



Commission de Surveillance
du Secteur Financier

Newsletter

No 271

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News

SIGNATURE OF A MEMORANDUM OF UNDERSTANDING BETWEEN THE ASTANA FINANCIAL SERVICES AUTHORITY FROM THE REPUBLIC OF KAZAKHSTAN AND THE CSSF



On 23 July 2023, the Astana Financial Services Authority from the Republic of Kazakhstan and the CSSF signed a Memorandum of Understanding in relation to

the supervision of management companies, undertakings for collective investment, major brokers, depositaries and other entities active in the asset management sector operating on the markets of the two jurisdictions. The Memorandum of Understanding took effect on the day of its signature.



Warnings

Warnings of the CSSF

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

- [Warning concerning the fraudulent activities carried out by the entity Likewood-invest LTD / Wood Finance Limited and usurpation of the name and logo of the CSSF as well as of the name of the Maltese investment firm WOOD Finance LTD](#)
- [Warning concerning fraudulent activities carried out under the name of Banque Internationale à Luxembourg \(BIL\) and the website \[www.biloserclient.com\]\(http://www.biloserclient.com\)](#)

Given the significant number of fraudulent websites recently identified, the CSSF recommends verifying whether the entity with which you would like to do business is supervised by the CSSF by using the application "[Search Entities](#)". Please pay attention to details on the websites such as: unusual or foreign phone numbers, wrong address, spelling mistakes etc. In case of doubt, please visit the [CSSF website](#) and contact the CSSF.

Warnings published by IOSCO

Several warnings have been published on the IOSCO website at:

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



National regulation

Law of 21 July 2023 – Amendment to sectoral laws on funds

The Law amends the Law of 15 June 2004 relating to the investment company in risk capital (SICAR), the Law of 13 February 2007 relating to specialised investment funds, the Law of 17 December 2010 relating to undertakings for collective investment and the Law of 12 July 2013 on alternative investment fund managers.

<https://www.cssf.lu/en/Document/law-of-21-july-2023/>

Circular CSSF 23/839 – Update of Circular CSSF 21/789

This Circular amends Circular CSSF 21/789 by specifying the following: a) the scope of application of the circular for management companies subject to Article 125-1 of Chapter 16 of the UCI Law; b) the repeal of Circulars CSSF 18/698 and 19/708 as regards the procedures for the transmission of the management letter.

<https://www.cssf.lu/en/Document/circular-cssf-23-839/>



FAQ

On 29 June 2023, the CSSF updated the document *FAQ CBDF – Notification procedures* (<https://www.cssf.lu/en/Document/faq-cbdf-notification-procedures/>) and the document *FAQ regarding the AML/CFT Market Entry Form (Funds and IFMs)* (<https://www.cssf.lu/en/Document/faq-regarding-the-aml-cft-market-entry-form-funds-and-ifms/>).

On 28 July 2023, the CSSF updated the document *FAQ – Submission of closing documents and financial information by managers* which is available at: <https://www.cssf.lu/en/Document/faq-submission-of-closing-documents-and-financial-information-by-managers/>.

On 9 August 2023, the CSSF updated the document *Technical FAQ on Regulation CSSF No 20-08 on borrower-based measures for residential real estate credit* which is available at: <https://www.cssf.lu/en/Document/technical-faq-on-regulation-cssf-no-20-08-on-borrower-based-measures-for-residential-real-estate-credit/>.

On 17 August 2023, the CSSF published the document *Frequently asked questions – Virtual Asset Service Providers* which is available at: [Frequently asked questions – Virtual Asset Service Providers – CSSF](#).



Communiqués

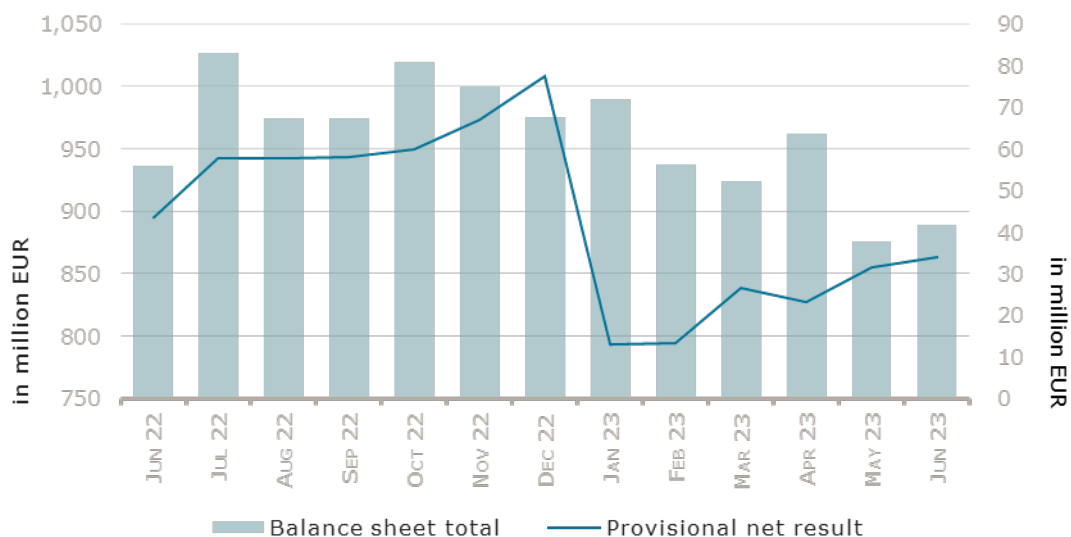
Date	Publications
28.07.2023	Press release related to the EU-wide Stress Test published by ECB on 28 July 2023
28.07.2023	Press release related to the EU-wide Stress Test published by EBA on 28 July 2023
31.07.2023	CNMV product intervention measures relating to financial contracts for differences (CFDs) and other leveraged products
01.08.2023	Requirements of the Portuguese Securities and Exchange Commission (the "CMVM") regarding advertising on financial intermediation activities and/or financial instruments
01.08.2023	Communication on the launch of a Standardised Model Articles of Incorporation for UCITS – an additional model template to support the examination of an application for approval of a new UCITS
02.08.2023	Global situation of undertakings for collective investment at the end of June 2023
04.08.2023	Discontinuation of fax services



