



# Newsletter

**No. 186 - July 2016**

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## HUMAN RESOURCES

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

### Internal audit

Louis LANG

### MAF departments

Alexandre CHRIST

### Single Supervisory Mechanism

Louay KHEDER

Following the departure of three agents, the CSSF employs 651 agents of which 338 are men and 313 are women (11 July 2016).

## WARNINGS

### ■ Warning published by the CSSF

The CSSF published a warning concerning an entity named Ritzcoin Technologies Inc. on its website on 8 July 2016 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](http://www.iosco.org/investor_protection/?subsection=investor_alerts_portal)

## SINGLE SUPERVISORY MECHANISM (SSM)

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

#### ■ Publications

**6 June 2016** – [ECB public guidance on Additional Tier 1 and Tier 2 instruments](#)

This guidance lays down the procedure followed by the ECB in reviewing the qualification of capital instruments as AT1 and T2 instruments. It specifies the information that should be provided by significant supervised entities, that computes the capital instruments towards their AT1 or T2 capital on an individual, sub-consolidated and/or consolidated basis. The ECB recommends that entities follow this guidance with respect to capital instruments issued after its date of publication. However, the guidance provides that the ECB may at any time carry out an ex post assessment of AT1 and T2 instruments irrespective of their date of issuance. This guidance will be updated from time to time to reflect any relevant developments.

**21 June 2016** – [SSM supervisory statement on governance and risk appetite](#)

Internal governance is one of the top supervisory priorities of the Single Supervisory Mechanism (SSM) and one of the key elements of the Supervisory Review and Evaluation Process (SREP) on annual basis.

An in-depth assessment of the institutions' management bodies and their risk appetite frameworks (RAF) was conducted in 2015 across all significant institutions (SIs) in the euro area through a thematic review. This provided an opportunity to take stock of the governance frameworks of these institutions from a harmonised perspective across the SIs under the direct supervision of the ECB, in line with the SSM principles. Following the same supervisory approach, the SSM performed deep and granular assessments of banks' management bodies in charge of supervisory and management functions and banks' RAFs.

The SSM supervisory statement on governance and risk appetite conveys some lessons from the thematic review and describes some good practices observed across the SIs. It also sets out supervisory expectations regarding a bank's board and RAF, acknowledging all existing governance structures. This report does not aim to give exhaustive guidance on effective governance and RAFs but aims to support and guide institutions towards the implementation of international best practices. According to the SSM supervisory statement, although major improvements have already been made, most SIs are still far from international best practices.

#### ■ Interviews and Speeches

**1 June 2016** – [“European banking supervision – much achieved, but still much to do”](#) - Speech by Sabine Lautenschläger, Member of the Executive Board of the ECB and Vice-Chair of the Supervisory Board of the Single Supervisory Mechanism, Bundesbanksymposium "Dialogue on banking supervision", Frankfurt am Main.

**13 June 2016** – [“First ordinary hearing in 2016 of the Chair of the ECB's Supervisory Board at the European Parliament's Economic and Monetary Affairs Committee”](#) - Introductory statement by Danièle Nouy, Chair of the Supervisory Board of the Single Supervisory Mechanism, Brussels.

**23 June 2016** – [“Enhanced dialogue between Boards and Supervisors: Towards a sound governance framework”](#) - Speech by Danièle Nouy, Chair of the Supervisory Board of the Single Supervisory Mechanism, at the SSM Conference on governance and risk appetite, Frankfurt am Main.

## European Commission

### ■ Publications

**8 June 2016** – Publication of [Commission Implementing Regulation \(EU\) 2016/892 of 7 June 2016](#) on the extension of the transitional periods related to own funds requirements for exposures to central counterparties set out in Regulation (EU) No 575/2013 and Regulation (EU) No 648/2012 of the European Parliament and of the Council.

**17 June 2016** – Publication of [Commission Implementing Regulation \(EU\) 2016/962 of 16 June 2016](#) laying down implementing technical standards with regard to the uniform formats, templates and definitions for the identification and transmission of information by competent authorities and resolution authorities to the European Banking Authority according to Directive 2014/59/EU of the European Parliament and of the Council.

## European Banking Authority (EBA)

### ■ Publications

#### CAPITAL REQUIREMENTS DIRECTIVE AND REGULATION

**2 June 2016** - [EBA publishes decision on data for supervisory benchmarking](#)

The European Banking Authority (EBA) has published its decision on data for supervisory benchmarking. This decision comes after the publication of the amended technical standards on benchmarking of internal approaches and requires competent authorities to submit data for the 2016 benchmarking exercise, focussing on High Default Portfolios and with reference to end-2015 data.

**13 June 2016** - [EBA publishes final draft technical standards on specialised lending exposures](#)

The EBA has published its final draft Regulatory Technical Standards (RTS) specifying how institutions should take into account and treat several factors when assigning risk weights to specialised lending exposures. The purpose of these final draft RTS is to harmonise the assignment of risk weights to specialised lending exposures for institutions that apply the so-called 'supervisory slotting criteria' approach. These final draft RTS, once adopted by the European Commission, will be part of the Single Rulebook aimed at enhancing regulatory harmonisation in the banking sector in Europe.

#### OTHER

**15 June 2016** - [EBA publishes its 2015 Annual Report](#)

The EBA has published its 2015 Annual Report, which provides a detailed account of all the work the EBA achieved in the past year and anticipates the key areas of focus in the coming years.

**21 June 2016** - [EBA publishes its Consumer Trends Report 2016](#)

The EBA has published its fifth annual Consumer Trends Report, which provides an overview of the trends observed in 2016, the issues that will or could have an impact on consumers and other market participants and the areas where the EBA may take any action, if needed. The report covers all the products that fall into the EBA's consumer protection mandate, such as mortgages, personal loans, deposits, payment accounts, payment services and electronic money.

## Consultations

### CAPITAL REQUIREMENTS DIRECTIVE AND REGULATION

**29 June 2016** - [EBA launches consultation on Guidelines on disclosure requirements for the EU banking sector](#)

The EBA has launched a public consultation on a set of Guidelines on regulatory disclosure requirements following an update of the Pillar 3 requirements by the Basel Committee in January 2015. These Guidelines are part of the EBA's work to improve and enhance the consistency and comparability of institutions' disclosures and aim to ensure market discipline.

The public consultation will run until 29 September 2016.

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

**1 June 2016** - [Joint Committee of ESAs launches website](#)

The Joint Committee of the European Supervisory Authorities (EBA, EIOPA, ESMA, together the ESAs) has launched its dedicated website. The [new website](#) presents information and news about the cross-sectoral work of the three ESAs.

### European Systemic Risk Board (ESRB)

**28 May 2016** – [ESRB Report "A Review of Macroprudential Policy in the EU in 2015"](#)

This review is an update and a further development of the first report "A review of macroprudential policy in the EU one year after the introduction of the CRD/CRR" published by the ESRB in 2015 which described the macroprudential measures adopted in the EU in the first year (i.e. until the end of 2014) since the new capital rules for banks came into force.

**30 June 2016** - [ESRB Risk Dashboard, June 2016 \(Issue 16\)](#)

The ESRB risk dashboard is a set of quantitative and qualitative indicators of systemic risk in the EU financial system. The composition and the presentation of the ESRB risk dashboard have been reviewed in the first quarter of 2016. Unless otherwise indicated, all EU indicators relate to the 28 Member States of the EU (the EU28) and all data series relate to the Euro 19 (i.e. the euro area including Lithuania) for the whole time series. For statistics based on the balance sheet of the Monetary and Financial Institutions (MFI) sector, as well as statistics on financial markets and interest rates, the series relate to the composition of the EU/euro area in the period covered (changing composition). Statistics based on the balance sheet of the MFI sector are unconsolidated.

### Basel Committee on Banking Supervision Financial Stability Board (BCBS)

**June 2016** – [BCBS published a statement on capital arbitrage transactions](#)

The BCBS commented on transactions that are designed to offset regulatory adjustments, concluding that banks should not engage in such transactions which will be subject to careful supervisory scrutiny in the evaluation of risk transfer and the assessment of capital adequacy.

**16 June 2016** – [BCBS published implementation assessments on G-SIB and D-SIB frameworks](#)

The BCBS published a report assessing the implementation of the BCBS' frameworks for global and domestic systemically important banks (G-SIBs and D-SIBs). The BCBS evaluated the frameworks of G-SIBs and D-SIBs in the five jurisdictions that are currently home to G-SIBs: China, the European Union, Japan, Switzerland and the United States. This is the first assessment to be conducted on a cross-jurisdictional basis, with these five jurisdictions being simultaneously assessed against the Basel framework.

## PENALTIES

### ■ Issuers of securities

The CSSF imposed administrative fines on three issuers which failed to act in response to an order of the CSSF as regards the publication of the financial report under the law of 11 January 2008 on transparency requirements for issuers of securities ("Transparency Law").

