

COMMISSION de SURVEILLANCE
du SECTEUR FINANCIER

CSSF
NEWSLETTER

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INTERNET PUBLICATION

■ PUBLICATION OF INFORMATION REGARDING PROSPECTUSES

On 6 October 2005, the CSSF published an FAQ document entitled "The new prospectus regime in 40 Questions and Answers". This document deals with the questions that are frequently put to the CSSF in the context of the approval of prospectuses under the law of 10 July 2005 on prospectuses for securities and provides the relevant solutions and answers. The document covers topics such as the cooperation between the CSSF and the Luxembourg Stock Exchange, the notifications and filings in the context of a programme, prospectuses for "tier 1" issues, the obligation to include a cash-flow statement in the prospectus, etc. The document is available in both English and French on the CSSF website www.cssf.lu.

HUMAN RESOURCES

■ RECRUITEMENT

The CSSF increased its staff by recruiting Mrs Joëlle PAULUS, *employée*, who joined the department Supervision of Securities Markets on 15 September 2005. The CSSF now counts 228 agents, of whom 114 are men and 114 women.



STATISTICS

■ BANKS

Slight increase in the banks' balance sheet total as at 31 August 2005

As at 31 August 2005, the balance sheet total of the banks established in Luxembourg reached EUR 752.59 billion as compared to EUR 739.29 billion as at 31 July 2005, which is a 1.8% increase.

The number of banks registered on the official list as at 30 September 2005 remains unchanged at 157 entities.

■ PROFESSIONALS OF THE FINANCIAL SECTOR (PFS)

Slight increase in the PFS' balance sheet total as at 31 August 2005

The balance sheet total of all the professionals of the financial sector (179 active businesses) amounts to EUR 55.591 billion as at 31 August 2005, against EUR 54.858 billion in the previous month, which represents a 1.34% increase.

Net provisional profit of these PFS reached EUR 322.92 million as at 31 August 2005 (179 active businesses), against EUR 265.45 million as at 31 August 2004 (162 active businesses).

STATISTICS

Distribution of the professionals of the financial sector according to status
(as at 30 September 2005)

Category		Number
Investment firms		
Commission agents	COM	14
Private portfolio managers	GF	47
Professionals acting for their own account	PIPC	14
Distributors of units of investment funds	DIST	36
Underwriters	PF	2
Professional custodians of securities or other financial instruments	DEP	3
Registrar and transfer agents	ATR	11
PFS other than investment firms		
Financial advisors	COF	10
Brokers	COU	6
Market makers	TM	1
Currency exchange dealer	CHES	0
Debt recovery	RECO	3
Professionals performing credit offering	POP	7
Professionals performing securities lending	PPT	1
Administrators of collective savings funds	AFCE	1
Domiciliation agents of companies	DOM	32
Client communication agents	ACC	11
Administrative agents of the financial sector	AA	8
IT systems and communication networks operator of the financial sector	IT	20
Professionals performing services of setting up and of management of companies	PCG	2
Professionals of the financial sector authorised to exercise any activity referred to in section 1 of chapter 2 of part I of the amended law of 5 April 1993 on the financial sector, with the exception of the categories of PFS also referred to in section 2 of the same chapter	ART. 13	4
Entity authorised to exercise all the activities as PFS permitted by article 28 of the law of 15 December 2000 on postal services and financial postal services	EPT	1
TOTAL *		181

