activities of an entity named Swiss American Capital Group Ltd
- 18 April 2018: Warning regarding the activities of an entity named Luxembourg Offshore Banking
- 18 May 2018: Warning regarding the activities of an entity named Rainforth

The warnings above are available on the CSSF's website at:

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

Warnings published by IOSCO

Several warnings were published on IOSCO's website under:

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

NATIONAL REGULATION

Circular CSSF 18/690

The circular implements the ESMA guidelines on the management body of market operators and data reporting services providers based on Article 45(9) of Directive 2014/65/EU on markets in financial instruments (MiFID II) for market operators and Article 63(2) of MiFID II for data reporting services providers within the Luxembourg regulatory framework.

Circular CSSF-CPDI 18/11

The aim of this circular is to carry out a survey on deposits, and more particularly on covered deposits, as held by credit institutions incorporated under Luxembourg law, the POST Luxembourg for its provision of postal financial services, and Luxembourg branches of credit institutions having their head office in a third country, as at 31 March 2018.

Circular CSSF 18/691

The circular amends Circular CSSF 17/668 taking into consideration the publication by the ESMA of the revised procedure "Reporting of circuit breakers' parameters by NCAs to ESMA" (ref.: ESMA70-156-181) published on 19 December 2017 and the updated form attached thereto "Template for reporting trading halt parameters to ESMA".

Law of 17 April 2018 on key information documents for packaged retail and insurance-based investment products

The law implements Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (hereinafter "Regulation (EU) 1286/2014").

In order to make Regulation (EU) 1286/2014 operational, the law designates the Commission de Surveillance du Secteur Financier as the competent authority to ensure compliance with Regulation (EU) 1286/2014. The Commissariat aux assurances has been designated as authority responsible for ensuring compliance with Regulation (EU) 1286/2014 by the entities subject to its supervision.

Regulation (EU) 1286/2014 aims at improving the understanding by retail investors of the risks and costs associated with packaged retail and insurance-based investment products (hereinafter "PRIIPs"). In this respect, uniform transparency rules have been introduced in the European Union that apply to all participants in the PRIIPs market. Regulation (EU) 1286/2014 is intended to apply to all the products, regardless of their form or their construction, which are developed by the financial services industry to offer investment opportunities to retail investors, where the amount repayable to the retail investor is subject to fluctuation because of exposure to reference values or subject to the performances of one or several assets which was not directly purchased by the retail investor. Therefore, this covers, in particular, investment funds, life insurance policies including one investment element, structured products, structured deposits as well as financial instruments issued by securitisation vehicles, where they meet the PRIIPs definition.

Regulation (EU) 1286/2014 provides that PRIIP manufacturers such as, for example, fund managers, insurance undertakings, credit institutions or investment firms should draw up the key information document meeting these common standards, in respect to the PRIIP they manufactured. The key information document aims to provide retail investors with the necessary information to make an informed investment decision and to enable them to compare different PRIIPs. It includes only key information, such as the nature and the features of the product, the possible risk of capital loss, its cost and risk profile as well as relevant performance information. Regulation (EU) 1286/2014 also provides that the persons advising on PRIIPs or selling them should be required to produce the key information document long before another transaction is concluded.

It should be noted that the option provided for in Article 32(2) of Regulation (EU) 1286/2014 is used to authorise SICARs and investment funds other than UCITS to produce a key information document for

UCITS in order to be exempted from the obligations imposed pursuant to Regulation (EU) 1286/2014 until 31 December 2019.

Law of 17 April 2018 on benchmarks

The law implements Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (PRIIPs) (hereinafter "Regulation (EU) 2016/1011").

The main purpose of Regulation (EU) 2016/1011 is to ensure the integrity of benchmarks and of the benchmark determination process. Indeed, the integrity of benchmarks is important as they determine, in particular, the price of many financial instruments and financial contracts.

In order to make Regulation (EU) 2016/1011 operational, the law designates the Commission de Surveillance du Secteur Financier as the competent authority for benchmarks administrators and as the default competent authority for supervised entities falling within the scope of Regulation (EU) 2016/1011. The exception to this competence by default arises for supervised entities subject to the supervision of the Commissariat aux assurances, the latter being designated as a competent authority under Regulation (EU) 2016/1011 for supervised entities subject to its supervision.

CSSF Regulation N° 18-02

This regulation adopts audit standards in the field of statutory audit as well as standards on professional ethics and internal quality control under the Law of 23 July 2016 concerning the audit profession.

Circular CSSF-CODERES 18/06

The purpose of this circular is to provide information regarding the raising of 2018 ex-ante contributions to the Single Resolution Fund in accordance with Articles 69 and 70 of Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund, and amending Regulation (EU) No 1093/2010.

Grand-ducal Regulation of 30 May 2018 on the protection of financial instruments and funds belonging to clients, product governance obligations and the rules applicable to the provision or reception of fees, commissions or any monetary or non-monetary benefits

This regulation transposes Commission Delegated Directive (EU) 2017/593 of 7 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to safeguarding of financial instruments and funds belonging to clients, product governance obligations and the rules applicable to the provision or reception of fees, commissions or any monetary or non-monetary benefits. Moreover, the regulation provides some amendments to the Grand-ducal Regulation of 13 July 2007 relating to the keeping of the official listing for financial instruments and repeals the Grand-ducal Regulation of 13 July 2007 relating to organisational requirements and rules of conduct in the financial sector.

Law of 30 May 2018 on markets in financial instruments

The Law of 30 May 2018 on markets in financial instruments transposes into Luxembourg law Directive 2014/65/EU on markets in financial instruments, referred to as "MiFID II" and implements some provisions of Regulation (EU) No 600/2014 on markets in financial instruments, referred to as "MiFIR", which entered into force on 3 January 2018. Given the significant MiFID II and MiFIR amendments to the infrastructure of financial markets, the law recasts the Law of 13 July 2007 on markets in financial instruments, as amended, and amends the Law of 5 April 1993 on the financial sector, as amended.

The new regulation of the financial markets aims at closing the regulatory gaps brought into light by the 2008 financial crisis and at adapting the legislation to the transformations the financial markets have experienced since the entry into force of Directive 2004/39/EC on markets in financial instruments, at the level of both financial products and technology, and at creating more resilient and transparent

financial markets while enhancing the investors' protection and providing supervisory authorities with more effective powers. Higher organisational requirements including more specifically the governance of products and more extensive requirements as regards the members of the management bodies of investment firms, credit institutions and market operators aiming to enhance the investors' protection. The aim is to ensure that investors are presented products best suited to them. Investors may rely on objective and independent advice if they so wish, and the structure of the advisers' fees and remuneration should not be a barrier to this.

In this context of the entry into force of the regulatory framework linked to MiFID II/MiFIR, the CSSF will update its website and more concretely the sections dedicated to MiFID II/MiFIR and transaction reporting. It should be noted that Circulars CSSF 07/302, 07/306 and 08/365 which provided clarification and technical arrangements relating to the requirement to report transactions in financial instruments pursuant to Article 28 of the former Law of 13 July 2007 on markets in financial instruments, have become obsolete under the new regulatory framework.

BANKING REGULATION AND SINGLE SUPERVISORY MECHANISM

Single Supervisory Mechanism - European Central Bank (ECB)

Publications

6 April 2018 - [ECB issued an opinion on a proposal to amend the legislation on the macroprudential oversight of the financial system and establishing the ESRB](#)

The European Central Bank (ECB) supports in its opinion the limited number of targeted changes to the ESRB's governance and operational framework proposed by the European Commission to further strengthen the ESRB, like: (i) creating a permanent link between the ECB President and the ESRB Chair, and (ii) allow the participation of authorities from third countries in the ESRB General Board in issues of particular relevance to those countries.

11 April 2018 - [ECB issued an opinion on a proposal to amend the legislation on the establishment and functions of the European Banking Authority and related legal acts](#)

The ECB issued its opinion on the proposed regulation, and provides specific observations on: (i) the revised EBA governance framework; (ii) strategic supervisory plans; (iii) stress testing; (iv) independent reviews of CAs; (v) delegation and outsourcing of activities; (vi) international cooperation; and (vii) supervisory reporting and Pillar 3 disclosure requirements.

11 April 2018 - [ECB issued an opinion on a proposal for a regulation on the establishment of the European Monetary Fund](#)

The ECB has released its opinion on the European Commission's initiative to bring the European Stability Mechanism (ESM) into the Union legal framework. The ECB also states that the establishment of the ESM as a body of the Union would allow it to better achieve its objective of contributing to safeguarding the financial stability of the euro area, as well as of the Member States participating in the banking union. The ECB also suggests that the existing name of the ESM should be maintained.

27 April 2018 - [ECB and BoE announced the creation of a technical working group on Brexit-related risks](#)

The ECB and the Bank of England (BoE) will convene a technical working group on risk management in the period around 30 March 2019. The group will be chaired by the President of the ECB and the Governor of the BoE. The European Commission and HM Treasury will attend as observers and other relevant authorities will be invited on an issue-specific basis. This technical work is separate from the on-going negotiations on the Withdrawal Agreement between the EU and the UK.

30 April 2018 - [ECB sets supervisory fees at €474.8 million for 2018](#)

On the basis of estimates, the ECB has set the fees for its prudential supervision of the banking system for 2018 at €474.8 million. Along with a surplus of €27.7 million carried over from 2017, the fees will cover the expected total supervisory expenditure for 2018 of €502.5 million. Some 90% of the fees will be paid by significant banks and the remaining 10% by less significant banks.