### ■ Specialised PFS

In accordance with Article 63(2) of the law of 5 April 1993 on the financial sector, the CSSF issued a warning against directors/shareholders of a specialised PFS for non-compliance with the legal requirements for notification of a change in shareholding.

## COMMUNIQUES

### ■ Publication of the Annual Report 2015 of the Commission de Surveillance du Secteur Financier (CSSF)

#### Press release 16/32 of 18 July 2016

The report on the CSSF's activities and the development of the financial centre in 2015 has just been published.

The report is available free of charge at the CSSF, L-2991 Luxembourg, e-mail: [direction@cssf.lu](mailto:direction@cssf.lu) on request. It is also available for download on the website [www.cssf.lu](http://www.cssf.lu). An English version of the report will be published on the website in September 2016.

The 2015 trends for the different financial centre segments may be summarised as follows.

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#### International aspects of supervision

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Following the achievement of the first pillar of the Banking Union in 2014, i.e. the setting-up of the Single Supervisory Mechanism (SSM), the integration of the banking systems of the euro area continued in 2015 with the preparation of the entry into force of the second pillar of the Banking Union, i.e. the Single Resolution Mechanism (SRM).

The year 2015 was the SSM's first year of operation and the CSSF's organisational structure has proven to be well suited for the performance of its duties as a member of the SSM. Besides the CSSF's participation in the prudential supervision of Luxembourg significant banks and in the Joint Supervisory Teams, it contributed to the work of the various consultative bodies and support functions of the ECB. In particular, the CSSF participated in the SSM's decision-making process at the level of the Supervisory Board.

The CSSF is also actively involved in the indirect supervision by the ECB of less significant banks whose primary objective is the day-to-day cooperation between the ECB and the national competent authorities and in initiatives focussing on the development of common supervisory standards and methodologies.

The work of the European Supervisory Authorities EBA, ESMA and EIOPA with the aim of harmonising regulations and implementing the regulatory and implementing technical standards continued in 2015.

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**143 credit institutions**

**Balance sheet total: EUR 743.19 billion**

**Net profit: EUR 3,987 million**

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The number of banks decreased by one entity to 143 as at 31 December 2015. Four banks started their activities whereas five banks ceased their activities during the year.

The aggregate balance sheet total amounted to EUR 743.19 billion at the end of 2015, representing a 0.8% growth compared to 2014. Following the declines in activity recorded in 2013 (-2.9%), in 2012 (-7.3%) and in 2010 (-3.8%), the banking sector increased slightly, as evidenced by the balance sheet total. This growth is shared by 63% of the banks of the financial centre.

Net profit of the Luxembourg banking sector reached EUR 3,987 million as at 31 December 2015 (-6.3% compared to 2014). This evolution is mainly due to three combined effects: growth in banking income as a result of a general increase of all its components, sharp rise of the general administrative expenses and year-on-year doubling of provisions.

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### **309 PFS (107 investment firms, 124 specialised PFS, 78 support PFS)**

**Balance sheet total of investment firms: EUR 6.00 billion;**

**specialised PFS: EUR 7.34 billion; support PFS: EUR 1.1 billion**

**Net profit: investment firms: EUR 253.3 million;**

**specialised PFS: EUR 194.1 million; support PFS: EUR 68.1 million**

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Following a turbulent year in 2014 in terms of authorisations and status withdrawals, the PFS sector gained some renewed stability in 2015. However, with 13 entities authorised in the course of the year, as against 19 status withdrawals, the number of PFS in all categories combined decreased by six entities. The net development in number thus turned negative for investment firms (-4 entities) and support PFS (-3 entities) whereas the number of specialised PFS increased by one entity.

The aggregate balance sheet total of investment firms soared to reach EUR 6.00 billion (+64.5%) as at 31 December 2015, which is mainly due to one financial player authorised in 2015 and with a very high balance sheet total. The drop in the aggregate balance sheet total of specialised PFS which amounted to EUR 7.34 billion at the end of 2015, i.e. -31.9% as compared to 2014, is due to one large entity being taken over during the year within the context of a cross-border merger. The aggregate balance sheet total of support PFS increased by 5.1% to EUR 1.1 billion as at 31 December 2015.

The net profit of investment firms rose significantly (+73.0%). This is attributable, in particular, to the significant profit of one financial player. However, it should be borne in mind that nearly one third of investment firms recorded a negative result in 2015. The aggregate net result of specialised PFS registered a considerable decrease of 44.1%, which is mainly attributable to two significant entities. Excluding these entities, the aggregate net results of the other specialised PFS showed an upward trend. For support PFS, the net profit increased by 13.7% and amounted to EUR 68.1 million at the end of 2015.

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### **10 payment institutions**

### **5 electronic money institutions**

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The number of payment institutions (+1 entity) and electronic money institutions (-1 entity) did not change much in an emerging market which seeks its cruising speed. The CSSF noticed a certain interest from several players to establish themselves in Luxembourg to benefit from this market opportunity.

**4,160 UCIs<sup>1</sup>**

**14,496 units**

**Total net assets: EUR 3,543.6 billion**

**414 authorised investment fund managers**

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<sup>1</sup> The term UCIs here refers to UCITS and UCIs of Part II of the law of 17 December 2010 as well as to SIFs subject to the law of 13 February 2007 and to SICARs subject to the law of 15 June 2004.

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### 619 registered investment fund managers

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In 2015, the UCI sector registered a 13.3% growth in net assets under management, originating for 72.4% from net subscriptions and for 27.6% from the positive performance of financial markets.

However, the number of UCIs fell by 0.8% (i.e. -33 entities) mainly because of a trend towards concentration in this area. Making up 45.5%, UCITS remain the majority in terms of numbers, closely followed by SIFs with 38.5%. In terms of assets under management, the UCITS still predominate with 83.2% of total net assets of UCIs, against 11.0% for SIFs. When taking into account umbrella funds, a total of 14,496 economic entities were active on 31 December 2015, which represents a new record.

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### 32 authorised securitisation undertakings

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Taking into consideration two authorisations and two withdrawals, the number of authorised securitisation undertakings remained stable in 2015. The balance sheet total of authorised securitisation undertakings increased by EUR 6.5 billion and amounted to EUR 30.3 billion at the end of the year.

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### 14 pension funds

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The number of authorised pension funds dropped by one entity in 2015. As at 31 December 2015, gross assets of pension funds reached EUR 1,440 million, which represents a 4.0% rise compared to the end of 2014. However, the number of pension fund members decreased to 15,448 as at 31 December 2015 (-4.4% as compared to 2014). This fall is mainly owed to the transfer of a pension fund to an insurance product outside the supervision perimeter of the CSSF.

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### Total employment in the supervised entities: 44,993 people

**(of which banks: 25,942 people, investment firms: 2,278 people, specialised PFS: 3,787 people, support PFS: 9,218 people, management companies: 3,768 people)**

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Total employment in the financial sector went up by 2.2%, i.e. 955 people, during 2015. However, depending on the category of financial players, the situation diverges.

Employment in the banking sector was almost unchanged from the year before (-0.1% as compared to 2014).

The number of jobs in investment firms decreased by 4.7%. This development mainly reflects transfers of activities which, however, had no impact on the aggregate number of jobs in the financial sector, but only changed the breakdown among categories of entities. However, the specialised PFS staff increased by 10.4% as a result of three related factors, i.e. significant staff increase of several players operating in the maintenance of register and central administration of investment funds, job creation by specialised PFS that extended their authorisation during the year and job creation by specialised PFS authorised in 2015. Support PFS staff also increased, albeit more slightly, by 1.9%.

The positive development of the management company staff (+11.2% in 2015) mainly results from the growth in the staff number of already existing entities, some of which have strengthened their structure following an increase of activities while one entity benefited from a staff transfer following a transfer of activity within the group to which it belongs.

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### 1,569 prospectuses, base prospectuses and other approved documents

### 573 supervised issuers

### 0.77 million reported transactions in financial instruments

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The number of files submitted in Luxembourg for the approval of prospectuses to be published when securities are offered to the public or admitted to trading on a regulated market decreased compared to 2014 (-9.4%).



The CSSF supervises issuers whose securities are admitted to trading on a regulated market and whose home Member State is Luxembourg for the purposes of the Transparency Law. Their number reached 573, of which 193 Luxembourg issuers. The supervision involves a general follow-up of the regulated information to be published by issuers as well as the enforcement of the financial information, i.e. the assessment of compliance of the financial information with the relevant reporting framework, namely the applicable accounting standards.

As regards the supervision of markets and market operators, the CSSF received about 0.77 million reports on transactions in financial assets which allow observing market trends and identifying possible offences. In the framework of the law on market abuse, the CSSF opened three investigations in relation to insider dealing and/or market manipulation and dealt with 70 requests from foreign authorities.

