

CSSF NEWSLETTER

Commission de surveillance du secteur financier – Monthly information letter

Statistics

Credit Institutions

The banks' global profit and loss account records a 13% decrease for the first quarter 2001 compared to last year while the gross profit before provisions stabilises at a high level

Profit and loss accounts of the banks

		1 st quarter 2000	1 st quarter 2001	
		M EUR	M EUR	Variation
1	Interest and Dividends receivable	11 604	14 919	28.6%
2	Interest payable	10 536	13 812	31.1%
3	Interest margin (1-2)	1 069	1 106	3.5%
4	Income on Securities transactions	171	54	-68.4%
5	Commissions earned	864	754	-12.6%
6	Exchange Revenues	64	94	47.7%
7	Miscellaneous Income	49	122	150.6%
8	Income other than interest (4+5+6+7)	1 147	1 024	-10.7%
9	Banking Product (3+8)	2 215	2 131	-3.8%
10	Staff Costs	405	447	10.4%
11	Other administration expenses	328	379	15.5%
12	Miscellaneous Taxes	25	25	-1.9%
13	Depreciation	69	77	11.5%
14	Total operating charges (10+11+12+13)	827	927	12.1%
15	Profit before provisions (9-14)	1 389	1 204	-13.3%

The profit and loss accounts of the 197 Luxembourg credit institutions have recorded a gross profit before provisions of EUR 1.204 billion (LUF 48.559 billion) as at 31 March 2001. Compared to 31 March 2000, where

the same results amounted to EUR 1.389 billion (LUF 56.025 billion), the decrease amounts to 13.3%.

This decrease recorded for the first quarter of the year must be placed in

the context of an international environment marked by sharp drops in the financial markets. While the positive trends on the principal world stock markets had led to an influx of investors during the first months of the year 2000, which caused a spectacular increase in the banks' commission income, the opposite has occurred this time. As a result thereof, the accounts "commissions earned" and "income on securities transactions" have dropped by 12.6% and 68.4% respectively.

In general, the growth in the volume of activities, measured by the balance sheets' upward trend, has been sustained. Compared to the first quarter figures in 1999, namely a gross profit before provisions of EUR 953 million (LUF 38.437 billion), those of 2001 indicate an increase of over 25%, thereby confirming that the year 2000 was exceptional for the financial centre.

Balance sheet total for the 197 banks is set at EUR 672.48 billion

The balance sheet total for the banks established in Luxembourg has reached EUR 672.48 billion as at 31 March 2001 compared to EUR 665.32 billion as at 28 February 2001, which is, exactly as for the previous months, a slight increase of 1.1%.

In total, the banking income records a slight decrease of 3.8% (falling from EUR 2.215 billion to EUR 2.131 billion), due to the fall in income other than interest. The increase in own funds for the credit institutions combined with the general increase in the volume of activities has allowed the interest margin to raise by 3.5% compared to 2000, reaching EUR 1.106 billion.

As for the overall operating charges, staff costs and administration expenses also witnessed an increase of over 10%. Global employment figures in the financial centre's banks have increased from 21,397 people to 23,538 during this same time frame, which corresponds to an increase of 2,141 people (or 10% in relative terms.) As a result staff costs have increased in the same proportion.

As at 30 April 2001, the number of credit institutions registered on the official list of banks added up to 197.