30 April 2018 - [ECB published updated supervisory banking statistics as of December 2017](#)

The document provides details on the following aspects of banks designated as significant institutions: (i) general statistics; (ii) balance sheet composition and profitability; (iii) capital adequacy, leverage and asset quality; (iv) funding; (v) liquidity; and (vi) data quality.

See also the [Methodological note for the publication of aggregated supervisory banking statistics](#), which presents the main features of the publication supervisory banking statistics with respect to the scope and content of the data published, the methodology underlying data aggregation and the approach to applying confidentiality requirements.

Interviews and speeches

10 April 2018 - [“Risk appetite frameworks: good progress but still room for improvement”](#) - Speech by Danièle Nouy, Chair of the Supervisory Board of the ECB, International Conference on Bank's Risk Appetite Frameworks, Ljubljana.

11 April 2018 - [“Financial Integration, Competition, and Efficiency”](#) - Speech by Pentti Hakkarainen, Member of the Supervisory Board of the ECB, at the European Bank Executive Committee Forum organised by BNP Paribas, Brussels.

19 April 2018 - [“How real is Europe's banking union?”](#) - Presentation by Ignazio Angeloni, Member of the Supervisory Board of the ECB, Peterson Institute for International Economics, Washington D.C.

25 April 2018 - [“Interview with RTE”](#) - Interview of Danièle Nouy, Chair of the Supervisory Board of the ECB, conducted by Sean Whelan.

26 April 2018 - [“Questions for Eurofi Newsletter”](#) - Danièle Nouy, Chair of the Supervisory Board of the ECB.

26 April 2018 - [“Risk reduction in the euro area - how low can you go?”](#) - Contribution by Sabine Lautenschläger, Member of the Executive Board of the ECB and Vice-Chair of the Supervisory Board of the ECB, Eurofi Newsletter.

Regulatory developments

6 April 2018 - Publication of [Decision \(EU\) 2018/546 of the European Central Bank of 15 March 2018](#) on delegation of the power to adopt own funds decisions (ECB/2018/10).

6 April 2018 - Publication of [Decision \(EU\) 2018/547 of the European Central Bank of 27 March 2018](#) nominating heads of work units to adopt delegated own funds decisions (ECB/2018/11).

European Commission

Publications

3 April 2018 - Publication of [Commission Regulation \(EU\) 2018/519 of 28 March 2018](#) amending Regulation (EC) No 1126/2008 adopting certain international accounting standards in accordance with

Regulation (EC) No 1606/2002 of the European Parliament and of the Council as regards Interpretation 22 of the International Financial Reporting Interpretations Committee.

23 April 2018 - [The European Commission launched a consultation to address the fragmentation of protection for whistleblowers across the EU.](#)

The proposal sets out a balanced set of common minimum standards providing robust protection against retaliation for whistleblowers reporting on breaches in specific policy areas, such as financial services, environmental protection, and protection of privacy and personal data.

25 April 2018 - Publication of [Commission Implementing Regulation \(EU\) 2018/634 of 24 April 2018](#) amending Implementing Regulation (EU) 2016/1799 as regards the mapping tables specifying the correspondence between the credit risk assessments of external credit assessment institutions and the credit quality steps set out in Regulation (EU) No 575/2013 of the European Parliament and of the Council.

European Council and European Parliament

Publications

4 April 2018 - Publication of the [Draft report on relationships between the EU and third countries concerning financial services regulation and supervision.](#)

The Committee on Economic and Monetary Affairs (ECON) drafts the report that calls for the Commission to consider introducing an application process for granting equivalence which could be opened to third countries on a date specified in a given piece of legislation. This process should take into account international standards or agreements, and equivalence decisions would need to be reviewed at least once every three years.

23 April 2018 - Publication of the [Corrigendum to Directive \(EU\) 2015/2366 of the European Parliament and of the Council of 25 November 2015](#) on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No 1093/2010 and repealing Directive 2007/64/EC.

25 April 2018 - Publication of the [Council Decision \(EU\) 2018/635 of 17 April 2018](#) on the position to be adopted, on behalf of the European Union within the EEA Joint Committee concerning an amendment to Annex XXII (Company Law) and Protocol 37 (containing the list provided for in Article 101) to the EEA Agreement.

European Banking Authority (EBA)

Publications

Capital Requirements Directive and Regulation

5 April 2018 - [EBA published updated Risk Dashboard](#)

The European Banking Authority (EBA) has published the regular update of its Risk Dashboard summarising the main risks and vulnerabilities in the EU banking sector for Q4 2017. The report claims that the progress is positive for European banks, but that profitability risks remain heightened.

10 April 2018 - [EBA published report on benchmarking of remuneration practices in EU banks](#)

The EBA has released the 2015 and 2016 data on benchmarking of remuneration practices in EU banks. The report is part of the EBA's monitoring activities and focusses on the identification of staff,

the application of deferral arrangements, the pay out in instruments and the use of specific remuneration elements, e.g. guaranteed variable remuneration and severance payments.

10 April 2018 - [EBA published updated list of correlated currencies](#)

The EBA has released the updated list of closely correlated currencies that was originally published in December 2013 and updated in October 2016. The list is part of the Implementing Technical Standards (ITS) that were drafted for the purposes of calculating the capital requirements for foreign-exchange risk according to the standardised rules.

17 April 2018 - [EBA published amended technical standards on supervisory and resolution reporting for EU institutions](#)

The EBA has issued amendments to the ITS on supervisory reporting, a new ITS on reporting for resolution plans and the corresponding Data Point Model (DPM) and XBRL taxonomy. These changes form part of the EBA reporting framework version 2.8, which will be applicable for submissions as of December 2018.

Consultations

Capital Requirements Directive and Regulation

17 April 2018 - [EBA launched a consultation on guidelines regarding the exposures to be associated with high risks under Article 128\(3\) of the CRR](#)

The EBA has launched a consultation on its Guidelines regarding the types of exposures to be associated with high risk under Article 128(3) of the Capital Requirements Regulation (CRR). The Guidelines specify which types of exposures, other than those mentioned in Article 128(2) CRR (e.g. investments in venture capital firms, or in private equity), are to be associated with particularly high risk and under which circumstances. The Guidelines also clarify the notion of investments in venture capital firms and private equity.

The consultation will run until **17 July 2018**.

20 April 2018 - [EBA launched a consultation on its guidelines interpreting the simple, transparent and standardised \(STS\) criteria in securitisation](#)

The EBA has launched a consultation on the Guidelines on the STS criteria for both asset-backed commercial paper (ABCP) securitisation and non-ABCP securitisation. It aims at clarifying and ensuring common understanding of all the STS criteria; including those related to the expertise of the originator and servicer, underwriting standards, exposures in default and credit impaired debtors, and predominant reliance on the sale of assets.

The consultation will run until **20 July 2018**.

27 April 2018 - [EBA launched consultation on guidelines on disclosure of non-performing and forborne exposures](#)

The EBA has launched a consultation on the Guidelines on disclosure of non-performing and forborne exposures that (i) specify the information related to non-performing and forborne exposures and foreclosed assets that banks should disclose and (ii) provide uniform disclosure formats.

The consultation will run until **27 June 2018**.

European Supervisory Authorities (ESAs)

Publications

5 April 2018 - [ESAs publish updated report on risk and vulnerabilities](#)

The Joint Committee of the three European Supervisory Authorities (EBA, EIOPA and ESMA - ESAs) has published its joint report for the second half of 2017. It aims at outlining the following risks as potential sources of instability: (i) sudden repricing of risk premia; (ii) uncertainties around the UK's withdrawal from the EU; and (iii) cyber-attacks. The ESA report also warns against investing in virtual currencies and raises awareness for risks related to climate change and the transition to a lower-carbon economy.

Single Resolution Board (SRB)

Publications

30 April 2018 - Publication of the [Decision \(EU\) 2018/664 of the plenary session of the Single Resolution Board of 23 March 2017](#) on discharge in respect of the implementation of the budget and on the closure of the accounts of the Single Resolution Board for the financial year 2015 (SRB/PS/2017/02).

30 April 2018 - Publication of the [Decision \(EU\) 2018/665 of the plenary session of the Single Resolution Board of 15 March 2018](#) on discharge in respect of the implementation of the budget and on the closure of the accounts of the Single Resolution Board for the financial year 2016 (SRB/PS/2018/02).

Basel Committee of Banking Supervision (BCBS)

Publications

23 April 2018 - [BCBS issued updated progress report on adoption of the Basel regulatory framework](#)

The report states that member jurisdictions have made progress in implementing standards although some deadlines passed in 2017 without implementation by all countries. This includes the standardised approach for measuring counterparty credit risk exposures and the capital requirements for exposures to central counterparties and equity investments in funds. The report includes for the first time the finalised Basel III post-crisis reforms published by the Committee in December 2017. These recent reforms will take effect from 1 January 2022.

