

COMMISSION de SURVEILLANCE du SECTEUR FINANCIER



NEWSLETTER

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CSSF Newsletter

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HUMAN RESOURCES

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

Legal department

Claire BRAUN

Information systems and supervision of support PFS

João BARREIRA

The CSSF counts 553 agents as at 12 December 2014, of whom 282 are men and 271 are women.

WARNINGS

■ WARNING REGARDING THE ACTIVITIES OF THE ENTITIES NAMED AMG-CLIENTS S.A. AND AMSTRAD-WEALTH S.A.

This warning is available on the CSSF's website at:

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

■ WARNINGS PUBLISHED BY IOSCO

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

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

SANCTIONS

■ SPECIALISED INVESTMENT FUNDS (SIFS)

In accordance with Article 51(1) of the law of 13 February 2007 relating to specialised investment funds, the CSSF imposed an administrative fine on the managers of four specialised investment funds for non-filing of the annual financial report.

In accordance with Article 51(1) of the law of 13 February 2007 relating to specialised investment funds, the CSSF imposed an administrative fine on the managers of four specialised investment funds for non-filing of the management letter.

■ ISSUERS OF SECURITIES

Since the publication of the last Newsletter, the CSSF imposed two administrative fines against issuers that failed to act in response to the CSSF's requests in the context of its mission to control the financial information as provided for in Article 22(2)(h) of the Transparency Law.

NATIONAL REGULATION

■ CIRCULAR CSSF 14/598

Opinion of the European Securities and Markets Authority on the review of the CESR Guidelines on a Common Definition of European Money Market Funds (CESR/10-049)

The purpose of this circular is to implement the amendments introduced by ESMA's Opinion of 22 August 2014 (Ref. ESMA/2014/1103) concerning the CESR Guidelines on a Common Definition of European Money Market Funds (Ref. CESR/10-049) in the Luxembourg regulations governing undertakings for collective investment subject to the law of 17 December 2010 and specialised investment funds subject to the law of 13 February 2007.

■ CIRCULAR CSSF 14/597

Update of Circular CSSF 12/552 on the central administration, internal governance and risk management

■ CIRCULAR CSSF 14/596

Communication Regime under the Single Supervisory Mechanism for Significant Entities; Repeal of the VISA procedure for published annual accounts

The purpose of this circular is to draw the attention to the new communication regime between significant banks and the different authorities in charge of prudential supervision after the introduction of the single supervisory mechanism on November 4th, 2014. Furthermore, the CSSF has decided to abolish the VISA procedure for published annual accounts.

SINGLE SUPERVISORY MECHANISM (SSM)

■ EUROPEAN CENTRAL BANK (ECB)

Publications

- 3 November 2014 – [Guide of banking supervision](#)

This guide is fundamental to the implementation of the Single Supervisory Mechanism (SSM), the new system of financial supervision comprising, as at November 2014, the ECB and the national competent authorities (NCAs) of euro area countries. It explains how the SSM functions and gives guidance on the SSM's supervisory practices.

- 3 November 2014 – [SSM Quarterly Report 2014/4: Progress in the implementation of the Single Supervisory Mechanism Regulation](#)

This is the fourth Quarterly Report to the European Parliament, the EU Council and the European Commission on progress in implementing the Regulation on the Single Supervisory Mechanism (SSM Regulation). The report, which is required under the SSM Regulation, covers the three months between 4 August and 3 November 2014.

The key messages of this Quarterly Report are the following:

- The ECB is ready to fully assume the supervisory tasks conferred on it by the SSM Regulation one year after its entry into force, i.e. on 4 November 2014.

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- The comprehensive assessment has been finalised on schedule.
 - The SSM governance is fully operational.
 - The staffing of the ECB has been proceeding apace.
 - The Joint Supervisory Teams (JSTs) are operational and ready to start the day-to-day supervision of significant banks.
 - The “Guide to banking supervision” was published in all official euro area languages on 29 September 2014.
 - The ECB Regulation on supervisory fees was approved by the ECB’s Governing Council and published on 30 October 2014.
 - The preparatory work has also advanced well in many other areas, such as IT infrastructure, premises, internal and external communication, logistical organisation, as well as legal and statistical services.
- 4 November 2014 – [Press release – ECB assumes responsibility for euro area banking supervision](#)

The ECB assumes responsibility for the supervision of euro area banks, following a year-long preparatory phase which included an in-depth examination of the resilience and balance sheets of the biggest banks in the euro area.

The SSM is a new system of banking supervision, comprising the ECB and the national competent authorities of the participating countries. Its main aims are to contribute to the safety and soundness of credit institutions and the stability of the European financial system and to ensure consistent supervision.

- 5 November 2014 – [Statement by the European Commission and the ECB following the first post-programme surveillance mission to Portugal](#)

Staff teams from the European Commission and the ECB visited Portugal from 28 October until 4 November to conduct a first post-programme surveillance (PPS) mission. This was coordinated with the IMF’s first post-programme monitoring (PPM) mission. Staff from the European Stability Mechanism also participated in the mission on aspects related to its Early Warning System.

- 19 November 2014 – [Opinion of the ECB of 19 November 2014 on a proposal for a regulation of the European Parliament and of the Council on structural measures improving the resilience of EU credit institutions \(CON/2014/83\)](#)

The ECB has received a request from the European Parliament, on 14 March 2014, and from the Council of the European Union, on 27 March 2014, for an opinion on a proposal for a regulation of the European Parliament and of the Council on structural measures improving the resilience of EU credit institutions and released its opinion on it the 19 November 2014.

- 21 November 2014 – [Consolidated banking data for June 2014](#)

The ECB has published the June 2014 Consolidated Banking Data (CBD), a data set that provides statistics and indicators on the banking system of the EU on a consolidated basis. It includes statistics on individual EU Member States as well as for the EU and euro area as a whole. Data for June 2014 refer to 396 banking groups together with 4088 stand-alone credit institutions, including 990 foreign-controlled branches and subsidiaries operating in the EU. This data set includes profitability and efficiency indicators, balance sheet indicators, non-performing loans developments as well as solvency ratios.

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- 21 November 2014 – [Statement by the European Commission and the ECB following the conclusion of the second post-programme surveillance mission to Ireland](#)

Staff teams from the European Commission and ECB visited Ireland to carry out the second PPS mission on 17-21 November. This was coordinated with the IMF's second PPM mission. The European Stability Mechanism also participated in the meetings on aspects related to its Early Warning System.

Speeches

- 3 November 2014 - ["Interview with Le Monde"](#) – Sabine Lautenschläger, Member of the Executive Board of the ECB

The interview relates to the SSM, its cooperation with the French NCA (namely the ACPR) and also to the second and third pillar of the Banking Union.

- 4 November 2014 - ["Laying the foundations of the Cypriot recovery"](#) – Benoît Coeuré, Member of the Executive Board of the ECB, at the 10th Cyprus Summit "Current developments in the euro area", Nicosia

This speech relates to the economic situation in the euro area, the comprehensive assessment and to the benefits for Cyprus due to this new system of banking supervision.

- 9 November 2014 – ["Interview with Phileleftheros"](#) – Benoît Coeuré, Member of the Executive Board of the ECB

This speech relates, amongst others, to the delicate situation of the non-performing loans in Cyprus and the big challenges Cypriot banks have to face today with the establishment of the SSM.