Undertakings for collective investment

Decrease of 1.05% of the total net assets at the end of March

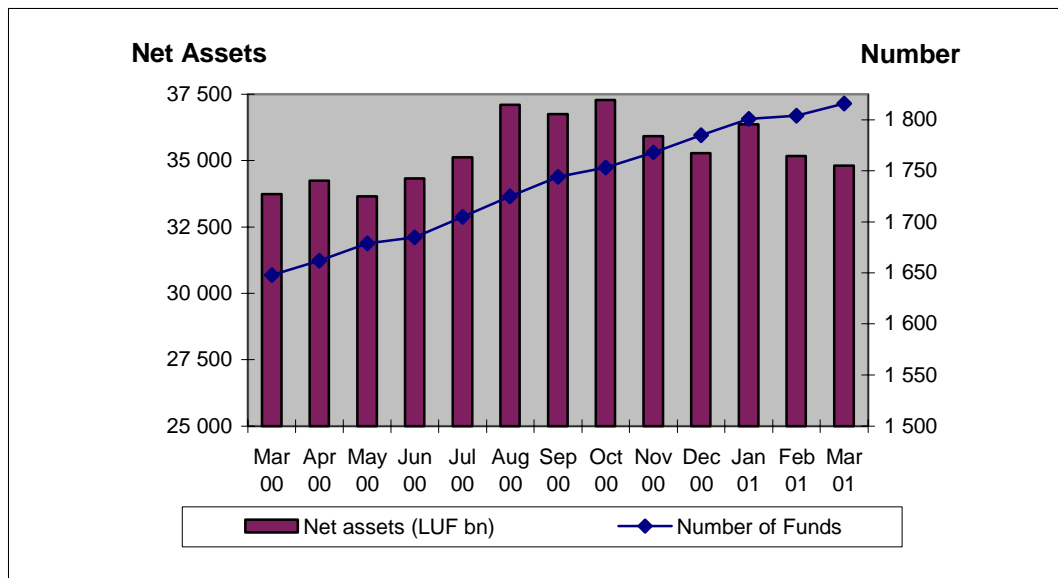
The total net assets of undertakings for collective investment amounted to EUR 862.7 billion (LUF 34,801.2 billion) as at 31 March 2001 compared to EUR 871.8 billion (LUF 35,170 billion) as at 28 February 2001. As a result the Luxembourg undertakings for collective investment sector has dropped by 1.05% compared to the month of February 2001. This decrease can be explained by a continued fall in the financial markets.

The sector is witnessing a decrease of 1.36% compared to 31 December 2000, where the total net assets amounted to EUR 874.6 billion (LUF 35,280.7 billion).

Over the period of the last twelve months, the volume of net assets has progressed by 3.17%.

During the reference month the net capital investment, which is defined as the amount of net issues reduced by the net adjusted repurchases to account for the UCIs which have gone into liquidation, has increased to EUR 6.1 billion (LUF 244.9 billion).

The number of undertakings for collective investment taken into consideration totals 1,816 compared to 1,804 for the previous month. 1,059 UCIs have adopted the multiple compartment structure, which represents a total of 6,390 compartments. When adding 757 UCIs with a traditional structure to the previous figure, a total of 7,147 compartments are active in the financial centre.



Professionals of the financial sector (PFS)

Balance sheet total of EUR 1.97 billion on the decline by 2.7%

According to the data provided as at 31 March 2001, the balance sheet total of all the professionals of the financial sector (127 businesses active in total) adds up to EUR 1.968 billion compared to EUR 2.023 billion the previous

month, which is a reduction of 2.7%. The net profit for all the PFS amounts to EUR 164 million.

Distribution of the professionals of the financial sector according to their status (as at 30 April 2001)

Category	Number
Commission agents	10
Financial advisors	9
Brokers	7
Professional custodians of securities or other financial instruments	4
Distributors of units of investment funds	41
Domiciliation agents of companies	24
Private portfolio managers	50
Underwriters	4
Professionals acting for their own account	16
Market makers	2
TOTAL *)	130

* An establishment can appear in several categories at the same time, so that the total number does not correspond to the sum of the entries above.

English Version

Presented on 23 April, the Annual Report 2000 is available and can be downloaded from the CSSF website (cssf.lu). An English version of the Report will be available (electronically only) in about a month's time. Following various requests,

the CSSF has also decided to edit an English version of its monthly newsletter (this month's issue being the first English version). It will be distributed in the same way on its website, several days after the publication of the French text.