Macro prudential fora Countercyclical Capital buffer (CCyB)

- The CCyB rate for the second quarter of 2018 has been published on 27 March 2018 and is set at 0% ([CSSF Regulation N° 18-01](#)).
- The list of applicable CCyB rates in EU/EEA countries is available on the [website of the ESRB](#). The following countries have announced a CCyB rate different from 0%:

<i>Country</i>	CCyB rate	Application date
<i>Czech Republic</i>	0.5%	01/07/2017
		01/01/2018
		01/04/2018
	1.0%	01/07/2018
		01/10/2018
		01/01/2019
		01/04/2019
<i>Denmark</i>	0.5%	31/03/2019

<i>Iceland</i>	1.0%	05/07/2017
	1.25%	01/11/2017
		16/12/2017
		06/04/2018
		28/06/2018
		17/10/2018
		05/01/2018
<i>Lithuania</i>	0.5%	31/12/2018
<i>Norway</i>	1.5%	30/06/2017
		30/09/2017
	2.0%	31/12/2017
<i>Slovakia</i>	0.5%	01/08/2017
		01/11/2017
		01/02/2018
	1.25%	01/05/2018
		01/08/2018
		01/11/2018
		01/02/2019
<i>Sweden</i>	2.0%	19/03/2017
<i>United Kingdom</i>	0.5%	29/03/2017
		27/06/2018
	1%	28/11/2018

The list of applicable CCyB rates in non-EU/EEA countries can be consulted on [the website of the Bank of International Settlements](#).

European Systemic Risk Board (ESRB)

Publications

25 April 2018 - [The ESRB released the report reviewing the EU Macroprudential Policy in 2017](#)

The European Systemic Risk Board (ESRB) published a report stating that the number of domestic measures remained stable, although overall fewer measures were taken in than in previous years due to lower use of reciprocating measures. Four countries activated or increased the CCyB, and the real estate sector continues to be an important target of these policies.

The Financial Stability Board (FSB)

Publications and Consultations

20 April 2018 - [FSB published toolkit to mitigate misconduct risk](#)

The FSB has published *Strengthening Governance Frameworks to Mitigate Misconduct Risk*, which completes an important element of the FSB's [2015 Workplan on Measures to Reduce Misconduct Risk](#). The document provides firms and supervisors with a toolkit with a view to tackle the causes and

consequences of misconduct by promoting incentives for good behaviour through: (i) standards and codes of behaviour, and reforms to benchmark-setting practices; (ii) measures to address misconduct in wholesale markets; and (iii) guidance on the use of compensation tools to promote good conduct.

26 April 2018 - [FSB launched consultation on unique product identifier \(UPI\) governance](#)

The FSB published a second consultation on the proposed governance arrangements for the unique product identifier (UPI). This second consultation, which follows an initial consultation in October 2017, sets out proposals for the governance arrangements for a global UPI, as a key harmonised identifier designed to facilitate effective aggregation of transaction reports from over-the-counter (OTC) derivatives markets.

COMMUNIQUES

Survey related to the fight against money laundering and terrorist financing

Press release 18/15 of 20 April 2018

The Commission de Surveillance du Secteur Financier (“CSSF”) informs that it will henceforth conduct an annual on-line survey collecting standardised key information concerning money laundering and terrorist financing risks (“ML/FT risk”) to which the professionals under its supervision are exposed and the implementation of related risk mitigation and targeted financial sanctions measures.

This survey forms part of the AML/CFT risk-based supervision approach put in place by the CSSF over the course of the last years and contributes to the CSSF’s assessment of the money laundering and financing of terrorism risks present in the financial sectors under its supervision.

Indeed, as set out in the "International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation" (“FATF Recommendations”¹) adopted in February 2012 by the Financial Action Task Force (“FATF”), notably in Recommendation 1, “countries should identify, assess, and understand the money laundering and terrorist financing risks for the country, and should take action, including designating an authority or mechanism to coordinate actions to assess risks, and apply resources, aimed at ensuring the risks are mitigated effectively. Based on that assessment, countries should apply a risk-based approach (RBA) to ensure that measures to prevent or mitigate money laundering and terrorist financing are commensurate with the risks identified.”

The requirement to assess ML/FT risks and to apply a risk-based supervisory model has been confirmed by Directive (EU) 2015/849 of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing (“Fourth EU AML/CFT Directive”) and further specified in the European Supervisory Authorities document “Joint Guidelines, on the characteristics of a risk-based approach to anti-money laundering and terrorist financing supervision, and the steps to be taken when conducting supervision on a risk-sensitive basis: The Risk-Based Supervision Guidelines”².

To this end, the CSSF has elaborated new sector specific questionnaires (hereinafter “AML/CFT Questionnaires”) supporting on the one hand, the identification of ML/FT risk factors notably related to clients, countries and geographical areas, delivery or distribution channels, products and services of supervised entities and, on the other hand, the measures put in place to mitigate these risks.

Answers to the AML/CFT Questionnaires are sought from CSSF-supervised entities subject to the professional obligations laid down in the Law of 12 November 2004 on the fight against money laundering and terrorist financing, as amended.

¹ <http://www.fatf-gafi.org/publications/fatfrecommendations/documents/fatf-recommendations.html>

² <https://www.eba.europa.eu/documents/10180/1663861/Joint+Guidelines+on+Risk-%20Based+Supervision+%28ESAS+2016+72%29.pdf/7159758d-8337-499e-8b12-e34911f9b4b6>

They will contribute to the CSSF assessing that preventative and mitigation measures put in place by supervised entities are commensurate with the related ML/FT risks. Moreover, the information and subsequent conclusions drawn from this ongoing exercise will allow the CSSF to inform i.a. the national ML/FT risk assessment.

Global situation of undertakings for collective investment at the end of March 2018

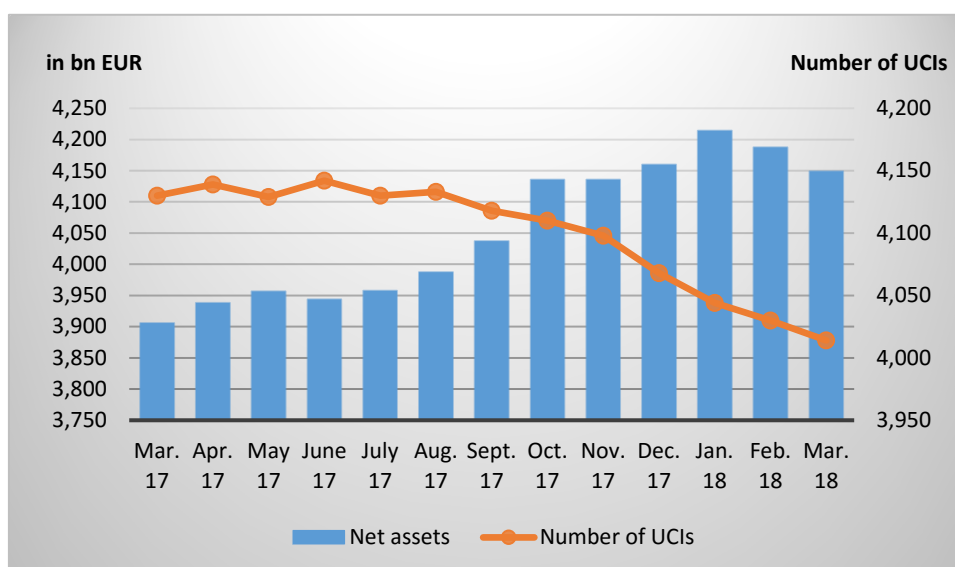
Press release 18/16 of 2 May 2018

I. Overall situation

As at 31 March 2018, total net assets of undertakings for collective investment, including UCIs subject to the 2010 Law, specialised investment funds and SICARs amounted to EUR 4,148.898 billion compared to EUR 4,187.323 billion as at 28 February 2018, i.e. a 0.92% decrease over one month. Over the last twelve months, the volume of net assets rose by 6.22%.

The Luxembourg UCI industry thus registered a negative variation amounting to EUR 38.425 billion during the month of March. This decrease results from the balance of positive net issues amounting to EUR 17.900 billion (0.43%) combined with a negative development in financial markets of EUR 56.325 billion (-1.35%).

The development of undertakings for collective investment is as follows:



The number of undertakings for collective investment (UCIs) taken into consideration totals 3,996 as against 4,014 in the previous month. 2,578 entities have adopted an umbrella structure, which represents 13,309 sub-funds. When adding the 1,418 entities with a traditional structure to that figure, a total of 14,727 fund units are active in the financial centre.

As regards, on the one hand, the impact of financial markets on the main categories of undertakings for collective investment and, on the other hand, the net capital investment in these UCIs, the following can be said about March.

The financial markets were dominated by the announcement of the US President of protectionist measures which fed the fears of trade tensions, leading to a fall in equity prices and a renewed interest for safe havens.

In this context, the various categories of equity UCIs of developed and emerging countries recorded price losses, despite economic fundamentals remaining overall positive.

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

Development of equity UCIs during the month of March 2018*

	Market variation in %	Net issues in %
Global market equities	-2.56%	0.83%
European equities	-2.06%	0.05%
US equities	-3.75%	2.43%
Japanese equities	-2.94%	0.02%
Eastern European equities	-4.71%	0.45%
Asian equities	-3.09%	2.46%
Latin American equities	-2.40%	7.61%
Other equities	-2.82%	0.96%

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

The EUR-denominated government bond yields appreciated as the risk aversion of investors seeking safe havens resumed its climb. Within a context of increased uncertainties, corporate bonds globally ended the month down due to the increase of risk premiums. All in all, EUR-denominated bond UCIs registered a slight price increase.

In the United States, government bonds benefited from these market circumstances, resulting in a fall in US long-term yields. However, this trend has been more than offset by the USD vs. EUR depreciation, so that USD-denominated bonds declined overall.

