

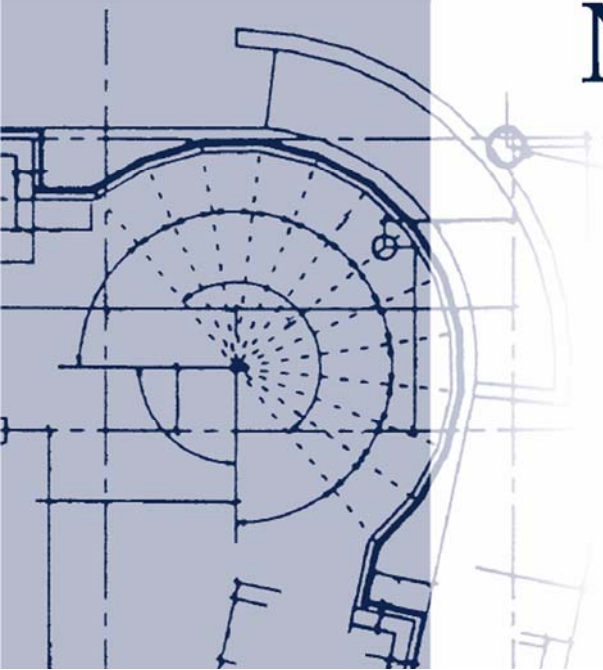
N°41

June 2004



CSSF NEWSLETTER

COMMISSION de SURVEILLANCE
du SECTEUR FINANCIER



Banks

Increase in the banks' balance sheet total as at 30 April 2004

As at 30 April 2004, the balance sheet total of the banks established in Luxembourg reached EUR 690.07 billion as compared to EUR 674.97 billion as at 31 March 2004, which is an increase of 2.23%.

The number of credit institutions registered on the official list as at 31 May 2004 remained unchanged (167 entities).

Professionals of the financial sector (PFS)

Increase in the balance sheet total

According to the data provided as at 30 April 2004, the balance sheet total of all the PFS (153 active businesses) amounted to EUR 4.771 billion as against EUR 4.208 billion the previous month (147 active businesses), which represents an increase of 13.38% over a month.

The net profit of all the professionals of the financial sector reached EUR 128.62 million as at 30 April 2004.

Distribution of the professionals of the financial sector according to their status

(as at 31 May 2004)

Category		Number
<i>Investment firms</i>		
Commission agents	COM	16
Private portfolio managers	GF	45
Professionals acting for their own account	PIPC	15
Distributors of units of investment funds	DIST	40
Underwriters	PF	3
Professional custodians of securities or other financial instruments	DEP	3
Registrar and transfer agents	ATR	7
<i>PFS other than investment firms</i>		
Financial advisors	COF	11
Brokers	COU	4
Market makers	TM	2
Currency exchange dealer	CHES	1
Debt recovery	RECO	3
Professionals performing credit offering	POP	5
Professionals performing securities lending	PPT	1
Administrators of collective savings funds	AFCE	1
Domiciliation agents of companies	DOM	31
Client communication agents	ACC	2
Administrative agents of the financial sector	AA	4
IT systems and communication networks operator of the financial sector	IT	7
Professionals performing services of setting up and of management of companies	PCG	2
Professionals of the financial sector authorised to exercise any activity referred to in section 1 of chapter 2 of part I of the amended law of 5 April 1993 on the financial sector, with the exception of the categories of PFS also referred to in section 2 of the same chapter	ART. 13	2
Entity authorised to exercise all the activities as PFS permitted by article 28 of the law of 15 December 2000 on postal services and financial postal services	EPT	1
TOTAL *		158