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### 139 on-site inspections and visits

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In addition to the 25 introductory visits, which, in principle, take place within the first six months of the authorisation of new players of the financial centre with the aim to accompany them in their business start-up phase, the CSSF carried out over a hundred on-site inspections in 2015. These on-site inspections covered a wide variety of aspects such as interest rate risk, operational risk, validation of credit risk and operational risk management models, credits, corporate governance, MiFID arrangements, the function of depositary bank, the function of central administration of UCIs, anti-money laundering and counter-terrorist financing, support PFS activity, market abuse. The CSSF also carried out ad hoc missions relating to a specific, or even worrying, situation or issue within a supervised entity.

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### Public oversight of the audit profession

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The public oversight of the audit profession covered 66 *cabinets de révision agréés* (approved audit firms) and 276 *réviseurs d'entreprises agréés* (approved statutory auditors) as at 31 December 2015. The oversight also included 44 third-country auditors and audit firms duly registered in accordance with the law of 18 December 2009 concerning the audit profession.

*Réviseurs d'entreprises agréés* and *cabinets de révision agréés* are subject to a quality assurance review, organised according to the terms laid down by the CSSF in its capacity as supervisory authority within the context of statutory auditing and any other assignments entrusted exclusively to them by law.

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### 584 customer complaints

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Pursuant to its specific competence in consumer complaint handling, the CSSF received 584 complaints last year, most of which (46%) concerned electronic payment service issues. Complaints related to private banking came second with 13% of the total complaints handled.

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### 628 agents

### Operating costs of the CSSF in 2015: EUR 81.7 million

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As in the previous year, 2015 was marked by a considerable increase of the CSSF's human resources (+73 agents) in order to face the workload, in particular, arising from the operation of the SSM at European level, the introduction of new prudential requirements, the growing importance of on-site inspections within the context of prudential supervision, the extension of the CSSF' tasks (macroprudential supervision, resolution, protection of depositors and investors) and, in general, higher volumes and increased complexity of financial products.

## ■ Improvement of Audit Quality: European audit regulators continue discussions on audit quality with the audit profession

### Communiqué of 6 July 2016

The 18<sup>th</sup> plenary meeting of the European Audit Inspection Group (EAIG) was hosted by the Finanstilsynet in Oslo on June 15 and 16, 2016. The meeting was chaired by Netherlands Authority for the Financial Markets (AFM).

Highlights of the meeting include:

### **Dialogue with the European leadership of KPMG**

As part of the audit regulators' ongoing dialogue on improvements in audit quality with the largest European audit networks, the EAIG members met with representatives of KPMG for the second time. The focus of the discussions was KPMG's initiatives in maintaining and continuing to improve the quality of their audits, including the use of root cause analysis to enhance the effectiveness of actions.

### **Meeting with members of the European Group of International Accounting Networks and Associations (EGIAN)**

The EAIG members met with representatives of EGIAN, whose membership is made up of 24 mid tier audit firms outside the Big 6 network (including Nexia, Baker Tilly, Moore Stephens and Mazars). EGIAN provides a forum for the members to develop common positions on specific technical and legislative issues and to debate these issues with key stakeholders and regulators. The focus of the meeting was the EGIAN members' approaches to maintaining and improving the quality of their audits, and the firms' root cause analysis of the deficiencies identified during inspections.

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

Since 2015, the EAIG members adopted a suite of common work programmes for the inspection of firms' internal quality control procedures and selected areas of audit engagement reviews. These work programmes, which have been developed on the basis of the EU Directive on Statutory Audit and the International Standard for Quality Control, contribute to the harmonization of the inspections of audit firms across Europe. In Oslo, EAIG members approved the next steps to develop further programs for audit engagement reviews.

### **European Database on Audit Inspection Findings**

The EAIG maintains a non-public database, which contains inspection findings in relation to the largest European networks of audit firms. The database is used by the EAIG to identify common issues in relation to particular networks or the application of particular standards by audit firms in practice. This contributes to the ongoing dialogue of the EAIG with the audit networks and the audit standard setters. At this meeting, findings related to the firms' risk assessment (ISA 315) were discussed within the membership.

### **Way forward**

The next meeting of the EAIG will take place in November 2016 in Limassol at the invitation of Cyprus Public Audit Oversight Board. The activities of the EAIG will gradually be integrated within the framework of the Committee of European Audit Oversight Bodies (CEAOB) established by the new EU Audit Regulation.<sup>2</sup> The CEAOB will hold its inaugural meeting in Brussels on 12 July 2016.

### **About EAIG**

The EAIG provides a pan-European platform for cooperation among audit regulators. The primary purpose of the EAIG is to create awareness of important issues and promote cooperation and consistency amongst European audit regulators on inspections. The group shares inspection practices and findings amongst its members and facilitates discussions on topics related to audit inspections with third parties, such as the audit standard setters (IAASB/IESBA boards) and the audit profession. The European Commission attends the EAIG meetings as an observer, except for those parts where confidential supervisory information is discussed.

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

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

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<sup>2</sup> Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities, [Official Journal of the EU, Series L, N. 158 of 27 May 2014](#).

For further information about this press release, please contact:

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## ■ Application of the Market Abuse Regulation as of 3 July 2016

### Press release of 16/31 of 1 July 2014

The CSSF wishes to highlight that Regulation (EU) No 596/2014 of 16 April 2014 on market abuse (hereinafter, the “Market Abuse Regulation” or “MAR”) will apply from 3 July 2016 unless expressly provided otherwise.

The Market Abuse Regulation and the related legal instruments adopted at the level of the European Union put into place a new framework for the prevention, detection, investigation and the punishment of market abuse. The new framework replaces the existing framework that was established by Directive 2003/6/EC and implemented in Luxembourg by the law of 9 May 2006 on market abuse, as amended (hereafter, the “Market Abuse Law” or “MAL”). One of the distinctive features of the new framework is a more detailed and sometimes more stringent regulation of the existing rules and obligations. Another distinctive feature is the extended scope of the new market abuse framework, in particular as regards the trading venues covered by it (including the financial instruments negotiated thereon). The new market abuse framework not only applies to regulated markets but also to multilateral trading facilities (MTF) and, as from the application of Directive 2014/65/EU (MiFID 2), to organised trading facilities (OTF). The texts of the Market Abuse Regulation and the related legal instruments adopted at the level of the European Union have been published in the Official Journal of the European Union and will be available shortly on the homepage of the CSSF.

This press release purports to clarify certain points concerning the application of the Market Abuse Regulation in Luxembourg as from 3 July 2016.

### **Replacement of provisions of the Market Abuse Law by the corresponding provisions of the Market Abuse Regulation**

As from 3 July 2016, the provisions of the Market Abuse Regulation (with the exception of those designated in Article 39 (2) of MAR) are binding and directly applicable in Luxembourg by virtue of Article 288 of the Treaty on the Functioning of the European Union.

Regardless of the fact that the Luxembourg legislator has not yet specifically adjusted the Market Abuse Law to the new framework established by MAR, those provisions of MAR that are directly applicable (i.e. all provisions of MAR with the exception of those designated in its Article 39 (2)) will nevertheless immediately replace the corresponding provisions of the Market Abuse Law because of the principle of precedence of EU law and because of the directly applicable nature of the MAR provisions in question.

A substitution table indicating the relevant provisions of the Market Abuse Regulation and the Market Abuse Law is available, for your convenience, under the following Internet address:

[http://www.cssf.lu/fileadmin/files/MAF/Abus\\_de\\_marche/Substitution\\_table.pdf](http://www.cssf.lu/fileadmin/files/MAF/Abus_de_marche/Substitution_table.pdf)

### **ESMA FAQs on the Market Abuse Regulation**

The CSSF wishes to remind that one of the tasks conferred upon ESMA is to contribute to the consistent application of legally binding acts adopted at the level of the European Union. This task is also relevant when it comes to the Market Abuse Regulation.

In light of the above, the CSSF wishes to highlight the publication by ESMA of frequently asked questions on the Market Abuse Regulation. The first question and answer was published on 30 May 2016 and deals with the obligation to detect and notify suspicious orders and transactions under Article 16 of MAR, which, as clarified by ESMA, is not limited to MiFID investment firms, but also applies to buy side firms.

The document is available under the following Internet address:

[https://www.esma.europa.eu/sites/default/files/library/2016-738\\_mar\\_qa.pdf](https://www.esma.europa.eu/sites/default/files/library/2016-738_mar_qa.pdf).

### **CSSF circulars and FAQs on the Market Abuse Regulation in Luxembourg**

The application of the new market abuse framework by the CSSF in Luxembourg may be detailed in future CSSF circulars and/or frequently asked questions, including with respect to topics dealt with in Circulars CSSF 06/257, 07/280 and 07/323 within the context of the Market Abuse Law.

Questions on the application of the new market abuse framework may be sent to: [market.abuse@cssf.lu](mailto:market.abuse@cssf.lu).