* the same establishment can appear in several categories

■ UNDERTAKINGS FOR COLLECTIVE INVESTMENT

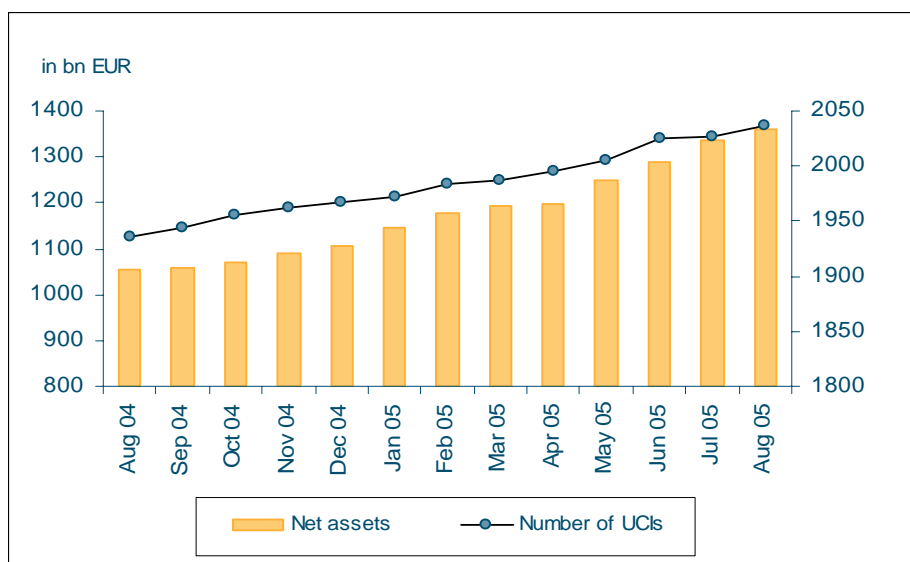
Increase in UCIs' total net assets at the end of August 2005

As at 31 August 2005, total net assets of undertakings for collective investment reached EUR 1,360.997 billion compared to EUR 1,337.565 billion as at 31 July 2005. The Luxembourg undertakings for collective investment sector increased by 1.75% compared to July 2005. This growth is mainly due to the inflow of new capital. In August 2005, the sector increased by 23.03% compared to 31 December 2004 when the total net assets amounted to EUR 1,106.222 billion. Over the last twelve months, the volume of net assets rose by 29.24%.

STATISTICS

During the month of August 2005, net capital investment amounted to EUR 21.395 billion. Compared to 31 December 2004, net capital investment totals EUR 145.571 billion.

The number of undertakings for collective investment taken into consideration totals 2,036 as against 2,027 in the previous month. A total of 1,275 UCIs have adopted the multiple compartment structure, which represents 7,488 compartments. When adding 761 UCIs with a traditional structure to the previous figure, a total of 8,249 compartments are active in the financial centre.



■ MANAGEMENT COMPANIES

Approval of two new management companies under chapter 13 of the law of 20 December 2002 concerning undertakings for collective investment

The CSSF informs that two new management companies have been registered on the official list of management companies governed by chapter 13 of the law of 20 December 2002 concerning undertakings for collective investment, namely:

- DWS INVESTMENT S.A.. This management company will be active in the field of collective management, discretionary management and investment advice, as well as safekeeping and administration in relation to units of UCIs.
- SEB FUND MANAGEMENT S.A.. This management company will be active in the field of collective management.

Following these approvals, the number of management companies governed by chapter 13 of the law of 20 December 2002 concerning undertakings for collective investment and allowed to benefit from the European passport since 13 February 2004 by way of free establishment or free provision of services in another EU Member State amounts to 46 as at 30 September 2005.

COMMUNITY REGULATION

Adoption of the “CRD” Directive

During its plenary session on 28 September 2005, the European Parliament approved the proposal for the amendment of Directives 2000/12 and 93/6 on capital requirements for banks and investment firms (“Capital Requirements Directive (CRD)” or “CAD III”). The new capital adequacy framework introduced by the European legislator reflects the rules set down by the New Basel Accord published in July 2004. However, the European legislative framework differs from the new Accord on several items in order to take account of the European specificities, in particular the application of the new rules to all the banks and investment firms whatever their size and complexity.

The new framework will enter into force on 1 January 2007. However, the most advanced approaches for the calculation of credit risk and operational risk can be implemented only as from 1 January 2008. This timetable reflects the dates planned for the introduction of the New Basel Accord. Nevertheless, banks and investment firms may choose to continue applying the capital adequacy rules currently in force all through the year 2007.

LUXEMBOURG REGULATION

Financial collateral arrangements

The law of 5 August 2005 on financial collateral arrangements, transposing Directive 2002/47/EC of the European Parliament and of the Council of 6 June 2002 on financial collateral arrangements, came into force on 16 August 2005.