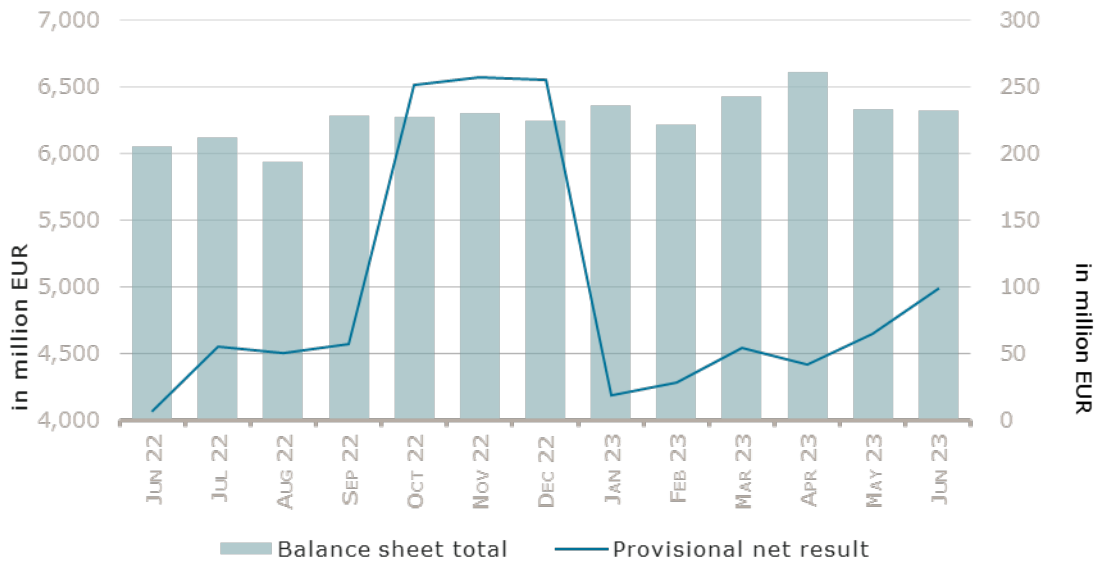
Statistics

MONTHLY STATISTICS

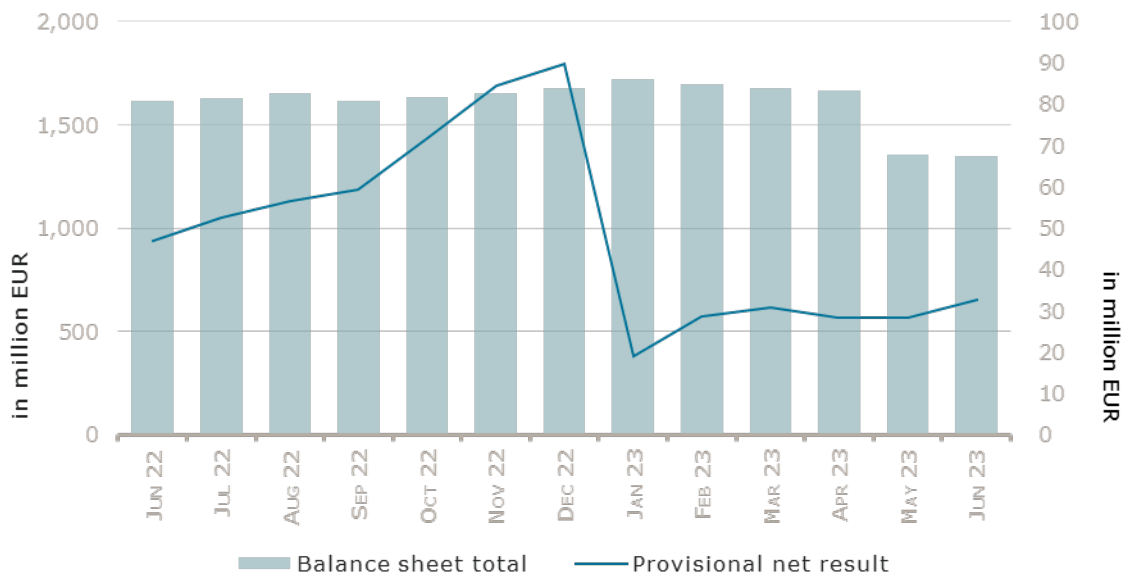
INVESTMENT FIRMS: INCREASE IN THE BALANCE SHEET TOTAL AS AT 30 JUNE 2023



**SPECIALISED PFS:
DECREASE IN THE BALANCE SHEET TOTAL AS AT 30 JUNE 2023**



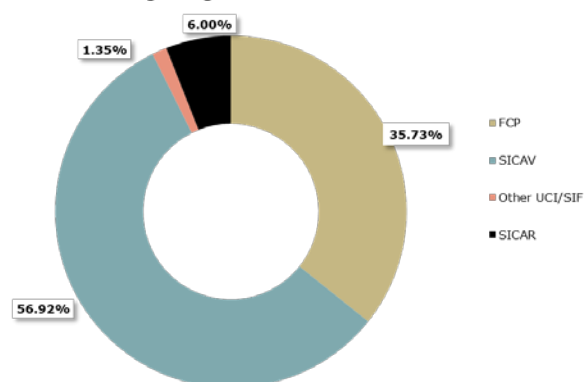
**SUPPORT PFS:
DECREASE IN THE BALANCE SHEET TOTAL AS AT 30 JUNE 2023**



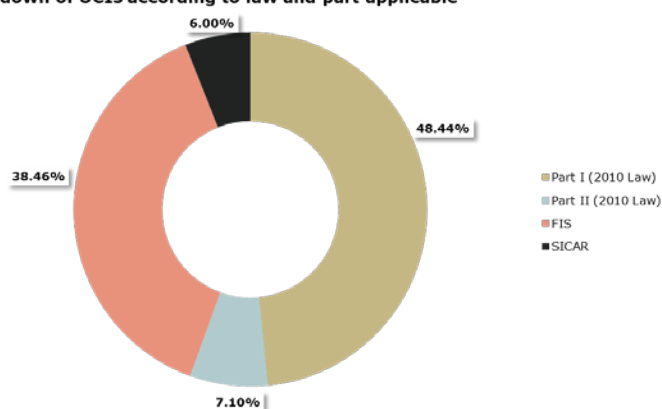
UCIS: SITUATION AS AT 30 JUNE 2023

NUMBER OF UCIS

Breakdown of UCIs according to legal form



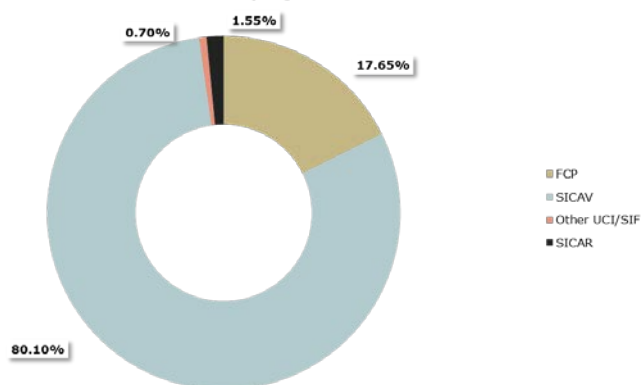
Breakdown of UCIs according to law and part applicable



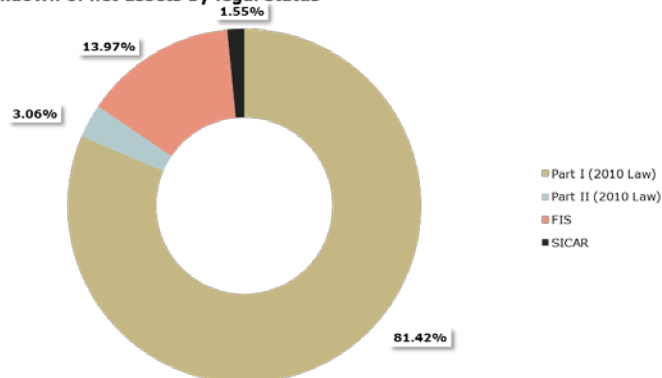
	FCP	SICAV	Other UCIs / SIFs	SICARs	Total
Part I (2010 Law)	823	793	0	0	1,616
Part II (2010 Law)	107	128	2	0	237
SIFs	262	978	43	0	1,283
SICARs	0	0	0	200	200
Total	1,192	1,899	45	200	3,336

NET ASSETS OF UCIS

Breakdown of net assets of UCIs by legal form



Breakdown of net assets by legal status



<i>in billion EUR</i>	FCP	SICAV	Other UCIs / SIFs	SICARs	Total
Part I (2010 Law)	659.120	3,572.885	0.000	0.000	4,232.005
Part II (2010 Law)	45.457	113.448	0.275	0.000	159.180
SIFs	212.749	477.313	35.915	0.000	725.977
SICARs	0.000	0.000	0.000	80.584	80.584
Total	917.326	4,163.646	36.190	80.584	5,197.746