* the same establishment can appear in several categories at the same time

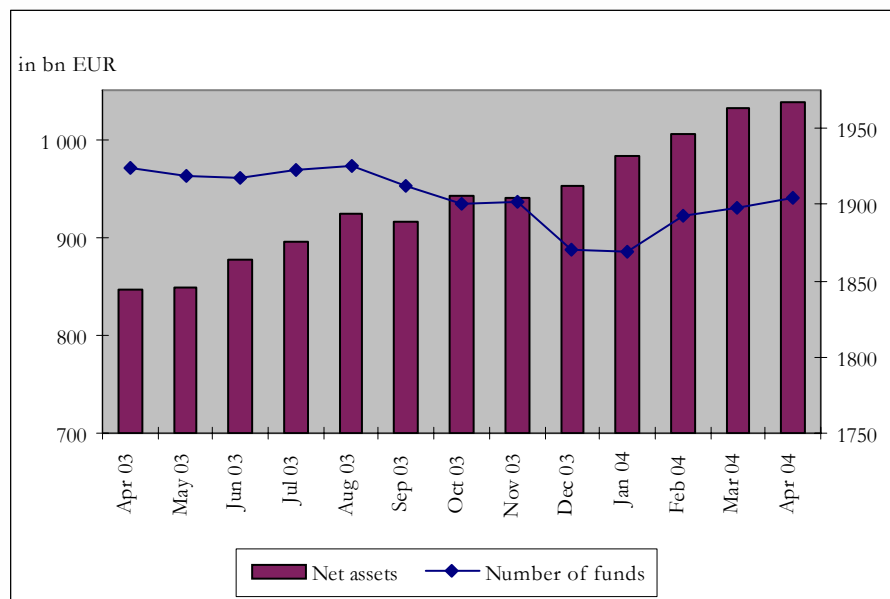
Undertakings for collective investment

Increase in UCI's total net assets at the end of April 2004

As at 30 April 2004, the total net assets of undertakings for collective investment reached EUR 1,037.306 billion compared to EUR 1,032.772 billion as at 31 March 2004. Consequently, the Luxembourg undertakings for collective investment sector increased by 0.44% compared to March 2004. In April 2004, the sector increased by 8.81% compared to 31 December 2003 when the total net assets amounted to EUR 953.302 billion. Over the last twelve months, the volume of net assets increased by 22.68%.

During the month of April 2004, the net capital investment amounted to EUR 12.525 billion. Compared to 31 December 2003, the net capital investment amounts to EUR 52.016 billion.

The number of undertakings for collective investment taken into consideration totals 1,904 as against 1,898 the previous month. 1,205 UCIs have adopted the multiple compartment structure, which represents 6,901 compartments. When adding 699 UCIs with a traditional structure, a total of 7,600 compartments are active in the financial centre.



Management companies

Balance sheet total of the management companies under Chapter 13 of the law of 20 December 2002 concerning undertakings for collective investment

The balance sheet total of the management companies under Chapter 13 of the law of 20 December 2002 concerning undertakings for collective investment amounted to EUR 485.333 million as at 31 March 2004.

The number of management companies taken into account amounts to 9.

Approval of a new management company under Chapter 13 of the law of 20 December 2002 concerning undertakings for collective investment

The Commission de Surveillance du Secteur Financier informs that a new management company has been registered on the official list of management companies governed by Chapter 13 of the law of 20 December 2002 concerning undertakings of collective investment, namely:

CRÉDIT AGRICOLE ASSET MANAGEMENT LUXEMBOURG S.A.

The company will be active in the field of collective management.

Following this approval, the number of management companies governed by Chapter 13 of the law of 20 December 2002 concerning undertakings for collective investment and allowed to benefit from the European passport as from 13 February 2004 by way of free establishment or free provision of services in another Member State of the European Union amounts to 11 as at 31 May 2004.

XXIXth Annual Conference of IOSCO

The CSSF, represented by Mr Charles Kieffer, director, participated in the twenty-ninth annual conference of the International Organisation of Securities Commissions (IOSCO), which took place in Amman (Jordan) from 17 to 20 May 2004. IOSCO is an international organisation created in 1983 and gathers the regulators of the main stock exchanges in the world. It has more than 190 members.

