

COMMISSION de SURVEILLANCE
du SECTEUR FINANCIER

CSSF
NEWSLETTER

No. 74

March 2007



HUMAN RESOURCES

■ RECRUITMENT

In order to increase its staff and following the recent exams, the CSSF recruited two employees. The CSSF now counts 278 agents, of whom 144 are men and 134 are women. They have been assigned to the following departments:

Department Supervision of Securities Markets

David DELTGEN

Department Supervision of Pension Funds, SICARs and Securitisation Undertakings

Cliff BUCHHOLTZ

INTERNAL ORGANISATION

■ PROFESSIONALS OF THE FINANCIAL SECTOR (SUPPORT PFS)

New terminology and organisation of the supervision

The specificity of the activities of certain connected PFS has led the CSSF to bring the professionals that are authorised only and exclusively as communication agent (art. 29-1), administrative agent (art. 29-2) or IT systems and communication networks operator of the financial sector (art. 29-3 of the law of 5 April 1993 on the financial sector as amended) under the denomination "support PFS". The professionals concerned and the CSSF chose this denomination in order to distinguish the PFS that provide only operational services and no financial services to other financial players. The risks associated with their activities are mainly of an operational nature, which implies a reallocation of the focus of the ongoing supervision. The distinction between "PFS" and "support PFS" is of a functional and not of a regulatory nature.

Since February, the CSSF has an additional department called "Supervision of IT and support PFS". The creation of this department, which also includes the transversal function formerly exercised by IT Audit responsible for providing IT expertise to the other departments, reflects the intention to better take account of the specificity of support PFS activities and the increasing importance they have within the financial centre.

STATISTICS

■ BANKS

Slight increase in the banks' balance sheet total as at 31 January 2007

As at 31 January 2007, the balance sheet total of the banks established in Luxembourg reached EUR 861.187 billion as compared to EUR 839.574 billion as at 31 December 2006, which is an increase of 2.57%.

The number of banks registered on the official list as at 28 February 2007 remained unchanged at 156 entities.

STATISTICS

■ PROFESSIONALS OF THE FINANCIAL SECTOR (PFS)

Positive development of the balance sheet total as at 31 January 2007

The balance sheet total of all the PFS (199 active businesses) amounted to EUR 73.215 billion as at 31 January 2007 against EUR 69.854 billion in the previous month (196 active businesses), which represents an 4.81% growth over a month.

Provisional net profit of these 199 entities reached EUR 54.80 million as at 31 January 2007, against EUR 59.97 million at 31 January 2006 (188 active businesses).

Distribution of the professionals of the financial sector according to their status (as at 28 February 2007)

Category		Number
<i>Investment firms</i>		
Commission agents	COM	10
Private portfolio managers	GF	49
Professionals acting for their own account	PIPC	13
Distributors of units of investment funds	DIST	33
Underwriters	PF	2
Professional custodians of securities or other financial instruments	DEP	3
Registrar and transfer agents	ATR	12
<i>PFS other than investment firms</i>		
Financial advisors	COF	11
Brokers	COU	7
Market makers	TM	1
Currency exchange dealer	CHES	0
Debt recovery	RECO	1
Professionals performing credit offering	POP	6
Professionals performing securities lending	PPT	1
Administrators of collective savings funds	AFCE	1
Domiciliation agents of companies	DOM	54
Client communication agents	ACC	15
Administrative agents of the financial sector	AA	18
IT systems and communication networks operators of the financial sector	IT	37
Professionals performing services of setting up and of management of companies	PCG	5
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	3
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 *		202

* the same establishment can appear in several categories

STATISTICS

■ PROFESSIONALS OF THE FINANCIAL SECTOR (SUPPORT PFS)