Despite the rise in volatilities and resurgence of investors' risk aversion, the emerging market bond UCIs realised slight price increases which have been more than offset by the depreciation of the USD and the main emerging currencies against the EUR.

In March, the category of fixed-income UCIs registered an overall negative net capital investment.

Development of fixed-income UCIs during the month of March 2018*

	Market variation in %	Net issues in %
EUR money market	-0.04%	2.37%
USD money market	-0.85%	-10.22%
Global market money market	0.14%	-1.79%
EUR-denominated bonds	0.24%	-0.04%
USD-denominated bonds	-0.75%	-2.14%
Global market bonds	-0.26%	0.50%
Emerging market bonds	-0.40%	1.12%
High Yield bonds	-1.23%	-1.86%
Others	-0.46%	0.35%

* 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:

Development of diversified UCIs and funds of funds during the month of March 2018*

	Market variation in %	Net issues in %
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Diversified UCIs	-1.41%	2.04%
Funds of funds	-1.72%	0.41%

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

II. Breakdown of the number and net assets of UCIs

	PART I UCITS		PART II UCIs		SIFs		SUB-TOTAL (without SICARs)		SICARs ³		TOTAL	
	NUMBER	NET ASSETS (in bn €)	NUMBER	NET ASSETS (in bn €)	NUMBER	NET ASSETS (in bn €)	NUMBER	NET ASSETS (in bn €)	NUMBER	NET ASSETS (in bn €)	NUMBER	NET ASSETS (in bn €)
31/12/2015	1,892	2,946.860 €	384	169.896 €	1,602	389.445 €	3,878	3,506.201 €	282	37.430 €	4,160	3,543.631 €
31/01/2016	1,903	2,819.861 €	378	164.531 €	1,596	386.607 €	3,877	3,370.999 €	282	37.430 €	4,159	3,408.429 €
29/02/2016	1,904	2,813.421 €	373	157.278 €	1,592	387.785 €	3,869	3,358.484 €	282	37.430 €	4,151	3,395.914 €
31/03/2016	1,905	2,847.418 €	371	157.047 €	1,603	390.939 €	3,879	3,395.404 €	282	37.430 €	4,161	3,432.834 €
30/04/2016	1,904	2,888.262 €	370	159.477 €	1,606	394.341 €	3,880	3,442.080 €	282	37.430 €	4,162	3,479.510 €
31/05/2016	1,902	2,928.461 €	371	159.174 €	1,609	400.345 €	3,882	3,487.980 €	282	37.430 €	4,164	3,525.410 €
30/06/2016	1,899	2,906.498 €	367	156.893 €	1,621	398.513 €	3,887	3,461.904 €	282	37.430 €	4,169	3,499.334 €
31/07/2016	1,892	2,997.551 €	365	159.356 €	1,631	408.849 €	3,888	3,565.756 €	282	37.430 €	4,170	3,603.186 €
31/08/2016	1,894	3,033.413 €	363	159.141 €	1,636	409.608 €	3,893	3,602.162 €	282	37.430 €	4,175	3,639.592 €
30/09/2016	1,891	3,051.016 €	362	159.088 €	1,644	411.825 €	3,897	3,621.929 €	282	37.430 €	4,179	3,659.359 €
31/10/2016	1,893	3,053.246 €	356	159.320 €	1,642	413.932 €	3,891	3,626.498 €	282	37.430 €	4,173	3,663.928 €
30/11/2016	1,888	3,065.882 €	355	158.862 €	1,645	415.885 €	3,888	3,640.629 €	282	37.430 €	4,170	3,678.059 €
31/12/2016	1,869	3,116.104 €	353	160.578 €	1,639	424.394 €	3,861	3,701.076 €	283	40.254 €	4,144	3,741.330 €
31/01/2017	1,869	3,138.701 €	351	160.967 €	1,623	427.236 €	3,843	3,726.904 €	283	40.483 €	4,126	3,767.387 €
28/02/2017	1,880	3,217.837 €	351	164.858 €	1,617	436.203 €	3,848	3,818.898 €	282	41.419 €	4,130	3,860.317 €
31/03/2017	1,895	3,257.773 €	346	165.780 €	1,618	440.288 €	3,859	3,863.841 €	280	42.186 €	4,139	3,906.027 €
30/04/2017	1,892	3,286.525 €	342	164.471 €	1,613	444.874 €	3,847	3,895.870 €	282	42.037 €	4,129	3,937.907 €
31/05/2017	1,895	3,297.803 €	342	162.813 €	1,620	453.326 €	3,857	3,913.943 €	285	42.923 €	4,142	3,956.366 €
30/06/2017	1,887	3,288.338 €	338	160.634 €	1,618	451.703 €	3,843	3,900.675 €	287	42.923 €	4,130	3,943.598 €
31/07/2017	1,885	3,307.103 €	338	159.097 €	1,619	448.554 €	3,842	3,914.754 €	291	42.827 €	4,133	3,957.581 €
31/08/2017	1,876	3,328.865 €	337	156.448 €	1,615	458.911 €	3,828	3,944.224 €	290	43.104 €	4,118	3,987.328 €
30/09/2017	1,880	3,380.943 €	332	154.308 €	1,608	459.079 €	3,820	3,994.330 €	290	42.810 €	4,110	4,037.140 €
31/10/2017	1,871	3,470.456 €	325	155.929 €	1,612	466.213 €	3,808	4,092.598 €	290	43.097 €	4,098	4,135.695 €
30/11/2017	1,864	3,469.422 €	325	155.343 €	1,591	465.954 €	3,780	4,090.719 €	288	45.080 €	4,068	4,135.799 €
31/12/2017	1,859	3,486.445 €	323	154.189 €	1,576	472.415 €	3,758	4,113.049 €	286	46.565 €	4,044	4,159.614 €
31/01/2018	1,852	3,539.403 €	320	155.272 €	1,573	473.290 €	3,745	4,167.965 €	285	46.065 €	4,030	4,214.030 €
28/02/2018	1,854	3,513.980 €	316	152.309 €	1,560	475.916 €	3,730	4,142.205 €	284	45.118 €	4,014	4,187.323 €
31/03/2018	1,846	3,473.243 €	314	150.078 €	1,552	480.516 €	3,712	4,103.837 €	284	45.061 €	3,996	4,148.898 €

During the month under review, the following three undertakings for collective investment have been registered on the official list:

1) UCITS Part I 2010 Law:

- 2XIDEAS UCITS, 2, rue d'Alsace, L-1122 Luxembourg
- H & A INTERNATIONAL FUND, 1C, rue Gabriel Lippmann, L-5365 Munsbach

³ Before 31 December 2016, the statistical data of SICARs were only published on an annual basis.

- SELECT INVESTMENT SERIES III SICAV, 6H, route de Trèves, L-2633 Senningerberg

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:

- DEKA-EUROGARANT STRATEGIE 1, 5, rue des Labours, L-1912 Luxembourg
- DEKA-OPTIRENT 1+Y, 5, rue des Labours, L-1912 Luxembourg
- DEKA-OPTIRENT 2Y, 5, rue des Labours, L-1912 Luxembourg
- DWS GLOBAL EQUITY FOCUS FUND, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
- EURIZON MM COLLECTION FUND, 8, avenue de la Liberté, L-1930 Luxembourg
- HSBC MULTI INDEX FUNDS, 5, allée Scheffer, L-2520 Luxembourg
- LUXGLOBAL, 2, place François-Joseph Dargent, L-1413 Luxembourg
- PROMETHEUS, 1C, rue Gabriel Lippmann, L-5365 Munsbach
- SFC GLOBAL MARKETS, 1C, rue Gabriel Lippmann, L-5365 Munsbach
- UNIGARANT: BRIC (2018), 308, route d'Esch, L-1471 Luxembourg
- UNIGARANT: DEUTSCHLAND (2018), 308, route d'Esch, L-1471 Luxembourg

2) UCIs Part II 2010 Law:

- OONA SOLUTIONS, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
- SAIL MULTI-STRATEGIES FUND, 16, boulevard d'Avranches, L-1160 Luxembourg

3) SIFs:

- ASSAFWA SHARIA, 1B, rue Jean Piret, L-2350 Luxembourg
- BOUWFONDS EUROPEAN STUDENT HOUSING FUND II, 2, place François-Joseph Dargent, L-1413 Luxembourg
- MUNICIPAL INFRASTRUCTURE DEVELOPMENT FUND, 14, boulevard Royal, L-2449 Luxembourg
- PM STRATEGIE FONDS, 15, rue de Flaxweiler, L-6776 Grevenmacher
- PRADERA EUROPEAN RETAIL FUND 2, 69, route d'Esch, L-1470 Luxembourg
- SIREO IMMOBILIENFONDS NO. 4 SICAV-FIS, 4A, rue Albert Borschette, L-1246 Luxembourg
- TRIAS INFRASTRUCTURE DEBT FUND S.A., SICAV-FIS, 15, rue de Flaxweiler, L-6776 Grevenmacher
- VARIUS RE FUND S.A.-SICAV-SIF, 19, rue Eugène Ruppert, L-2453 Luxembourg

Profit and loss account of credit institutions as at 31 December 2017

Press release 18/17 of 8 May 2018

The CSSF estimates profit before provisions of the Luxembourg banking sector at EUR 5,345 million for the year 2017. Compared to 2016, profit before provisions thus decreased by 15.4%. The extent of this decrease compared to last year is primarily related to an outstanding effect, resulting from the proceeds from the disposal of a major holding by a bank of the financial centre at the end of 2016. These developments resulted in a 20.1% decrease of the net profit for the financial year in question.