The purpose of this law is to improve the legal certainty of financial collateral arrangements by removing certain “inequalities” between the different types of arrangements that stem from the fact that they have been introduced at different periods of time. Under the generic term “financial collateral arrangement”, it refers both to traditional security as well as to new forms of collateral.

One of the objectives of the law is to consolidate all the legislation on financial collateral arrangements into a single law and to improve transparency and accessibility of this part of Luxembourg legislation.

OFFICIAL LISTS

■ LIST OF BANKS

Changes of address:

NATEXIS LUXEMBOURG S.A.

51, avenue J.-F. Kennedy, L-1855 Luxembourg

Bausparkasse Schwäbisch Hall AG, succursale de Luxembourg

4, rue Thomas Edison, L-1445 Strassen

B.P. 661, L-2016 Luxembourg

OFFICIAL LISTS

■ LIST OF PROFESSIONALS OF THE FINANCIAL SECTOR (PFS)

New establishments:

SOGETI PSF

36, rue de Longwy, L-8080 Bertrange

IT systems and communication networks operator of the financial sector

Ministerial authorisation of 26 September 2005

LUXEQUIP BAIL S.A.

51, avenue J.-F. Kennedy, L-1855 Luxembourg

Professional performing credit offering

Ministerial authorisation of 30 September 2005

Change of name:

PREBON YAMANE (LUXEMBOURG) S.A. has become

TULLET PREBON (LUXEMBOURG) S.A.

Extension of status:

ING LEASE LUXEMBOURG S.A.

50, route d'Esch, L-1470 Luxembourg

Extension of status of professional performing credit offering to that of administrative agent of the financial sector, on 12 September 2005

FARAD INVESTMENT ADVISOR S.A.

49, boulevard Royal, L-2449 Luxembourg

Extension of status from broker to that of distributor of units/shares of investment funds not being able to accept and to make payments, on 21 September 2005

UNICO FINANCIAL SERVICES S.A.

308, route d'Esch, L-1471 Luxembourg

Extension of status from professional acting for its own account and distributor of units/shares of investment funds to that of IT systems and communication networks operator of the financial sector, on 9 September 2005

Change of address:

EURO-VL LUXEMBOURG S.A.

16, boulevard Royal, L-2449 Luxembourg

■ LIST OF MANAGEMENT COMPANIES

New companies:

DWS INVESTMENT S.A.

2, boulevard Konrad Adenauer, L-1115 Luxembourg

SEB FUND MANagements.A.

6A, Circuit de la Foire Internationale, L-1347 Luxembourg

Change of address:

JULIUS BAER (LUXEMBOURG) S.A.

25, Grand-Rue, L-1661 Luxembourg



OFFICIAL LISTS

■ LIST OF INVESTMENT COMPANIES IN RISK CAPITAL (SICAR)

New companies:

FORTUNA SOLIDUM S.C.A. SICAR

20, boulevard Emmanuel Servais, L-2535 Luxembourg

LNR EUROPE INVESTORS SARL SICAR

9, rue Schiller, L-2519 Luxembourg

VENCORP S.C.A. SICAR

11, rue Aldringen, L-1118 Luxembourg



■ LIST OF SECURITISATION VEHICLES

New vehicle:

Vivaldis – Gesellschaft für strukturierte Lösungen S.A.

30, boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg

■ LIST OF UNDERTAKINGS FOR COLLECTIVE INVESTMENT (UCI)

Registrations on and withdrawals from the official list of the Luxembourg undertakings for collective investment which fall under the law of 30 March 1988, the law of 20 December 2002 and the law of 19 July 1991, during the month of August 2005