- 20 November 2014 – ["Stronger together in Europe: the contribution of banking supervision"](#) – Mario Draghi, President of the ECB, Speech marking the inauguration of the ECB's new supervisory responsibilities, Frankfurt

Mario Draghi reflects on the creation of the SSM, reminding the context that led the Council and the Parliament to entrust the ECB with supervisory tasks. According to Mr Draghi, the setting-up of European banking supervision has been the largest step towards deeper integration since the creation of our Economic and Monetary Union and the ECB was and remains determined to protect the euro, while reminding that more work needs to be done to improve "our" union, not only in the banking sector but also in relation to capital markets and in the economic and fiscal realms.

■ EUROPEAN BANKING AUTHORITY (EBA)

Public consultations

CRR:

- 12 November 2014 – [Launch of a consultation on assessment methodology for IRB approach](#)

The EBA has launched a consultation on its draft Regulatory Technical Standards (RTS) on assessment methodology for internal ratings-based (IRB) approach. These draft RTS are a key component of the EBA's work to ensure consistency in models outputs and comparability of risk-weighted exposures and will contribute to harmonise the supervisory assessment methodology across all EU Member States.

The consultation runs until 12 March 2015.

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- 26 November 2014 – [Holding of a public hearing on upcoming CVA report](#)

The EBA has held a public hearing in London on Friday 5 December 2014 on the draft Credit Valuation Adjustment (CVA) report to be submitted to the EU Commission.

BRRD:

- 5 November 2014 - [Launch of a consultation on contractual recognition of bail-in](#)

The EBA has launched a consultation on its draft RTS under Article 55(3) of the Bank Recovery and Resolution Directive (BRRD). These RTS support the effective application of the write-down and conversion powers in relation to liabilities governed by the law of a third country. The consultation is part of the EBA's work to promote the effective application of recovery and resolution powers to banks and banking groups with a cross-border presence and to foster convergence of practices between relevant authorities and institutions across the EU.

The consultation runs until 5 February 2015.

- 7 November 2014 - [Launch of a consultation on valuation in recovery and resolution](#)

The EBA has launched a consultation on its draft RTS on valuation in recovery and resolution. These draft RTS aim to provide a common structure to decisions made by resolution authorities and independent valuers and to promote a consistent application of methodologies for such valuations across the EU.

The consultation runs until 6 February 2015.

- 11 November 2014 - [Launch of a consultation on guidelines on the use of the bail-in power](#)

The EBA has launched two public consultations on:

- Guidelines on the treatment of shareholders when applying the bail-in tool or the write down or conversion of capital instruments and;
- Guidelines on when and how different conversion rates from debt to equity should be set for different types of liability.

These two sets of Guidelines are part of a series of EBA regulatory mandates under the BRRD, which aim to ensure that the bail-in power is an effective way of absorbing losses and recapitalising banks in resolution, and those resolution authorities and other stakeholders have a clear understanding of the terms on which it should be applied.

Both consultations run until 6 February 2015.

- 28 November 2014 - [Launch of a consultation criteria for determining the minimum requirement for own funds and eligible liabilities \(MREL\)](#)

The EBA has launched a public consultation on draft RTS further specifying the criteria to set the minimum requirement for own funds and eligible liabilities (MREL) laid down in the BRRD. The aim of these standards is to achieve an appropriate degree of convergence in how these criteria are interpreted and applied across the EU to ensure a level playing field. Institutions with similar risk profiles, resolvability and other characteristics in any Member State should have similar levels of MREL.

The consultation runs until 27 February 2015.

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Deposit guarantee schemes directive (DGSD):

- 10 November 2014 - [Launch of a consultation on methods for calculating contributions to Deposit Guarantee Schemes](#)

The EBA has launched a public consultation on its draft Guidelines on methods for calculating contributions to Deposit Guarantee Schemes (DGSs). The Guidelines set principles and specify necessary elements for calculating risk-based contributions to DGSs, with a view to curbing moral hazard while building up the necessary financial resources for DGSs. The Guidelines foster convergence in contributions practices across the EU, promoting level playing field for banks within the Single Market.

The consultation runs until 11 February 2015.

Publications

- 21 November 2014 – [Revised RBS 2014-EU wide stress test results](#)

The Royal Bank of Scotland Group plc (RBS) has resubmitted its 2014 EU-wide stress test results following a recalculation of its Common Equity Tier 1 (CET1) capital ratios.

The amended templates are now available on the EBA website.

- 21 November 2014 – [EBA Opinion on the perimeter of credit institutions](#)

The EBA has published an Opinion addressed to the European Commission, relating to the perimeter of credit institutions and namely to the different approaches across EU Member States on the interpretation of the definition of 'credit institution' in the Capital Requirements Regulation (CRR). The Opinion is based on a report, in which the EBA summarises the findings of a comprehensive study, which focuses on the interpretation of the term 'credit institution' and the prudential treatment of those entities established in the Union which carry on credit intermediation but are not 'credit institutions'.

Regulatory matters

- 07 November 2014 – [Publication of the Commission Delegated Regulation \(EU\) No 1187/2014](#) of 2 October 2014 supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council as regards regulatory technical standards for determining the overall exposure to a client or a group of connected clients in respect of transactions with underlying assets
- 15 November 2014 – [Commission Delegated Regulation \(EU\) No 1222/2014](#) of 8 October 2014 supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards for the specification of the methodology for the identification of global systemically important institutions and for the definition of subcategories of global systemically important institutions
- 24 November 2014 – [Proposal for a Council Implementing Regulation](#) specifying uniform conditions of application of Regulation (EU) No 806/2014 of the European Parliament and of the Council with regard to ex-ante contributions to the Single Resolution Fund (COM(2014) 710 final)

COMMUNIQUES

■ PUBLIC CONSULTATION “REVIEW OF THE STANDARD CHART OF ACCOUNTS”

Press release 14/64 of 2 December 2014

The CSSF draws attention to the fact that the Commission des normes comptables (CNC) launched, on the occasion of the review of the Standard Chart of Accounts (“Plan comptable normalisé” - “PCN”), a public consultation, open from 13 November 2014 to 31 January 2015, to all parties interested in accounting information of companies, in order to collect the opinion of these parties on their experience concerning the use of the PCN.

The consultation document is available [here](#) (only in French).

■ EUROPEAN AUDIT REGULATORS CONTINUE DIALOGUE ON AUDIT QUALITY ISSUES WITH STAKEHOLDERS

Press release 14/63 of 1 December 2014

Independent audit regulators from Europe, including the Luxembourg CSSF, have structured meetings with different stakeholders on audit quality issues. In November, the European Audit Inspection Group (EAIG) met KPMG’s European leadership and the audit standard setters (IAASB/IESBA boards). The meetings are intended to contribute to a better understanding of audit quality issues.

These meetings are organised within the framework of the EAIG which was established in 2011. The EAIG provides a pan-European platform for cooperation of audit regulators. The meeting in Madrid on November 25 and 26, 2014 was hosted by the Spanish INSTITUTO DE CONTABILIDAD Y AUDITORIA DE CUENTAS (ICAC). The European Commission attends the EAIG meetings, as an Observer, except for those parts where confidential supervisory information is discussed.

