



Newsletter

No 211 - August 2018

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HUMAN RESOURCES

CSSF staff evolution

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

UCI departments

Lucien CLEMENT
Rainer LAND

Supervision of banks

Bob MORBACH
Gerty SONG

The CSSF employs 808 agents of whom 438 are men and 370 are women as at 1 August 2018.

WARNINGS

Warnings published by the CSSF

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

- 23 July 2018: Warning regarding the activities of an entity named Redbrook Financial Management
- 1 August 2018: Warning regarding the activities of an entity named Cryptofinance

These warnings are published on the CSSF's website at: 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.

NATIONAL REGULATION

Circular CSSF-CPDI 18/12

This circular aims to collect information on deposits, in particular, on covered deposits, as at 30 June 2018 from all Luxembourg credit institutions, POST Luxembourg for the postal financial services provided as well as from branches of credit institutions having their registered office in a third country.

Circular CSSF 18/695

The purpose of this circular is to update table B 4.6 "Persons responsible for certain functions and activities".

Law of 20 July 2018

The purpose of the Law of 20 July 2018 ("the Law") is to transpose Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market (hereafter "Directive (EU) 2015/2366", or "PSD2") into Luxembourg law. Directive (EU)

2015/2366 replaces the first directive on payment services (hereafter “Directive 2007/64/EC”), which had been transposed into national law by the Law of 10 November 2009 on payment services. The objective of Directive (EU) 2015/2366 is the creation of a safer and more integrated EU market of payment services which takes into account technological innovation in the financial services area.

The changes made to the provisions of Directive 2007/64/EC by Directive (EU) 2015/2366 have been transposed into the Law of 10 November 2009 on payment services, as amended, through a series of amendments.

The most innovative elements of the Law are those aiming at adapting the existing legal framework to new technologies, as digitalisation of financial services is accelerating and new technological payment services and service providers are emerging. These new account information services and payment initiation services are now legally framed and the providers of such services supervised, ensuring legal security and user protection. The Law explicitly establishes the right of payers and payment service users to make use of payment initiation service providers and account information service providers to obtain such services.

The Law further details the European passporting regime and procedure for payment institutions and electronic money institutions. As regards the supervision of cross-border activities of authorised institutions, the Law provides for a closer and more detailed cooperation procedure between the competent authorities concerned and strengthens the powers of the competent authority of the host Member State, in accordance with the new provisions of Directive (EU) 2015/2366. The CSSF, in its role as competent authority, may thus take precautionary measures in emergency situations towards institutions authorised in another Member State and carrying out their activities in Luxembourg, where immediate action is necessary to counter a serious threat to the collective interests of the payment service users in Luxembourg.

Moreover, the Law introduces provisions to enhance the rights of payment service users, for example, by reducing their liability from EUR 150 to EUR 50 for unauthorised payment transactions resulting from the use of a lost, stolen or misappropriated payment instrument, or by imposing information requirements by the providers concerning the complaint procedures and alternative dispute resolution (ADR) procedures. In order to enhance the security of electronic payments, payment service providers are, in principle, also required to apply strong customer authentication where the latter accesses its payment account online, initiates an electronic transaction or carries out any action through a remote channel implying a risk of fraud. Effective management and reporting procedures for major operational or security incidents as well as a secure communication between account servicing service providers and third-party providers are required by the Law. Moreover, the Law introduces a series of specific amendments to the Law of 10 November 2009 on payment services, as amended, which aim at aligning said law, without affecting its substance, with the text of Directive (EU) 2015/2366 and adjusting some provisions relating to electronic money institutions.

Law of 25 July 2018

The Law of 25 July 2018 has a twofold objective.

First, it aims at transposing into Luxembourg law Directive (EU) 2017/2399 of the European Parliament and of the Council of 12 December 2017 amending Directive 2014/59/EU as regards the ranking of unsecured debt instruments in insolvency hierarchy (hereafter “Directive 2017/2399”) by amending the Law of 18 December 2015 on the failure of credit institutions and certain investment firms, as amended. Directive 2017/2399 is part of a series of reform proposals aiming at reducing risks for the banking sector. It has been subject to a fast-track legislative procedure in order to ensure timely clarification of the eligibility criteria of subordinated liabilities which may be notably used for compliance with MREL (Minimum Requirement for own funds and Eligible Liabilities) and with Union law implementing the TLAC (Total Loss-Absorbing Capacity) standard.

Directive 2017/2399 falls within the framework of the TLAC Term Sheet (the “TLAC standard”) published by the Financial Stability Board and endorsed by the G20 in November 2015. The objective of the TLAC standard is to ensure that global systemically important banks have the loss-absorbing and recapitalisation capacity necessary to ensure that, in case of a resolution, critical functions can be continued without financial stability being put at risk.

Directive 2017/2399 aims thus at laying down harmonised rules for the insolvency ranking of unsecured debt instruments for the purposes of the Union recovery and resolution framework and improving the effectiveness of the bail-in regime.

Second, different amendments were brought to the Law of 5 April 1993 on the financial sector, as amended. These amendments reflect, on the one hand, the changes introduced by the Corrigendum of 25 January 2017 to Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC into the provisions having transposed said directive. On the other hand, the amendments are made in accordance with the measures taken to transpose Directive 2013/36/EU and implement Regulation (EU) 575/2013.

BANKING REGULATION AND SINGLE SUPERVISORY MECHANISM

Single Supervisory Mechanism - European Central Bank (ECB)

Publications and consultations

3 July 2018 - [Report on recovery plans](#)

The ECB has released its report on recovery plans. The purpose of the report is to share the lessons ECB Banking Supervision has learned, and the best practices of recovery plans of SSM significant institutions (SIs) it has identified after three successive cycles of recovery plans in order to help SIs further shape their recovery plans and make them more operational during a stress situation.

3 July 2018 - [ECB seeks feedback on draft ECB Regulation on materiality threshold for credit obligations past due](#)

The ECB has published a draft ECB Regulation on the definition of the materiality threshold for credit obligations past due. The draft Regulation sets a single materiality threshold for all SSM SIs, both for retail and for non-retail exposures, irrespective of the method used for the calculation of capital requirements. The materiality threshold is expected to increase the comparability of banks' defaulted exposures.

The deadline for comments is the **17 August 2018**.

4 July 2018 - [ECB publishes its SSM LSI SREP Methodology Booklet](#)

The ECB has published its SSM LSI SREP Methodology to illustrate the main features of the methodology followed in the Supervisory Review and Evaluation Process (SREP) for less significant institutions (LSIs), which was developed jointly with the national competent authorities (NCAs) within the framework of the Single Supervisory Mechanism (SSM).

11 July 2018 - [ECB announces further steps in supervisory approach to stock of NPLs](#)

The ECB has announced further steps in its supervisory approach for addressing the stock of non-performing loans (NPLs) in the euro area. The approach aims to create a consistent framework to address the stock of NPLs as part of the supervisory dialogue through bank-specific supervisory expectations aimed at achieving adequate provisioning of legacy NPLs. Under this approach ECB Banking Supervision will engage with each bank to define its supervisory expectations. The ECB's intention is to ensure continued progress to reduce legacy risks in the euro area and achieve the same coverage of the stock and flow of NPLs in the medium term.

27 July 2018 - [ECB published its updated supervisory Banking Statistics - First quarter 2018](#)

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

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

July 2018 - [Letters from the Chair of the Supervisory Board to members of the European Parliament](#)

The ECB has published several letters from the Chair of the Supervisory Board to members of the European Parliament in response to written requests relating to, among others, stress tests, professional secrecy requirements and crisis preparedness of banks.

Regulatory developments

16 July 2018 - Publication of the [Opinion of the European Central Bank of 12 July 2018](#) on a proposal for a regulation on minimum loss coverage for non-performing exposures (CON/2018/32).

Interviews and speeches

4 July 2018 - "[Interview with Bloomberg](#)" - Interview with Pentti Hakkarainen, Member on the Supervisory Board of the ECB.

6 July 2018 - "[Financing the economy - SMEs, banks and capital markets](#)" - Speech by Danièle Nouy, Chair of the Supervisory Board of the ECB, Conference organised by the Oesterreichische Nationalbank and the Austrian Federal Economic Chamber, Linz.

10 July 2018 - "[20 years of ESCB statistics: Past achievements and future challenges](#)" - Speech by Sabine Lautenschläger, Member of the Executive Board of the ECB and Vice-Chair of the Supervisory Board of the ECB, Ninth ECB Statistics Conference, "20 years of ESCB statistics: What's next?", Frankfurt.

10 July 2018 - "[Banking supervision in the ECB](#)" - Speech by Ignazio Angeloni, Member of the Supervisory Board of the ECB, at the ECB Central Banking Seminar.

11 July 2018 - "[Statistics as an indispensable signpost](#)" - Speech by Danièle Nouy, Chair of the Supervisory Board of the ECB, Ninth ECB Statistics Conference, "20 years of ESCB statistics: What's next?", Frankfurt.

European Commission and European Council

Publications

19 July 2018 - [European Commission published Communication on preparing for the UK's withdrawal from the EU](#)

The European Commission has adopted a Communication outlining the ongoing work on the preparation for all outcomes of the UK's withdrawal from the EU. On financial services, the text outlines that (i) passporting rights will cease to exist after withdrawal; (ii) there will be no Single Market access for the UK. In relation to contracts, the document indicates that there does not appear to be an issue of a general nature linked to contract continuity in principle; however, every type of contract needs to be looked at separately.