### **Forms, templates and means of transmission**

The forms to be used for the notification to the CSSF of suspicious transactions and order reports (STORs) and of managers' transactions will be available shortly on the homepage of the CSSF. Those forms correspond to the templates set out in annex to Commission Implementing Regulation (EU) 2016/523 of 10 March 2016 for managers' transaction and Commission Delegated Regulation (EU) 2016/957 of 9 March 2016 for STORs.

The templates to be used for insider lists will also be available shortly on the homepage of the CSSF. Those templates correspond to the templates set out in annex to Commission Implementing Regulation (EU) 2016/347.

All notifications and other relevant information or documents to be transmitted to the CSSF under the Market Abuse Regulation shall be sent by e-mail to: [market.abuse@cssf.lu](mailto:market.abuse@cssf.lu).

For further questions on the means of transmission, please contact Antoine de Chantérac (tel.: +352 26 251 2906) or Carole Renier (tel.: +352 26 251 2947) from the Market Abuse Division of the CSSF.

## EBA launches consultation on Guidelines on disclosure requirements for the EU banking sector

Communiqué of 1 July 2016

On 29 June 2016, EBA launched a consultation on a set of Guidelines on regulatory disclosure requirements following an update of the Pillar 3 requirements by the Basel Committee in January 2015. These Guidelines are part of the EBA's work to improve and enhance the consistency and comparability of institutions' disclosures and aim to ensure market discipline. The consultation runs until 29 September 2016.

These Guidelines would in particular apply to institutions required to comply with some or all of the disclosure requirements in Part Eight of Regulation (EU) 575/2013, in accordance with Article 6, Article 10 and Article 13 of that Regulation and which have been identified by competent authorities as Global Systemically Important Institutions (G-SII) or as Other Systemically Important Institutions (O-SII).

The document can be accessed by the following link: <http://www.eba.europa.eu/-/eba-launches-consultation-on-guidelines-on-disclosure-requirements-for-the-eu-banking-sector>

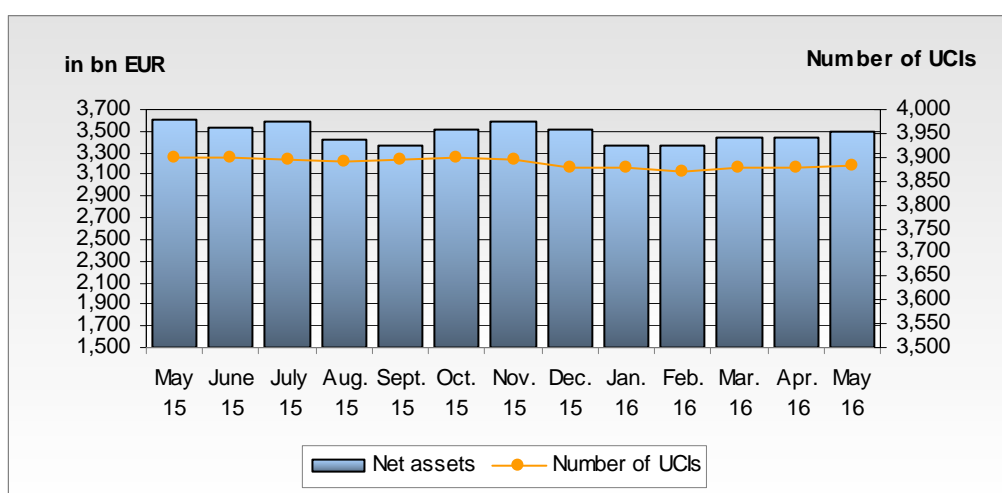
## ■ Global situation of undertakings for collective investment and specialised investment funds at the end of May 2016

Press release 16/30 of 1 July 2016

### I. Overall situation

As at 31 May 2016, total net assets of undertakings for collective investment and specialised investment funds reached EUR 3,487.980 billion compared to EUR 3,442.080 billion as at 30 April 2016, i.e. a 1.33% growth over one month. Over the last twelve months, the volume of net assets decreased by 3.15%.

The Luxembourg UCI industry thus registered a positive variation amounting to EUR 45.900 billion in May. This increase represents the balance of positive net issues of EUR 4.599 billion (0.13%) and a positive development in financial markets amounting to EUR 41.301 billion (1.20%).



The number of undertakings for collective investment (UCIs) and specialised investment funds (SIFs) taken into consideration totalled 3,882 as against 3,880 in the previous month. A total of 2,569 entities have adopted an umbrella structure, which represents 12,851 sub-funds. When adding the 1,313 entities with a traditional structure to that figure, a total of 14,164 fund units are active in the financial centre.

As regards, on the one hand, the impact of financial markets on Luxembourg UCIs and SIFs (hereafter "UCIs") and, on the other hand, the net capital investment in these UCIs, the following can be said about May.

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

As regards developed countries, the European, American and Japanese equity UCIs all achieved positive performance. As a result of still positive economic growth figures in Europe and despite uncertainties related to the British referendum, the European equity UCIs appreciated. As far as American and Japanese equity UCIs are concerned, this increase is due to positive results of undertakings in the United States and an economic growth higher than expected entailing the depreciation of the yen in Japan.

As regards emerging countries, the Asian equity UCI category, following heterogeneous developments of the equity markets in the different countries of the region, closed the month, overall, with a slight increase despite mixed indicators for the Chinese economy. In the face of enduring political and economic issues in these regions, the Eastern European and Latin American equity UCIs recorded, overall, price losses.

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

#### Development of equity UCIs during the month of May 2016\*

	Market variation in %	Net issues in %
Global market equities	2.08%	0.58%
European equities	2.77%	-1.00%
US equities	3.80%	-0.85%
Japanese equities	1.51%	-0.91%
Eastern European equities	-1.07%	-0.39%
Asian equities	1.74%	-2.07%
Latin American equities	-5.47%	0.25%
Other equities	0.76%	-0.26%

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

EUR-denominated bond UCIs recorded a positive performance due to the continuation of the accommodative monetary policy by the European Central Bank within a context of still very low inflation and high uncertainties, overall, resulting in lower yields both for government bonds and EUR-denominated corporate bonds.

In the United States, the yields of bonds changed little in the month under review, with, in particular, the publication of the minutes of the Fed's monetary policy committee which increased the likelihood of a rise in interest rates in June/July. Moreover, expectations of higher US interest rates led to an appreciation of the USD against the EUR which implied a positive trend for USD-denominated bond UCIs at the end of the month.

The slight decrease in emerging countries bond UCIs occurred in a context of (upward and downward) rating changes of certain countries, divergent monetary policies as well as enduring political and economic issues.

In May, fixed-income UCIs registered an overall positive net capital investment.

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

	Market variation in %	Net issues in %
EUR money market	-0.01%	-1.51%
USD money market	2.24%	2.84%
Global market money market	0.59%	-1.96%
EUR-denominated bonds	0.49%	1.75%
USD-denominated bonds	1.36%	-2.90%
Global market bonds	0.90%	0.86%
Emerging market bonds	-0.40%	0.08%
High Yield bonds	0.91%	-1.42%

Others	0.13%	-1.67%
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\* Variation in % of Net Assets in EUR as compared to the previous month

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

**Diversified income UCIs and Funds of Funds during the month of May 2016\***

	Market variation in %	Net issues in %
Diversified UCIs	0.76%	0.45%
Funds of Funds	0.88%	0.19%