NET ASSETS BROKEN DOWN BY INVESTMENT POLICY

Breakdown by investment policy	Net assets (in bn €)	Number of fund units
Fixed-Income Transferable Securities	1,213.212	3,140
Variable-Yield Transferable Securities	1,779.773	4,158
Mixed Transferable Securities	1,007.409	3,398
Funds of Funds	342.562	2,045
Money Market Instruments and Other Short-Term Securities	461.457	194
Private Equity	82.712	257
Venture Capital	4.432	32
Real Estate	135.748	324
Futures and/or Options	11.463	67
Other Assets	78.394	274
Public-to-Private	0.147	2
Mezzanine	2.794	11
Venture Capital (SICAR)	7.387	66
Private Equity (SICAR)	70.256	255
TOTAL	5,197.746	14,223

Breakdown by investment policy	Net assets (in bn €)	Number of fund units	Subscriptions (in bn €)	Redemptions (in bn €)	Net subscriptions (in bn €)
PART I					
Fixed-Income Transferable Securities	1,122.062	2,738	42.115	46.865	-4.750
Variable-Yield Transferable Securities	1,706.533	3,842	50.891	60.026	-9.135
Mixed Transferable Securities	803.793	2,496	16.678	22.362	-5.684
Funds of Funds	150.246	794	1.832	3.408	-1.576
Money Market Instruments and Other Short-Term Securities	439.960	163	251.329	249.234	2.095
Futures and/or Options	6.814	38	0.179	0.255	-0.076
Other Assets	2.597	7	0.049	0.104	-0.055
SUB-TOTAL PART I	4,232.005	10,078	363.073	382.254	-19.181
PART II					
Fixed-Income Transferable Securities	11.420	80	0.256	0.305	-0.049
Variable-Yield Transferable Securities	13.963	66	0.072	0.111	-0.039
Mixed Transferable Securities	61.926	162	0.571	0.691	-0.120
Funds of Funds	29.997	170	0.226	0.346	-0.120
Money Market Instruments and Other Short-Term Securities	13.635	20	1.348	1.203	0.145
Private Equity	17.039	32	0.172	0.076	0.096
Venture Capital	1.206	4	0.014	0.000	0.014
Real Estate	4.461	16	0.014	0.001	0.013
Futures and/or Options	1.256	12	0.003	0.024	-0.021
Other Assets	4.277	26	0.040	0.020	0.020
SUB-TOTAL PART II	159.180	588	2.716	2.777	-0.061

SIF

Fixed-Income Transferable Securities	79.730	322	1.968	0.583	1.385
Variable-Yield Transferable Securities	59.277	250	0.918	1.042	-0.124
Mixed Transferable Securities	141.690	740	1.819	1.851	-0.032
Funds of Funds	162.319	1,081	2.947	0.919	2.028
Money Market Instruments and Other Short-Term Securities	7.862	11	2.603	2.269	0.334
Private Equity	65.673	225	0.701	0.329	0.372
Venture Capital	3.226	28	0.198	0.015	0.183
Real Estate	131.287	308	1.237	1.040	0.197
Futures and/or Options	3.393	17	0.008	0.051	-0.043
Other Assets	71.520	241	0.906	0.748	0.158
SUB-TOTAL SIFs	725.977	3,223	13.305	8.847	4.458
SICAR					
Public-to-Private	0.147	2	0.000	0.000	0.000
Mezzanine	2.794	11	0.000	0.000	0.000
Venture Capital	7.387	66	0.000	0.045	-0.045
Private Equity	70.256	255	0.008	0.481	-0.473
TOTAL SICAR	80.584	334	0.008	0.526	-0.518
TOTAL LUXEMBOURG UCIs	5,197.746	14,223	379.102	394.404	-15.302

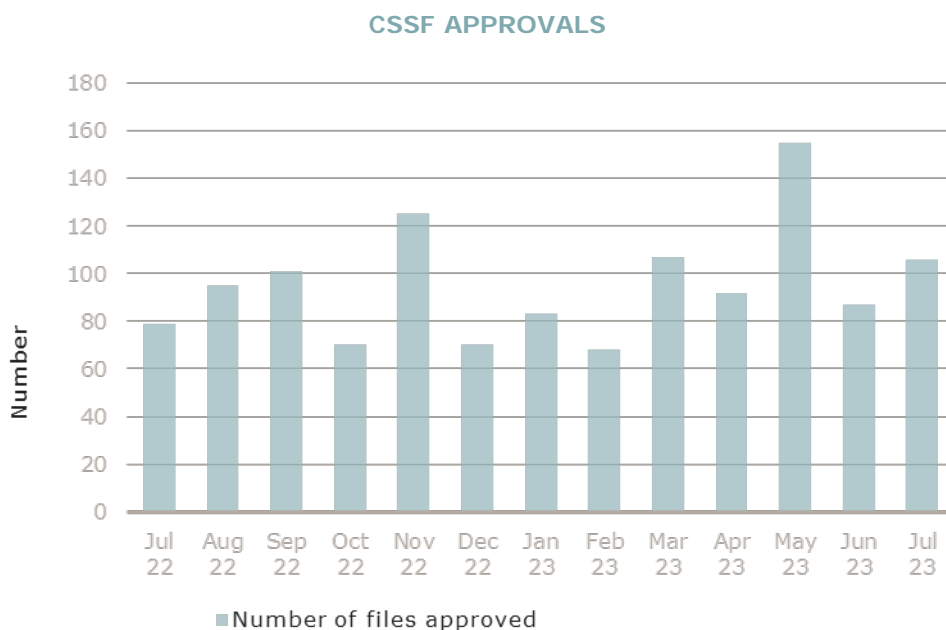
ORIGIN OF THE INITIATORS OF LUXEMBOURG UCIs

Country	Net assets (in bn EUR)	in %	Number of UCIs	in %	Number of fund units	in %
US	1,017.125	19.6%	155	4.7%	1,169	8.2%
GB	862.963	16.6%	240	7.2%	1,611	11.3%
DE	769.224	14.8%	1,071	32.1%	2,260	15.9%
CH	689.471	13.3%	517	15.5%	2,632	18.5%
FR	596.774	11.5%	247	7.4%	1,537	10.8%
IT	334.385	6.4%	111	3.3%	1,272	8.9%
BE	237.248	4.6%	128	3.8%	725	5.1%
LU	210.277	4.0%	288	8.6%	862	6.1%
NL	115.322	2.2%	39	1.2%	250	1.8%
DK	107.594	2.1%	18	0.5%	202	1.4%
OTHERS	257.363	4.9%	522	15.7%	1,703	12.0%
TOTAL	5,197.746	100.0%	3,336	100.0%	14,223	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	2.861	0.055%	14	0.098%
CAD	2.370	0.046%	14	0.098%
CHF	51.604	0.993%	240	1.687%
CNH	8.195	0.158%	26	0.183%
CNY	4.598	0.088%	6	0.042%
CZK	1.413	0.027%	53	0.373%
DKK	1.487	0.029%	12	0.084%
EUR	2,783.540	53.553%	8,777	61.710%
GBP	159.349	3.066%	275	1.934%
HKD	2.860	0.055%	8	0.056%
HUF	0.251	0.005%	19	0.134%
JPY	57.527	1.107%	151	1.062%
NOK	4.189	0.081%	27	0.190%
NZD	0.205	0.004%	1	0.007%
PLN	0.145	0.003%	3	0.021%
RON	0.547	0.010%	2	0.014%
SEK	35.630	0.685%	116	0.816%
SGD	1.467	0.028%	7	0.049%
USD	2,079.491	40.007%	4,471	31.435%
ZAR	0.017	0.000%	1	0.007%
TOTAL	5,197.746	100.000%	14,223	100.000%