19 July 2018 - [European Commission released guidance on protection of cross-border EU investments](#)

The document provides guidance to help EU investors to invoke their rights before national administrations and courts. The text also highlights that EU investors can no longer rely on intra-EU bilateral investment treaties ("intra-EU BITs"), as these treaties are illegal because they overlap with the EU single market rules and discriminate between EU investors.

Regulatory developments

6 July 2018 - Publication of the [Commission Delegated Regulation \(EU\) 2018/959 of 14 March 2018](#) supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to regulatory technical standards of the specification of the assessment methodology under which competent authorities permit institutions to use Advanced Measurement Approaches for operational risk.

13 July 2018 - Publication of the [Commission Delegated Regulation \(EU\) 2018/990 of 10 April 2018](#) amending and supplementing Regulation (EU) 2017/1131 of the European Parliament and of the Council with regard to simple, transparent and standardised (STS) securitisations and asset-backed commercial papers (ABCPs), requirements for assets received as part of reverse repurchase agreements and credit quality assessment methodologies.

European Parliament

Publications

28 June 2018 - The European Parliament Committee on Economic and Monetary Affairs published reports containing its amendments to the CRD V, CRR II, BRRD II and SRMR II

The reports contain the European Parliament's amendments to the following legislative proposals: (i) directive amending the Capital Requirements Directive ([CRD V](#)); (ii) regulation amending the Capital Requirements Regulation and amending the European Markets Infrastructure Regulation ([CRR II](#)), (iii) directive amending the Bank Recovery and Resolution Directive ([BRRD II](#)), and (iv) regulation amending the Single Resolution Mechanism Regulation ([SRMR II](#)).

European Banking Authority (EBA)

Publications

Capital Requirements Directive and Regulation

10 July 2018 - [EBA peer review shows competent authorities have robust and consistent procedures to comply with RTS on passport notifications](#)

The EBA has published the final peer review report on the Regulatory Technical Standards (RTS) on the information to be notified when exercising the right of establishment and the freedom to provide services for credit institutions. The report, which summarises the main findings of the peer review

exercise, showed that competent authorities have developed consistent and robust procedures to comply with the RTS requirements although the level of sophistication of these processes varies across Member States.

19 July 2018 - [EBA publishes final guidance to strengthen the Pillar 2 framework](#)

In accordance with its Pillar 2 Roadmap, the EBA, has published its final revised guidelines aimed at further enhancing institutions' risk management and supervisory convergence in the supervisory review and examination process (SREP). The three reviewed guidelines focus on stress testing, particularly its use in setting Pillar 2 capital guidance (P2G), as well as interest rate risk in the banking book (IRRBB).

19 July 2018 - [EBA Risk Dashboard confirms steady improvements in the management of NPLs across the EU but banks profitability remains a key challenge](#)

The EBA has published the periodical update to its Risk Dashboard, which summarises the main risks and vulnerabilities in the EU banking sector using quantitative risk indicators, along with the opinions of banks and market analysts from its Risk Assessment Questionnaire. In the first quarter of 2018, the updated dashboard identified ongoing improvements in the repair of the EU banking sector but also residual risks in banks' profitability. Cyber risk and data security are assumed to be the main factors that might negatively influence market sentiment, along with geopolitical uncertainties including the UK's decision to leave the EU.

20 July 2018 - [EBA published updated lists of Common Equity 1 \(CET1\) and Additional Tier 1 \(AT1\) instruments](#)

The reports (CET1, AT1) are intended to be updated on a regular basis to reflect the EBA's findings from the assessment of different forms of CET1 and AT1 instruments of EU institutions.

The updated list of Common Equity Tier 1 (CET1) instruments is accompanied by an updated CET1 Report, which includes information on the underlying objectives of the monitoring as well as on the consequences of including in, or excluding from, the CET1 list certain instruments.

Payment Services Directive and Mortgage Credit Directive

18 July 2018 - [EBA publishes final Guidelines on fraud reporting under PSD2](#)

The EBA has published its final Guidelines on fraud reporting under the revised Payment Services Directive (PSD2). These Guidelines, which the EBA developed in close cooperation with the ECB and which are addressed to payment service providers and competent authorities, are aimed at contributing to the objective of PSD2 of enhancing the security of retail payments in the EU.

31 July 2018 - [EBA publishes final draft technical standards on home-host cooperation under PSD2](#)

The EBA has published its final draft RTS specifying the framework for cooperation and the exchange of information between competent authorities under the PSD2. The RTS also clarify the type of information as well as the templates to be used by payment institutions when reporting to the competent authorities of the host Member States on the payment business activities carried out in their territories.

31 July 2018 - [EBA updates the Joint Committee Guidelines on complaints-handling to extend their scope of application](#)

The EBA has published an update to the Joint Committee Guidelines on complaints-handling, which includes an extension of their scope of application to the authorities supervising the new institutions established under the revised PSD2 and the Mortgage Credit Directive (MCD). This extension aims to ensure that an identical set of requirements for complaints-handling continues to apply to all financial institutions across the banking, investment and insurance sectors.

FinTech

3 July 2018 - [EBA published report assessing risks and opportunities from Fintech and its impact on incumbents business models](#)

The EBA has published the first products of its FinTech Roadmap, namely (i) a [thematic report on the impact of FinTech on incumbent credit institutions' business models](#) and (ii) a [thematic report on the prudential risks and opportunities arising for institutions from FinTech](#). Both reports fall under the wider context of the EBA FinTech Knowledge Hub and aim to raise awareness within the supervisory community and the industry on potential prudential risks and opportunities from current and potential FinTech applications and understand the main trends that could impact incumbents' business models and pose potential challenges to their sustainability.

Securitisation and European Secured Notes

24 July 2018 - [EBA publishes its assessment of European Secured Notes](#)

The EBA has published a report presenting the outcome of its assessment to the European Commission's call for advice on the European Secured Notes (ESNs). In addition, it puts forward recommendations on key aspects for the European Commission to consider when possibly designing the legislative framework for small and medium-sized enterprises (SME) ESNs.

31 July 2018 - EBA published final technical standards on (i) [risk retention for securitisation transactions](#); and (ii) [defining the homogeneity of underlying exposures](#)

The [first document](#) addresses the possible misalignment of interests and incentives in securitisation transactions between the investors on the one hand, and the originators, sponsors or original lenders on the other, as required under Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012. The [second document](#) sets out conditions for securitisation to be deemed homogeneous under Regulation (EU) No 2017/2402 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation.

Banking Recovery and Resolution Directive

31 July 2018 - [EBA sees progress in the functioning of resolution colleges in 2017 but continued effort is needed](#)

The EBA has published its first Report on the functioning of resolution colleges. The Report summarises the EBA's assessment of the quality of the colleges' organisation, discussions held and general output. Overall it finds that good progress has been achieved since the introduction of the Bank Recovery and Resolution Directive (BRRD) in 2015. However, it also notes that resolution is a complex matters which requires further progress to ensure college members are well prepared to deal with the failure of a cross-border bank.

European Supervisory Authorities (ESAs)

Publications

20 July 2018 - [European Supervisory Authorities publish further guidance on the Key Information Document for PRIIPs](#)

The ESAs have published further guidance on the Key Information Document (KID) requirements for Packaged Retail and Insurance-based Investment Products (PRIIPs). The guidance seeks to promote common supervisory approaches and practices based on ongoing work to monitor the implementation of the KID.

Basel Committee of Banking Supervision (BCBS)

Publications

5 July 2018 - [BCBS released revised framework for global systemically important banks \(G-SIBs\)](#)

The BCBS has released its revised framework for global systemically important banks (G-SIBs). Although the BCBS has reconfirmed the fundamental structure of the G-SIB framework, it has agreed to several enhancements, like extending the scope of consolidation to insurance subsidiaries, or amending the definition of cross-jurisdictional indicators. The revised methodology is expected to be implemented in member jurisdictions by 2021.

23 July 2018 - [BCBS published updated report on the implementation of standards for payment, clearing and settlement](#)

Jurisdictions are making progress on implementing international standards for payment, clearing and settlement systems, a new report by the Committee on Payments and Market Infrastructures (CPMI) and the International Organization of Securities Commissions (IOSCO) finds. The two bodies have published the fifth update to the Level 1 assessments of implementation monitoring of the Principles for financial market infrastructures (PFMI). These are based on self-assessments by individual jurisdictions of how they have adopted the PFMI's 24 Principles for FMIs and four of the five Responsibilities for authorities.

Macro prudential fora

31 July 2018 - The website of the Comité du Risque Systémique (CdRS) goes online (refer to: <http://cdrs.lu/>)

European Systemic Risk Board (ESRB)

Publications

5 July 2018 - [ESRB risk dashboard June 2018 \(Issue 24\)](#)

The ESRB has issued its 24th risk dashboard which provides an overview of potential sources of systemic risk in the EU financial system. This risk dashboard is a compilation of a series of qualitative and quantitative indicators of systemic risk within specific risk categories comprising measures of risk in the non-banking sector, market risk, macroeconomic risk, credit risk, and solvency and profitability risk in the banking sector. The ESRB risk dashboard is published on a quarterly basis.

See also the following documents attached to the risk dashboard: 1) [Overview note](#); 2) [Annex I](#); 3) [Annex II](#).