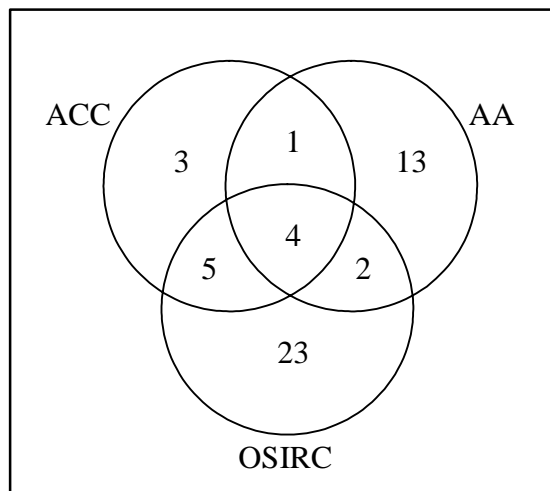
Number of entities and development

Support PFS numbered 51 entities as at 28 February 2007 in the following categories:

ACC: Client communication agent

AA: Administrative agent

OSIRC: IT systems and communication networks operator of the financial sector



Staff numbers of support PFS reached 5,466 in December 2006. Two entities, which are also active in other business areas, represent 2,182 employees together.

As the activities of support PFS mainly concern subcontracting of operational or IT services, as well as project consultancy and management, and as they do not hold assets of the public, their balance sheet total is consolidated with that of all the other PFS categories.

The statistical data of the support PFS is currently under review to allow more relevant information on their activities.

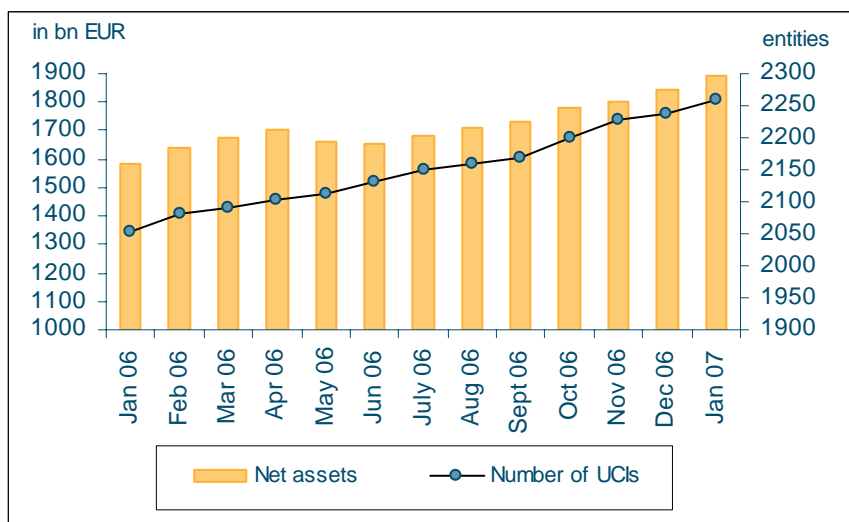
■ GLOBAL SITUATION OF UNDERTAKINGS FOR COLLECTIVE INVESTMENT AT THE END OF JANUARY 2007

As at 31 January 2007, total net assets of undertakings for collective investment reached EUR 1,895.810 billion compared to EUR 1,844.850 billion as at 31 December 2006. The Luxembourg undertakings for collective investment sector increased by 2.76% compared to December 2006. This growth is mainly due to the rise in the main stock markets, as well as to the inflow of new capital. Over the last twelve months, the volume of net assets rose by 19.74%.

During the month of January 2007, net capital investment amounted to EUR 30.749 billion.

STATISTICS

The number of undertakings for collective investment taken into consideration totals 2,260 as against 2,238 in the previous month. A total of 1,393 UCIs have adopted an umbrella structure, which represents 8,696 sub-funds. When adding the 867 UCIs with a traditional structure to the previous figure, a total of 9,563 sub-funds are active in the financial centre.