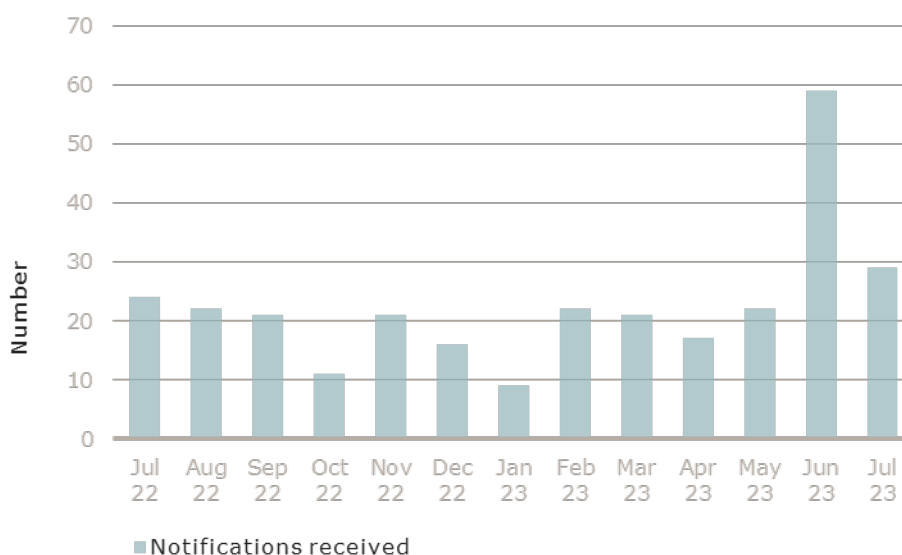
PROSPECTUSES TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC OR ADMITTED TO TRADING ON A REGULATED MARKET



In July 2023, the CSSF approved a total of 106 documents pursuant to the Prospectus Regulation, which break down as follows:

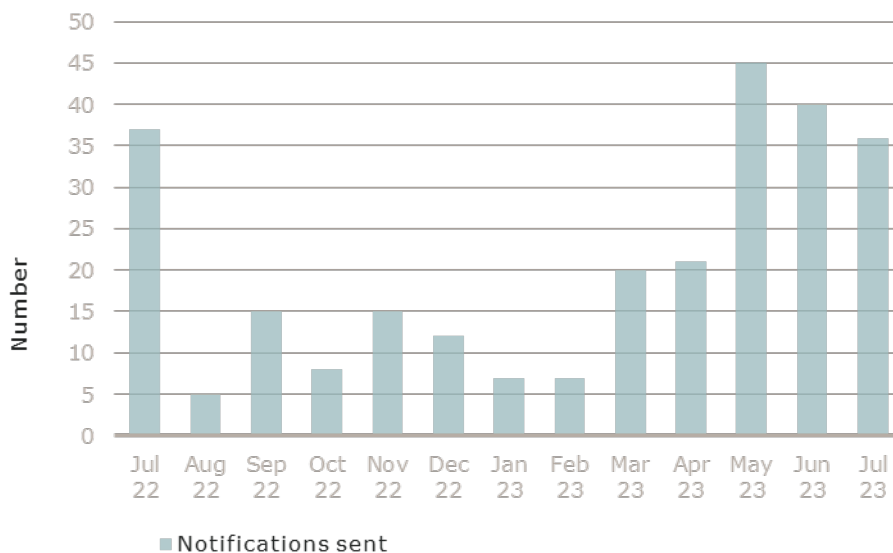
base prospectuses:	47 (44.34%)
other prospectuses:	3 (2.83%)
registration documents:	7 (6.60%)
supplements:	49 (46.23%)

NOTIFICATIONS RECEIVED BY THE CSSF FROM THE COMPETENT AUTHORITIES OF OTHER EEA MEMBER STATES



In July 2023, the CSSF received 29 notifications relating to prospectuses and base prospectuses and 26 notifications relating to supplements from competent authorities of other EEA Member States.

NOTIFICATIONS SENT BY THE CSSF TO COMPETENT AUTHORITIES OF OTHER EEA MEMBER STATES



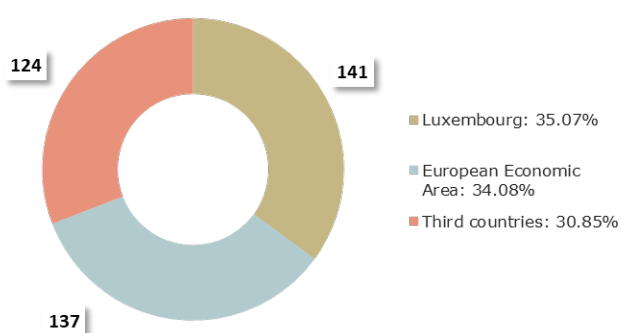
In July 2023, the CSSF sent 35 notifications relating to prospectuses and base prospectuses, 1 notification relating to registration documents and 34 notifications relating to supplements to the competent authorities of other EEA Member States¹.

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

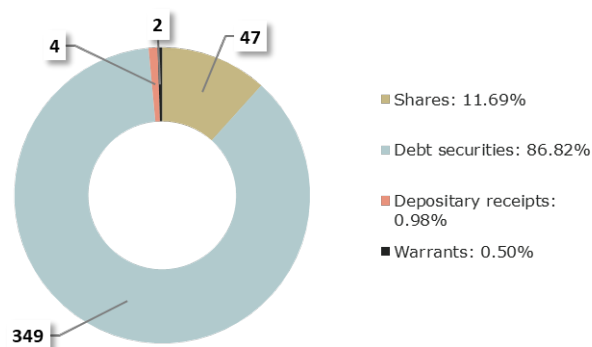
Since 30 June 2023, **two** issuers have chosen Luxembourg as home Member State for the purposes of the Transparency Law. Moreover, **six** issuers were deregistered from the list due to the fact that they no longer fall within the scope of the Transparency Law.

As at 31 July 2023, **402 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



¹ These figures are the number of prospectuses, base prospectuses, registration documents 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.

PENSION FUNDS

As at 31 July 2023, **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 institutions for occupational retirement provision in the form of a SEPCAV and an ASSEP.

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 **14**.

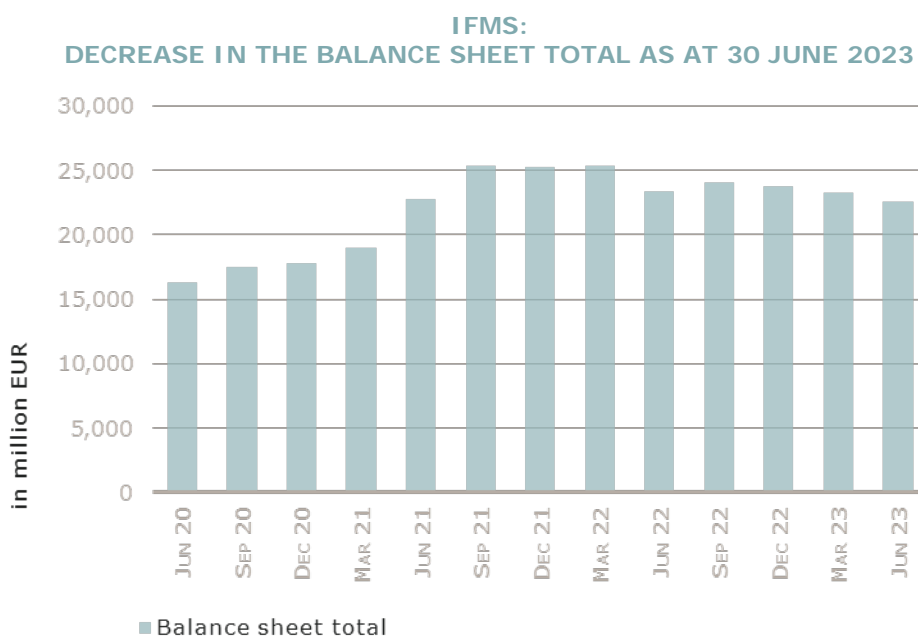
SECURITISATION UNDERTAKINGS

The number of **securitisation undertakings** authorised by the CSSF in accordance with the Law of 22 March 2004 on securitisation amounted to **28** entities as at 31 July 2023.