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

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

	PART I UCITS		PART II UCIs		SIFs		TOTAL	
	NUMBER	NET ASSETS (in bn €)	NUMBER	NET ASSETS (in bn €)	NUMBER	NET ASSETS (in bn €)	NUMBER	NET ASSETS (in bn €)
31/12/2013	1,817	2,121.458 €	523	187.380 €	1,562	306.525 €	3,902	2,615.363 €
31/01/2014	1,817	2,128.746 €	518	186.766 €	1,550	308.324 €	3,885	2,623.836 €
28/02/2014	1,823	2,182.477 €	515	186.477 €	1,543	310.557 €	3,881	2,679.511 €
31/03/2014	1,824	2,216.005 €	510	181.493 €	1,551	311.703 €	3,885	2,709.201 €
30/04/2014	1,831	2,250.792 €	509	179.885 €	1,558	311.531 €	3,898	2,742.208 €
31/05/2014	1,829	2,318.076 €	502	181.248 €	1,569	316.545 €	3,900	2,815.869 €
30/06/2014	1,824	2,355.462 €	490	179.083 €	1,570	320.095 €	3,884	2,854.640 €
31/07/2014	1,868	2,405.883 €	452	170.630 €	1,571	327.623 €	3,891	2,904.136 €
31/08/2014	1,884	2,461.916 €	446	171.092 €	1,566	337.512 €	3,896	2,970.520 €
30/09/2014	1,887	2,497.035 €	441	172.581 €	1,572	337.146 €	3,900	3,006.762 €
31/10/2014	1,883	2,525.079 €	436	169.371 €	1,585	340.008 €	3,904	3,034.458 €
30/11/2014	1,895	2,567.847 €	433	169.526 €	1,585	345.981 €	3,913	3,083.354 €
31/12/2014	1,893	2,578.423 €	422	168.915 €	1,590	347.649 €	3,905	3,094.987 €
31/01/2015	1,896	2,734.590 €	412	178.286 €	1,577	364.137 €	3,885	3,277.013 €
28/02/2015	1,896	2,851.312 €	409	181.463 €	1,588	371.091 €	3,893	3,403.866 €
31/03/2015	1,891	2,955.916 €	405	186.664 €	1,592	382.213 €	3,888	3,524.793 €
30/04/2015	1,895	2,970.878 €	403	185.177 €	1,596	382.531 €	3,894	3,538.586 €
31/05/2015	1,900	3,027.262 €	401	187.084 €	1,600	387.179 €	3,901	3,601.525 €
30/06/2015	1,903	2,962.778 €	399	182.163 €	1,599	383.190 €	3,901	3,528.131 €
31/07/2015	1,901	3,015.582 €	392	181.228 €	1,602	386.300 €	3,895	3,583.110 €
31/08/2015	1,899	2,871.083 €	391	173.038 €	1,601	378.866 €	3,891	3,422.987 €
30/09/2015	1,900	2,820.370 €	391	169.729 €	1,603	376.727 €	3,894	3,366.826 €
31/10/2015	1,903	2,952.296 €	391	173.421 €	1,607	387.676 €	3,901	3,513.393 €
30/11/2015	1,895	3,019.572 €	386	175.406 €	1,613	394.693 €	3,894	3,589.671 €
31/12/2015	1,892	2,946.860 €	384	169.896 €	1,602	389.445 €	3,878	3,506.201 €
31/01/2016	1,903	2,819.861 €	378	164.531 €	1,596	386.607 €	3,877	3,370.999 €
29/02/2016	1,904	2,813.421 €	373	157.278 €	1,592	387.785 €	3,869	3,358.484 €
31/03/2016	1,905	2,847.418 €	371	157.047 €	1,603	390.939 €	3,879	3,395.404 €
30/04/2016	1,904	2,888.262 €	370	159.477 €	1,606	394.341 €	3,880	3,442.080 €
31/05/2016	1,902	2,928.461 €	371	159.174 €	1,609	400.345 €	3,882	3,487.980 €



In May, the following 18 undertakings for collective investment and specialised investment funds have been registered on the official list:

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

- DWS WORLD PROTECT 90, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
- IRON TRUST, 4, rue Thomas Edison, L-1445 Strassen
- NORDEA 2, SICAV, 562, rue de Neudorf, L-2220 Luxembourg
- RATHBONE LUXEMBOURG FUNDS SICAV, 16, boulevard d'Avranches, L-1160 Luxembourg
- SEDEC UCITS, 5, allée Scheffer, L-2520 Luxembourg
- VAHOCA FOCUS FUND, 12, rue Eugène Ruppert, L-2453 Luxembourg

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

- THE PARTNERS FUND SICAV, 2, place François-Joseph Dargent, L-1413 Luxembourg

**3) SIFs:**

- ABERDEEN EUROPEAN RESIDENTIAL OPPORTUNITIES FUND, 35A, avenue J-F Kennedy, L-1855 Luxembourg
- BARMENIA IMMOBILIENFONDS II SCS SICAV-SIF, 2-4, rue Beck, L-1222 Luxembourg
- BERNHEIM INVESTMENT FUND SICAV-SIF, 5, rue Jean Monnet, L-2180 Luxembourg
- CAPLANTIC AIF, SICAV-SIF S.C.SP., 80, route d'Esch, L-1470 Luxembourg
- COMPAGNIE FINANCIÈRE ST. EXUPÉRY SICAV-SIF, 42, rue de la Vallée, L-2661 Luxembourg
- CUBE INFRASTRUCTURE FUND II, 5, allée Scheffer, L-2520 Luxembourg
- FRANKLIN GLOBAL INVESTMENT FUNDS, 8A, rue Albert Borschette, L-1246 Luxembourg
- IKANO GLOBAL INVESTMENTS FUND S.A. SICAV-SIF, 1, rue Nicolas Welter, L-2740 Luxembourg
- LA FRANÇAISE IC 2, SICAV-FIS, 60, avenue J-F Kennedy, L-1855 Luxembourg
- NOGRA GROUP SICAF-SIF, 18, avenue de la Porte-Neuve, L-2227 Luxembourg
- NORTHERN HORIZON NORDIC AGED CARE SCSP SICAV-SIF, 5, Allée Scheffer, L-2520 Luxembourg

The following 16 undertakings for collective investment and specialised investment funds have been deregistered from the official list during May:

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

- BKCP FUND, 60, avenue J-F Kennedy, L-1855 Luxembourg
- BOCOM SCHRODER GLOBAL OPPORTUNITIES FUND, 16, boulevard d'Avranches, L-1160 Luxembourg
- DB PRIVATMANDAT FIT, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
- DEUTSCHE BANK, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
- EIFFEL UCITS OPPORTUNITIES SICAV, 5, allée Scheffer, L-2520 Luxembourg
- SWISS ALPHA, SICAV, 6B, rue Gabriel Lippmann, L-5365 Munsbach
- SYSTEMATIC CAPITAL INVESTMENT FUNDS, 4, rue Petermelchen, L-2370 Howald
- UBS (LUX) STRUCTURED SICAV, 33A, avenue J-F Kennedy, L-1855 Luxembourg
- UFP TIMING GLOBAL SELECT, 5, Heienhaff, L-1736 Senningerberg

**2) SIFs:**

- ANAXIS FUND, SICAV-FIS S.A., 11, rue Aldringen, L-1118 Luxembourg
- ART COLLECTION FUND I SCA SIF, 20, boulevard Emmanuel Servais, L-2535 Luxembourg
- GENERAL CAPITAL - S.C.A., SICAV-SIF, 28-32, place de la Gare, L-1616 Luxembourg
- HENDERSON INDIRECT PROPERTY FUND (EUROPE), 4A, rue Henri Schnadt, L-2530 Luxembourg
- MAINORIA SICAV-SIF, 1A, rue Pierre d'Aspelt, L-1142 Luxembourg
- MORGAN STANLEY INFRASTRUCTURE PARTNERS LUXEMBOURG FEEDER II, SICAV-FIS, 6C, route de Trèves, L-2633 Senningerberg
- VOLGA RESOURCES INVESTMENTS, 58, rue Charles Martel, L-2134 Luxembourg



## **Update of the FAQ on the law and Grand-ducal Regulation of 11 January 2008 on transparency requirements of issuers**

**Communiqué of 27 June 2016**

The CSSF informs that an update of the FAQ on the law and Grand-ducal Regulation of 11 January 2008 on transparency requirements of issuers, as amended, was published in French on our website (version of 27 June 2016).

The FAQ is available at the following address:

<http://www.cssf.lu/en/supervision/securities-markets/transparency/faq/>

## **■ ESMA Guidelines on Alternative Performance Measures: new Circular CSSF 16/636**

**Press release 16/29 of 24 June 2016**

The purpose of this circular is to implement the “ESMA Guidelines on Alternative Performance Measures” (Ref. ESMA/2015/1415), published on 5 October 2015 by the European Securities and Markets Authority (ESMA), into Luxembourg regulations.

The Guidelines apply in relation to Alternative Performance Measures (hereafter “APMs”) disclosed by issuers or persons responsible for the prospectus when publishing regulated information or prospectuses for securities.

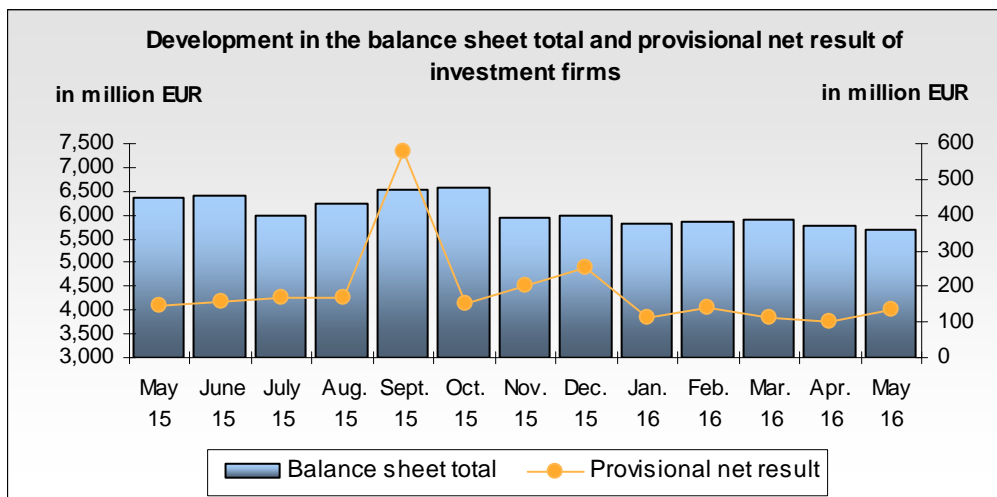
The Guidelines are aimed at promoting the usefulness and transparency of APMs included in prospectuses or regulated information. Adherence to the Guidelines will indeed improve the comparability, reliability and/or comprehensibility of APMs.