In 2017, the Luxembourg banking sector recorded solid recurring banking income. Indeed, the **interest-rate margin** increased by 3.4% over one year. This positive development, experienced by 59% of Luxembourg banks, resulted in aggregate from an increase in business volume and in return on assets

or the passing-on of negative interest rates by certain banks to their institutional customers. Moreover, following a negative development in 2016 (-2.5%), the **net commissions received** (+2.7%) again stabilised in 2017. Thus, 58% of the banks of the financial centre benefited from a very favourable stock market context in relation to their asset management activities on behalf of private and institutional customers.

The decrease in banking income (-6.3%) originates from the **other net income**. In 2016, this income increased substantially due to a significant gain realised on an exceptional transaction by a bank of the financial centre. Excluding this exceptional effect, the other net income would have decreased by 14.1% (instead of 35%) due in particular to a drop in the dividends received by certain credit institutions.

The **general expenses** also contributed to the negative development of the profit before provisions in 2017. The ongoing increase of the general expenses is a phenomenon that has been observed over the last three years and which concerns most Luxembourg credit institutions (64%). While part of the general expenses is due to investments in new infrastructures, an important part of these fees is directly related to the banks becoming compliant with a sustained flow of new accounting and regulatory standards. The other general expenses amount to EUR 3,076 million. For 2017, the taxes and fees paid by the Luxembourg banks in order to cover the fees and expenses of the banking supervision amount to EUR 16 million for the CSSF and 4 million⁴ for the European Central Bank (Single Supervisory Mechanism). The banking contributions received in 2017 by the CSSF to the European Single Resolution Fund and the Fonds de garantie des dépôts Luxembourg (Luxembourg Deposit Guarantee Fund) represent EUR 100 million and EUR 76 million, respectively.

The **net profit** for 2017 amounts to EUR 3,788 (-20.1%).

Profit and loss account as at 31 December 2017

Items in million EUR	December 2016	December 2017	%
Interest-rate margin	4,717	4,877	3.4%
Net commissions received	4,602	4,727	2.7%
Other net income	3,038	1,974	-35.0%
Banking income	12,357	11,578	-6.3%
Staff costs	3,109	3,157	1.5%
Other general expenses	2,931	3,076	4.9%
General expenses	6,040	6,233	3.2%
Profit before provisions	6,317	5,345	-15.4%
Net creation of provisions	757	727	-4.0%
Taxes	820	830	1.3%
Net profit for the year	4,740	3,788	-20.1%

⁴ For banking groups, the European Central Bank does only issue a single aggregate invoice for the whole group. The CSSF does not have information on the intragroup rebilling. Consequently, the amount of 4 million does not take account of the proportion borne, where appropriate, by the Luxembourg banks whose group head is established in other member countries of the euro area. This proportion may be estimated at approximately EUR 9 million, bringing the overall direct costs of the Luxembourg banks' supervision by the European Central Bank to EUR 13 million.

eDesk, a new service by the CSSF for the online issuance of residence certificates for Luxembourg investment funds, investment fund managers and securitisation undertakings and UCITS and AIFMD/ESMA attestations for non-EU countries

Communiqué of 15 May 2018

Starting **15 May 2018**, the CSSF launches a new online tool, named eDesk, allowing the fund industry to submit their requests via a dedicated Internet portal.

This application replaces the current email procedure for requesting residence certificates for UCITS, Part II UCIs, SIFs, SICARs, IFMs and securitisation undertakings and UCITS and AIFMD/ESMA attestations for non-EU countries.

The electronic UCITS attestation requests in French, English and German, as well as the AIFMD/ESMA attestation for non-EU countries will continue to be processed through the secured channels (e-file or SOFiE).

An eDesk request consists of different consecutive steps:

1. Input of requester information
2. Input of entity information
3. Input of information on the recipient(s) of the document and reason for the request
4. Validation of the request (including an overview of the information collected)

The online tool is available in three languages (French, English and German) and its functionalities will be developed in the future.

The documents issued in PDF include a digital signature by the CSSF based on an SSL certificate issued by the company Luxtrust - the Luxembourg certification authority for digital signatures.

The CSSF's public certificate allows verifying the validity of the signature on the signed documents.

The eDesk tool is available at: <https://edesk.apps.cssf.lu/edesk/attestations>

Note:

A User Guide is available at:

http://www.cssf.lu/fileadmin/files/Metier_OPC/Formulaires/GuideUtilisateurEN.pdf

Technical note:

The procedure for installing the CSSF certificate in Adobe Reader may be downloaded at:

French version:

http://www.cssf.lu/fileadmin/files/Prospectus_OPC/Certificat_Signature_Luxtrust_fr.pdf

English version:

http://www.cssf.lu/fileadmin/files/Prospectus_OPC/Certificat_Signature_Luxtrust_en.pdf

German version:

http://www.cssf.lu/fileadmin/files/Prospectus_OPC/Certificat_Signature_Luxtrust_de.pdf

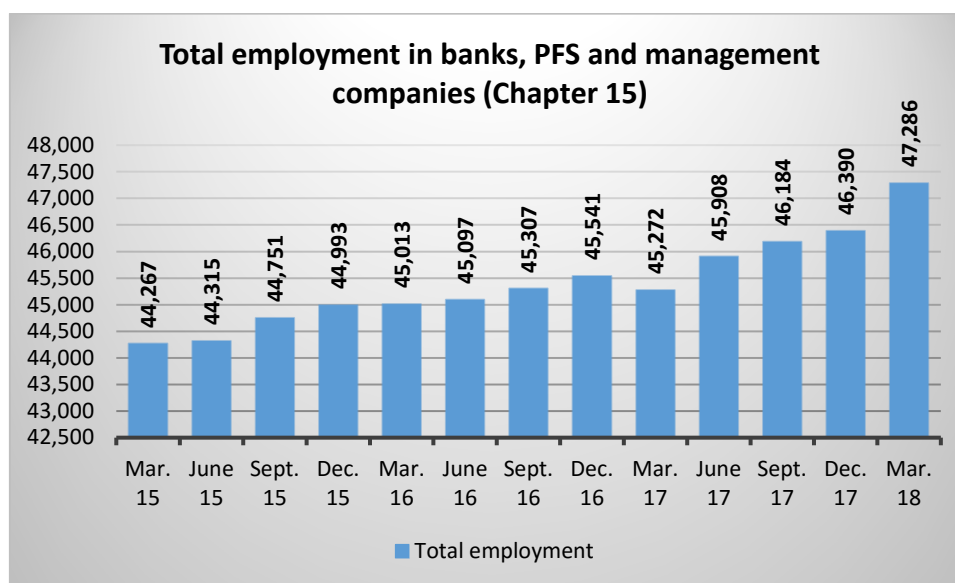
AML/CFT Questionnaires - Press release 18/15

Communiqué of 22 May 2018

Professionals that have been invited by CSSF circular letter to fill in the AML/CFT Questionnaires can now access the same questionnaires (in PDF form) either on the [CSSF website](#) or on the dedicated portal of the CSSF, as indicated in the circular letter sent to them. However, the complete response can only be submitted by the professional by electronic means indicated in the circular letter.

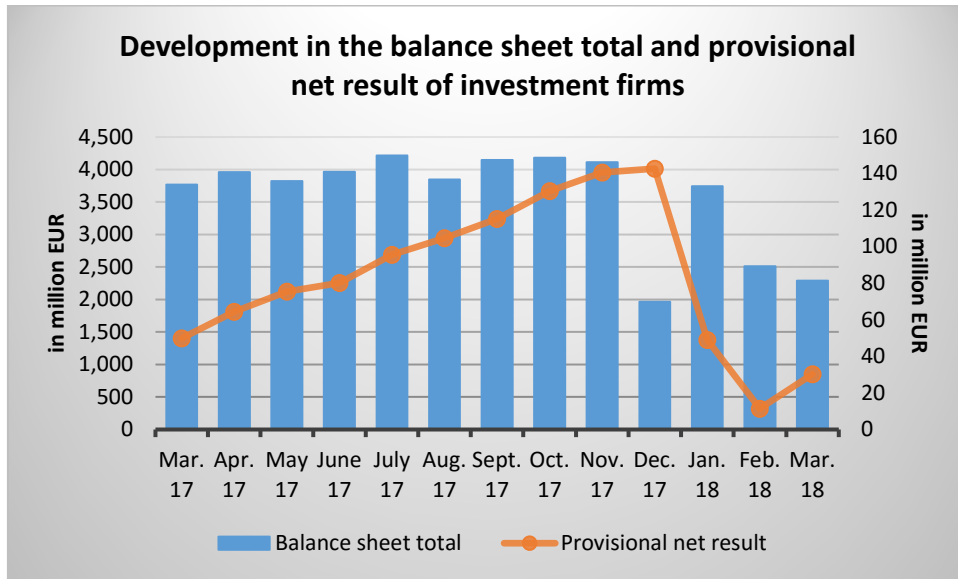
STATISTICS

Total employment in banks, PFS and management companies Increase in total employment as at 31 March 2018