EAIG meeting with European leadership of audit networks

The regulators met with representatives of KPMG to discuss matters relevant to KPMG’s Member Firms within Europe. The meeting was the second of a series of meetings with the audit networks (BDO, Deloitte, EY, GrantThornton, and PwC) that builds on the experience of the EAIG members throughout Europe and their previous interaction with the networks. The focus of this meeting was KPMG network structure and procedures and the network’s approach to maintaining and improving the quality of its audits.

Working groups of the EAIG will maintain ongoing contact with the networks after these meetings.

Annual liaison with international standard setters

During this meeting a dialogue was held with the international audit standard setters, being the International Auditing and Assurance Standards Board (IAASB) and the International Ethics Standards Board (IESBA). The Chairmen of both boards updated the EAIG on their current workstreams and on how comments raised by regulators have been taken into account in their processes. The EAIG Members also brought their concerns with regards to the current standards to the attention of the standard setters, based in part on analysis of the pan-European audit inspection findings database which is maintained by the EAIG.

European Audit Regulators adopt a Common Audit Inspection Methodology (CAIM)

Inspections of firms which audit PIEs (Public Interest Entities, usually listed companies, but also banks and insurance companies) are performed on a recurring basis and are undertaken with the objective of improving the quality of audits. They generally include a review of the audit firms’ internal quality control procedures and a review of selected audit engagements to test compliance with relevant professional standards.

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The Members of the EAIG adopted the first common suite of workprogrammes for the inspection of firms' internal quality control procedures. These workprogrammes, which have been developed on the basis of the EU Directive on Statutory Audit and the International Standard for Quality Control 1, will contribute to the harmonization of the inspections of audit firms across Europe.

Way forward

The next meeting of the EAIG will take place in March 2015 in Budapest at the invitation of Hungarian Auditors' Public Oversight Committee (APOC).

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

For further information about this press release, please contact:

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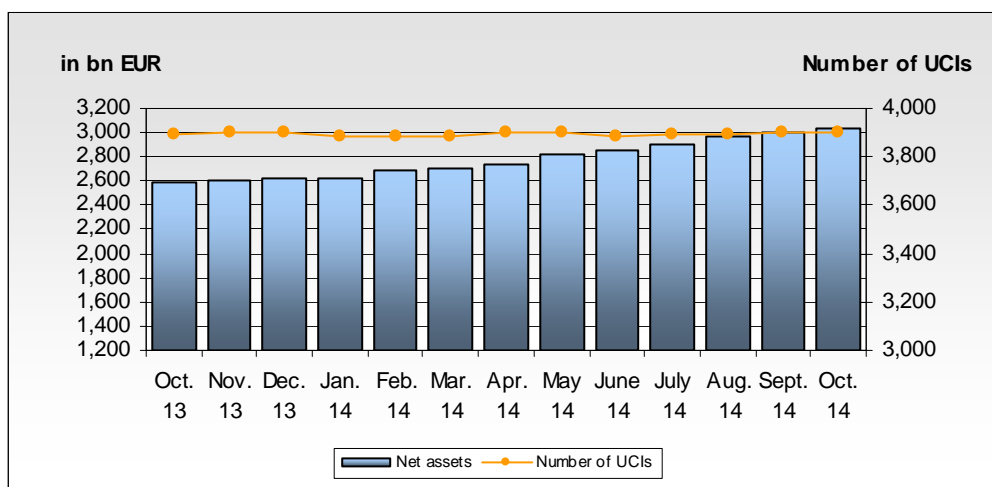
■ GLOBAL SITUATION OF UNDERTAKINGS FOR COLLECTIVE INVESTMENT AND SPECIALISED INVESTMENT FUNDS AT THE END OF OCTOBER 2014

Press release 14/62 of 28 November 2014

I. Overall situation

As at 31 October 2014, total net assets of undertakings for collective investment and specialised investment funds reached EUR 3,034.458 billion compared to EUR 3,006.762 billion as at 30 September 2014, i.e. a 0.92% growth over one month. Over the last twelve months, the volume of net assets increased by 17.15%.

Consequently, the Luxembourg UCI industry registered a positive variation amounting to EUR 27.696 billion in October. This increase represents the balance of positive net issues of EUR 19.819 billion (+0.66%) and a positive development in financial markets amounting to EUR 7.877 billion (+0.26%).



The number of undertakings for collective investment (UCIs) and specialised investment funds (SIFs) taken into consideration totalled 3,904 as against 3,900 in the previous month. A total of 2,534 entities have adopted an umbrella structure, which represents 12,455 sub-funds. When adding the 1,370 entities with a traditional structure to that figure, a total of 13,825 entities are active in the financial centre.

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As regards, on the one hand, the impact of financial markets on Luxembourg UCIs and SIFs (hereafter “UCIs”) and, on the other hand, the net capital investment in these UCIs, the following can be said about October 2014:

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

While the fears of deflation in Europe, exacerbated by hardly encouraging economic developments in Europe, have overall weighed on the prices of the European equity UCIs, the category of US equity UCIs however, benefited from positive economic US data as well as from positive corporate results. The depreciation of the Yen against the Euro, despite positive market performances owing to the announcement of a further monetary policy easing in Japan, made Japanese equity UCIs finish the month in negative territory.

While the category of Asian equity UCIs achieved price gains in a context of economic stabilisation in China, the categories of Eastern European and Latin American equity UCIs however faced slight losses owing to economic and political problems in some countries of these regions.

In October, net capital investment of equity UCI categories was overall slightly negative.

Development of equity UCIs during the month of October 2014*

| | Market variation in % | Net issues in % |
|---------------------------|-----------------------|-----------------|
| Global market equities | 0.35% | 0.72% |
| European equities | -1.53% | -1.31% |
| US equities | 2.40% | 0.61% |
| Japanese equities | -0.20% | 0.32% |
| Eastern European equities | -0.28% | -1.77% |
| Asian equities | 2.42% | -0.29% |
| Latin American equities | -0.14% | -1.51% |
| Other equities | 0.48% | -0.86% |

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

As regards EUR-denominated bond UCIs, the fears of deflation combined with hardly encouraging economic figures in Europe led to decreases on long-term government bond yields, exacerbated by the decision of the European Central Bank to start its covered bond purchase programme. Private sector risk premiums fell slightly as well. Overall, EUR-denominated bond UCIs thus registered a slight rise in prices during the month under review.

The yields on the USD-denominated bond market, as a result of the anticipation of a slower pace of monetary policy tightening as planned combined with an overall weak economic environment, fell slightly entailing a rise in bond prices. The appreciation of the USD against the EUR accentuated this movement. USD-denominated bond UCIs thus closed the month with price rises.

Owing to almost unchanged risk premiums for emerging market bonds and an increasing demand for this type of bond, the category of emerging market bond UCIs was on the rise at the end of the month.

In October, fixed-income UCI categories registered an overall positive net capital investment.