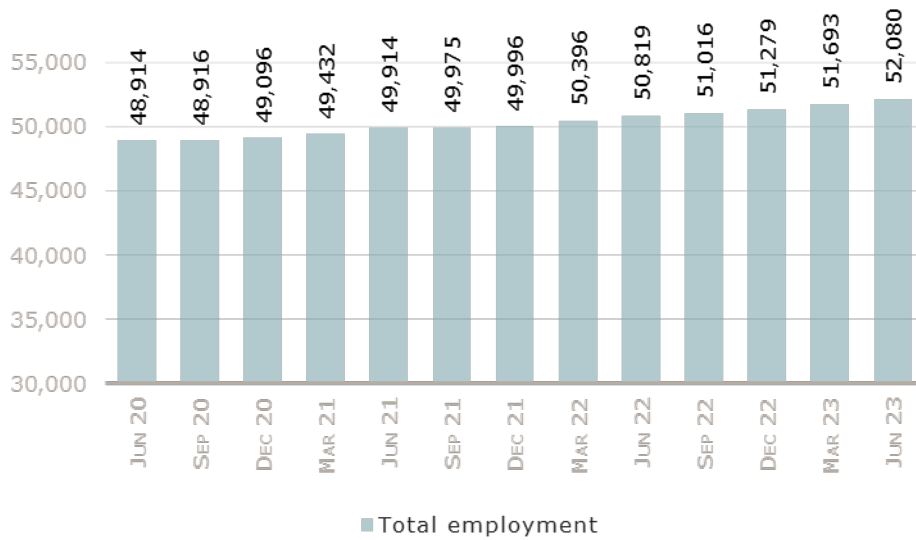
PUBLIC OVERSIGHT OF THE AUDIT PROFESSION

The public oversight of the audit profession covered **56 cabinets de révision agréés** (approved audit firms) and **377 réviseurs d'entreprises agréés** (approved statutory auditors) as at 31 July 2023. The oversight also included **24 third-country auditors and audit firms** duly registered in accordance with the Law of 23 July 2016 concerning the audit profession.

QUARTERLY STATISTICS



TOTAL EMPLOYMENT IN BANKS, PFS, IFMS, PAYMENT INSTITUTIONS AND ELECTRONIC MONEY INSTITUTIONS



Human resources

The CSSF has hired two employees since the publication of the last Newsletter. The total number of CSSF staff counts, after the departure of 4 agents, 961 agents (533 men and 428 women). They have been assigned to the following departments:

- On-site Inspection
- Department "Human Resources and Finance"



European/International News in July 2023

European Parliament, European Commission and European Council

Date	Regulatory developments	Description
06/07/2023	Corrigendum to Commission Delegated Regulation (EU) 2022/1622 of 17 May 2022	Publication of the Corrigendum to Commission Delegated Regulation (EU) 2022/1622 of 17 May 2022 supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to regulatory technical standards on emerging markets and advanced economies

European Banking Authority (EBA)

Date	Publications	Description
06/07/2023	EBA publishes validation requirements on initial margin models	The EBA published its final draft Regulatory Technical Standards (RTS) on Initial Margin Model Validation (IMMV) under the European Markets Infrastructure Regulation (EMIR). These draft RTS set out the supervisory procedures to ensure the prudent use of initial margin models for OTC derivatives. In an accompanying Opinion, and as part of the ongoing negotiations on EMIR, the EBA calls on co-legislators to consider the establishment of a central validation function in the EU.
11/07/2023	Supervisors of banks are making progress in the fight against financial crime, the EBA finds	The EBA published the findings from its 2022 review of competent authorities' approaches to tackling money laundering and terrorist financing (ML/TF) risks in the banking sector. For this Report, the EBA staff assessed 12 competent authorities from nine Member States.
12/07/2023	EBA encourages timely preparatory steps towards the application of MiCAR to asset-referenced and electronic money tokens	The EBA published a statement for the attention of financial institutions and other undertakings who intend to commence, or have commenced, asset-referenced token (ART) or electronic money token (EMT) activities prior to 30 June 2024 (the application date for the relevant provisions of the Markets in Crypto-assets Regulation - MiCAR) and for competent authorities. The statement is intended to encourage timely preparatory actions to MiCAR application, with the objectives to reduce the risks of potentially disruptive and sharp business model adjustments at a later stage, to foster supervisory convergence, and to facilitate the protection of consumers.
13/07/2023	EU/EEA banking sector shows rising profitability, but asset quality and profitability related risks are looming	The EBA published its Q1 2023 quarterly Risk Dashboard (RDB). The publication presents the results of the EBA's latest risk assessment questionnaire (RAQ), which was conducted among 85 banks in spring this year. It also includes information on minimum requirement for own funds and eligible liabilities (MREL). Banks' profitability continued to increase, and their capital, funding and liquidity ratios remain strong. Bank debt issuance has resumed after a temporary halt due to the Silicon Valley Bank (SVB) and Credit Suisse (CS) induced turmoil. A downward trend in liquidity and funding ratios is expected due to repayments of the ECB's targeted longer-term refinancing operations (TLTRO).
13/07/2023	EBA publishes fourth Opinion on money laundering and terrorist financing risks across the EU	The EBA published its fourth biennial Opinion on the risks of money laundering and terrorist financing (ML/TF) affecting the European Union's financial sector. It also sets out what competent authorities and EU co-legislators can do to mitigate those risks
17/07/2023	EBA notes a decrease in EU banks' asset encumbrance ratio during 2022	The EBA published its annual asset encumbrance Report. The Report highlights that banks have limited the use of central bank funding in 2022. As a result, the overall encumbrance ratio decreased by 3.3 percentage points in 2022 to 25.8%.