9 July 2018 - [ESRB annual report 2017](#)

The ESRB published its 2017 annual report. Within this report, the ESRB provided the main risks to financial stability in the EU, namely 1) a re-pricing of risk premia in global financial markets; 2) persistent weaknesses in balance sheets of banks, insurers and pension funds; 3) debt sustainability challenges in sovereign, corporate and household sectors; and 4) vulnerabilities in the shadow banking system and contagion to the wider financial system. The report also highlights policies that have been put in place to address systemic risks. Finally, a section has been devoted to the implementation of recommendations and the accountability of the ESRB.

Countercyclical Capital buffer (CCyB)

The list of applicable CCyB rates in EU/EEA countries is available on the [website of the ESRB](#). The following countries have announced a CCyB rate different from 0%:

Country	CCyB rate	Application date
Czech Republic	1.0%	01/07/2018
	1.0%	01/10/2018
	1.25%	01/01/2019
	1.25%	01/04/2019
	1.5%	01/07/2019
Denmark	0.5%	31/03/2019
France	0.25%	01/07/2019
Iceland	1.25%	17/10/2018
	1.25%	05/01/2019
	1.75%	15/05/2019
	1.75%	29/06/2019
Ireland	1.0%	05/07/2019
Lithuania	0.5%	31/12/2018
	1.0%	30/06/2019
Slovakia	1.25%	01/08/2018
	1.25%	01/11/2018
	1.25%	01/02/2019
	1.25%	01/05/2019
	1.5%	01/08/2019
United Kingdom	1.0%	28/11/2018

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

The Financial Stability Board (FSB)

Publications

16 July 2018 - [FSB published report to the G20 on monitoring crypto-asset markets](#)

The report sets out the metrics that the FSB will use to monitor crypto-asset markets as part of its ongoing assessment of vulnerabilities in the financial system. The monitoring framework focuses on the transmission channels from crypto-asset markets that may give rise to financial stability risks.

16 July 2018 - [FSB launched questionnaire on Unique Product Identifier \(UPI\) service providers](#)

In the self-assessment questionnaire, prospective UPI service providers are asked to present a business and self-governance plan that explains how they would: (i) meet the key governance criteria and provide for the relevant governance functions; and (ii) meet the technical guidance.

The deadline for comments from prospective UPI service providers is **4 September 2018**.

Consultations

2 July 2018 - [FSB launched consultation on Cyber Lexicon](#)

The draft lexicon comprises a set of 50 core terms related to cyber security and cyber resilience in the financial sector. The Cyber Lexicon is intended to support the work of the Financial Stability Board (FSB), standard-setting bodies, authorities and private sector participants, e.g. financial institutions and international standards organisations.

The consultation will run until **20 August 2018**

18 July 2018 - [FSB launched consultation on the effects of G20 financial regulatory reforms on infrastructure finance](#)

The evaluation is the first under the FSB framework for the post-implementation evaluation of the effects of the G20 financial regulatory reforms, and forms part of a broader FSB examination of the effects of reforms on financial intermediation. It focuses on infrastructure finance that is provided in the form of corporate and project debt financing (loans and bonds), for which the financial regulatory reforms are of immediate relevance.

The consultation will run until **22 August 2018**

COMMUNIQUES

Brexit-related applications by fund management companies**Press release 18/25 of 25 July 2018**

As per 30 March 2019, the United Kingdom intends to leave the European Union. In a worst-case scenario, no transition period will be agreed upon and the United Kingdom will consequently need to be considered as a third country as from 30 March 2019. Based on the current state of negotiations, entities need to consider the scenario where a hard Brexit would take place on 30 March 2019.

Therefore, any investment fund manager (alternative investment fund manager or UCITS fund manager) wishing to relocate business in Luxembourg in the context of Brexit will need to be authorised by the CSSF. For the avoidance of doubt, the CSSF highlights that existing entities already authorised by the CSSF, but wishing to receive additional licenses or substantially changing operational models to cope with Brexit-related aspects are also addressed by this press release.

The CSSF reminds entities that the time required for analysing authorisation requests can be substantial and depends on numerous factors.

The CSSF consequently wishes to urge investment fund managers addressed by this press release to submit their applications to the CSSF as soon as possible.

In this context, reference is made to the opinion issued by ESMA on 13 July 2017¹.

Finally, reference is also made to a public statement issued by ESMA on 12 July 2018 requesting the timely submission of requests for authorisation in the context of the United Kingdom withdrawing from the European Union².

EBA seeks participants for two events organised in the context of the EBA Knowledge FinTech Hub**Communiqué of 2 August 2018**

The European Banking Authority (EBA) has recently created the “EBA Knowledge FinTech Hub” as part of its work on Financial Technology (FinTech) and financial innovation, so as to facilitate the exchange of information between national competent authorities, European Supervisory Authorities, incumbent and new entrant institutions, technology providers and other market players about FinTech. In this context, the EBA is organising the following events:

a) Industry roundtable on regulatory sandboxes and innovation hubs

As set out in the [EBA's FinTech Roadmap](#), the EBA is carrying out a comparative analysis of regulatory sandboxes, innovation hubs and other schemes in the Member States so as to identify best practices in their design and operation. In view of this, the EBA will host an industry roundtable to obtain views from financial institutions, other FinTech firms and technology providers on the operation of the schemes.

This industry roundtable will be held in the EBA's premises in London **on 3 September 2018 from 14:00 to 16:30.**

¹ Document ESMA34-45-344:

https://www.esma.europa.eu/sites/default/files/library/esma34-45-344_opinion_to_support_supervisory_convergence_in_the_area_of_investment_management_in_the_context_of_the_united_kingdom_withdrawing_from_the_european_union.pdf.

² <https://www.esma.europa.eu/press-news/esma-news/esma-reminds-uk-based-regulated-entities-about-timely-submission-authorisation>.

The EBA invites any firms that can help in providing insights on this topic to join this event. They can register at the following address **before Friday 10 August 2018**:

<https://www.eba.europa.eu/meeting-registration/invitation-meetings/2018/industry-roundtable-on-regulatorysandboxes-and-innovation-hubs>.

b) Workshop on Cloud: Implementation challenges and benefits

The purpose of this workshop, which will take place in the EBA’s premises in London **on 17 October 2018**, is to bring together competent authorities, cloud service providers and financial institutions to discuss the changes resulting from the implementation of the EBA’s Recommendations on Outsourcing to the cloud. Agenda and registration details to follow on the EBA website.

More information on both events are available under the following address:

<https://www.eba.europa.eu/financialinnovation-and-fintech/fintech-knowledge-hub/events>.

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

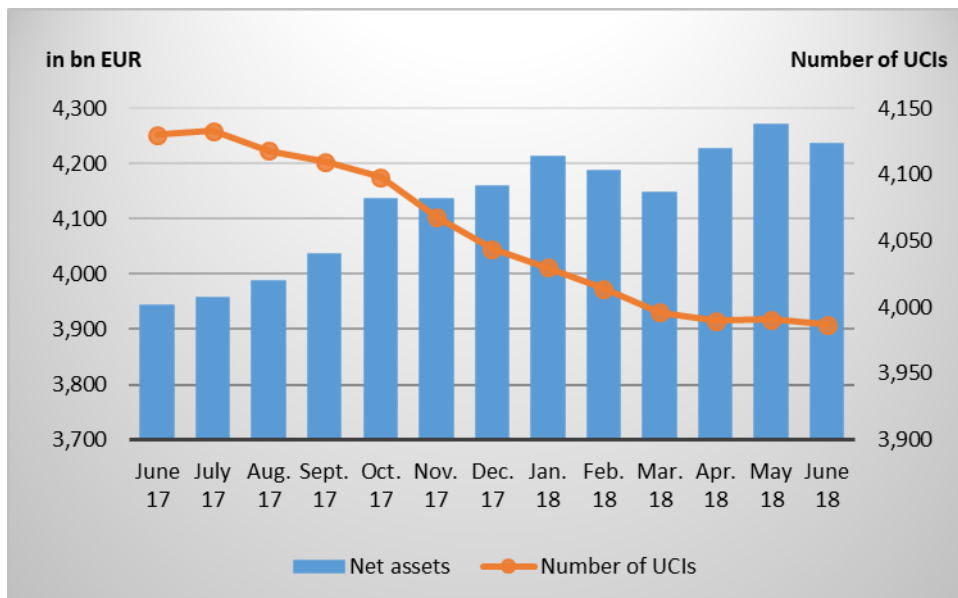
Press release 18/26 of 3 August 2018

I. Overall situation

As at 30 June 2018, total net assets of undertakings for collective investment, including UCIs subject to the 2010 Law, specialised investment funds and SICARs, amounted to EUR 4,237.082 billion compared to EUR 4,271.025 billion as at 31 May 2018, i.e. a -0.79% decrease over one month. Over the last twelve months, the volume of net assets rose by 7.44%.

The Luxembourg UCI industry thus registered a negative variation amounting to EUR -33.943 billion during the month of June. This decrease results from the sum of the negative net issues of EUR -3.602 billion (-0.08%) and the negative development in financial markets amounting to EUR -30.341 billion (-0.71%).

The development of undertakings for collective investment is as follows:



The number of undertakings for collective investment (UCIs) taken into consideration totalled 3,987 as against 3,991 in the previous month. A total of 2,581 entities adopted an umbrella structure, which represented 13,356 sub-funds. When adding the 1,406 entities with a traditional structure to that figure, a total of 14,762 fund units were active in the financial centre.