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Development of fixed-income UCIs during the month of October 2014*

| | Market variation in % | Net issues in % |
|----------------------------|-----------------------|-----------------|
| EUR money market | -0.03% | 4.99% |
| USD money market | 0.48% | 1.57% |
| Global market money market | -0.33% | 3.47% |
| EUR-denominated bonds | 0.19% | 2.35% |
| USD-denominated bonds | 0.53% | 4.27% |
| Global market bonds | 0.39% | 1.26% |
| Emerging market bonds | 1.12% | 0.66% |
| High Yield bonds | 0.68% | -0.20% |
| Others | 0.28% | 1.19% |

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

The development of net assets of diversified Luxembourg UCIs and of funds of funds is illustrated in the table below:

Diversified UCIs and funds of funds during the month of October 2014*

| | Market variation in % | Net issues in % |
|------------------|-----------------------|-----------------|
| Diversified UCIs | -0.07% | 0.05% |
| Funds of Funds | -0.35% | 0.62% |

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

II. Breakdown of the number and the net assets of UCIs according to Parts I and II, respectively, of the 2010 Law and of SIFs according to the 2007 Law

| | PART I UCIs | | PART II UCIs | | SIFs | | TOTAL | |
|------------|-------------|-------------------------|--------------|-------------------------|--------|-------------------------|--------|-------------------------|
| | NUMBER | NET ASSETS (in bn €) | NUMBER | NET ASSETS (in bn €) | NUMBER | NET ASSETS (in bn €) | NUMBER | NET ASSETS (in bn €) |
| 31/12/2011 | 1,870 | 1,655.509 € | 601 | 201.671 € | 1,374 | 239.332 € | 3,845 | 2,096.512 € |
| 31/01/2012 | 1,856 | 1,709.460 € | 594 | 202.915 € | 1,387 | 244.706 € | 3,837 | 2,157.081 € |
| 29/02/2012 | 1,854 | 1,750.218 € | 591 | 203.540 € | 1,402 | 249.401 € | 3,847 | 2,203.159 € |
| 31/03/2012 | 1,860 | 1,762.166 € | 587 | 202.875 € | 1,419 | 252.165 € | 3,866 | 2,217.206 € |
| 30/04/2012 | 1,858 | 1,768.717 € | 583 | 203.300 € | 1,431 | 253.583 € | 3,872 | 2,225.600 € |
| 31/05/2012 | 1,859 | 1,750.722 € | 582 | 203.715 € | 1,433 | 257.590 € | 3,874 | 2,212.027 € |
| 30/06/2012 | 1,841 | 1,762.870 € | 581 | 202.440 € | 1,445 | 259.169 € | 3,867 | 2,224.479 € |
| 31/07/2012 | 1,835 | 1,823.366 € | 576 | 207.093 € | 1,453 | 266.258 € | 3,864 | 2,296.717 € |
| 31/08/2012 | 1,834 | 1,825.035 € | 573 | 204.103 € | 1,465 | 266.261 € | 3,872 | 2,295.399 € |
| 30/09/2012 | 1,827 | 1,845.500 € | 567 | 201.592 € | 1,472 | 267.356 € | 3,866 | 2,314.448 € |
| 31/10/2012 | 1,820 | 1,860.241 € | 563 | 199.842 € | 1,485 | 269.566 € | 3,868 | 2,329.649 € |
| 30/11/2012 | 1,815 | 1,891.001 € | 561 | 196.886 € | 1,487 | 271.835 € | 3,863 | 2,359.722 € |
| 31/12/2012 | 1,801 | 1,913.089 € | 555 | 193.769 € | 1,485 | 276.968 € | 3,841 | 2,383.826 € |
| 31/01/2013 | 1,803 | 1,936.513 € | 550 | 191.354 € | 1,487 | 278.061 € | 3,840 | 2,405.928 € |
| 28/02/2013 | 1,809 | 1,990.596 € | 548 | 194.399 € | 1,492 | 283.075 € | 3,849 | 2,468.070 € |
| 31/03/2013 | 1,806 | 2,038.580 € | 543 | 199.556 € | 1,505 | 290.784 € | 3,854 | 2,528.920 € |
| 30/04/2013 | 1,818 | 2,068.815 € | 542 | 201.405 € | 1,511 | 295.036 € | 3,871 | 2,565.256 € |
| 31/05/2013 | 1,817 | 2,086.281 € | 541 | 202.228 € | 1,526 | 295.590 € | 3,884 | 2,584.099 € |
| 30/06/2013 | 1,815 | 2,004.275 € | 541 | 197.248 € | 1,534 | 285.061 € | 3,890 | 2,486.584 € |
| 31/07/2013 | 1,804 | 2,038.269 € | 543 | 197.344 € | 1,537 | 287.573 € | 3,884 | 2,523.186 € |
| 31/08/2013 | 1,806 | 2,014.560 € | 539 | 195.894 € | 1,549 | 288.385 € | 3,894 | 2,498.839 € |
| 30/09/2013 | 1,807 | 2,047.112 € | 534 | 195.663 € | 1,543 | 296.425 € | 3,884 | 2,539.200 € |

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| | | | | | | | | |
|------------|-------|-------------|-----|-----------|-------|-----------|-------|-------------|
| 31/10/2013 | 1,806 | 2,089.408 € | 529 | 194.796 € | 1,555 | 305.924 € | 3,890 | 2,590.128 € |
| 30/11/2013 | 1,815 | 2,107.898 € | 526 | 191.211 € | 1,562 | 308.619 € | 3,903 | 2,607.728 € |
| 31/12/2013 | 1,817 | 2,121.458 € | 523 | 187.380 € | 1,562 | 306.525 € | 3,902 | 2,615.363 € |
| 31/01/2014 | 1,817 | 2,128.746 € | 518 | 186.766 € | 1,550 | 308.324 € | 3,885 | 2,623.836 € |
| 28/02/2014 | 1,823 | 2,182.477 € | 515 | 186.477 € | 1,543 | 310.557 € | 3,881 | 2,679.511 € |
| 31/03/2014 | 1,824 | 2,216.005 € | 510 | 181.493 € | 1,551 | 311.703 € | 3,885 | 2,709.201 € |
| 30/04/2014 | 1,831 | 2,250.792 € | 509 | 179.885 € | 1,558 | 311.531 € | 3,898 | 2,742.208 € |
| 31/05/2014 | 1,829 | 2,318.076 € | 502 | 181.248 € | 1,569 | 316.545 € | 3,900 | 2,815.869 € |
| 30/06/2014 | 1,824 | 2,355.462 € | 490 | 179.083 € | 1,570 | 320.095 € | 3,884 | 2,854.640 € |
| 31/07/2014 | 1,868 | 2,405.883 € | 452 | 170.630 € | 1,571 | 327.623 € | 3,891 | 2,904.136 € |
| 31/08/2014 | 1,884 | 2,461.916 € | 446 | 171.092 € | 1,566 | 337.512 € | 3,896 | 2,970.520 € |
| 30/09/2014 | 1,887 | 2,497.035 € | 441 | 172.581 € | 1,572 | 337.146 € | 3,900 | 3,006.762 € |
| 31/10/2014 | 1,883 | 2,525.079 € | 436 | 169.371 € | 1,585 | 340.008 € | 3,904 | 3,034.458 € |

In October 2014, the following 30 undertakings for collective investment and specialised investment funds have been registered on the official list:

1) UCIs Part I 2010 Law:

- AFFIN HWANG CAPITAL ASIAN SERIES, 33, rue de Gasperich, L-5826 Hesperange
- BALLISTA SICAV, 5, Heienhaff, L-1736 Senningerberg
- HEITMAN UCITS, 26B, boulevard Royal, L-2449 Luxembourg
- ICBC (EUROPE) UCITS SICAV, 2-8, avenue Charles de Gaulle, L-1653 Luxembourg
- MONOCLE FUND SICAV, 5, rue Jean Monnet, L-2180 Luxembourg

2) UCIs Part II 2010 Law:

- DEUTSCHE EUROPEAN REAL ESTATE SECURITIES MASTER FUND, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
- KCD MIKROFINANZFONDS III, 4, rue Thomas Edison, L-1445 Luxembourg-Strassen
- OSPA-STRATEGIE:, 3, rue des Labours, L-1912 Luxembourg

3) SIFs:

- ASTER GROWTH SICAV-SIF S.A., 2-8, avenue Charles de Gaulle, L-1653 Luxembourg
- AXA-SPDB CHINA DOMESTIC GROWTH A-SHARES, 49, avenue J-F Kennedy, L-1855 Luxembourg
- BAYVK R2 LUX S.A., SICAV-FIS, 15, rue de Flaxweiler, L-6776 Luxembourg
- CROWN PREMIUM PRIVATE EQUITY VI MASTER S.C.S., SICAV-FIS, 2, place Dargent, L-1413 Luxembourg
- CROWN PREMIUM PRIVATE EQUITY VI S.A., SICAV-FIS, 2, place Dargent, L-1413 Luxembourg
- DEKA-VSTBH LUX, 5, rue des Labours, L-1912 Luxembourg
- ECCE VINUM CAPITAL SCA SICAV-SIF, 6, rue Eugène Ruppert, L-2453 Luxembourg
- ESM FUND, 64, rue Principale, L-5367 Schuttrange
- EURO-PE SELECT OPPORTUNITIES SICAV-SIF SCS, 5, Allée Scheffer, L-2520 Luxembourg
- JMH ABSOLUTE RETURN SICAV SIF, 15, avenue J-F Kennedy, L-1855 Luxembourg
- LOGOS VENTURES, 75, Parc d'activités, L-8308 Capellen
- NEXTECH IV ONCOLOGY S.C.S. SICAV-SIF, 1C, rue Gabriel Lippmann, L-5365 Munsbach
- PIONEER INVESTMENTS DIVERSIFIED LOANS FUND, 8-10, rue Jean Monnet, L-2180 Luxembourg
- PRISM ASIA FUND, 64, rue Principale, L-5367 Schuttrange
- PRISM FUND, 64, rue Principale, L-5367 Schuttrange
- PRIVATE CO-INVESTMENT EUROPE SICAV-FIS, 5, allée Scheffer, L-2520 Luxembourg
- RWB EVERGREEN FCP-SIF, 12F, rue Guillaume Kroll, L-1882 Luxembourg
- SHOPPING PROPERTY FUND 2 FEEDER SA SICAV-SIF, 44, avenue J-F Kennedy, L-1855 Luxembourg
- SILKROAD ASIA VALUE PARALLEL FUND SCS SICAV-SIF, 1, Côte d'Eich, L-1450 Luxembourg
- SWANCAP OPPORTUNITIES FUND II SCS-SIF, 5, rue Heienhaff, L-1736 Senningerberg
- UBS GLOBAL PRIVATE EQUITY GROWTH III SLP-SIF, 33A, avenue J-F Kennedy, L-1855 Luxembourg
- VAUDOISE ASSURANCES FUND S.A., SICAV-SIF, 2, rue Albert Borschette, L-1246 Luxembourg

Commission de Surveillance du Secteur Financier

The following 26 undertakings for collective investment and specialised investment funds have been deregistered from the official list during the month under review:

1) UCIs Part I 2010 Law:

- ALMAX CAPITAL, 15, rue de Flaxweiler, L-6776 Grevenmacher
- AREION FUND, 41, op Bierg, L-8217 Mamer
- CONTRARIOR FUND, 2, boulevard de la Foire, L-1528 Luxembourg
- CORE ALPHA COMPASS, 26, avenue de la Liberté, L-1930 Luxembourg
- DWS DISKONT BASKET, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
- ISHARES (LUX), 5, rue Jean Monnet, L-2180 Luxembourg
- OP-INVEST (CHF), 4, rue Jean Monnet, L-2180 Luxembourg
- Q.I.M. CAPITAL, 28-32, place de la Gare, L-1616 Luxembourg
- SBERBANK AM UCITS FUND, 31, Z.A. Bourmicht, L-8070 Bertrange
- STADTSPARKASSE DÜSSELDORF-GARANT, 3, rue des Labours, L-1912 Luxembourg
- TOPGELD 90SI, 8-10, rue Jean Monnet, L-2180 Luxembourg
- TOPGELD 97SI, 8-10, rue Jean Monnet, L-2180 Luxembourg

2) UCIs Part II 2010 Law:

- BLUE DANUBE FUND, 5, allée Scheffer, L-2520 Luxembourg
- ICM DIVERSIFIED ALPHA SERIES, 5, allée Scheffer, L-2520 Luxembourg
- IDEA SICAV 1, 19-21, boulevard du Prince Henri, L-1724 Luxembourg
- LEUMI GLOBAL MANAGERS FUND, 2-8, avenue Charles de Gaulle, L-1653 Luxembourg
- UNICAPITAL INVESTMENTS III, 1, boulevard Royal, L-2449 Luxembourg

3) SIFs:

- AB INSTITUTIONAL SERIES, 2-4, rue Eugène Ruppert, L-2453 Luxembourg
- BMG, 5, Heienhaff, L-1736 Senningerberg
- CEE URBAN RED SCA, SICAV-FIS, 20, boulevard Emmanuel Servais, L-2535 Luxembourg
- CLEARNESS INVESTMENT FUND S.C.A., SICAV-SIF, 26-28, Rives de Clausen, L-2165 Luxembourg
- EMCORE CAPITAL SICAV-SIF, 33, rue de Gasperich, L-5826 Howald-Hesperange
- FIDUS OPPORTUNITIES FUND, SCA-SICAV-SIF, 5, Heienhaff, L-1736 Senningerberg
- MULTI ASSET PLUS S.A., SICAV-FIS, 18-20, rue Gabriel Lippmann, L-5365 Munsbach
- PADDINGTON, 4, rue Jean Monnet, L-2180 Luxembourg
- THE ENDURANCE REAL ESTATE FUND, 38-40, rue Pafebrüch, L-8308 Capellen

■ WITHDRAWAL FROM THE OFFICIAL LIST OF SPECIALISED INVESTMENT FUNDS: ASSYA CAPITAL INVESTMENT S.C.A., SICAV-FIS

Press release 14/61 of 21 November 2014

Under Article 45(3)(k) of the law of 13 February 2007 on specialised investment funds, the Commission de Surveillance du Secteur Financier (“CSSF”) decided to withdraw the investment company ASSYA CAPITAL INVESTMENT S.C.A., SICAV-FIS from the official list of specialised investment funds on 11 November 2014.

In accordance with Article 46 of the law of 13 February 2007, this decision, as from the notification thereof to ASSYA CAPITAL INVESTMENT S.C.A., SICAV-FIS and at its expense, until the decision has become final, entails ipso jure the suspension of any payment by ASSYA CAPITAL INVESTMENT S.C.A., SICAV-FIS and prohibition, on pain of nullity, to take any measures other than protective measures, except with the authorisation of the CSSF which holds, ipso jure, the office of supervisory commissioner.

Upon expiry of the period laid down for filing an action against this decision, the CSSF will file a winding-up petition with the State Prosecutor in accordance with Article 47(1) of the law of 13 February 2007.