Date	Publications	Description
17/07/2023	EBA releases the technical package for phase 2 of its 3.3 reporting framework	The EBA published the technical package for phase 2 of version 3.3 of its reporting framework. The technical package provides standard specifications and includes the validation rules, the Data Point Model (DPM) and the XBRL taxonomies for this phase of version 3.3.
18/07/2023	The EBA is collecting institutions' data on environmental, social and governance risks to set up a monitoring system	The EBA published the Decision on an ad hoc data collection of institutions' ESG data. The Decision will provide competent authorities and the EBA with the necessary data and tools to fulfill monitoring functions and ESG-related mandates by collecting the information that is already available to institutions as part of their Pillar 3 disclosure obligations with respect to ESG risks.
19/07/2023	The EBA publishes final guidance on the overall recovery capacity in recovery planning	The EBA published its final Guidelines on the overall recovery capacity (ORC) in recovery planning. The Guidelines establish a consistent framework for the determination of the ORC by institutions in their recovery plans and the respective assessment by competent authorities and aim at strengthening institutions' effective crisis preparedness.
21/07/2023	The EBA updates on the monitoring of Additional Tier 1, Tier 2 and TLAC/MREL eligible liabilities instruments of European Union institutions	The EBA published an updated Report on the monitoring of Additional Tier 1 (AT1), Tier 2 and total loss absorbing capacity (TLAC) and minimum requirement for own funds and eligible liabilities (MREL) instruments of European Union (EU) institutions. The Report merges the information of the two previous separate reports in these fields and adds new recommendations on certain contractual clauses of the corresponding documentation. By merging the contents of these two reports, the EBA aims to facilitate the reading and to highlight the commonalities in terms of eligibility criteria between own funds and eligible liabilities instruments.
24/07/2023	The EBA publishes Report on interdependent assets and liabilities in the net stable funding ratio	The EBA published its Report on the treatment of interdependent assets and liabilities in the net stable funding ratio (NSFR). This Report assesses the conditions under which assets and liabilities can be treated as interdependent in the NSFR and the description of the list of activities that are considered to meet those conditions. The EBA has only limited recommendations for the Commission at this stage, which concern extendable maturity triggers for covered bonds and indirect derivatives client clearing activities.
25/07/2023	Banks plan to issue more debt instruments to counterbalance expected decline in central bank funding, the EBA funding plans Report shows	The EBA published its annual funding plans Report, covering 159 banks that submitted their funding plans for a forecast period from 2023 to 2025. The plans show banks' intentions to increase market-based funding over the forecast period. As extraordinary long-term central bank funding matures, banks plan to shift to short-term and long-term debt securities instead. This changing funding composition is particularly relevant in 2023 and 2024 when high amounts of central bank funding mature (TLTRO) and MREL targets become applicable. The Report highlights a sizable increase in banks' interest margin, with interest rates for loans rising faster than for deposits. Central bank rate hikes and the rise in spreads for market-based funding instruments have contributed to higher funding costs.
27/07/2023	The EBA and ESMA assess the implementation of the revised Shareholder Rights Directive and identify areas for progress	The EBA, jointly with the ESMA, published a Report assessing the implementation of the Shareholder Rights Directive 2 (SRD2). This assessment, carried out in response to a European Commission's request, identifies areas for further progress and provides detailed suggestions for policy action, in relation to the Directive's effectiveness, difficulties in practical application and the appropriateness of the scope of application.
28/07/2023	EBA publishes findings of ad-hoc analysis on banks bonds' holdings	The EBA published findings of an ad-hoc analysis of unrealised losses on debt securities held at amortised cost in EU banks. This targeted analysis is part of the ongoing regular risk monitoring of the EU banking sector conducted by the EBA in collaboration with Competent Authorities.

Date	Publications	Description
28/07/2023	EBA publishes the results of its 2023 EU-wide stress test	The EBA published the results of its 2023 EU-wide stress test, which involved 70 banks from 16 EU and EEA countries, covering 75% of the EU banking sector assets. This stress test allows supervisors to assess the resilience of EU banks over a three-year horizon under both a baseline and an adverse scenario. The adverse scenario is characterised by severe negative shocks to economic growth, higher unemployment combined with higher interest rates and credit spreads. In terms of GDP decline, the 2023 adverse scenario is the most severe used in the EU wide stress up to now. The individual bank results promote market discipline and are used as part of the EU supervisory decision-making process.
31/07/2023	EBA publishes its final amending technical standards on supervisory reporting to introduce new reporting on interest rate risk in the banking book	The EBA published its final ITS on supervisory reporting with respect to IRRBB. The amended final draft ITS equip supervisors with the appropriate data to monitor risks arising from interest rates' changes. In addition, they aim at providing quality data to supervisors to monitor institutions' IRBB risk and the implementation of the policy package published by the EBA in October 2022.

Date	Consultations	Description
07/07/2023	EBA launches public consultation on amendments to the ITS on disclosures and reporting on MREL and TLAC	The EBA launched a public consultation on amendments to the draft Implementing Technical Standard (ITS) on disclosure and reporting of the minimum requirement for own funds and eligible liabilities (MREL) and the total loss absorbency requirement (TLAC). These amendments aim to reflect changes to the prudential framework that came or will soon come into force and provide clarifications on the information to be reported in the insolvency ranking templates. The consultation paper also includes an updated mapping between disclosure and reporting requirements. The consultation runs until 18 August 2023.
12/07/2023	EBA consults on draft technical standards on complaints handling procedures under the Markets in Crypto-Assets Regulation	The EBA published a Consultation Paper on draft regulatory technical standards (RTS) on complaints handling procedures for issuers of asset-referenced tokens (ARTs) under the Markets in Crypto-Assets Regulation (MiCAR). These draft RTS aim at ensuring prompt, fair and consistent handling of complaints by holders of ARTs and other interested parties. The consultation runs until 12 October 2023.
12/07/2023	EBA consults on draft technical standards on EU market access of issuers of asset-referenced tokens under the Markets in Crypto-Assets Regulation	The EBA consulted on two sets of draft regulatory technical standards (RTS) and one set of implementing technical standards (ITS) relating to the authorisation as issuer of asset-referenced tokens (ARTs) and the assessment of acquisition of qualifying holdings in issuers of ARTs under the Markets in Crypto-assets Regulation (MiCAR). With these technical standards, the EBA aims to regulate access to the EU market of ARTs by applicant issuers and persons intending to exercise significant influence on these undertakings via the acquisition of qualifying holdings. The consultation runs until 12 October 2023.
20/07/2023	The EBA consults on draft templates and template guidance to prepare its one-off Fit-for-55 climate risk scenario analysis	The EBA launched a public consultation on draft templates for collecting climate related data from EU banks. This effort is part of the one-off Fit-for-55 climate risk scenario analysis, which the EBA will carry out together with the other European Supervisory Authorities (ESAs) and with the support of the European Central Bank (ECB) and the European Systemic Risk Board (ESRB). The draft templates are accompanied by a template guidance, which includes definitions and rules for compiling the templates. The consultation runs until 11 October 2023.
25/07/2023	The EBA consults on Guidelines on the application of the group capital test for investment firm groups	The EBA launched a consultation on the draft Guidelines on the application of the group capital test for investment firm groups. These Guidelines aim at setting harmonised criteria to address the observed diversity in the application of the group capital test across the EU. In particular, the Guidelines identify criteria

Date	Consultations	Description
		to assist Competent Authorities in their assessment of the simplicity of the group structure and the significance of the risk posed to clients and the market. The consultation runs until 25 October 2023.
26/07/2023	The EBA consults on Guidelines on the establishment of national lists or registers of credit services	The EBA launched a public consultation on its draft Guidelines on the establishment and maintenance of national lists or registers of credit servicers under Directive 2021/2167 (the Credit Servicers Directive, CSD). The consultation runs until 26 October 2023.

European Securities and Markets Authority (ESMA)