Registrations

- AIM FUND SICAV; 40, avenue Monterey; L-2163 Luxembourg
- ANIMA SICAV; 6, boulevard Joseph II; L-1840 Luxembourg
- APO MEDICAL OPPORTUNITIES; 4, rue Thomas Edison; L-1445 Luxembourg-Strassen
- CENTRAL EUROPEAN INDUSTRIAL FUND; 34, avenue de la Liberté; L-1930 Luxembourg
- CREDIT SUISSE PREMIER LIQUIDITY FUND; 5, rue Jean Monnet; L-2180 Luxembourg
- DEXIA TOTAL RETURN II; 283, route d'Arlon; L-1150 Luxembourg
- EUROPEAN BALANCED PROPERTY FUND; 2, rue du Fossé; L-1536 Luxembourg
- FORTIS ASR FONDS; 14, rue Aldringen; L-1118 Luxembourg
- FORTIS COMFORT; 14, rue Aldringen; L-1118 Luxembourg
- HSBC TRINKAUS CASH; 1-7, rue Nina et Julien Lefèvre; L-1952 Luxembourg
- ING DIRECT; 52, route d'Esch; L-1470 Luxembourg
- INTERNATIONAL GLOBAL SICAV; 1, boulevard Royal; L-2449 Luxembourg
- LBLUX FONDS; 3, rue Jean Monnet; L-2180 Luxembourg
- LUX ALTERNATIVE; 2, place Dargent; L-1413 Luxembourg
- MULTI INVEST SPEZIAL OP; 4, rue Jean Monnet; L-2180 Luxembourg
- OCEAN FUND; 16, boulevard Royal; L-2449 Luxembourg
- SIFTER FUND II; 6A, Circuit de la Foire Internationale; L-1347 Luxembourg
- TAARA-STIFTUNGSFONDS; 25, rue Edward Steichen; L-2540 Luxembourg
- UBS (LUX) SICAV 2; 291, route d'Arlon; L-1150 Luxembourg
- UNIMONEYMARKET: EURO 2; 308, route d'Esch; L-1471 Luxembourg

Withdrawals

- A.L.S.A.-EUROPAPLUS 8/2005; 25, rue Edward Steichen; L-2540 Luxembourg
- ALLIANZ DRESDNER GLOBAL DISTRIBUTOR FUND; 6A, route de Trèves; L-2633 Senningerberg
- BETA INDEX FUND; 6a, Circuit de la Foire Internationale; L-1347 Luxembourg
- DEKA-OPTINET 2/2007: E; 5, rue des Labours; L-1912 Luxembourg
- DIADEM; 14, boulevard Royal; L-2449 Luxembourg
- FLEMING AKTIEN STRATEGIE WELT; 6H, route de Trèves; L-2633 Senningerberg
- FORTIS L ALTERNATIVE; 14, rue Aldringen; L-1118 Luxembourg
- INTERNATIONAL SECURITIES FUND NEW ECONOMY S.A.; 17A, rue des Bains; L-1212 Luxembourg
- J.P. MORGAN ATLAS STRATEGIES FUND; 8, rue de la Grève; L-1643 Luxembourg
- LEBANON HOLDINGS; 11, rue Aldringen; L-1118 Luxembourg
- PAN ASIA SPECIAL OPPORTUNITIES FUND; 69, route d'Esch; L-1470 Luxembourg

FINANCIAL CENTRE

Main updated figures regarding the financial centre:

Number of banks: **157** (30 September 2005)

Balance sheet total: **EUR 752.586 billion** (31 August 2005)

Profit before provisions: **EUR 2.199 billion** (30 June 2005)

Employment: **22,866 persons** (30 June 2005)

Number of UCIs: **2,056** (11 October 2005)

Total net assets: **EUR 1,360.997 billion** (31 August 2005)

Number of SICARs: **22** (10 October 2005)

Number of pension funds: **13** (30 September 2005)

Number of management companies: **46** (30 September 2005)
(chapter 13 of the law of 20 December 2002)

Employment: **941 persons** (30 June 2005)

Number of PFS: **181** (30 September 2005)

Balance sheet total: **EUR 55.591 billion** (31 August 2005)

Net profit: **EUR 322.92 million** (31 August 2005)

Employment: **6,122 persons** (30 June 2005)

Number of securitisation vehicles: **4** (30 September 2005)

Total employment in the supervised establishments: **29,124 persons** (31 December 2004)

Total employment in the supervised establishments: **29,488 persons** (31 March 2005)

Total employment in the supervised establishments: **29,929 persons** (30 June 2005)

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