Commission de Surveillance du Secteur Financier

■ DISSOLUTION AND JUDICIAL LIQUIDATION: ASSYA ASSET MANAGEMENT LUXEMBOURG S.A. - APPOINTMENT OF A LIQUIDATOR

Press release 14/60 of 18 November 2014

Pursuant to Article 61 of the law of 5 April 1993 on the financial sector, the *Tribunal d'arrondissement de et à Luxembourg* (Luxembourg District Court) sitting in commercial matters ordered the dissolution and liquidation of the Luxembourg investment firm Assya Asset Management Luxembourg S.A. on 17 November 2014. This liquidation follows the suspension of payments of Assya Asset Management Luxembourg S.A. ordered on 30 October 2014.

Assya Asset Management Luxembourg S.A. is an investment firm within the meaning of Article 1 of the aforementioned law and carries out activities as investment adviser, broker in financial instruments, commission agent and private portfolio manager pursuant to Articles 24, 24-1, 24-2 and 24-3 of this law.

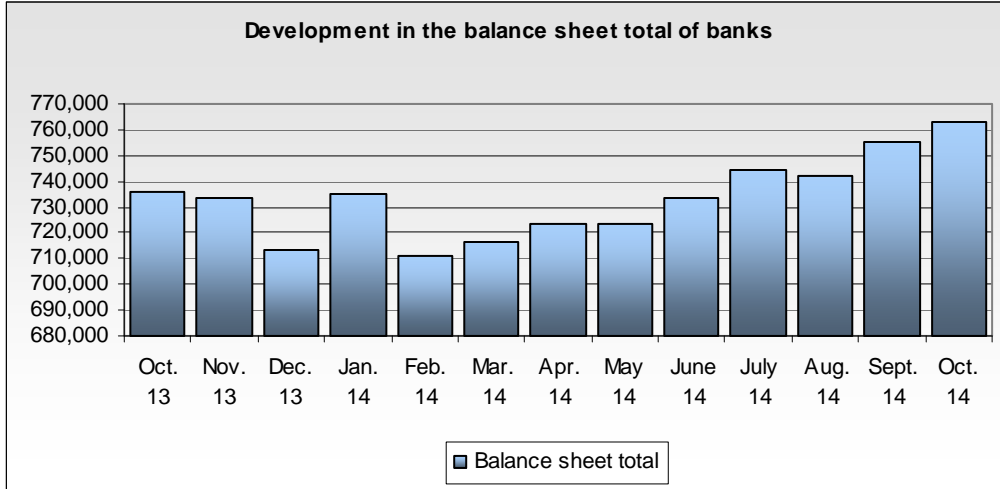
Me Laurent FISCH, *avocat à la Cour*, was appointed as liquidator by the same judgement. Mrs Anick WOLFF, Vice-president of the *Tribunal d'arrondissement de et à Luxembourg*, was appointed as official receiver.

In accordance with Article 61(7) of said law, the judgement determines the manner in which the liquidation is to be carried out.