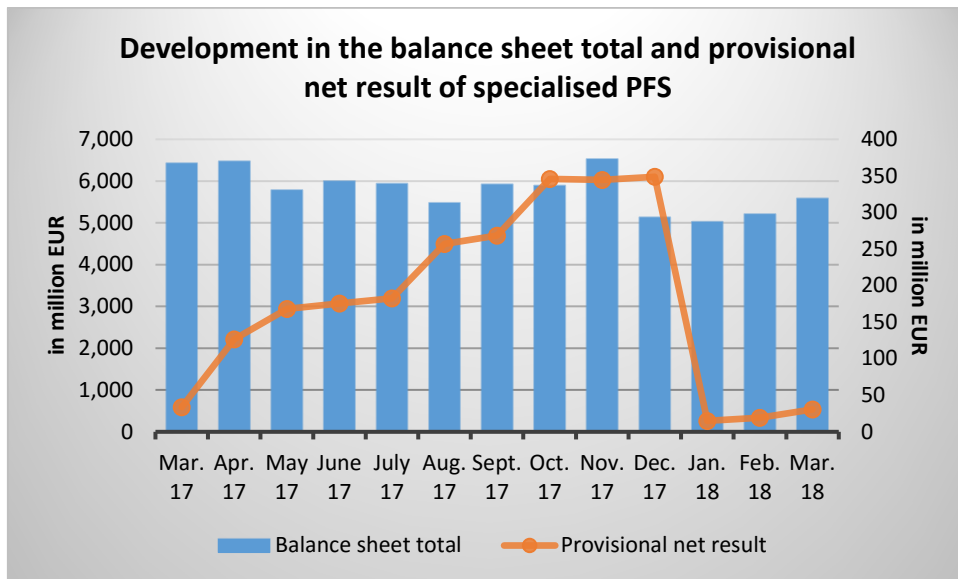
Investment firms

Decrease in the balance sheet total as at 31 March 2018



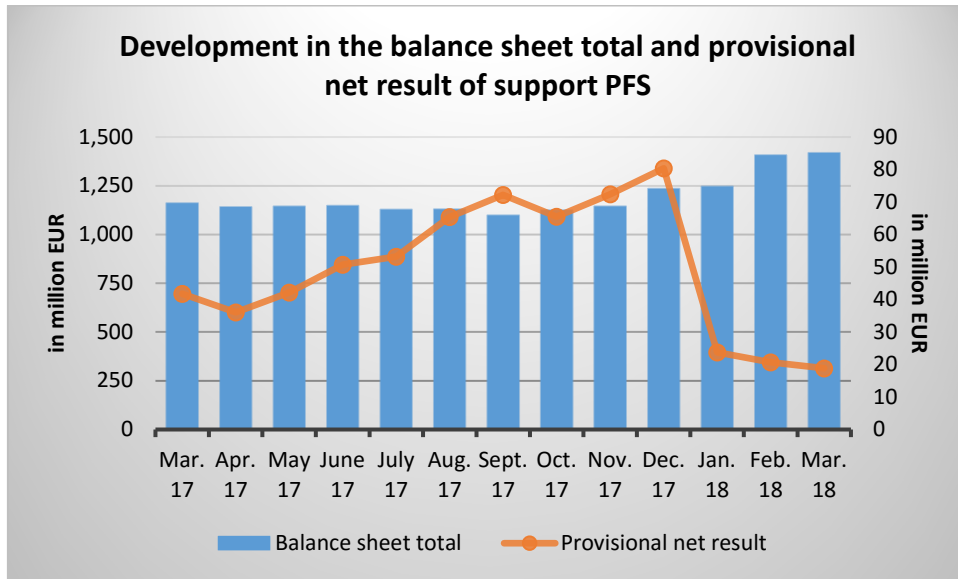
Specialised PFS

Increase in the balance sheet total as at 31 March 2018



Support PFS

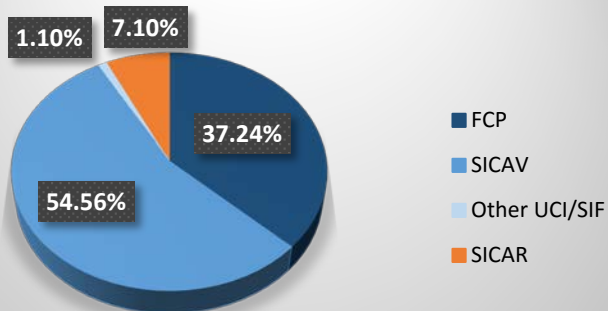
Slight increase in the balance sheet total as at 31 March 2018



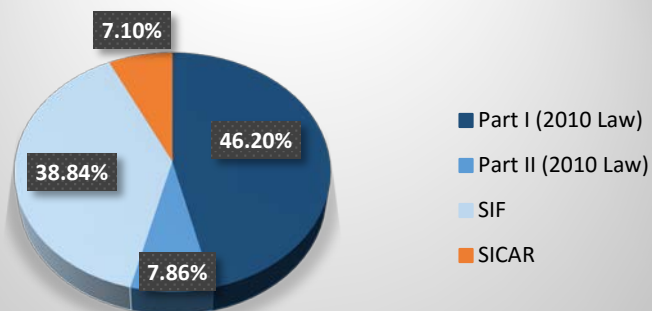
UCIs (Situation as at 31 March 2018)

Number of UCIs

Breakdown according to legal form



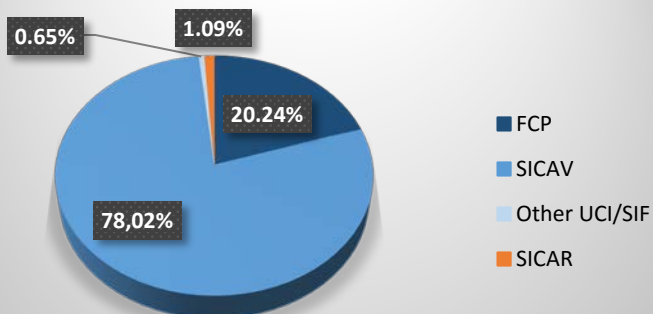
Breakdown according to law and part applicable



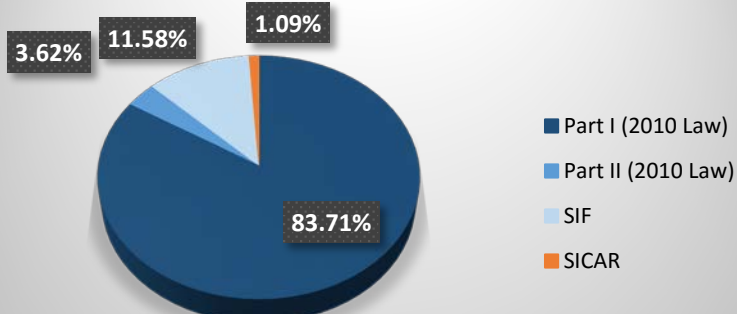
Law, part/legal form	FCPs	SICAVs	Other UCIs/SIFs	SICARs	Total
Part I (2010 Law)	976	870	0	0	1,846
Part II (2010 Law)	156	155	3	0	314
SIFs	356	1,155	41	0	1,552
SICARs	0	0	0	284	284
TOTAL	1,488	2,180	44	284	3,996

Net assets of UCIs

Breakdown according to legal form



Breakdown according to law and part applicable



Law, part/legal form (in bn EUR)	FCPs	SICAVs	Other UCIs/SIFs	SICARs	Total
Part I (2010 Law)	626.862	2,846.381	0.000	0.000	3,473.243
Part II (2010 Law)	50.104	99.297	0.677	0.000	150.078
SIFs	162.906	299.189	26.421	0.000	480.516
SICARs	0.000	0.000	0.000	45.061	45.061
TOTAL	839.872	3,236.867	27.098	45.061	4,148.898

Breakdown according to investment policy

Breakdown according to investment policy	Net assets (in bn EUR)	Number of fund units ⁵
Fixed-income securities	1,225.945	3,104
Variable-yield transferable securities	1,241.162	3,871
Mixed transferable securities	925.901	3,985
Funds of funds	240.980	2,182
Money market instruments and other short-term securities	305.138	230
Cash	1.041	16
Private equity	31.318	207
Venture capital	1.773	32
Real estate	60.675	337
Futures and/or options	13.746	128
Other assets	56.158	234
Public-to-Private	0.127	3
Mezzanine	2.934	13
Venture Capital (SICARs)	6.995	90
Private Equity (SICARs)	35.005	295
TOTAL	4,148.898	14,727

Breakdown of net assets according to investment policy

Breakdown according to investment policy	NET ASSETS (in bn EUR)	NUMBER OF FUND UNITS	SUBSCRIPTIONS (in bn EUR)	REDEMPTIONS (in bn EUR)	NET SUBSCRIPTIONS (in bn EUR)
PART I					
Fixed-income transferable securities	1,119.786	2,533	47.894	47.819	0.075
Variable-yield transferable securities	1,179.531	3,500	60.158	47.666	12.492
Mixed transferable securities	744.371	2,836	44.615	27.830	16.785
Funds of funds	132.128	1,005	3.107	2.754	0.353
Money market instruments and other short-term securities	285.831	178	123.679	139.748	-16.069
Cash	0.661	8	0.018	0.102	-0.084
Futures and/or options	7.630	60	0.471	0.398	0.073
Other assets	3.305	10	0.050	0.101	-0.051
TOTAL PART I:	3,473.243	10,130	279.992	266.418	13.574
PART II					
Fixed-income transferable securities	22.960	109	0.624	0.780	-0.156

⁵ "Fund units" refers to both traditionally structured UCIs and sub-funds of umbrella funds.