Date	Publications	Description
03/07/2023	ESMA published second overview of national rules governing fund marketing	ESMA submitted to the European Parliament, the Council and the European Commission its second report on national rules governing the marketing of investment funds under the Regulation on cross-border distribution of funds.
06/07/2023	ESMA published latest edition of its newsletter	ESMA published its latest edition of the <i>Spotlight on Markets</i> Newsletter.
06/07/2023	ESMA highlighted areas for improvement in firms' disclosure of cost and charges under MIFID	ESMA published a Statement on its 2022 Common Supervisory Action (CSA) and on the mystery shopping exercise regarding compliance with disclosure requirements for costs and charges under MIFID II.
07/07/2023	ESMA upgraded rating data repository and publishes latest data on CRA performance	ESMA revamped its Central Repository of Ratings (CEREP) and made available the latest set of semi-annual statistical data on the performance of credit ratings, including transition matrices and default rates.
10/07/2023	New Manual on post-trade transparency available	ESMA published its Manual on post-trade transparency . As a user-friendly tool for post-trade transparency and transparency calculations, this manual provides market participants and national competent authorities with guidance for how to apply the relevant MIFIR obligations in a consistent manner.
11/07/2023	ESMA updated its guidance on the definition of advice in a supervisory briefing	ESMA published a supervisory briefing on understanding the definition of advice under MiFID II.
11/07/2023	ESMA provided insights into the expected sustainability disclosures in prospectuses	ESMA issued a Public Statement on the sustainability disclosure expected to be included in prospectuses.
11/07/2023	ESMA issued Opinion on CNMV product intervention measures	ESMA issued an Opinion on product intervention measures taken by the Spanish Comisión Nacional del Mercado de Valores (CNMV).
12/07/2023	ESMA seek first input on detailed rules for crypto markets	ESMA published its first consultation package under the Markets in Crypto-Assets Regulation and invites comments from stakeholders by 20 September 2023.
12/07/2023	ESMA did not find evidence to ban pre-hedging but warned on risks	ESMA released the Final Report on the feedback received to the 2022 Call for Evidence on pre-hedging .
12/07/2023	ESMA highlighted risks arising from securities lending to retail investors	ESMA published a Statement on securities lending to retail clients setting out the applicable requirements under the Markets in Financial Instruments Directive (MiFID II).
13/07/2023	National regulators strengthened their supervision of the compliance function	ESMA published its follow-up report to the peer review on certain aspects of the compliance function under MiFID I. The report showed that, overall, the National Competent Authorities (NCAs) assessed improved their practices following the 2017 peer reviews findings and recommendations.
13/07/2023	New Q&As available	ESMA updated the following Questions and Answers: <ul style="list-style-type: none"> • on the Implementation of the CRA Regulation • on the Securitisation Regulation

Date	Publications	Description
17/07/2023	ESMA published Report on Suspicious Transactions and Order Reports	ESMA published a Report on Suspicious Transactions and Order Reports (STORs) . The report provides an overview of how STORs are used across different jurisdictions in the context of the detection and investigation of market abuse, and how their use has evolved over time.
18/07/2023	ESMA published 2022 UCITS and AIFMD sanction reports	ESMA published its 2022 reports on the use by National Competent Authorities (NCAs) of sanctions under the Undertakings for Collective Investments in Transferable Securities (UCITS) and the Alternative Investment Fund Managers Directive (AIFMD) .
19/07/2023	ESMA proposed revised technical standards on anti-procyclicality margin measures	ESMA published a Final Report reviewing the RTS to further harmonise CCP policies and procedures for selecting, assessing and reviewing anti-procyclicality (APC) margin measures.
25/07/2023	Inclusion of the United Arab Emirates on AML blacklist required ESMA to withdraw the recognition decisions of three CCPs	ESMA has withdrawn as required by EMIR the recognition decisions of the following three central counterparties ("CCPs") established in the United Arab Emirates (including the Dubai International Financial Centre): <ul style="list-style-type: none"> • Dubai Commodities Clearing Corporation; • Dubai Clear LLC; • Nasdaq Dubai Ltd.
27/07/2023	ESMA and the EBA assessed the implementation of the revised Shareholder Rights Directive and identify areas for progress	ESMA published a Report assessing the implementation of the Shareholder Rights Directive 2 (SRD2) . This assessment, carried out in response to a European Commission's request, identified areas for further progress and provides detailed suggestions for policy action in relation to the Directive's effectiveness, difficulties in practical application and the appropriateness of the scope of application.

Single Supervisory Mechanism (SSM) - European Central Bank (ECB)

Date	Publications	Description
07/07/2023	List of supervised entities	The ECB published the list of supervised entities.
12/07/2023	Supervisory Banking Statistics on significant institutions for the first quarter of 2023	The ECB published Supervisory Banking Statistics on significant institutions for the first quarter of 2023.
28/07/2023	Frequently asked questions on the 2023 stress test	The ECB answers frequently asked questions on the 2023 stress test.
28/07/2023	2023 stress test of euro area banks	The ECB published the results of its 2023 stress test, which show that the euro area banking system could withstand a severe economic downturn.
28/07/2023	Spreadsheet: High-level individual results for banks not included in the EBA sample	The ECB published a spreadsheet on high-level individual results for banks not included in the EBA sample.
28/07/2023	Unrealised losses in banks' portfolios of bonds measured at amortised cost	The ECB has collected data on the unrealised losses of significant institutions under its direct supervision with a view to enhancing the assessment of risk in the held-to-maturity portfolios of euro area banks and to furthering its monitoring of interest rate risk and liquidity risk.
28/07/2023	Selected bank-specific data points on bond portfolios recognised at amortised costs	The ECB published selected specific banking data points on bond portfolios recognised at amortised costs.

Date	Interviews and speeches	Description
22/07/2023	Interview with Milano Finanza	Interview with Andrea Enria, Chair of the Supervisory Board of the ECB, conducted by Francesco Ninfole.

Date	Consultations	Description
24/07/2023	ECB consults on Guide on effective risk data aggregation and risk reporting	The ECB is launching a public consultation on its Guide on effective risk data aggregation and risk reporting. The consultation period ends on the 6 October 2023.

Basel Committee on Banking Supervision (BCBS)

Date	Consultations	Description
06/07/2023	Basel Committee consults on revisions to the Core principles for effective banking supervision	The BCBS issued a public consultation on revisions to the Core principles for effective banking supervision.

Macroprudential topics and fora

European Central Bank (ECB)

Date	Publications	Description
03/07/2023	Implications for macroprudential policy as the financial cycle turns	The article discusses the role of macroprudential policy in the current environment. Although the euro area financial cycle is turning, banks remain profitable, vulnerabilities are still elevated, and financial stability risks have not yet materialized. Against this backdrop, macroprudential policy should not be loosened but should instead focus on preserving the resilience of banks and borrowers.
20/07/2023	Household Finance and Consumption Survey: Results from the 2021 wave	The report summarises the stylised facts from the fourth wave of the Eurosystem Household Finance and Consumption Survey (HFCS), which provides household-level data collected in a harmonised way in all 19 euro area countries, for a sample of more than 83,000 households. The report presents results on household assets and liabilities, income, and indicators of consumption and credit constraints.
25/07/2023	The euro area bank lending survey – Second quarter of 2023	In the July 2023 BLS, euro area banks reported that their credit standards for loans or credit lines to enterprises tightened further in the second quarter of 2023. Banks also reported a further net tightening of credit standards for loans to households in the second quarter of 2023. Firms' net demand for loans fell strongly in the second quarter of 2023, dropping to an all-time low since the start of the survey in 2003. Euro area banks also reported a strong net decrease in demand for housing loans which, however, was lower than the very large net decrease in the previous two quarters.
28/07/2023	Main findings from the ECB's recent contacts with non-financial companies	Contacts continued to describe a situation consistent with broadly stagnating activity overall, but with substantial variation both across and within sectors. In the industrial sector, weakness was mainly concentrated in the construction and intermediate goods sectors, while developments in the consumer and capital goods sectors were more mixed. Services sector output was boosted by strong demand for travel and leisure, some resilience in retail trade and growth in digital services, while activity in many other services was stable or contracting. Current trends in activity were likely to persist in the third quarter, with the balance of risks a few quarters ahead tilted mildly to the downside.