■ MANAGEMENT COMPANIES

Approval of eleven new management companies under chapter 13 of the law of 20 December 2002 concerning undertakings for collective investment

The CSSF informs that eleven new management companies have been registered on the official list of management companies governed by chapter 13 of the law of 20 December 2002 concerning undertakings for collective investment, namely:

1) Management companies whose authorisations cover exclusively the activity of collective management:

- BPI Global Investment Fund Management Company S.A.
- Esaf International Management
- Gottardo Equity Fund (Lux) Management Company
- Gottardo Strategy Fund (Lux) Management Company
- Nikko Asset Management Luxembourg S.A.
- Noramco Asset Management S.A.
- Nordea Investment Funds Company I S.A.
- Swiss Life Funds (Lux) Management Company
- Willerfunds Management Company S.A.

2) Management companies whose authorisation covers, in addition to the activity of collective management, one or several other services referred to in article 77(3) of the law of 20 December 2002:

- Creutz & Partners, Global Asset Management S.A.. The company will be active in the field of collective management.

STATISTICS

- Lux Gest Asset Management S.A.. The company will be active in the field of collective management, discretionary management and investment advice.

Following these approvals, 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 since 13 February 2004 by way of free establishment or free provision of services in a EU Member State amounts to 160 as at 12 March 2007.

NATIONAL REGULATIONS

Circular CSSF 07/281: Coming into force of the law of 18 December 2006 on distance marketing of financial services

Circular CSSF 07/281 purposes to draw your attention to the entry into force of the law of 18 December 2006 on the distance marketing of financial services, published in *Mémorial A* – No. 223 of 21 December 2006. The purpose of the law is to implement Directive 2002/65/EC concerning the distance marketing of consumer financial services. The law applies to professionals of the financial sector that conclude distance contracts for financial services with customers. Circular CSSF 07/281 presents the main elements of the law.

Circular CSSF 07/283: Coming into force of the law of 13 February 2007 on specialised investment funds

Circular CSSF 07/283 presents the law of 13 February 2007 on specialised investment funds, which replaces the law of 19 July 1991 relating to undertakings for collective investment the securities of which are not intended to be placed with the public.

The replacement of the law of 19 July 1991, referring mainly to the provisions of the law of 30 March 1988 relating to undertakings for collective investment with respect to the rules applicable to UCIs created under its regime, has been made necessary following the abrogation of the 1988 law as of 13 February 2007, owing to the transitional provisions set down in the law of 20 December 2002 relating to undertakings for collective investment, which implements the provisions of Directive 85/611/EC concerning UCITS into Luxembourg law.

The law on specialised investment funds establishes a legal framework to promote the development in Luxembourg of investment products reserved to “well-informed investors”.

Within the meaning of the law, a “well-informed investor” is, besides the institutional investor and professional investor, any other investor who has confirmed in writing that he adheres to the status of well-informed investor and who either invests a minimum of EUR 125,000 in the specialised investment fund, or has been the subject of an assessment made by a credit institution within the meaning of Directive 2006/48/EC, by an investment firm within the meaning of Directive 2004/39/EC or a management company within the meaning of Directive 2001/107/EC, certifying his expertise, experience, and knowledge in adequately appraising an investment in the specialised investment fund.

NATIONAL REGULATIONS

Specialised investment funds governed by the new law may take the legal form of a common fund ("fonds commun de placement" (FCP-SIF)), an investment company with variable capital ("société d'investissement à capital variable" (SICAV-SIF)) or a legal form other than the preceding.

Like UCIs governed by the law of 20 December 2002, specialised investment funds constituted under the new legislation are subject to the principle of risk-spreading. Like UCIs created under Part II of the law of 20 December 2002, the law leaves a certain flexibility with respect to the assets in which the specialised investment funds may invest.

Although the law of 13 February 2007 provides for the authorisation and supervision by the CSSF, it also provides for a "lighter" regulatory regime for specialised investment funds.

Thus, the CSSF assesses the acceptability of the depositary bank, the central administration, and the management, as well as the compliance of the constitutive documents of the specialised investment fund with the legal requirements.