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

The commercial tensions between the US and several other countries overshadowed the financial markets, resulting in falling prices for almost all equity UCI categories.

In developed countries, the European equity UCI categories thus fell at the end of June in negative territory. Japanese equity UCIs registered a negative impact accentuated by the depreciation of the JPY against the EUR. By contrast, the US equity UCI category recorded slight price increases despite these tensions, sustained by a positive economic development and the appreciation of the USD against the EUR.

As far as emerging markets are concerned, the uncertainties linked to the commercial tensions and the potential effects on global trade and growth implied a drop in the prices of all emerging market equity UCI categories, aggravated by the persisting economic and political issues in some of these emerging countries. The depreciation of the main emerging currencies further accentuated this declining trend.

In June, the variable-yield UCI categories registered a slight positive net capital investment.

Development of equity UCIs during the month of June 2018*

	Market variation in %	Net issues in %
Global market equities	-0.34%	0.57%
European equities	-0.86%	-0.36%
US equities	0.72%	0.59%
Japanese equities	-2.05%	-0.75%
Eastern European equities	-1.12%	-2.07%
Asian equities	-4.15%	0.13%
Latin American equities	-3.83%	-1.09%
Other equities	-2.52%	-0.56%

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

In Europe, the European bond UCI category remained rather unchanged during the month under review, considering the European Central Bank announcement to stop, as expected, its asset purchase programme at the end of 2018, whilst indicating that interest rates will probably remain at low levels until summer 2019 in a context of weak basis inflation rates.

As regards USD-denominated bond UCI categories, the continuing monetary tightening by the Fed, the positive economic figures and the anticipations of an inflation increase had an impact on the US bond prices. By contrast, US government bonds attracted investors looking for safe heavens in a context of commercial tensions between the US and several other countries. All in all, USD-denominated bond UCI categories ended the month down.

As regards emerging countries, the monetary tightening policy by the Fed, the commercial tensions with the US and the appreciation of the USD against most emerging currencies resulted in an increase in the emerging country bond yields, implying for the emerging country bond UCI category to end up in negative territory.

In June, fixed-income UCI categories registered an overall negative net capital investment.

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

	Market variation in %	Net issues in %
EUR money market	0.02%	-1.74%
USD money market	0.37%	-3.59%
Global market money market	-0.68%	1.75%
EUR-denominated bonds	0.02%	-0.55%
USD-denominated bonds	-0.40%	-0.34%
Global market bonds	-0.46%	-0.14%
Emerging market bonds	-2.02%	-1.71%
High Yield bonds	-0.63%	-1.99%
Others	-0.10%	-0.15%

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

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

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

	Market variation in %	Net issues in %
Diversified UCIs	-0.64%	0.36%
Funds of funds	-0.67%	0.62%

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

II. Breakdown of the number and net assets of UCIs

	PART I UCITS		PART II UCIs		SIFs		SUB-TOTAL (without SICARs)		SICARs ³		TOTAL	
	NUMBER	NET ASSETS (in bn €)	NUMBER	NET ASSETS (in bn €)	NUMBER	NET ASSETS (in bn €)	NUMBER	NET ASSETS (in bn €)	NUMBER	NET ASSETS (in bn €)	NUMBER	NET ASSETS (in bn €)
31/12/2015	1,892	2,946.860 €	384	169.896 €	1,602	389.445 €	3,878	3,506.201 €	282	37.430 €	4,160	3,543.631 €
31/01/2016	1,903	2,819.861 €	378	164.531 €	1,596	386.607 €	3,877	3,370.999 €	282	37.430 €	4,159	3,408.429 €
29/02/2016	1,904	2,813.421 €	373	157.278 €	1,592	387.785 €	3,869	3,358.484 €	282	37.430 €	4,151	3,395.914 €
31/03/2016	1,905	2,847.418 €	371	157.047 €	1,603	390.939 €	3,879	3,395.404 €	282	37.430 €	4,161	3,432.834 €
30/04/2016	1,904	2,888.262 €	370	159.477 €	1,606	394.341 €	3,880	3,442.080 €	282	37.430 €	4,162	3,479.510 €
31/05/2016	1,902	2,928.461 €	371	159.174 €	1,609	400.345 €	3,882	3,487.980 €	282	37.430 €	4,164	3,525.410 €
30/06/2016	1,899	2,906.498 €	367	156.893 €	1,621	398.513 €	3,887	3,461.904 €	282	37.430 €	4,169	3,499.334 €
31/07/2016	1,892	2,997.551 €	365	159.356 €	1,631	408.849 €	3,888	3,565.756 €	282	37.430 €	4,170	3,603.186 €
31/08/2016	1,894	3,033.413 €	363	159.141 €	1,636	409.608 €	3,893	3,602.162 €	282	37.430 €	4,175	3,639.592 €
30/09/2016	1,891	3,051.016 €	362	159.088 €	1,644	411.825 €	3,897	3,621.929 €	282	37.430 €	4,179	3,659.359 €
31/10/2016	1,893	3,053.246 €	356	159.320 €	1,642	413.932 €	3,891	3,626.498 €	282	37.430 €	4,173	3,663.928 €
30/11/2016	1,888	3,065.882 €	355	158.862 €	1,645	415.885 €	3,888	3,640.629 €	282	37.430 €	4,170	3,678.059 €
31/12/2016	1,869	3,116.104 €	353	160.578 €	1,639	424.394 €	3,861	3,701.076 €	283	40.254 €	4,144	3,741.330 €
31/01/2017	1,869	3,138.701 €	351	160.967 €	1,623	427.236 €	3,843	3,726.904 €	283	40.483 €	4,126	3,767.387 €
28/02/2017	1,880	3,217.837 €	351	164.858 €	1,617	436.203 €	3,848	3,818.898 €	282	41.419 €	4,130	3,860.317 €
31/03/2017	1,895	3,257.773 €	346	165.780 €	1,618	440.288 €	3,859	3,863.841 €	280	42.186 €	4,139	3,906.027 €

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

	PART I UCITS		PART II UCIs		SIFs		SUB-TOTAL (without SICARs)		SICARs ³		TOTAL	
	NUMBER	NET ASSETS (in bn €)	NUMBER	NET ASSETS (in bn €)	NUMBER	NET ASSETS (in bn €)	NUMBER	NET ASSETS (in bn €)	NUMBER	NET ASSETS (in bn €)	NUMBER	NET ASSETS (in bn €)
30/04/2017	1,892	3,286.525 €	342	164.471 €	1,613	444.874 €	3,847	3,895.870 €	282	42.037 €	4,129	3,937.907 €
31/05/2017	1,895	3,297.803 €	342	162.813 €	1,620	453.326 €	3,857	3,913.943 €	285	42.923 €	4,142	3,956.366 €
30/06/2017	1,887	3,288.338 €	338	160.634 €	1,618	451.703 €	3,843	3,900.675 €	287	42.923 €	4,130	3,943.598 €
31/07/2017	1,885	3,307.103 €	338	159.097 €	1,619	448.554 €	3,842	3,914.754 €	291	42.827 €	4,133	3,957.581 €
31/08/2017	1,876	3,328.865 €	337	156.448 €	1,615	458.911 €	3,828	3,944.224 €	290	43.104 €	4,118	3,987.328 €
30/09/2017	1,880	3,380.943 €	332	154.308 €	1,608	459.079 €	3,820	3,994.330 €	290	42.810 €	4,110	4,037.140 €
31/10/2017	1,871	3,470.456 €	325	155.929 €	1,612	466.213 €	3,808	4,092.598 €	290	43.097 €	4,098	4,135.695 €
30/11/2017	1,864	3,469.422 €	325	155.343 €	1,591	465.954 €	3,780	4,090.719 €	288	45.080 €	4,068	4,135.799 €
31/12/2017	1,859	3,486.445 €	323	154.189 €	1,576	472.415 €	3,758	4,113.049 €	286	46.565 €	4,044	4,159.614 €
31/01/2018	1,852	3,539.403 €	320	155.272 €	1,573	473.290 €	3,745	4,167.965 €	285	46.065 €	4,030	4,214.030 €
28/02/2018	1,854	3,513.980 €	316	152.309 €	1,560	475.916 €	3,730	4,142.205 €	284	45.118 €	4,014	4,187.323 €
31/03/2018	1,846	3,473.243 €	314	150.078 €	1,552	480.516 €	3,712	4,103.837 €	284	45.061 €	3,996	4,148.898 €
30/04/2018	1,843	3,549.467 €	309	146.350 €	1,554	485.963 €	3,706	4,181.780 €	284	45.752 €	3,990	4,227.532 €
31/05/2018	1,842	3,581.805 €	307	149.109 €	1,558	492.594 €	3,707	4,223.508 €	284	47.517 €	3,991	4,271.025 €
30/06/2018	1,843	3,541.974 €	304	147.522 €	1,557	497.610 €	3,704	4,187.106 €	283	49.976 €	3,987	4,237.082 €

During the month under review, the following 18 undertakings for collective investment have been registered on the official list:

1) UCITS Part I 2010 Law:

- DEMOGRAPHIC CHANGE, 15, avenue J-F Kennedy, L-1855 Luxembourg
- GALILEO, 4, rue Thomas Edison, L-1445 Strassen
- GESTION PRIVEE, 16, boulevard Royal, L-2449 Luxembourg
- NORDEA MARKETS ETF, 11-13, boulevard de la Foire, L-1528 Luxembourg
- SATELLITE EVENT-DRIVEN UCITS FUND, 5, allée Scheffer, L-2520 Luxembourg
- SOLVECON, 9A, rue Gabriel Lippmann, L-5365 Munsbach
- TUNGSTEN ACTIVE RISK PREMIA, 2, place François-Joseph Dargent, L-1413 Luxembourg

2) SIFs:

- ALTHELIA SUSTAINABLE OCEAN FUND, 5, rue Guillaume Kroll, L-1882 Luxembourg
- B CAPITAL ENERGY TRANSITION INFRASTRUCTURE SICAV-SIF, 2, place François-Joseph Dargent, L-1413 Luxembourg
- CL MULTI-STRATEGY SICAV-SIF, 5, allée Scheffer, L-2520 Luxembourg
- CS ENERGY INFRASTRUCTURE SICAV-SIF, 5, rue Jean Monnet, L-2180 Luxembourg
- EB SUSTAINABLE FUNDS LUXEMBOURG S.A., SICAV-SIF, 1C, rue Gabriel Lippmann, L-5365 Munsbach
- EUROPEAN FINANCE OPPORTUNITIES S.C.A. SICAV-SIF, 287-289, route d'Arlon, L-1150 Luxembourg
- GLOBAL INTERNET LEADERS SICAV-FIS, 4, rue Thomas Edison, L-1445 Strassen
- INVESTEC GLOBAL ALTERNATIVE FUND 1, 49, avenue J-F Kennedy, L-1855 Luxembourg
- SWISS LIFE REF (LUX) EUROPEAN RETAIL SCS, SICAV-SIF, 4A, rue Albert Borschette, L-1246 Luxembourg

3) SICARs:

- ELIKONOS 2, S.C.A. SICAR, 68-70, boulevard de la Pétrusse, L-2320 Luxembourg
- VERNY INTERNATIONAL S.A. SICAR, 1, rue Hildegard von Bingen, L-1282 Luxembourg

The following 22 undertakings for collective investment have been deregistered from the official list during the month under review:

1) UCITS Part I 2010 Law:

- ABERDEEN GLOBAL II, 35A, avenue J-F Kennedy, L-1855 Luxembourg
- ALLIANCEBERNSTEIN FUND II, 2-4, rue Eugène Ruppert, L-2453 Luxembourg
- RP, 1C, rue Gabriel Lippmann, L-5365 Munsbach
- SOLIDAR SICAV, 106, route d'Arlon, L-8210 Mamer
- TRANQUILO MULTI ASSET FUND, 15, rue de Flaxweiler, L-6776 Grevenmacher
- UNIGARANT: EMERGING MARKETS (2018), 308, route d'Esch, L-1471 Luxembourg
- UNIGARANT: ERNEUERBARE ENERGIEN (2018), 308, route d'Esch, L-1471 Luxembourg

2) UCIs Part II 2010 Law:

- ING PRIVATE EQUITY SICAV, 14, rue Edward Steichen, L-2540 Luxembourg
- UNIGARANT: COMMODITIES (2018), 308, route d'Esch, L-1471 Luxembourg

3) SIFs:

- AL MASAH CAPITAL FUND FCP-SIF, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
- AUSTRIAN REAL ESTATE FUND SA, SICAV-FIS, 121, avenue de la Faïencerie, L-1511 Luxembourg
- BANKMED CEDAR FUNDS, 5, allée Scheffer, L-2520 Luxembourg
- BCS MULTIFIZ S.C.A., SICAV-SIF, 42, rue de la Vallée, L-2661 Luxembourg
- FAMAURY, 20, boulevard Emmanuel Servais, L-2535 Luxembourg
- KINGSWAY FUND, 15, avenue J-F Kennedy, L-1855 Luxembourg
- M&A CAPITAL FUND SICAV SIF S.A., 66, avenue de la Liberté, L-1930 Luxembourg
- NIKKO AM INVESTMENT TRUST (LUXEMBOURG), 1B, rue Gabriel Lippmann, L-5365 Munsbach
- SOVEREIGN FUND, 5, Heienhaff, L-1736 Senningerberg
- WINDFALL LUX SA SICAV-SIF, 11, rue Aldringen, L-1118 Luxembourg

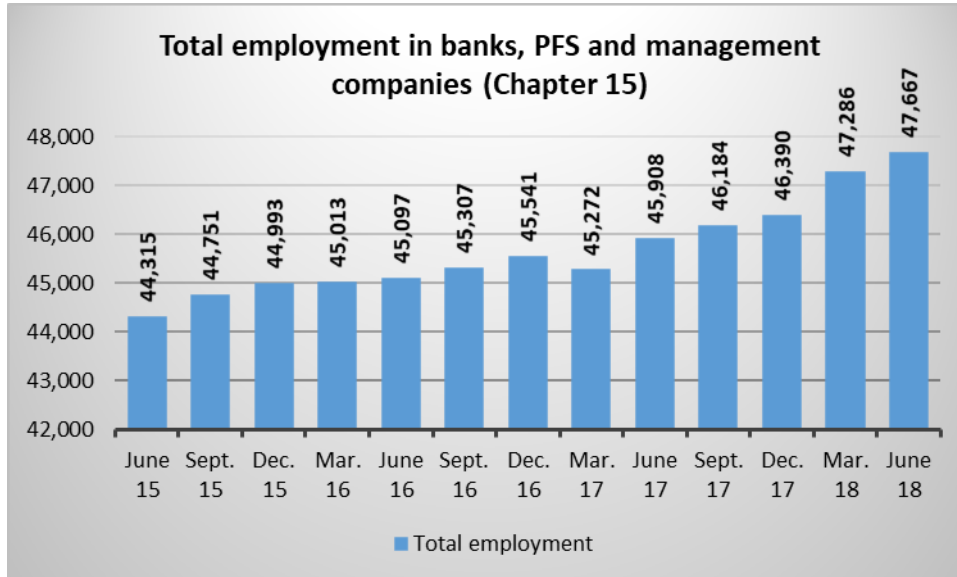
4) SICARs:

- AERIS TECHNOLOGY INVESTMENT COMPANY S.A., SICAR, 1C, rue Gabriel Lippmann, L-5365 Munsbach
- NEREO GREENCAPITAL (SCA) SICAR, 19-21, boulevard du Prince Henri, L-1724 Luxembourg
- OQUENDO (SCA) SICAR, 20 rue de la poste, L-2346 Luxembourg

STATISTICS

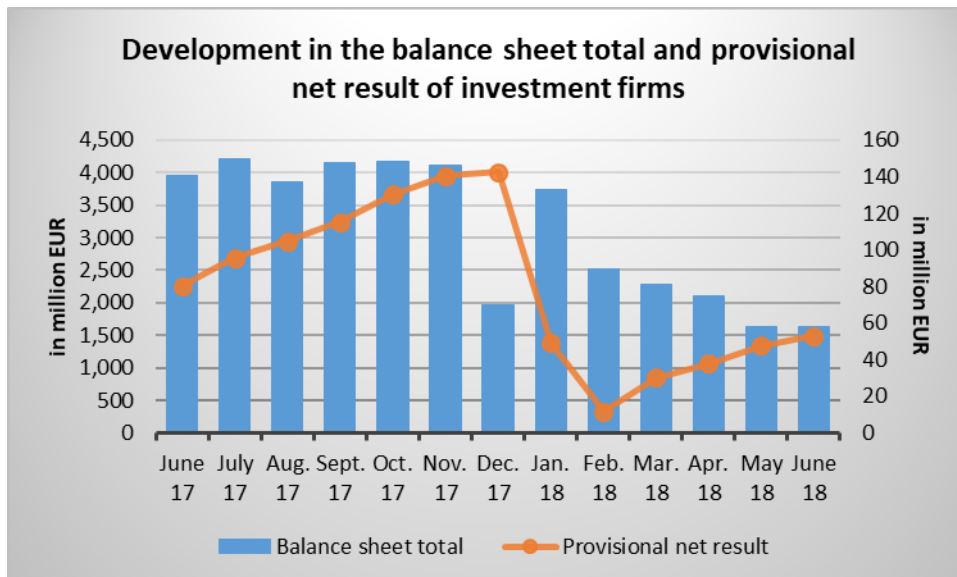
Total employment in banks, PFS and management companies (Chapter 15)