STATISTICS

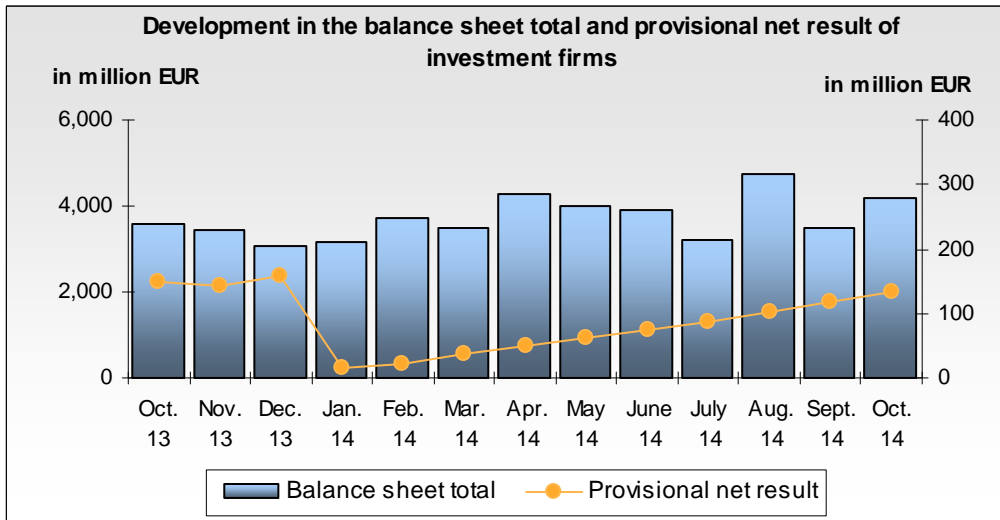
■ BANKS

Increase in the banks' balance sheet total as at 31 October 2014



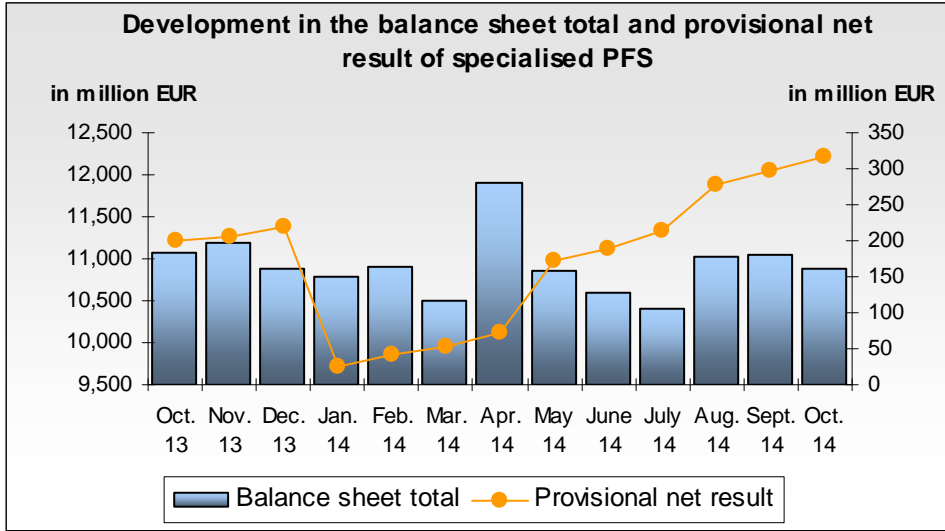
■ INVESTMENT FIRMS

Increase in the investment firms' balance sheet total as at 31 October 2014



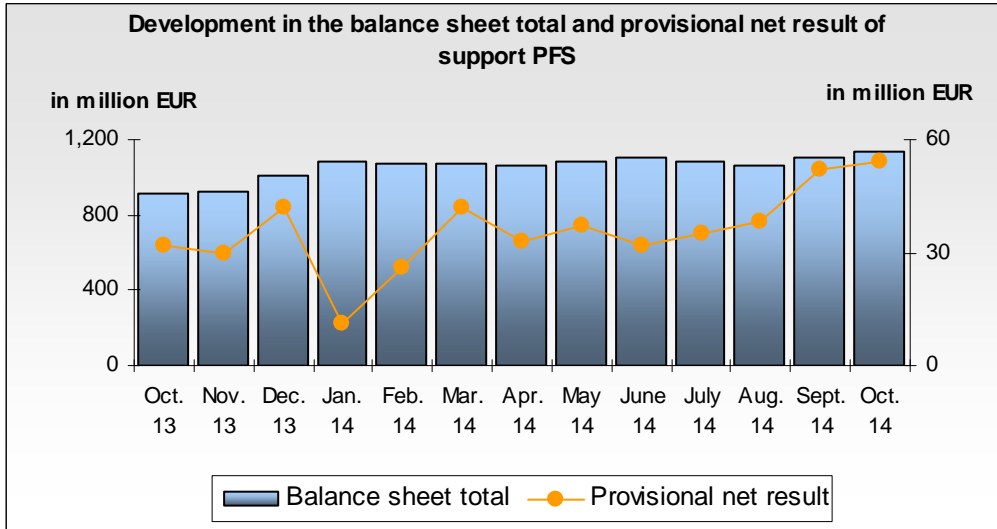
■ SPECIALISED PFS

Decrease in the specialised PFS' balance sheet total as at 31 October 2014



■ SUPPORT PFS

Increase in the support PFS' balance sheet total as at 31 October 2014



Commission de Surveillance du Secteur Financier

■ SICARS

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

- CETP III PARTICIPATIONS S.A R.L., SICAR, 2, avenue Charles de Gaulle, L-1653 Luxembourg
- CETP IV PARTICIPATIONS S.A R.L., SICAR, 2, avenue Charles de Gaulle, L-1653 Luxembourg
- GPF CAPITAL S.C.A. SICAR, 1, avenue du Bois, L-1251 Luxembourg
- LUXEMBOURG APPALACHES SICAR FEEDER, S.A., 12, rue Eugène Ruppert, L-2453 Luxembourg.

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

- REDL (SCA) SICAR, 33, rue de Gasperich, L-5826 Hesperange.

As at 11 December 2014, the number of SICARs registered on the official list amounted to **287 entities**.

■ PENSION FUNDS AND SECURITISATION UNDERTAKINGS

As at 8 December 2014, **15 pension funds** in the form of pension savings companies with variable capital (sepcav) and pension savings associations (assep) were **registered** on the official list of pension funds subject to the law of 13 July 2005.

On the same date, the number of professionals authorised to act as **liability managers** for pension funds subject to the law of 13 July 2005 amounted to **16**.

The number of **securitisation undertakings** authorised by the CSSF in accordance with the law of 22 March 2004 on securitisation amounted to **32 entities** as at 8 December 2014.

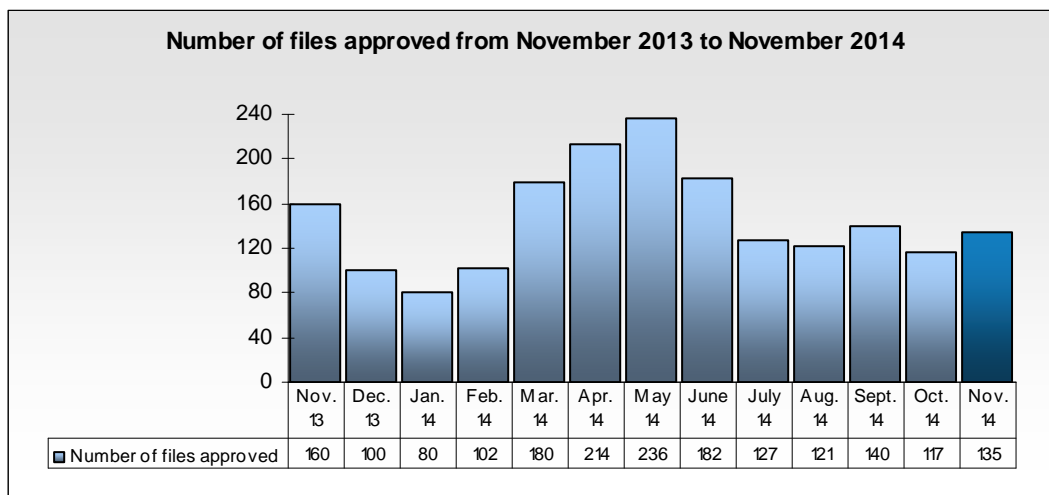
■ PUBLIC OVERSIGHT OF THE AUDIT PROFESSION

The public oversight of the audit profession covered **66 cabinets de révision agréés** (approved audit firms) and **245 réviseurs d'entreprises agréés** (approved statutory auditors) as at 30 November 2014. The oversight also includes **48 third-country auditors and audit firms** duly registered in accordance with the law of 18 December 2009 concerning the audit profession.

Commission de Surveillance du Secteur Financier

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

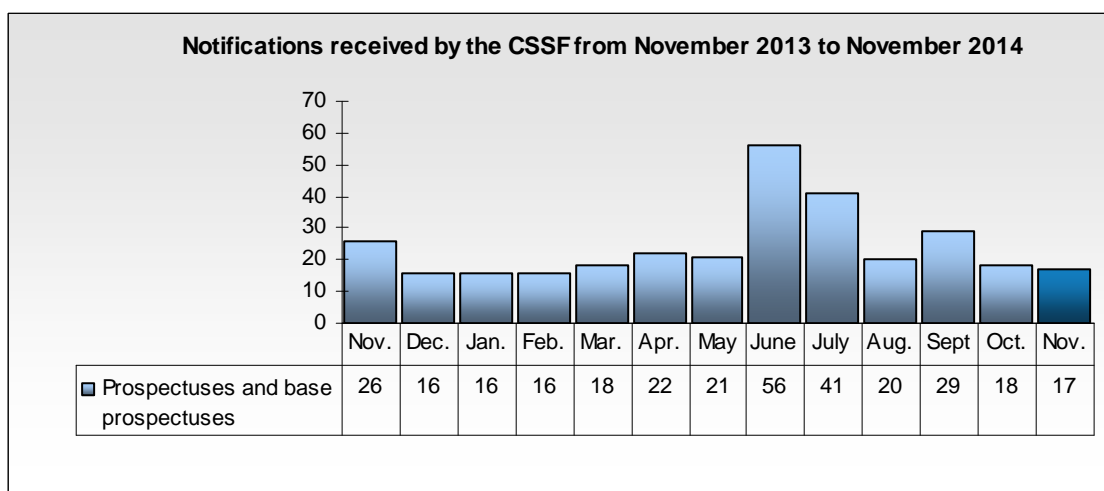
1. CSSF approvals



In November 2014, the CSSF approved a total of 135 documents pursuant to the Prospectus Law, which break down as follows:

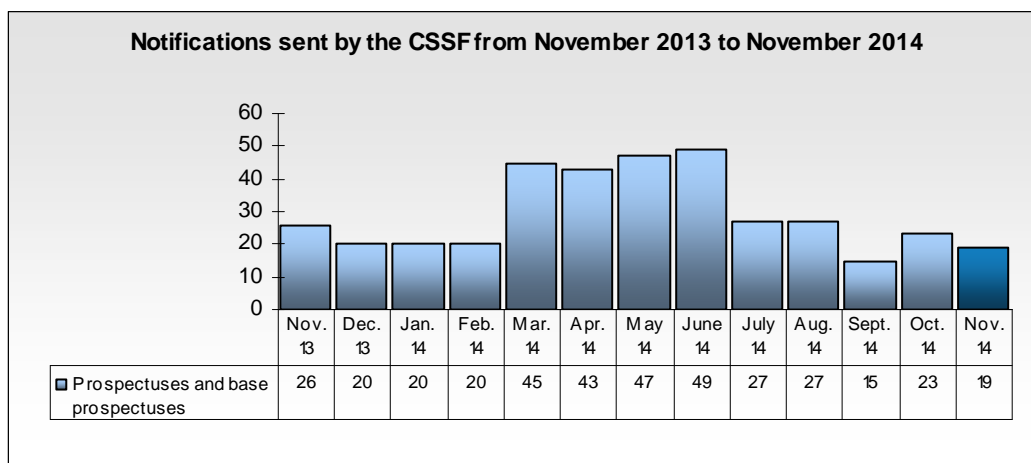
| | | |
|---------------------|----|-----------|
| base prospectuses: | 16 | (11.85 %) |
| other prospectuses: | 29 | (21.48 %) |
| supplements: | 90 | (66.67 %) |

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



In November 2014, the CSSF received 17 notifications relating to prospectuses and base prospectuses and 106 notifications relating to supplements from the competent authorities of other EEA Member States.