Variable-yield transferable securities	13.585	62	0.203	0.104	0.099
Mixed transferable securities	54.835	201	1.674	1.741	-0.067
Funds of funds	30.551	292	0.429	0.480	-0.051
Money market instruments and other short-term securities	14.984	42	1.437	1.190	0.247
Cash	0.364	6	0.004	0.011	-0.007
Private equity	5.082	16	0.137	0.031	0.106
Venture capital	0.002	1	0.000	0.000	0.000
Real estate	1.504	21	0.000	0.000	0.000
Futures and/or Options	2.591	27	0.023	0.163	-0.140
Other assets	3.620	14	0.033	0.020	0.013
TOTAL PART II:	150.078	791	4.564	4.520	0.044
SIFs					
Fixed-income transferable securities	83.199	462	3.944	2.953	0.991
Variable-yield transferable securities	48.046	309	0.830	1.249	-0.419
Mixed transferable securities	126.695	948	3.678	1.530	2.148
Funds of funds	78.301	885	1.200	0.791	0.409
Money market instruments and other short-term securities	4.323	10	0.415	0.807	-0.392
Cash	0.016	2	0.000	0.000	0.000
Private equity	26.236	191	0.434	0.355	0.079
Venture capital	1.771	31	0.026	0.000	0.026
Real estate	59.171	316	1.255	0.560	0.695
Futures and/or options	3.525	41	0.282	0.036	0.246
Other assets	49.233	210	1.359	0.480	0.879
TOTAL SIFs:	480.516	3,405	13.423	8.761	4.662
SICARs					
Public-to-Private	0.127	3	0.000	0.000	0.000
Mezzanine	2.934	13	0.000	0.000	0.000
Venture capital	6.995	90	0.012	0.008	0.004
Private equity	35.005	295	0.075	0.459	-0.384
TOTAL SICARs	45.061	401	0.087	0.467	-0.380
TOTAL LUXEMBOURG UCIs	4,148.898	14,727	298.066	280.166	17.900

Origin of the initiators of Luxembourg UCIs

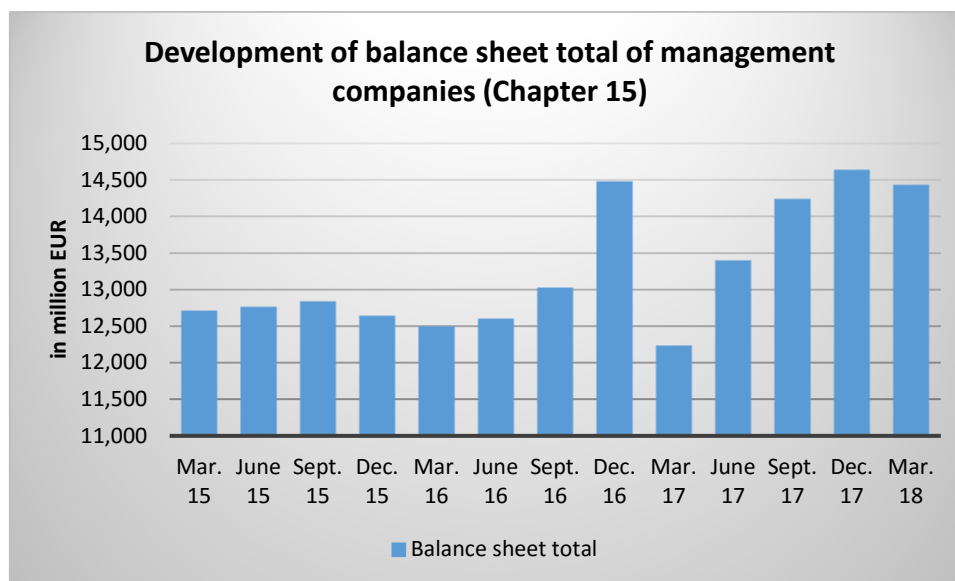
Country	Net assets (in bn EUR)	in %	Number of UCIs	in %	Number of fund units	in %
United States	833.075	20.1%	189	4.7%	1,074	7.3%
United Kingdom	742.017	17.9%	280	7.0%	1,597	10.8%

Germany	599.060	14.4%	1,352	33.8%	2,673	18.1%
Switzerland	567.027	13.7%	576	14.4%	2,748	18.7%
France	368.409	8.9%	316	7.9%	1,470	10.0%
Italy	345.189	8.3%	146	3.6%	1,252	8.5%
Belgium	175.711	4.2%	167	4.2%	951	6.5%
Netherlands	94.312	2.3%	231	5.8%	656	4.4%
Luxembourg	92.960	2.2%	46	1.2%	249	1.7%
Denmark	86.523	2.1%	23	0.6%	205	1.4%
Others	244.615	5.9%	670	16.8%	1,852	12.6%
TOTAL	4,148.898	100.0%	3,996	100.0%	14,727	100.0%

Breakdown of UCI fund units registered in Luxembourg by reference currency

Currency	Net assets (in bn EUR)	in %	Number of fund units	in %
AUD	5.128	0.124%	28	0.190%
CAD	1.666	0.040%	22	0.149%
CHF	46.130	1.112%	289	1.962%
CNH	1.605	0.039%	23	0.156%
CNY	0.112	0.003%	3	0.020%
CZK	1.378	0.033%	65	0.441%
DKK	1.639	0.040%	11	0.075%
EUR	2,282.362	55.011%	9,351	63.496%
GBP	115.411	2.782%	333	2.261%
HKD	4.737	0.114%	10	0.068%
HUF	0.339	0.008%	33	0.224%
JPY	65.645	1.582%	206	1.399%
MXN	0.016	0.000%	1	0.007%
NOK	4.693	0.113%	32	0.217%
NZD	0.700	0.017%	5	0.034%
PLN	0.416	0.010%	19	0.129%
RON	0.504	0.012%	5	0.034%
SEK	51.746	1.247%	195	1.324%
SGD	0.485	0.012%	4	0.027%
TRY	0.023	0.001%	3	0.020%
USD	1,564.138	37.700%	4,088	27.759%
ZAR	0.025	0.001%	1	0.007%
TOTAL	4,148.898	100.000%	14,727	100.000%

Management companies authorised according to Chapter 15 of the 2010 Law Decrease in the balance sheet total as at 31 March 2018



Pension funds

As at 10 May 2018, **13 pension funds** in the form of pension savings companies with variable capital (SEPCAVs) and pension savings associations (ASSEPs) 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 **18**.

Securitisation undertakings

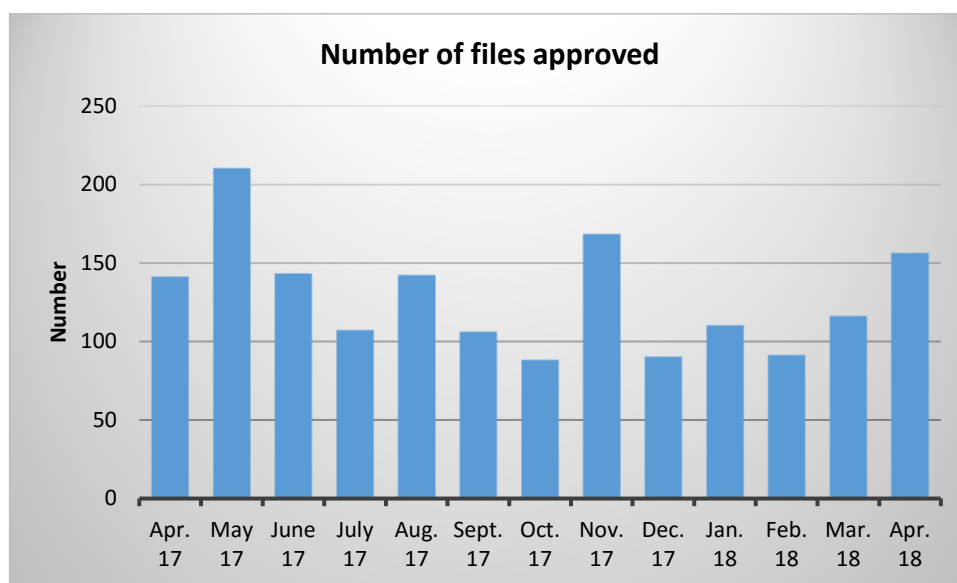
The number of **securitisation undertakings authorised** by the CSSF in accordance with the Law of 22 March 2004 on securitisation amounted to **33** entities as at **4 May 2018**.