Total employment as at 30 June 2018



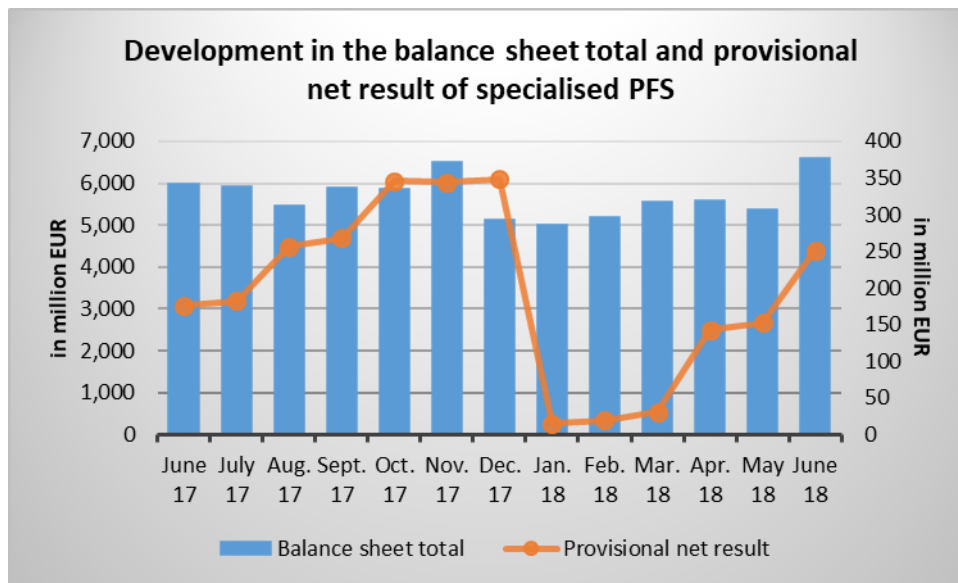
Investment firms

Increase in balance sheet total as at 30 June 2018



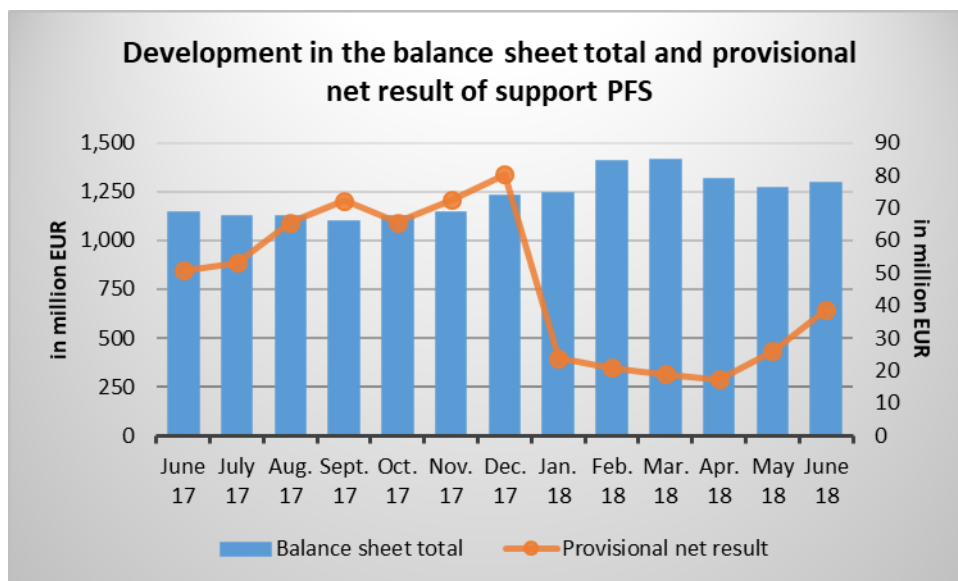
Specialised PFS

Increase in the balance sheet total as at 30 June 2018



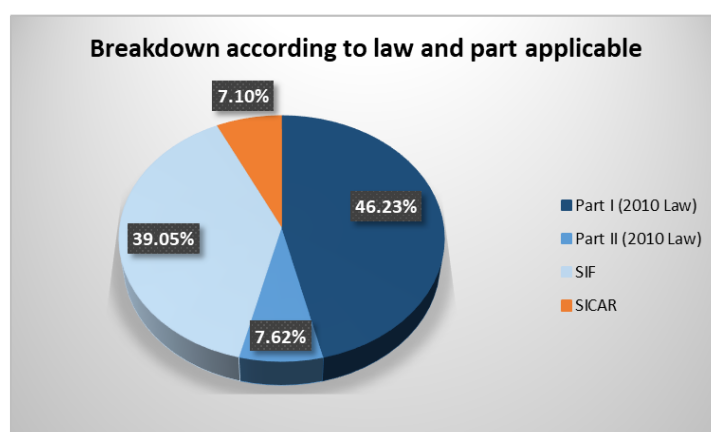
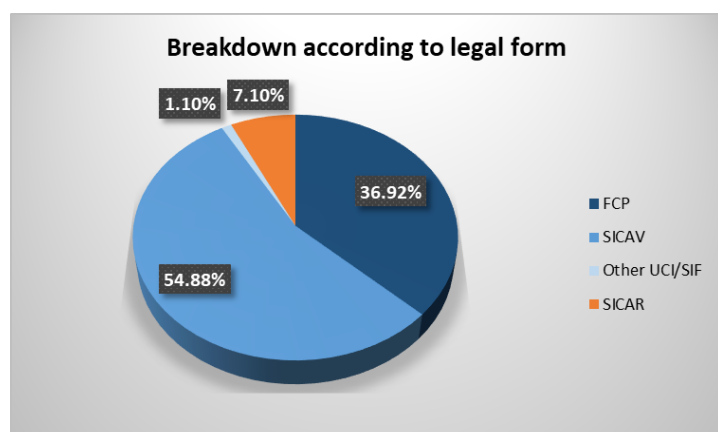
Support PFS

Increase in the balance sheet total as at 30 June 2018



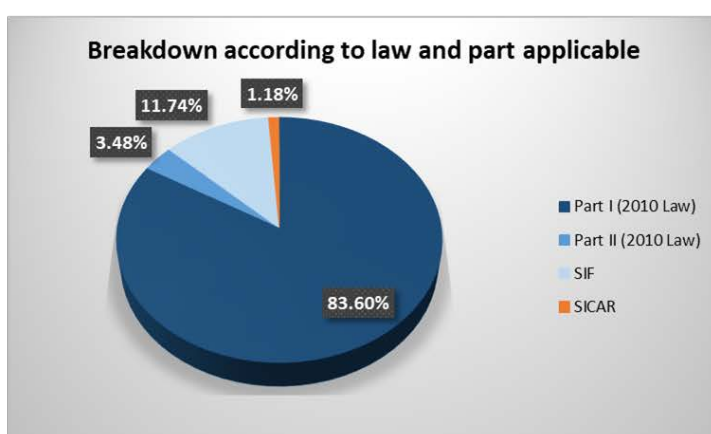
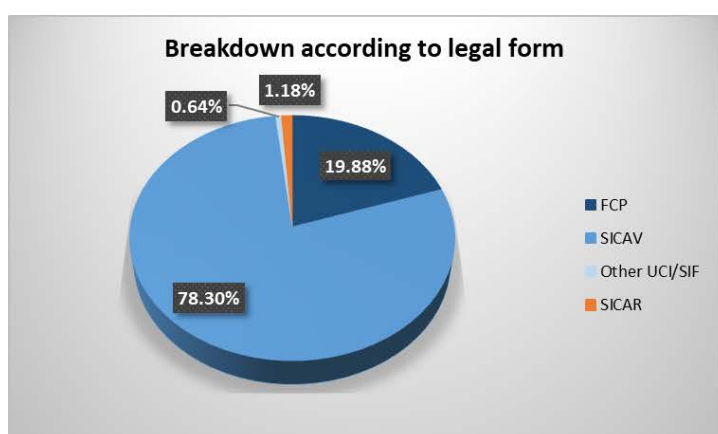
UCIs (Situation as at 31 May 2018)

Number of UCIs



Law, part/legal form	FCPs	SICAVs	Other UCIs/SIFs	SICARs	Total
Part I (2010 Law)	971	872	0	0	1,843
Part II (2010 Law)	152	149	3	0	304
SIFs	349	1,167	41	0	1,557
SICARs	0	0	0	283	283
TOTAL	1,472	2,188	44	283	3,987

Net assets of UCIs



Law, part/legal form (in bn EUR)	FCPs	SICAVs	Other UCIs/SIFs	SICARs	Total
Part I (2010 Law)	622.655	2,919.319	0.000	0.000	3,541.974
Part II (2010 Law)	51.027	95.816	0.679	0.000	147.522
SIFs	168.750	302.417	26.443	0.000	497.610
SICARs	0.000	0.000	0.000	49.976	49.976
TOTAL	842.432	3,317.552	27.122	49.976	4,237.082

Breakdown according to investment policy

Breakdown according to investment policy	Net assets (in bn EUR)	Number of fund units ⁴
Fixed-income securities	1,217.175	3,085
Variable-yield transferable securities	1,292.067	3,903
Mixed transferable securities	948.807	3,998
Funds of funds	247.804	2,175
Money market instruments and other short-term securities	305.392	231
Cash	1.024	16
Private equity	33.898	209
Venture capital	1.890	31
Real estate	67.664	333
Futures and/or options	14.007	127
Other assets	57.378	248
Public-to-Private	0.126	3
Mezzanine	2.969	14
Venture Capital (SICARs)	7.720	88
Private Equity (SICARs)	39.161	301
TOTAL	4,237.082	14,762

Breakdown of net assets according to investment policy

Breakdown according to investment policy	NET ASSETS (in bn EUR)	NUMBER OF FUND UNITS	SUBSCRIPTIONS (in bn EUR)	REDEMPTIONS (in bn EUR)	NET SUBSCRIPTIONS (in bn EUR)
PART I					
Fixed-income transferable securities	1,109.491	2,528	43.093	50.789	-7.696
Variable-yield transferable securities	1,229.707	3,542	47.924	48.652	-0.728
Mixed transferable securities	768.634	2,855	24.298	21.905	2.393
Funds of funds	135.977	999	3.083	2.894	0.189
Money market instruments and other short-term securities	286.124	180	150.382	155.218	-4.836
Cash	0.645	8	0.047	0.028	0.019
Futures and/or options	8.059	59	0.311	0.319	-0.008
Other assets	3.337	10	0.246	0.222	0.024
TOTAL PART I:	3,541.974	10,181	269.384	280.027	-10.643

⁴ "Fund units" refers to both traditionally structured UCIs and sub-funds of umbrella funds.