This circular enters into force on 3 July 2016.

STATISTICS

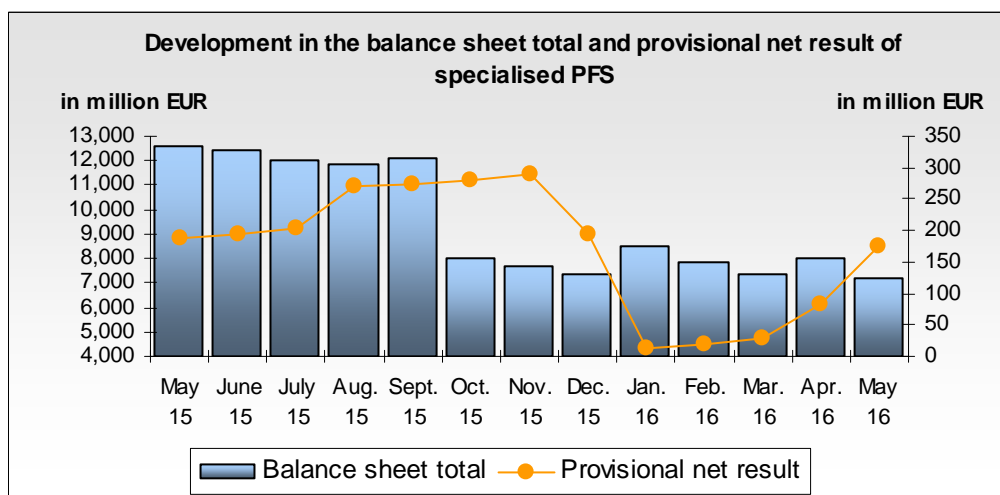
■ Investment firms

Decrease in the investment firms' balance sheet total as at 31 May 2016



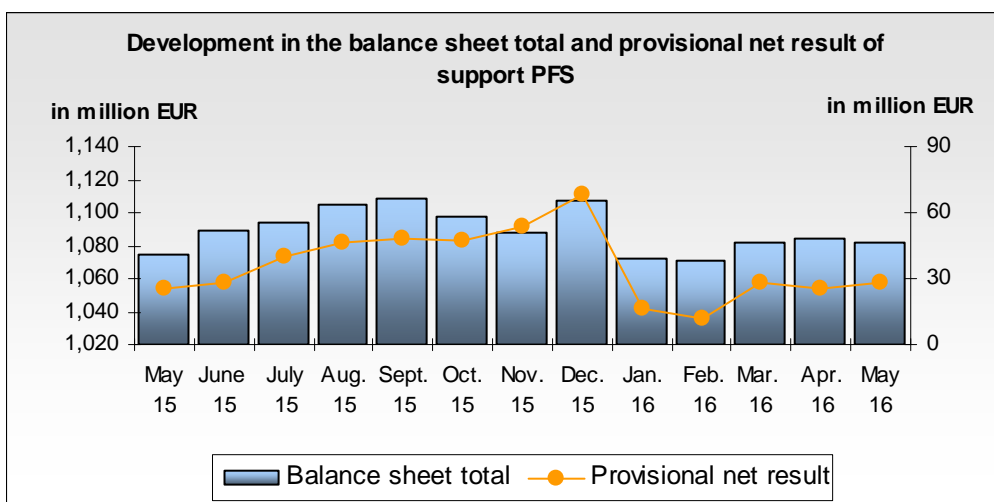
■ Specialised PFS

Decrease in the specialised PFS' balance sheet total as at 31 May 2016



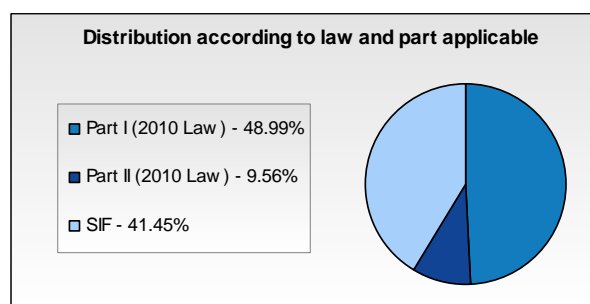
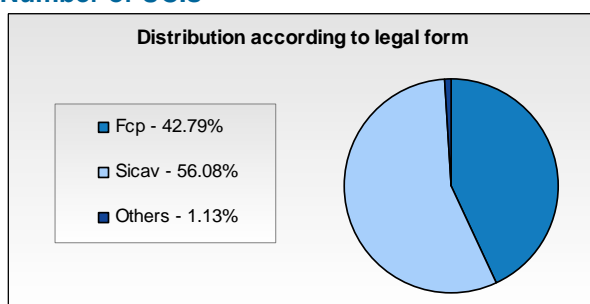
## ■ Support PFS

### Decrease in the support PFS' balance sheet total as at 31 May 2016



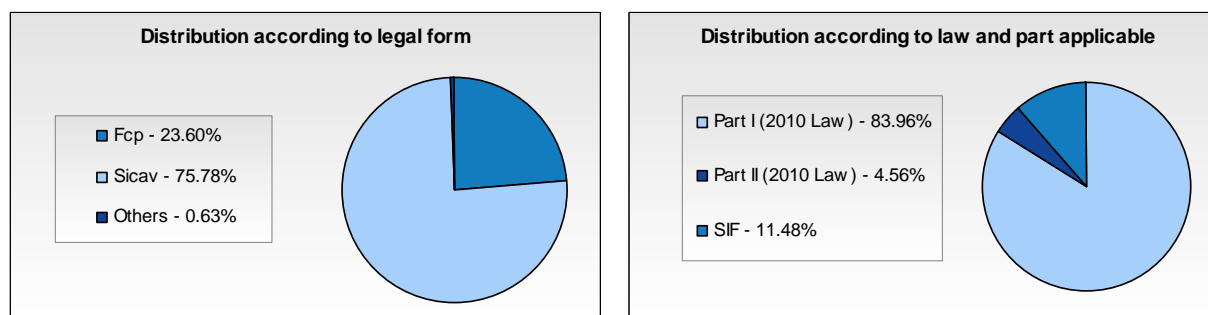
## ■ UCIs (Situation as at 31 May 2016)

### Number of UCIs



Law, part/legal form	FCPs	SICAVs	Others	Total
Part I (2010 Law)	1,045	857	0	1,902
Part II (2010 Law)	183	185	3	371
SIFs	433	1,135	41	1,609
<b>TOTAL</b>	<b>1,661</b>	<b>2,177</b>	<b>44</b>	<b>3,882</b>

## Net assets of UCIs



Law, part/legal form (in bn EUR)	FCPs	SICAVs	Others	Total
Part I (2010 Law)	607.412	2,321.049	0.000	2,928.461
Part II (2010 Law)	63.980	94.623	0.571	159.174
SIFs	151.678	227.416	21.251	400.345
<b>TOTAL</b>	<b>823.070</b>	<b>2,643.088</b>	<b>21.822</b>	<b>3,487.980</b>

## Breakdown according to investment policy

Breakdown according to investment policy	Net assets (in bn €)	Number of fund units <sup>3</sup>
Fixed-income transferable securities	1,066.573	3,081
Variable-yield transferable securities	1,030.187	3,775
Mixed transferable securities	763.068	4,104
Funds of funds	229.875	2,085
Money market instruments and other short-term securities	277.890	258
Cash	2.279	22
Private equity	22.446	160
Venture capital	1.347	27
Real estate	46.735	318
Futures and/or options	12.052	142
Other assets	35.528	192
<b>Total</b>	<b>3,487.980</b>	<b>14,164</b>

<sup>3</sup> "Fund units" refers to both traditionally structured UCIs and sub-funds of umbrella funds.