Public oversight of the audit profession

The public oversight of the audit profession covered **59 cabinets de révision agréés** (approved audit firms) and **305 réviseurs d'entreprises agréés** (approved statutory auditors) as at 30 April 2018. The oversight also included **31 third-country auditors and audit firms** duly registered in accordance with the Law of 23 July 2016 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)

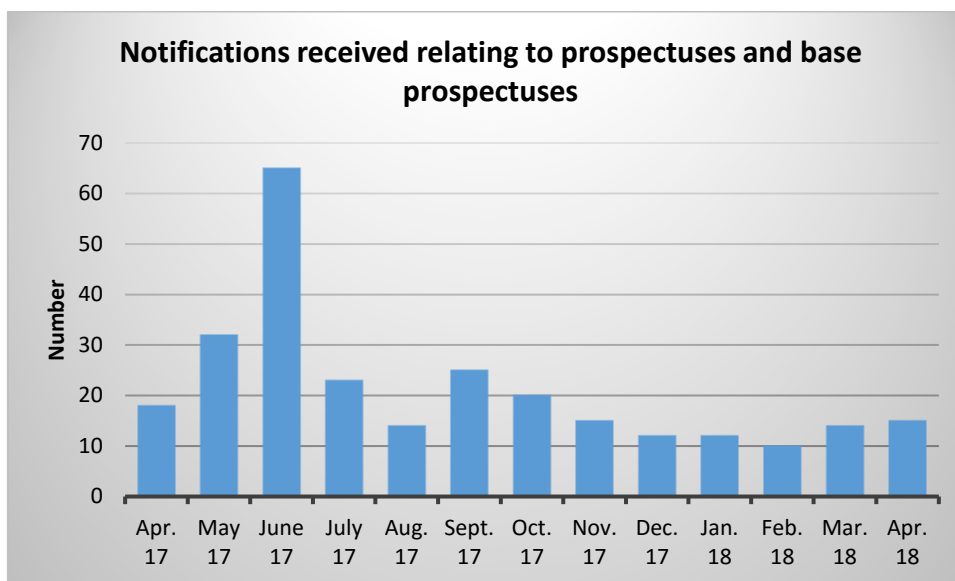
CSSF approvals



In April 2018, the CSSF approved a total of 156 documents pursuant to the Prospectus Law, which break down as follows:

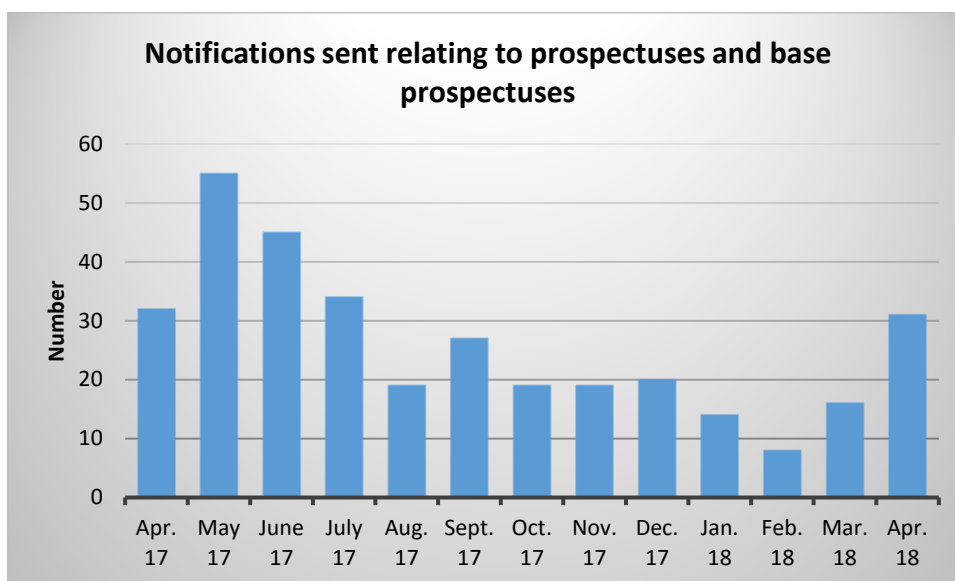
base prospectuses:	32	(20.52%)
other prospectuses:	33	(21.15%)
registration documents:	4	(2.56%)
supplements:	87	(55.77%)

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



In April 2018, the CSSF received 15 notifications relating to prospectuses and base prospectuses and 92 notifications relating to supplements from the competent authorities of other EEA Member States.

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



In April 2018, the CSSF sent 31 notifications relating to prospectuses and base prospectuses and 68 notifications relating to supplements to the competent authorities of other EEA Member States⁶.

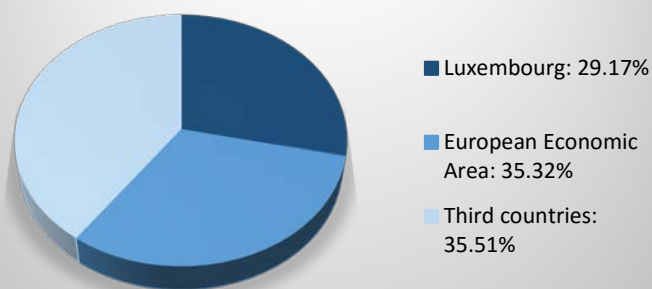
⁶ These figures reflect the number of prospectuses, base prospectuses and supplements for which the CSSF sent one or several notifications. Where notifications were sent at different dates and/or in several Member States, only the first notification is included in the statistical calculation. Each document 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 (the "Transparency Law")

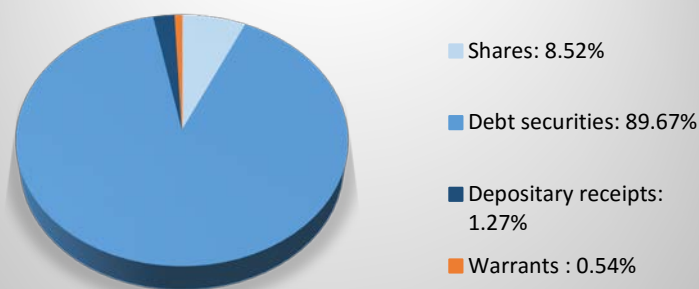
Since 9 April 2018, two issuers have chosen Luxembourg as home Member State for the purposes of the Transparency Law. Moreover, one issuer has been deregistered from the list due to the fact that it no longer falls within the scope of the Transparency Law.

As at 9 May 2018, 552 issuers, subject to the supervision of the CSSF, were included in the list of issuers whose home Member State is Luxembourg pursuant to the Transparency Law.

Breakdown of issuers according to countries



Breakdown of issuers according to type of securities admitted to trading



WITHDRAWALS DECIDED BY THE CSSF

A decision to withdraw an undertaking for collective investment WMP I SICAV from the official list of specialised investment funds was taken by the CSSF on 2 May 2018.

Following the CSSF's decision to withdraw the specialised investment fund SYNTHESIS MULTI-ASSET ARCHITECTURE SICAV-SIF, SCA from the official list of specialised investment funds, the VIth Chamber of the *Tribunal d'arrondissement de et à Luxembourg* (Luxembourg District Court), dealing with commercial matters, per judgment on 3 May 2018, pronounced the dissolution and ordered the liquidation of the specialised investment fund SYNTHESIS MULTI-ASSET ARCHITECTURE SICAV-SIF, SCA. The same judgement has appointed Mr Laurent Lucas as reporting judge and Mr Yann Baden as liquidator.

FINANCIAL CENTRE

Main updated figures regarding the financial centre

			Annual comparison
Banks	Number (15/05/2018)	140	↘ 1 entity
	Balance sheet total (31/12/2017)	EUR 751.902 bn	↘ EUR 18.174 bn
	Profit before provisions (31/12/2017)	EUR 5.435 bn	↘ EUR 926 m
Payment institutions	Number (15/05/2018)	10	↗ 1 entity
Electronic money institutions	Number (15/05/2018)	5	↗ 1 entity
UCIs	Number (15/05/2018)	Part I 2010 Law: 1,846	↘ 48 entities
		Part II 2010 Law: 308	↘ 33 entities
		SIFs: 1,555	↘ 60 entities
		TOTAL: 3,709	↘ 141 entities
	Number (09/05/2018)	SICARs: 284	↗ 2 entities
	Total net assets (31/03/2018)	EUR 4,148.898 bn	↗ EUR 242.871 bn
Management companies (Chapter 15)	Number (30/04/2018)	204	no variation
	Balance sheet total (31/03/2018) ⁷	EUR 14.425 bn	↗ EUR 2.195 bn
Management companies (Chapter 16)	Number (30/04/2018)	169	↗ 2 entities
AIFMs	Number (15/05/2018)	232	↗ 9 entities
Pension funds	Number (10/05/2018)	13	↘ 1 entity
Authorised securitisation undertakings	Number (04/05/2018)	33	↘ 1 entity
Investment firms	Number (15/05/2018)	100 of which 6 branches	↘ 6 entities
	Balance sheet total (31/03/2018)	EUR 2.290 bn	↘ EUR 1.479 bn
	Provisional net profit (31/03/2018)	EUR 30.26 m	↘ EUR 19.72 m
Specialised PFS	Number (15/04/2018)	109	↘ 5 entities
	Balance sheet total (31/03/2018)	EUR 5.586 bn	↘ EUR 843 m
	Provisional net profit (31/03/2018)	EUR 30.63 m	↘ EUR 3.07 m
Support PFS	Number (15/05/2018)	79	↗ 2 entities
	Balance sheet total (31/03/2018)	EUR 1.418 bn	↗ EUR 258 m
	Provisional net profit (31/03/2018)	EUR 18.86 m	↘ EUR 22.94 m
Issuers of securities whose home Member State is Luxembourg pursuant to the Transparency Law	Number (09/05/2018)	552	↘ 105 entities
Public oversight of the audit profession	Number (30/04/2018)	59 <i>cabinets de révision agréés</i>	↗ 3 entities
		305 <i>réviseurs d'entreprises agréés</i>	↗ 15 people
		31 third-country auditors and audit firms	↘ 9 entities
Employment (31/03/2018)	Banks	26,331 people	↗ 187 people
	Management companies (Chapter 15) ⁷	4,460 people	↗ 364 people
	Investment firms	2,077 people	↘ 196 people
	Specialised PFS	4,271 people	↗ 222 people
	Support PFS	10,147 people	↗ 1,437 people
	Total	47,286 people	↗ 2,014 people ⁸

⁷ Preliminary figures

⁸ 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.