Date	Publications	Description
28/07/2023	The ECB Survey of Professional Forecasters - Third quarter of 2023	<p>In the ECB's Survey of Professional Forecasters (SPF) for the third quarter of 2023, expectations for headline HICP inflation were broadly unchanged compared to the previous survey (conducted in the second quarter). Headline inflation was expected to decline from 5.5% in 2023 to 2.7% in 2024 and 2.2% in 2025. Longer-term HICP inflation expectations (for 2028 in this survey round and for 2027 in the previous survey) were unchanged at 2.1%.</p> <p>The short-term GDP outlook implied a modest but constant increase in economic activity over the period from the second quarter of 2023 to the first quarter of 2024. Longer-term GDP growth expectations were revised down slightly to 1.3%. Unemployment expectations were around 6.6-6.7% for 2023 to 2025 but declined to 6.5% for 2028.</p>

European Systemic Risk Board (ESRB)

Date	Publications	Description
29/06/2023	Report of the Advisory Scientific Committee - Corporate credit and leverage in the EU: recent evolution, main drivers and financial stability implications	<p>This report presents a long-term view of the evolution of financing of non-financial corporations (NFCs) in Europe in recent decades and compares this with the contemporaneous evolution of NFCs in other advanced economies.</p> <p>The first part of the report documents the aggregate evolution of NFCs' leverage across its main indicators. The second part of the report explores potential drivers of the observed evolution. Finally, the report considers potential general equilibrium outcomes and the financial stability implications of the analysis.</p>
03/07/2023	ESRB Annual Report 2022	<p>The ESRB Annual Report covers the period between 1 April 2022 and 31 March 2023, a period characterized by heightened geopolitical and economic uncertainty, largely owing to Russia's unjustified war against Ukraine.</p> <p>The ESRB responded to these developments in several ways. In September 2022, the ESRB called for heightened awareness of the risks to financial stability by issuing – for the first time – a general warning on vulnerabilities in the EU financial system. It also issued a recommendation to help address vulnerabilities related to commercial real estate. The ESRB also called on the co-legislators to help address known vulnerabilities in the non-bank financial sector.</p> <p>At the end of the review period, the collapse of two mid-sized US banks and the problems that resulted in the takeover of Credit Suisse by UBS served as a reminder to remain vigilant.</p>

Countercyclical Capital buffer (CCyB)

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%:

Country	Application since	CCyB rate
Bulgaria	01.01.2023	1.5%
	01.10.2023	2%*
Croatia	31.03.2023	0.5%
	31.12.2023	1%*
	30.06.2024	1.5%*
Cyprus	01.01.2016	0%
	30.11.2023	0.5%*
Czech Republic	01.04.2023	2.5%
	01.07.2023	2.25%
Denmark	31.03.2023	2.5%
Estonia	07.12.2022	1%
	01.12.2023	1.5%*
France	07.04.2023	0.5%
	02.01.2024	1%*
Germany	01.02.2023	0.75%
Hungary	01.07.2023	0%
	01.07.2024	0.5%*
Iceland	29.09.2022	2%
	15.03.2024	2.5%*
Ireland	15.06.2023	0.5%
	24.11.2023	1%*
	07.06.2024	1.5%*
Lithuania	01.04.2020	0%
	01.10.2023	1%*
Luxembourg	01.01.2021	0.5%
Netherlands	25.05.2023	1%
	31.05.2024	2%
Norway	31.03.2023	2.5%
Romania	17.10.2022	0.5%
	23.10.2023	1%*
Slovakia	01.08.2020	1%
	01.08.2023	1.5%
Slovenia	01.01.2016	0%
	31.12.2023	0.5%
Sweden	22.06.2023	2%

Pending CCyB rates are followed by an asterisk ("*").

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

Financial Stability Board (FSB)

Date	Publications	Description
05/07/2023	Addressing Structural Vulnerabilities from Liquidity Mismatch in Open-Ended Funds – Revisions to the FSB's 2017 Policy Recommendations: Consultation report	<p>A key structural vulnerability from asset management activities is a potential mismatch between the liquidity of fund investments and the redemption frequency of fund units in open-ended funds.</p> <p>In 2017, the FSB published policy recommendations to address structural vulnerabilities in asset management activities. The proposed revisions incorporate lessons learnt since 2017 and aim to enhance clarity and specificity on the intended policy outcomes to make the Recommendations more effective from a financial stability perspective.</p>
12/07/2023	FSB Chair's letter to G20 Finance Ministers and Central Bank Governors: July 2023	<p>With most major economies having transitioned out of a low interest rate environment amid ongoing inflation concerns, the prospect of more muted economic growth and further bouts of financial market volatility looms large.</p> <p>The letter discusses recent events in the banking sector and the FSB's workplan to draw lessons, along with the associated policy implications.</p>



Financial centre

Main updated figures regarding the financial centre

			Annual comparison
Banks	Number (31/07/2023)	120	↘ 2 entities
	Balance sheet total (31/03/2023)	EUR 929.342 bn	↘ EUR 42.475 bn
	Profit before provisions and taxes (31/03/2023)	EUR 2.024 bn	↗ EUR 733 m
Payment institutions	Number (31/07/2023)	18	↗ 2 entities
Electronic money institutions	Number (31/07/2023)	12	↗ 1 entity
UCIs	Number (31/07/2023)	Part I 2010 Law: 1,609	↘ 26 entities
		Part II 2010 Law: 236	↗ 6 entities
		SIFs: 1,281	↘ 63 entities
		TOTAL: 3,126	↘ 83 entities
	Number (31/07/2023)	SICARs: 198	↘ 15 entities
	Total net assets (30/06/2023)	EUR 5,197.746 bn	↗ EUR 28.128 bn
Authorised Investment Fund Managers²	Number (31/07/2023)	300	↘ 3 entities
	Balance sheet total (30/06/2023)	EUR 22.606 bn	↘ EUR 753 m
Pension funds	Number (31/07/2023)	13	↗ 1 entity
Authorised securitisation undertakings	Number (31/07/2023)	28	↘ 1 entity
Investment firms	Number (31/07/2023)	94 (7 branches)	↘ 2 entities
	Balance sheet total (30/06/2023)	EUR 889.257 m	↘ EUR 46.997 m
	Provisional net profit (30/06/2023)	EUR 33.93 m	↘ EUR 9.68 m
Specialised PFS	Number (31/07/2023)	99	no variation
	Balance sheet total (30/06/2023)	EUR 6.320 bn	↗ EUR 271 m
	Provisional net profit (30/06/2023)	EUR 98.08 m	↗ EUR 91.48 m
Support PFS	Number (31/07/2023)	64	↘ 5 entities
	Balance sheet total (30/06/2023)	EUR 1.351 bn	↘ EUR 266 m
	Provisional net profit (30/06/2023)	EUR 32.8 m	↘ EUR 14.24 m
Issuers of securities whose home Member State is Luxembourg pursuant to the Transparency Law	Number (31/07/2023)	402	↘ 37 entities
Public oversight of the audit profession	Number (31/07/2023)	56 <i>cabinets de révision agréés</i>	↗ 3 entities
		377 <i>réviseurs d'entreprises agréés</i>	↗ 29 people
		24 third-country auditors and audit firms	↗ 5 entities
Employment (30/06/2023)	Banks	26,350 people	↗ 288 people
	branches abroad	3,462 people	
	Authorised Investment Fund Managers ²	7,679 people	↗ 867 people
	branches abroad	2,802 people	
	Investment firms	1,947 people	↗ 42 people
	branches abroad	445 people	
	Specialised PFS	7,240 people	↗ 910 people
	Support PFS	8,030 people	↘ 863 people
Payment institutions/electronic money institutions	834 people	↗ 25 people	
	Total (without branches abroad)	52,080 people	↗ 1,269 people³
	TOTAL	58,789 people	n/a

² Authorised IFMs comprise the following types of fund managers:

- management companies subject to Chapter 15 of the Law of 17 December 2010 relating to undertakings for collective investment
- authorised alternative investment fund managers (AIFMs) subject to the Law of 12 July 2013 on alternative investment fund managers.

³ 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.