Breakdown of net assets according to investment policy

Breakdown according to investment policy	Net assets (in bn €)	Number of fund units <sup>3</sup>	Subscriptions (in bn €)	Redemptions (in bn €)	Net subscriptions (in bn €)
<b>PART I</b>					
Fixed-income transferable securities	970.251	2,416	42.021	38.479	3.542
Variable-yield transferable securities	967.551	3,359	31.700	35.442	-3.742
Mixed transferable securities	596.604	2,782	19.292	16.350	2.942
Funds of funds	126.693	950	2.693	2.401	0.292
Money market instruments and other short-term securities	256.496	193	123.278	122.598	0.680
Cash	1.507	11	0.055	0.076	-0.021
Futures and/or options	5.819	59	0.199	0.404	-0.205
Other assets	3.540	10	0.147	0.035	0.112
<b>TOTAL PART I:</b>	<b>2,928.461</b>	<b>9,780</b>	<b>219.385</b>	<b>215.785</b>	<b>3.600</b>
<b>PART II</b>					
Fixed-income transferable securities	22.254	138	0.728	1.816	-1.088
Variable-yield transferable securities	18.020	85	0.056	0.202	-0.146
Mixed transferable securities	53.179	267	1.685	1.716	-0.031
Funds of funds	36.010	351	0.331	0.786	-0.455
Money market instruments and other short-term securities	18.639	53	1.103	1.197	-0.094
Cash	0.756	9	0.016	0.016	0.000
Private equity	3.015	15	0.114	0.051	0.063
Venture capital	0.026	2	0.000	0.000	0.000
Real estate	1.000	20	0.001	0.000	0.001
Futures and/or options	3.502	36	0.057	0.060	-0.003
Other assets	2.773	13	0.054	0.035	0.019
<b>TOTAL PART II:</b>	<b>159.174</b>	<b>989</b>	<b>4.145</b>	<b>5.879</b>	<b>-1.734</b>
<b>SIFs</b>					
Fixed-income transferable securities	74.068	527	2.017	2.628	-0.611
Variable-yield transferable securities	44.616	331	0.362	0.901	-0.539
Mixed transferable securities	113.285	1,055	2.516	1.534	0.982
Funds of funds	67.172	784	1.023	0.878	0.145
Money market instruments and other short-term securities	2.755	12	0.248	0.152	0.096
Cash	0.016	2	0.000	0.000	0.000
Private equity	19.431	145	0.599	0.072	0.527
Venture capital	1.321	25	0.013	0.031	-0.018
Real estate	45.735	298	0.702	0.308	0.394
Futures and/or options	2.731	47	0.071	0.025	0.046
Other assets	29.215	169	2.040	0.329	1.711
<b>TOTAL SIFs:</b>	<b>400.345</b>	<b>3,395</b>	<b>9.591</b>	<b>6.858</b>	<b>2.733</b>
<b>TOTAL LUXEMBOURG UCIs</b>	<b>3,487.980</b>	<b>14,164</b>	<b>233.121</b>	<b>228.522</b>	<b>4.599</b>

## Origin of the initiators of Luxembourg UCIs

Country	Net assets (in bn €)	in %	Number of UCIs	in %	Number of fund units <sup>3</sup>	in %
United States	724.820	20.8%	167	4.3%	1,041	7.4%
United Kingdom	579.126	16.6%	267	6.9%	1,519	10.7%
Germany	513.740	14.7%	1,452	37.4%	2,766	19.5%
Switzerland	485.566	13.9%	523	13.5%	2,662	18.8%
Italy	317.929	9.1%	143	3.7%	1,253	8.9%
France	274.763	7.9%	276	7.1%	1,291	9.1%
Belgium	151.231	4.3%	169	4.4%	1,006	7.1%
Netherlands	78.481	2.3%	51	1.3%	229	1.6%
Luxembourg	73.591	2.1%	207	5.3%	559	3.9%
Denmark	63.937	1.8%	24	0.6%	180	1.3%
Others	224.796	6.5%	603	15.5%	1,658	11.7%
<b>Total</b>	<b>3,487.980</b>	<b>100.0%</b>	<b>3,882</b>	<b>100.0%</b>	<b>14,164</b>	<b>100.0%</b>

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

Currency	Net assets (in bn €)	in %	Number of fund units <sup>3</sup>	in %
AUD	5.975	0.171%	29	0.205%
CAD	1.748	0.050%	28	0.198%
CHF	52.045	1.492%	301	2.125%
CNH	1.031	0.030%	16	0.113%
CNY	0.105	0.003%	2	0.014%
CZK	1.382	0.040%	65	0.459%
DKK	2.911	0.084%	10	0.071%
EUR	1,956.218	56.085%	9,064	63.993%
GBP	79.174	2.270%	331	2.337%
HKD	4.157	0.119%	11	0.078%
HUF	0.257	0.007%	31	0.219%
ILS	0.001	0.000%	1	0.007%
JPY	67.933	1.948%	221	1.560%
MXN	0.000	0.000%	1	0.007%
NOK	3.757	0.108%	26	0.184%
NZD	0.826	0.024%	5	0.035%
PLN	0.489	0.014%	24	0.169%
RON	0.447	0.013%	6	0.042%
SEK	47.394	1.359%	190	1.341%
SGD	0.552	0.016%	7	0.049%
TRY	0.042	0.001%	3	0.021%
USD	1,261.515	36.168%	3,790	26.758%
ZAR	0.021	0.001%	2	0.014%
<b>Total</b>	<b>3,487.980</b>	<b>100.000%</b>	<b>14,164</b>	<b>100.000%</b>

## ■ SICAR

Since the publication of the last Newsletter, a new **SICAR** has 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).

- DUTCH VENTURE INITIATIVE II S.A. SICAR, 5, allée Scheffer, L-2520 Luxembourg

The following SICAR was **deregistered** from the official list of SICARs governed by the law of 15 June 2004 relating to the Investment company in risk capital (SICAR).

- CLIMATE CHANGE INVESTMENT I S.A. SICAR, 5, Heienhaff, L-1736 Senningerberg

As at 7 July 2016, the number of SICARs registered on the official list amounted to **281 entities**.

## ■ Pension funds

As at 12 July 2016, **15 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.

Since the publication of the last Newsletter, the following new pension fund in the form of pension savings association (ASSEP) was registered on the official list of pension funds subject to the law of 13 July 2005, namely:

- TELLCO EUROPEAN PENSION SAVINGS ASSOCIATION, 26, Avenue de la Liberté, L-1930 Luxembourg

On the same date, the number of professionals authorised to act as **liability managers** for pension funds subject to the law of 13 July 2005 amounted to **17**.

## ■ Securitisation undertakings

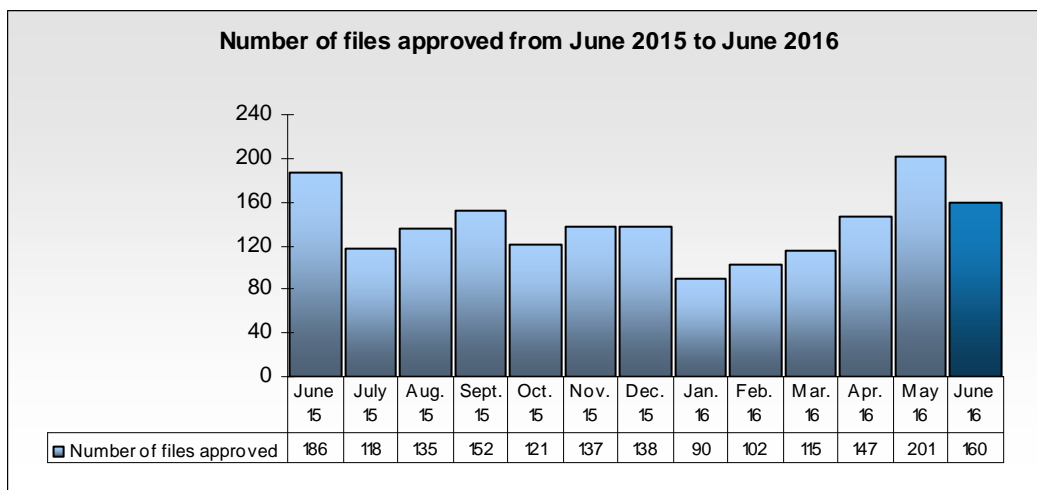
The number of **securitisation undertakings authorised** by the CSSF in accordance with the law of 22 March 2004 on securitisation amounted to **32 entities** as at 11 July 2016.

## ■ Public oversight of the audit profession

The public oversight of the audit profession covered **66 cabinets de révision agréés** (approved audit firms) and **279 réviseurs d'entreprises agréés** (approved statutory auditors) as at 30 June 2016. The oversight also included **45 third-country auditors and audit firms** duly registered in accordance with the law of 18 December 2009 concerning the audit profession.