The conference has notably adopted an important recommendation on the principles on client identification and beneficial ownership for the securities industry. The adoption of this recommendation represents the commitment to robust standards in this field.

Furthermore, it endorsed a certain number of works in the fields of accounting and investment collective management.

The public panels focused on the following topics:

- Challenges on the regulation of collective investment schemes
- International convergence of accounting standards
- Evolution in securities market price formation mechanisms
- Mergers, demutualization and governance of securities exchanges.

These works are available on the IOSCO website www.iosco.org. The next conference will be held in Colombo (Sri Lanka) in 2005.

**Committee of European Banking Supervisors:
Consultation on the application of the supervisory review process
under the Basel II Accord**

On 24 May 2004, the Committee of European Banking Supervisors published a consultation paper on the application of the supervisory review process under pillar 2 of the new capital adequacy framework (Basel II).

The paper describes what the supervisory authorities will expect from financial institutions as well as their own obligations under the review process.

The paper is available on the website www.c-eps.org. All interested parties are invited to submit their comments by 31 August 2004.

**Political agreement on the directive establishing a new structure for
committees on financial services**

The committees gathering the supervisory authorities of European banks (CEBS), of occupational pensions (CEIOPS) and of securities (CESR) welcomed the political agreement reached by the Council on 11 May 2004 on the Directive proposal on a new structure for committees on financial services.

The Directive in question aims at extending the Lamfalussy committee structure to all financial services sectors. The securities sector had been a sort of forerunner in this field by creating, in 2001 already, the first level 3 committee, CESR. The other Level 3 committees, the Committee of European Insurance and Occupational Pensions Supervisors (CEIOPS) and the Committee of European Banking Supervisors had been established on 24 November 2003 and 1 January 2004 respectively with the same purpose.

**CESR publishes its work programme in the field of investment
management**

On 9 June 2004, CESR published its work programme in the field of investment management. The main priority of the programme is to ensure the single market on investment funds is fully functional. All interested parties are invited to submit their comments on the programme's priority by 9 July 2004. The document is available on the CESR website at www.cesr-eu.org.

CESR and SEC set out the shape of future collaboration

On 4 June 2004, CESR and the United States Securities and Exchange Commission (SEC) announced that they intend to increase their co-operation. The terms of reference establishing the structure of an enhanced dialogue has been presented, as well as the subjects that will dominate the agenda during 2004 and 2005. The dialogue will take place several times a year at both the Chairman's level and at an expert level.

LIST OF BANKS

There has been no change in May 2004.

LIST OF PROFESSIONALS OF THE FINANCIAL SECTOR (PFS)

New establishments:

BIL-LEASE S.A.

16, avenue Pasteur
L-2310 Luxembourg
Authorised as **professional performing credit offering**
Ministerial authorisation of 3 May 2004

DIRECTORS' OFFICE S.A.

32, rue Joseph Hansen
L-1716 Luxembourg
Authorised as **professional performing services of setting up and management of companies**
Ministerial authorisation of 12 May 2004

GADD CAPITAL MANAGEMENT LTD., Gibraltar

Luxembourg branch
4, rue de l'Eau
L-1449 Luxembourg
Authorised as **branch acting as private portfolio manager**
Ministerial authorisation of 1 May 2004

LEHMAN BROTHERS (LUXEMBOURG) S.A.

7, Val Sainte-Croix
L-1371 Luxembourg
Authorised as **professional performing securities lending**
Ministerial authorisation of 3 May 2004

STERIA PSF LUXEMBOURG S.A.

163, rue du Kiem
L-8030 Strassen
Authorised as **IT systems and communication networks operator of the financial sector**
Ministerial authorisation of 12 May 2004

SUNGARD SYSTEMS LUXEMBOURG S.A.

7, route de Trèves
L-2632 Luxembourg-Findel
Authorised as **IT systems and communication networks operator of the financial sector**
Ministerial authorisation of 25 May 2004

Extension of status:

E OPPENHEIMER & SON (LUXEMBOURG) LIMITED

9, rue Sainte Zithe
L-2763 Luxembourg

having added to its status of **commission agent** that of **administrative agent of the financial sector** and **domiciliation agent of companies**

MAITLAND LUXEMBOURG S.A.