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

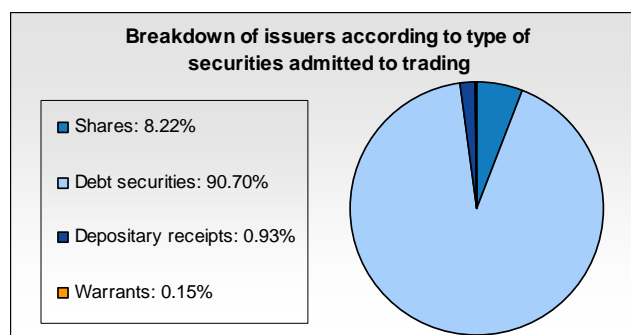
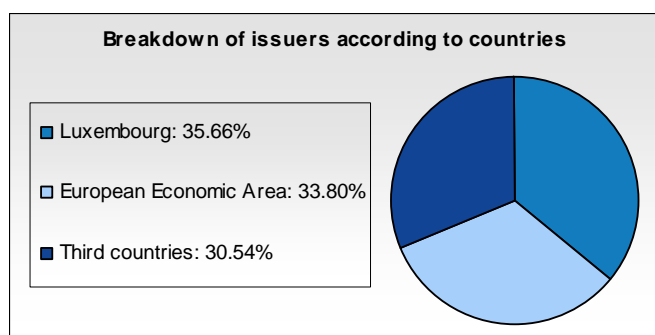


In November 2014, the CSSF sent 19 notifications relating to prospectuses and base prospectuses and 51 notifications relating to supplements to the competent authorities of other EEA Member States¹.

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

Since 10 November 2014, two issuers have chosen Luxembourg as home Member State for the purposes of the Transparency Law. Moreover, four issuers were removed from the list due to the fact that they do not fall within the scope of the Transparency Law any more.

As at 4 December 2014, 645 issuers were included in the list of issuers whose home Member State is Luxembourg pursuant to the Transparency Law and are thus subject to the supervision of the CSSF.



¹ These figures reflect the number of prospectuses, base prospectuses and supplements for which the CSSF sent one or several notifications. Where notifications have been sent at different dates and/or in several Member States, only the first notification is included in the statistical calculations. Each document notified in one or several Member States is thus only counted once.

OFFICIAL LISTS

■ NEW APPLICATION “SUPERVISED ENTITIES”

Following the implementation of the new search tool “Supervised Entities” on the CSSF's website: <http://supervisedentities.cssf.lu/index.html?language=en>, all the changes that have taken place over the last two months can now be viewed online under “Recent changes” and downloaded as PDF or CSV file.

■ WITHDRAWALS DECIDED BY THE CSSF

A decision to withdraw the specialised investment fund **MEDIA-LINK SICAV-SIF S.C.A.** from the official list of specialised investment funds was taken by the CSSF on 5 November 2014.

A decision to withdraw the investment company in risk capital **REDL (SCA) SICAR** from the official list of investment companies in risk capital was taken by the CSSF on 5 November 2014.

Commission de Surveillance du Secteur Financier

FINANCIAL CENTRE

Main updated figures regarding the financial centre:

| | | | Annual comparison |
|---|---------------------------------------|--|-----------------------|
| Banks | Number (11/12/2014) | 148 | ↗ 1 entity |
| | Balance sheet total (31/10/2014) | EUR 763.116 billion | ↗ EUR 27.28 billion |
| | Profit before provisions (30/09/2014) | EUR 4.25 billion | ↘ EUR 0.02 billion |
| Payment institutions | Number (11/12/2014) | 9 including 1 branch | ↗ 3 entities |
| Electronic money institutions | Number (11/12/2014) | 6 | ↗ 1 entity |
| UCIs | Number (11/12/2014) | Part I 2010 Law: 1,895 | ↗ 81 entities |
| | | Part II 2010 Law: 432 | ↘ 93 entities |
| | | SIFs: 1,588 | ↗ 17 entities |
| | | TOTAL: 3,915 | ↗ 5 entities |
| | Total net assets (31/10/2014) | EUR 3,034.458 billion | ↗ EUR 444.33 billion |
| Management companies (Chapter 15) | Number (30/11/2014) | 207 | ↗ 16 entities |
| | Balance sheet total (30/09/2014) | EUR 10.877 billion | n/a |
| Management companies (Chapter 16) | Number (30/11/2014) | 181 | ↘ 15 entities |
| AIFMs | Number (11/12/2014) | 157 | ↗ 147 |
| SICARs | Number (11/12/2014) | 287 | ↗ 7 entities |
| Pension funds | Number (08/12/2014) | 15 | ↗ 1 entity |
| Authorised securitisation undertakings | Number (08/12/2014) | 32 | ↗ 2 entities |
| Investment firms | Number (11/12/2014) | 109 of which 9 branches | ↘ 2 entities |
| | Balance sheet total (31/10/2014) | EUR 4.183 billion | ↗ EUR 617 million |
| | Provisional net profit (31/10/2014) | EUR 133.014 million | ↘ EUR 15.125 million |
| Specialised PFS | Number (11/12/2014) | 126 | no variation |
| | Balance sheet total (31/10/2014) | EUR 10.886 billion | ↘ EUR 178 million |
| | Provisional net profit (31/10/2014) | EUR 317.764 million | ↗ EUR 116.509 million |
| Support PFS | Number (11/12/2014) | 81 | ↘ 1 entity |
| | Balance sheet total (31/10/2014) | EUR 1.136 billion | ↗ EUR 227.64 million |
| | Provisional net profit (31/10/2014) | EUR 54.12 million | ↗ EUR 22.02 million |
| Issuers of securities whose home Member State is Luxembourg pursuant to the Transparency Law | Number (04/12/2014) | 645 | ↗ 9 entities |
| Public oversight of the audit profession | Number (30/11/2014) | 66 <i>cabinets de révision agréés</i> | ↘ 7 entities |
| | | 245 <i>réviseurs d'entreprises agréés</i> | ↗ 16 people |
| | | 48 third-country auditors and audit firms | ↘ 5 entities |
| Employment (30/09/2014) | Banks | 26,151 people | ↘ 80 people |
| | Management companies (Chapter 15) | 3,339 people | ↗ 322 people |
| | Investment firms | 2,347 people | ↘ 347 people |
| | Specialised PFS | 3,386 people | ↗ 263 people |
| | Support PFS | 9,016 people | ↗ 82 people |
| | Total | 44,239 people | ↗ 240 people* |

* 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.