## Prospectuses for securities in the event of an offer to the public or admission to trading on a regulated market (Part II and Part III, Chapter 1 of the law on prospectuses for securities)

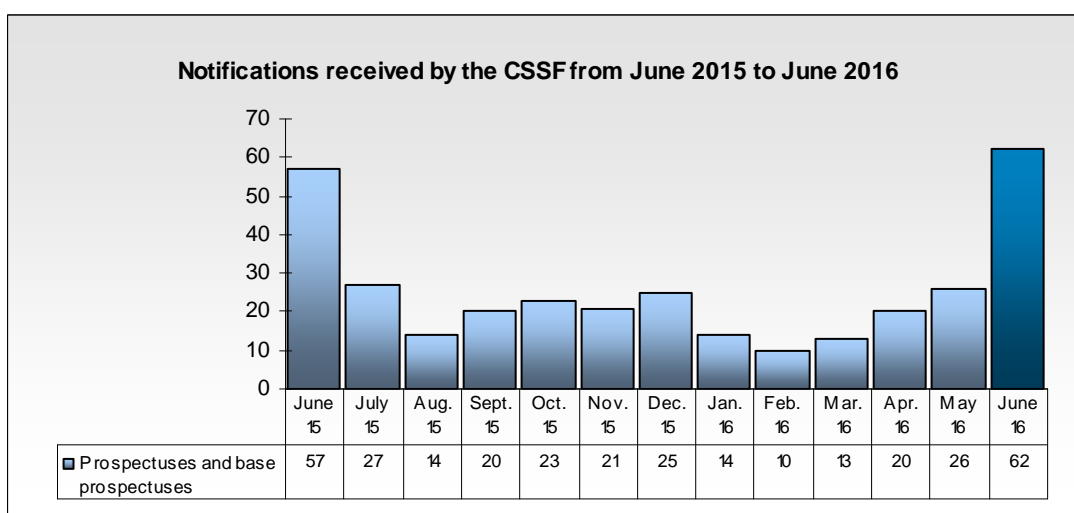
### 1. CSSF approvals



In June 2016, the CSSF approved a total of 160 documents pursuant to the Prospectus Law, which break down as follows:

base prospectuses:	63	(39.37%)
other prospectuses:	43	(26.88%)
registration documents:	2	(1.25%)
supplements:	52	(32.50%)

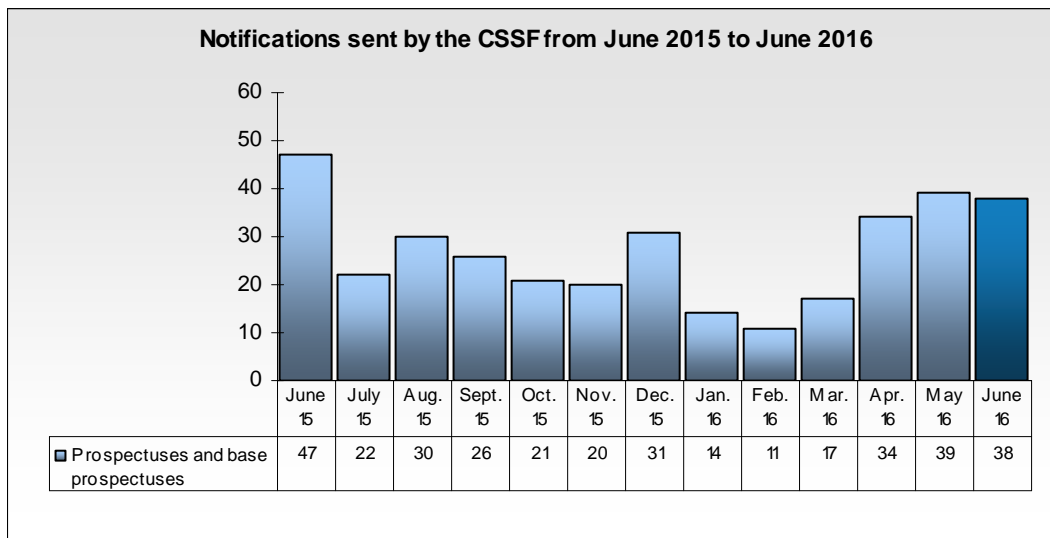
### 2. Notifications received by the CSSF from the competent authorities of other EEA Member States





In June 2016, the CSSF received 62 notifications relating to prospectuses and base prospectuses and 30 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



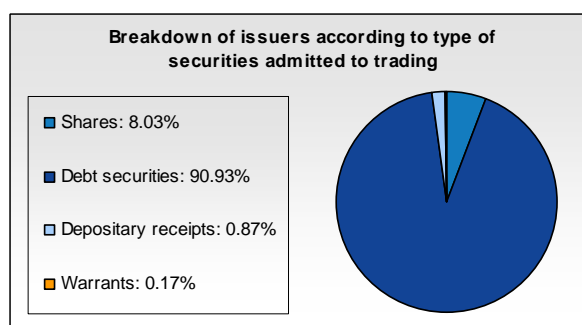
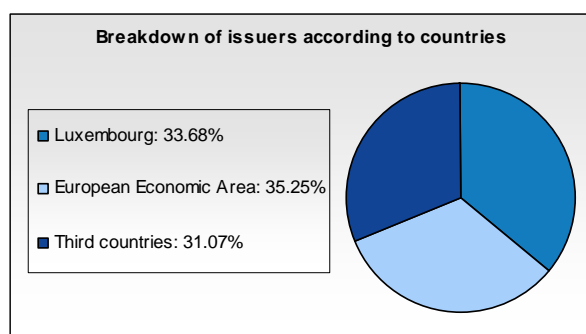
In June 2016, the CSSF sent 38 notifications relating to prospectuses and base prospectuses and 34 notifications relating to supplements to the competent authorities of other EEA Member States<sup>4</sup>.

<sup>4</sup> 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.

## 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 8 June 2016, **five** issuers have chosen Luxembourg as home Member State for the purposes of the Transparency Law. Moreover, **four** issuers were deregistered from the list due to the fact that they do no longer fall within the scope of the Transparency Law.

As at 6 July 2016, **573** issuers, subject to the supervision of the CSSF, were included on the list of issuers for which Luxembourg is the home Member State pursuant to the Transparency Law.



## OFFICIAL LISTS

### ■ Withdrawal decided by the CSSF

A decision to withdraw BAPE S.C.A., SICAV-SIF from the official list of specialised investment funds was taken by the CSSF on 15 June 2016.

## FINANCIAL CENTRE

## Main updated figures regarding the financial centre:

			Annual comparison
Banks	Number (14/07/2016)	143 <sup>5</sup>	↘ 1 entity
	Balance sheet total (31/03/2016)	EUR 766.642 bn	↘ EUR 28.987 bn
	Profit before provisions (31/03/2016)	EUR 1.305 bn	↘ EUR 282 m
Payment institutions	Number (14/07/2016)	10 including 1 branch	↗ 1 entity
Electronic money institutions	Number (14/07/2016)	4	↘ 1 entity
UCIs	Number (15/07/2016)	Part I 2010 Law: 1,898	↘ 5 entities
		Part II 2010 Law: 368	↘ 31 entities
		SIFs: 1,626	↗ 26 entities
	TOTAL: 3,892	↘ 10 entities	
	Total net assets (31/05/2016)	EUR 3,487.980 bn	↘ EUR 113.545 bn
Management companies (Chapter 15)	Number (30/06/2016)	201	↘ 5 entities
	Balance sheet total (31/03/2016)	EUR 12.491 bn	↘ 215 m
Management companies (Chapter 16)	Number (30/06/2016)	170	↘ 10 entities
AIFMs	Number (15/07/2016)	209	↗ 19 entities
SICARs	Number (07/07/2016)	281	↘ 11 entities
Pension funds	Number (12/07/2016)	15	↗ 1 entity
Authorised securitisation undertakings	Number (11/07/2016)	32	↘ 1 entity
Investment firms	Number (14/07/2016)	107 of which 10 branches	↘ 1 entity
	Balance sheet total (31/05/2016)	EUR 5.690 bn	↘ EUR 688 m
	Provisional net profit (31/05/2016)	EUR 134.961 m	↘ EUR 13.47 m
Specialised PFS	Number (14/07/2016)	127	↗ 2 entities
	Balance sheet total (31/05/2016)	EUR 7.154 bn	↘ EUR 5.477 bn
	Provisional net profit (31/05/2016)	EUR 175.731 m	↘ EUR 11.796 m
Support PFS	Number (14/07/2016)	79	↘ 1 entity
	Balance sheet total (31/05/2016)	EUR 1.082 bn	↗ EUR 7 m
	Provisional net profit (31/05/2016)	EUR 28.64 m	↗ EUR 3.26 m
Issuers of securities whose home Member State is Luxembourg pursuant to the Transparency Law	Number (06/07/2016)	573	↘ 33 entities
Public oversight of the audit profession	Number (30/06/2016)	66 <i>cabinets de révision agréés</i>	↗ 1 entity
		279 <i>réviseurs d'entreprises agréés</i>	↗ 29 people
		45 third-country auditors and audit firms	↘ 2 entities
Employment (31/03/2016)	Banks	26,109 people	↗ 427 people
	Management companies (Chapter 15)	3,825 people	↗ 204 people
	Investment firms	2,291 people	↘ 126 people
	Specialised PFS	3,780 people	↗ 220 people
	Support PFS	9,008 people	↗ 21 people
	Total	45,013 people	↗ 746 people <sup>6</sup>

<sup>5</sup> A difference with the number stated in the application "Supervised entities" may occur. This difference is due to the fact that the list in the application includes the banks that are already closed, but whose closure has not yet been confirmed by the ECB.

<sup>6</sup> This development does not mean a net creation or loss of jobs, but includes the transfer of existing jobs from the non-financial sector to the financial sector and vice versa.