6, rue Adolphe Fischer
L-1520 Luxembourg

having added to its status of **domiciliation agent of companies** that of **administrative agent of the financial sector**

Withdrawal:

AUXILIAIRE GENERALE D'ENTREPRISES S.A.

58, rue Glesener
L-1630 Luxembourg
on 5 May 2004

LIST OF MANAGEMENT COMPANIES

New company:

CRÉDIT AGRICOLE ASSET MANAGEMENT LUXEMBOURG S.A.

(in abbreviated form "CAAM Luxembourg")

39, allée Scheffer
L - 2520 Luxembourg

Registration on the official list on 4 May 2004.

LIST OF UNDERTAKINGS FOR COLLECTIVE INVESTMENT (UCI)

Registrations on and withdrawals from the official list of the Luxembourg undertakings for collective investment which fall under the law of 30 March 1988, the law of 20 December 2002 and the law of 19 July 1991, during the **month of April 2004**

Registrations

- ALTERNATIVE INVESTMENTS SICAV, 39, allée Scheffer, L-2520 Luxembourg
- BHW EUROPA PROTECT 2011, 25, rue Edward Steichen, L-2540 Luxembourg
- CITI INVESTMENT TRUST SERIES J, 58, boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg
- DEKA-EURORENTEN 3/2006, 5, rue des Labours, L-1912 Luxembourg
- MONT BLANC LEVERAGED FUND, 28, avenue Monterey, L-2163 Luxembourg
- NOMURA JPMF WORLD CB FUND, 6, avenue Emile Reuter, L-2420 Luxembourg
- NOVA SICAV, 20, boulevard Emmanuel Servais, L-2535 Luxembourg
- OP BOND ABS, 4, rue Jean Monnet, L-2180 Luxembourg
- SEB MULTIMANAGER, 6A, Circuit de la Foire Internationale, L-1347 Luxembourg
- SGAM OPTIMUM FUND, 11a, boulevard du Prince Henri, L-1724 Luxembourg
- UBS (LUX) STRATEGY XTRA SICAV, 291, route d'Arlon, L-1150 Luxembourg

Withdrawals

- CB-OPTI, 25, rue Edward Steichen, L-2540 Luxembourg
- GESTIELLE INVESTMENT SICAV, 26, boulevard Royal, L-2449 Luxembourg
- MERCURY WORLD BOND FUND, 6D, route de Trèves, L-2633 Senningerberg
- THE MODERN MASTER PORTFOLIO FUND, 7, avenue Jean-Pierre Pescatore, L-2324 Luxembourg
- UNICO CONCLUSIO -> GLOBAL EQUITIES, 308, route d'Esch, L-1471 Luxembourg

Financial centre

Main updated figures regarding the financial centre:

Number of banks: **167** (31 May 2004)

Balance sheet total: **EUR 690.068 billion** (30 April 2004)

Net profit: **EUR 2.882 billion** (31 December 2003)

Employment: **22,360 people** (31 March 2004)

Number of UCIs: **1,912** (10 June 2004)

Total net assets: **EUR 1,037.306 billion** (30 April 2004)

Number of pension funds: **11** (31 May 2004)

Number of management companies: **11** (31 May 2004)
(Chapter 13 of the Law of 20 December 2002)

Balance sheet total: **EUR 485.333 million** (31 March 2004)

Employment: **280 people** (31 March 2004)

Number of PFS: **158** (31 May 2004)

Balance sheet total: **EUR 4.771 billion** (30 April 2004)

Net profit: **EUR 128.62 million** (30 April 2004)

Employment: **4,776 people** (31 March 2004)

Total employment in the supervised establishments: **27,082 people** (31 Dec. 2003)

Total employment in the supervised establishments: **27,416 people** (31 March 2004)

CSSF Newsletter

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