PART II

Fixed-income transferable securities	23.006	106	1.106	1.364	-0.258
Variable-yield transferable securities	13.355	61	0.164	0.176	-0.012
Mixed transferable securities	52.388	192	1.274	1.427	-0.153
Funds of funds	30.165	282	0.593	0.406	0.187
Money market instruments and other short-term securities	15.009	42	1.051	1.117	-0.066
Cash	0.362	6	0.008	0.014	-0.006
Private equity	5.557	16	0.131	0.014	0.117
Venture capital	0.000	0	0.000	0.002	-0.002
Real estate	1.512	21	0.000	0.000	0.000
Futures and/or options	2.598	25	0.008	0.029	-0.021
Other assets	3.570	15	0.027	0.057	-0.030
TOTAL PART II:	147.522	766	4.362	4.606	-0.244

SIFs

Fixed-income transferable securities	84.678	451	2.379	2.029	0.350
Variable-yield transferable securities	49.005	300	1.431	1.048	0.383
Mixed transferable securities	127.785	951	2.048	1.188	0.860
Funds of funds	81.662	894	1.853	0.835	1.018
Money market instruments and other short-term securities	4.259	9	0.276	0.233	0.043
Cash	0.017	2	0.000	0.000	0.000
Private equity	28.341	193	1.201	0.068	1.133
Venture capital	1.890	31	0.024	0.008	0.016
Real estate	66.152	312	1.214	0.450	0.764
Futures and/or options	3.350	43	0.227	0.064	0.163
Other assets	50.471	223	1.106	0.817	0.289
TOTAL SIFs:	497.610	3,409	11.759	6.740	5.019

SICARs

Public-to-Private	0.126	3	0.000	0.000	0.000
Mezzanine	2.969	14	0.000	0.000	0.000
Venture capital	7.720	88	0.006	0.086	-0.080
Private equity	39.161	301	2.640	0.294	2.346
TOTAL SICARs	49.976	406	2.646	0.380	2.266
TOTAL LUXEMBOURG UCIs	4,237.082	14,762	288.151	291.753	-3.602

Origin of the initiators of Luxembourg UCIs

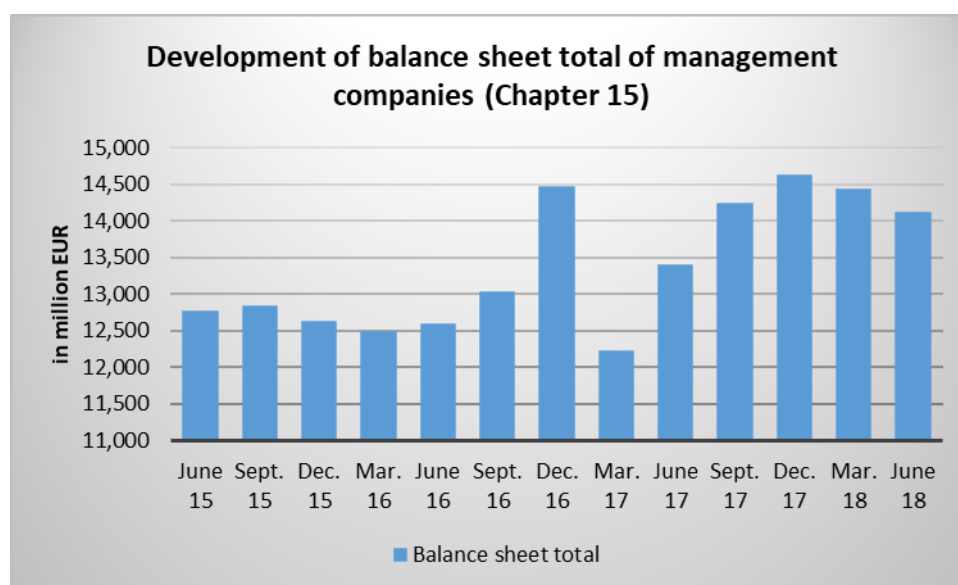
Country	Net assets (in bn EUR)	in %	Number of UCIs	in %	Number of fund units	in %
United States	851.870	20.1%	185	4.6%	1,071	7.3%
United Kingdom	751.625	17.8%	284	7.1%	1,620	11.0%
Germany	607.732	14.4%	1,348	33.8%	2,671	18.1%
Switzerland	577.778	13.6%	575	14.4%	2,751	18.6%
France	393.880	9.3%	317	8.0%	1,495	10.1%
Italy	344.278	8.1%	147	3.7%	1,262	8.5%
Belgium	178.472	4.2%	167	4.2%	924	6.3%
Luxembourg	101.118	2.4%	231	5.8%	659	4.4%
Netherlands	94.264	2.2%	45	1.1%	252	1.7%
Denmark	84.988	2.0%	23	0.6%	215	1.5%
Others	251.077	5.9%	665	16.7%	1,842	12.5%
TOTAL	4,237.082	100.0%	3,987	100.0%	14,762	100.0%

Breakdown of UCI fund units registered in Luxembourg by reference currency

Currency	Net assets (in bn EUR)	in %	Number of fund units	in %
AUD	5.388	0.127%	28	0.190%
CAD	1.803	0.043%	22	0.149%
CHF	47.259	1.115%	282	1.910%
CNH	1.643	0.039%	23	0.156%
CNY	0.170	0.004%	4	0.027%
CZK	1.334	0.031%	65	0.440%
DKK	1.727	0.041%	11	0.075%
EUR	2,318.739	54.725%	9,385	63.575%
GBP	115.347	2.722%	337	2.283%
HKD	4.942	0.117%	10	0.068%
HUF	0.312	0.007%	31	0.210%
JPY	64.184	1.515%	206	1.395%
MXN	0.016	0.000%	1	0.007%
NOK	4.835	0.114%	31	0.210%
NZD	0.722	0.017%	5	0.034%
PLN	0.362	0.009%	15	0.102%
RON	0.469	0.011%	4	0.027%

SEK	52.330	1.235%	188	1.274%
SGD	0.499	0.012%	4	0.027%
TRY	0.018	0.000%	3	0.020%
USD	1,614.960	38.115%	4,106	27.815%
ZAR	0.023	0.001%	1	0.007%
TOTAL	4,237.082	100.000%	14,762	100.000%

Management companies authorised according to Chapter 15 of the 2010 Law Decrease in the balance sheet total as at 30 June 2018



Pension funds

As at 8 August 2018, **13 pension funds** in the form of pension savings companies with variable capital (SEPCAVs) and pension savings associations (ASSEPs) were registered on the official list of pension funds subject to the Law of 13 July 2005.

On the same date, the number of professionals authorised to act as **liability managers** for pension funds subject to the Law of 13 July 2005 amounted to **18**.

Securitisation undertakings

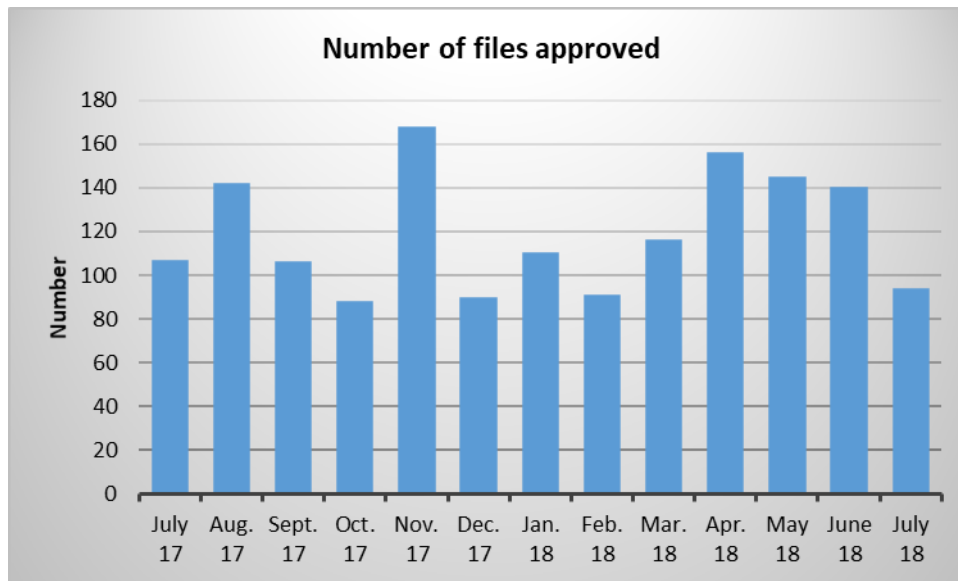
The number of **securitisation undertakings** authorised by the CSSF in accordance with the Law of 22 March 2004 on securitisation amounted to **31** entities as at 10 August 2018.

Public oversight of the audit profession

The public oversight of the audit profession covered **59 cabinets de révision agréés** (approved audit firms) and **306 réviseurs d'entreprises agréés** (approved statutory auditors) as at 31 July 2018. The oversight also included **31 third-country auditors and audit firms** duly registered in accordance with the Law of 23 July 2016 concerning the audit profession.