Financial transaction reporting

To date, 120 investment companies regularly transmit their reports on all the transactions effected on financial assets negotiated on a regulated market of the European economic area (EEA). The central system registers an average of 14,550 reports per working day. The total number of reports since the launch of the project's operational phase (May 2000) amounts to 2.3 million.

Every report indicates the amount of negotiated securities, the transaction price and gives details on whether the transaction has been carried out on the investment company's own account or on behalf of a client.

The system of reports allows the CSSF to supervise the application of rules of conduct, to insure the transparency and integrity of the market as well as the protection of the investors in general.

Official Lists

LIST OF BANKS

List of credit institutions having registered or withdrawn from the official list of credit institutions during the month of April 2001 :

Withdrawals :

HELABA LUXEMBOURG – Landesbank
Hessen-Thüringen International S.A.
2, place de Paris
B.P. 1702
L-1017 LUXEMBOURG

Bayerische Landesbank International S.A.
to LBLux S.A.

Bunadarbanki International S.A.
to Bunadarbanki International S.A.
(Luxembourg) « B.I. Bank »

Change of name :

Banco Mello (Luxembourg) S.A.
to Banque BCP, S.A.

Banque Internationale à Luxembourg S.A.
to Dexia Banque Internationale à
Luxembourg

New address :

BFI Bank AG, Niederlassung Luxemburg
78, rue du Golf
L-1638 SENNINGERBERG

LIST OF THE PROFESSIONALS OF THE FINANCIAL SECTOR (PFS)

Withdrawals:

none

New establishments:

BRIANDFID-LUX S.A.
26, bd Royal
L-2449 Luxembourg
having the status of **professional acting
for its own account, distributor of
units of investment funds without
accepting nor effecting payments,
professional custodian of securities or
other financial instruments**

As at 25.04.01:

MORLEY CORPORATE SERVICES
S.A.
34, avenue de la Liberté
L-1930 Luxembourg
having the status of **domiciliation agent
of companies**

FUND SERVICES & ASSET
MANAGEMENT
2, rue Jean Monnet
L-2180 Luxembourg
having the status of **private portfolio
manager, distributor of units of
investment funds without accepting
nor effecting payments**

LIST OF UNDERTAKINGS FOR COLLECTIF INVESTMENT (UCI)

Registrations and withdrawals during the **month of March** 2001 of the official list of the Luxembourg undertakings for collective investment which fall under the law of 30 March 1988 and the official list of undertakings for collective investment which fall under the law of 19 July 1991 :

Registrations

ABS-INVEST, 308, route d'Esch, L-1471 Luxembourg
ACM BERNSTEIN VALUE INVESTMENTS, 35, boulevard du Prince Henri, L-1724 Luxembourg
ACTIVEST LUX GENERATIONWORLD, 4, rue Alphonse Weicker, L-2721 Luxembourg-Kirchberg
BAYERN LB INVEST, 3, rue Jean Monnet, L-2180 Luxembourg-Kirchberg
BG UMBRELLA FUND, 10-12, boulevard F-D Roosevelt, L-2450 Luxembourg
CB-ACCENT LUX, 52, route d'Esch, L-1470 Luxembourg
CITI INSTITUTIONAL, 58, boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg
DWS EUROPA GARANT, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
DWS GLOBAL GARANT, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
EMC FUND MANAGEMENT, 1, boulevard Royal, L-2449 Luxembourg
GAMMA CONCEPT, 4, rue Alphonse Weicker, L-2721 Luxembourg-Kirchberg
H&Q NEW TECHNOLOGY NETWORKS FUND, 6A, Circuit de la Foire Internationale, L-1347 Luxembourg-Kirchberg
HUK-VERMÖGENSFONDS, 4, rue Alphonse Weicker, L-2721 Luxembourg-Kirchberg
ING MULTI-STRATEGIES FUND, 52, route d'Esch, L-1470 Luxembourg
ITAÚ EUROPA LUXEMBOURG SICAV, 39, allée Scheffer, L-2520 Luxembourg
M-FONDS AKTIEN, 4, rue Jean Monnet, L-2180 Luxembourg-Kirchberg
M-FONDS BALANCED, 4, rue Jean Monnet, L-2180 Luxembourg-Kirchberg
MANAGED FUNDS PORTFOLIO, 52, route d'Esch, L-1470 Luxembourg
MSCI WORLD ACTIVE OPEN, 47, boulevard Royal, L-2449 Luxembourg
O'CONNOR GLOBAL CONVERTIBLE PORTFOLIO, 291, route d'Arlon, L-1150 Luxembourg
OP-INVEST BALANCED CHF, 4, rue Jean Monnet, L-2180 Luxembourg-Kirchberg