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

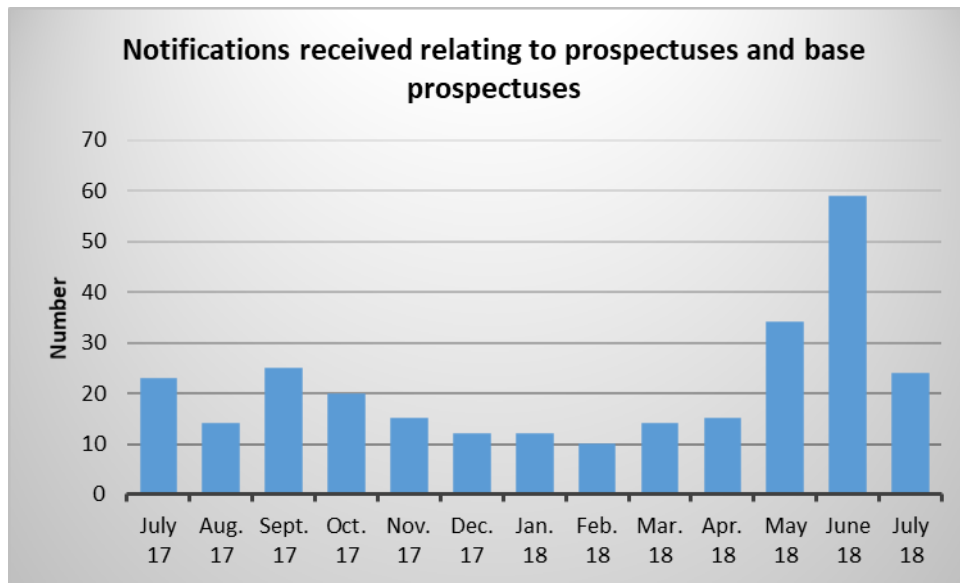
CSSF approvals



In July 2018, the CSSF approved a total of 94 documents pursuant to the Prospectus Law, which break down as follows:

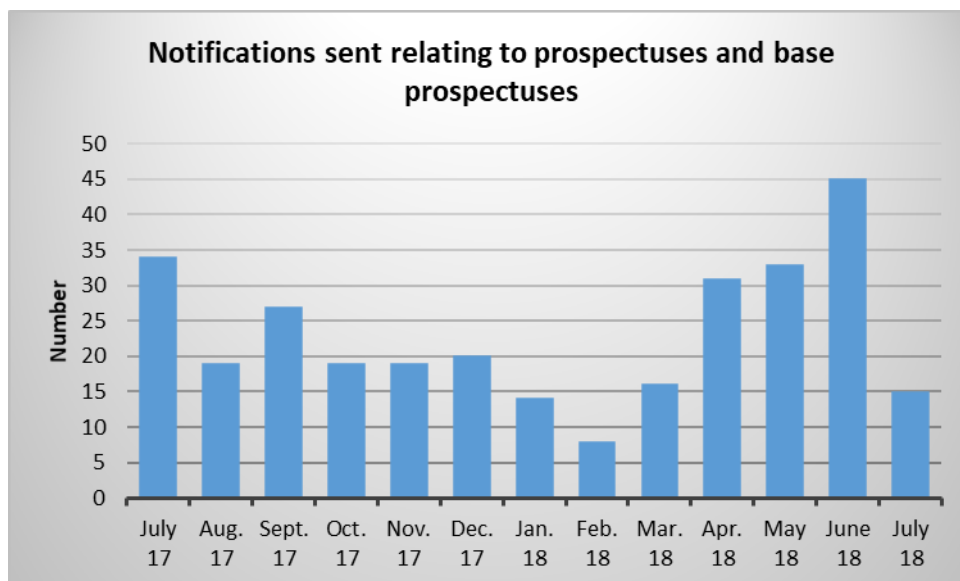
base prospectuses:	25	(26.60 %)
other prospectuses:	23	(24.47 %)
registration documents:	1	(1.06 %)
supplements:	45	(47.87 %)

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



In July 2018, the CSSF received 24 notifications relating to prospectuses and base prospectuses and 46 notifications relating to supplements from competent authorities of other EEA Member States.

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



In July 2018, the CSSF sent 15 notifications relating to prospectuses and base prospectuses and 23 notifications relating to supplements to the competent authorities of other EEA Member States⁵.

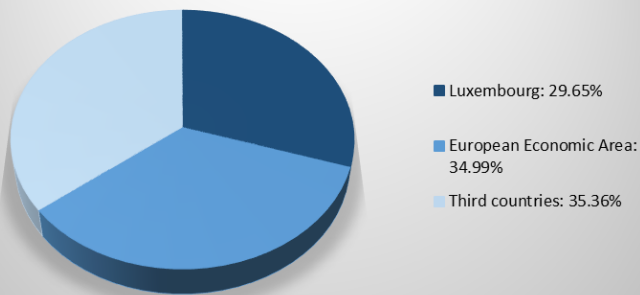
⁵ These figures reflect the number of prospectuses, base prospectuses and supplements for which the CSSF sent one or several notifications. Where notifications were sent at different dates and/or in several Member States, only the first notification is included in the statistical calculation. Each document notified in one or several Member States is thus only counted once.

Issuers of securities whose home Member State is Luxembourg pursuant to the Law of 11 January 2008 on transparency requirements for issuers (the “Transparency Law”)

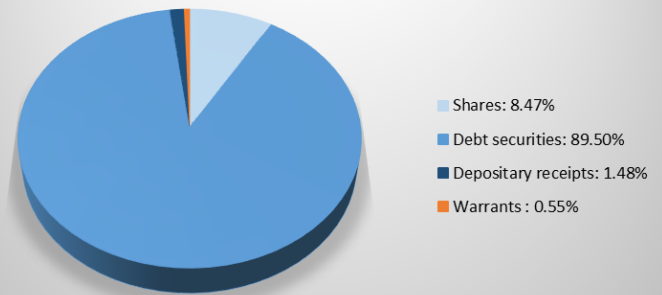
Since 10 July 2018, 3 issuers have chosen Luxembourg as home Member State for the purposes of the Transparency Law. Moreover, 7 issuers were deregistered from the list due to the fact that they no longer fall within the scope of the Transparency Law.

As at 10 August 2018, 543 issuers, subject to the supervision of the CSSF, were included in the list of issuers whose home Member State is Luxembourg pursuant to the Transparency Law.

Breakdown of issuers according to countries



Breakdown of issuers according to type of securities admitted to trading



FINANCIAL CENTRE

Main updated figures regarding the financial centre

			Annual comparison
Banks	Number (14/08/2018)	138	↘ 3 entities
	Balance sheet total (31/03/2018)	EUR 746.106 bn	↘ EUR 54.032 bn
	Profit before provisions (31/03/2018)	EUR 1.278 bn	↘ EUR 129 m
Payment institutions	Number (14/08/2018)	10	no variation
Electronic money institutions	Number (14/08/2018)	5	no variation
UCIs	Number (14/08/2018)	Part I 2010 Law: 1,839	↘ 45 entities
		Part II 2010 Law: 301	↘ 36 entities
		SIFs: 1,545	↘ 70 entities
		TOTAL: 3,685	↘ 151 entities
	Number (09/08/2018)	SICARs: 279	↘ 12 entities
	Total net assets (30/06/2018)	EUR 4,237.082 bn	↗ EUR 293.484 bn
Management companies (Chapter 15)	Number (31/07/2018)	205	↗ 2 entities
	Balance sheet total (30/06/2018) ⁶	EUR 14.109 bn	↗ EUR 715 m
Management companies (Chapter 16)	Number (31/07/2018)	164	↘ 7 entities
AIFMs	Number (14/08/2018)	235	↗ 10 entities
Pension funds	Number (08/08/2018)	13	no variation
Authorised securitisation undertakings	Number (10/08/2018)	31	↘ 3 entities
Investment firms	Number (14/08/2018)	100 of which 6 branches	↘ 6 entities
	Balance sheet total (30/06/2018)	EUR 1.627 bn	↘ EUR 2.338 bn
	Provisional net profit (30/06/2018)	EUR 52.92 m	↘ EUR 27.33 m
Specialised PFS	Number (14/08/2018)	111	↘ 2 entities
	Balance sheet total (30/06/2018)	EUR 6.611 bn	↗ EUR 611 m
	Provisional net profit (30/06/2018)	EUR 251.305 m	↗ EUR 75.542 m
Support PFS	Number (14/08/2018)	76	↘ 1 entity
	Balance sheet total (30/06/2018)	EUR 1.297 bn	↗ EUR 149 m
	Provisional net profit (30/06/2018)	EUR 30.80 m	↘ EUR 11.91 m
Issuers of securities whose home Member State is Luxembourg pursuant to the Transparency Law	Number (10/08/2018)	543	↘ 87 entities
Public oversight of the audit profession	Number (31/07/2018)	59 <i>cabinets de révision agréés</i>	↘ 1 entity
		306 <i>réviseurs d'entreprises agréés</i>	↗ 11 people
		31 third-country auditors and audit firms	↘ 9 entities
Employment (30/06/2018)	Banks	26,483 people	↗ 350 people
	Management companies (Chapter 15) ⁶	4,552 people	↗ 360 people
	Investment firms	2,084 people	↘ 194 people
	Specialised PFS	4,341 people	↗ 238 people
	Support PFS	10,207 people	↗ 1,005 people
	Total	47,667 people	↗ 1,759 people ⁷

⁶ Preliminary figures

⁷ 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.