PARTNER INVESTMENT FUND, 14, boulevard Royal, L-2449 Luxembourg
PRUDENTIAL CHALLENGE SELECT, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
PRUDENTIAL INDEX SELECT, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
SEB INVEST CONCEPT NEWENERGY, 6B, route de Trèves, L-2633 Senningerberg
UNIVALUEFONDS: EUROPA, 308, route d'Esch, L-1471 Luxembourg
UNIVALUEFONDS: GLOBAL, 308, route d'Esch, L-1471 Luxembourg

Withdrawals

A.L.S.A.-EUROPA-LAUFZEITFONDS 30.3.2001, 1a-1b, rue Thomas Edison, L-1445 Luxembourg-Strassen
ABN AMRO VALURENTE, 4, rue Jean Monnet, L-2180 Luxembourg-Kirchberg
ACTIVEST LUX DEUTSCHLAND GARANTIE 03/2001, 4, rue Alphonse Weicker, L-2721 Luxembourg-Kirchberg
BFG AMERIKAFONDS, 6B, route de Trèves, L-2633 Senningerberg
BHF-DEUTSCHLANDZINS »LUX«, 283, route d'Arlon, L-1150 Luxembourg
BHF-WELTZINS »LUX«, 283, route d'Arlon, L-1150 Luxembourg
BTM EUROPEAN FUND 97, 287-289, route d'Arlon, L-1150 Luxembourg
DANSKE BANK GLOBAL, 2, rue du Fossé, L-1536 Luxembourg
FORTIS AMERIKA FONDS SMALL CAPS, 14, rue Aldringen, L-1118 Luxembourg
GLOBAL INVESTMENT STRATEGY, 76-78, Grand-rue, L-1660 Luxembourg
INTERNATIONAL AVIATION FUND, 52, route d'Esch, L-1470 Luxembourg
SKANDIA LUXEMBOURG FUND, 287-289, route d'Arlon, L-1150 Luxembourg
UBS (LUX) SHORT TERM BOND FUND, 291, route d'Arlon, L-1150 Luxembourg
UNI 93/01, 308, route d'Esch, L-1471 Luxembourg
UNIALPHA, 308, route d'Esch, L-1471 Luxembourg

Financial Centre

The main up-dated figures regarding the financial centre :

Number of banks : **197** (30 April 2001)

Balance sheet total : **EUR 672.48 billion** (31 March 2001)

Profit before provisions : **EUR 1.204 billion** (31 March 2001)

Employment : **23,538 people** (31 March 2001)

Number of UCIs : **1,816** (31 March 2001)

Number of compartments : **7,147** (31 March 2001)

Total net assets : **EUR 862.7 billion** (31 March 2001)

Number of PFS : **130** (30 April 2001)

Balance sheet total : **EUR 1.968 billion** (31 March 2001)

Profits : **EUR 164 million** (31 March 2001)

Employment : **3,627 people** (31 March 2001)

Total employment in the supervised establishments: **27,165 people** (31 March 2001).

CSSF Newsletter

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110, route d'Arlon

L-2991 LUXEMBOURG

Tél. : (+352) 26 251 301 / 237

E-mail : direction@cssf.lu

Website : www.cssf.lu