As regards the directors, the role of the CSSF is limited to authorising the members of the board of directors in the case of public limited companies and cooperatives in the form of a public limited company, the general partners in the case of partnerships limited by shares, the manager(s) in the case of limited companies, the members of the board of directors or the managers of the management company in the case of common funds.

The CSSF does not require the intervention of a promoter in specialised investment funds, nor does it verify the status and financial standing of the manager to whom the directors would have delegated the management.

As regards the information to provide to investors, the law, given the particular nature of the specialised investment funds, provides for a lighter regime than the regime that applies to UCIs governed by the law of 20 December 2002.

In order to allow UCIs subject to the law of 19 July 1991 to continue to perform their activities, the law of 13 February 2007 provides that these UCIs fall *ipso jure* under the new regime relating to specialised investment funds.

OFFICIAL LISTS

■ LIST OF BANKS

Change of denomination:

Banca Antoniana - Popolare Veneta, CSpA aRL, Padova (Italy) succursale has become

BANCA ANTONVENETA S.p.A., succursale de Luxembourg

■ LIST OF OTHER PROFESSIONALS OF THE FINANCIAL SECTOR (PFS)

New establishments:

CAREY S.A.

19, rue Eugène Ruppert, L-2543 Luxembourg

Domiciliation agent of companies and professional performing services of setting up and of management of companies

Beginning of activities: 6 February 2007.

MAPLES FINANCE LUXEMBOURG

46A, avenue J.-F. Kennedy, L-1855 Luxembourg

Domiciliation agent of companies and professional performing services of setting up and of management of companies

Beginning of activities: 12 February 2007.

STRUCTURED FINANCE MANAGEMENT (LUXEMBOURG) S.A.

7, Val Sainte-Croix, L-1371 Luxembourg

Domiciliation agent of companies and professional performing services of setting up and of management of companies

Beginning of activities: 16 February 2007.

Withdrawals:

KBC CONSEIL-SERVICE S.A.

Withdrawal on 20 February 2007.

CREUTZ & PARTNERS GLOBAL ASSET MANAGEMENT S.A.

Transformation into management company on 12 February 2007.

Changes of denomination:

NRG LUXEMBOURG S.à R.L. has become

N.R.G. PSF LUXEMBOURG S.à R.L.

Ministerial authorisation of 13 February 2007.

F. VAN LANSCHOT TRUST COMPANY (LUXEMBOURG) S.A. has become

VAN LANSCHOT TRUST COMPANY (LUXEMBOURG) S.A.

Ministerial authorisation of 13 February 2007.

Change of address:

SYLIS PSF LUXEMBOURG S.A.

66, avenue de la Liberté, L-1930 Luxembourg

CSSF Newsletter – March 2007

OFFICIAL LISTS

■ LIST OF MANAGEMENT COMPANIES

New companies:

BPI GLOBAL INVESTMENT FUND MANAGEMENT COMPANY S.A.

49, avenue J.F. Kennedy, L-1855 Luxembourg

CREUTZ & PARTNERS, GLOBAL ASSET MANAGEMENT S.A.

144, route de Stavelot, L-9991 Weiswampach

ESAF INTERNATIONAL MANAGEMENT

23, avenue Monterey, L-2086 Luxembourg

GOTTARDO EQUITY FUND (LUX) MANAGEMENT COMPANY

76-78, Grand-Rue, L-1660 Luxembourg

GOTTARDO STRATEGY FUND (LUX) MANAGEMENT COMPANY

76-78, Grand-Rue, L-1660 Luxembourg

LUX GEST ASSET MANAGEMENT S.A.

19-21, boulevard du Prince Henri, L-1724 Luxembourg

NIKKO ASSET MANAGEMENT LUXEMBOURG S.A.

10, rue Henri Schnadt, L-2530 Luxembourg

NORAMCO ASSET MANAGEMENT S.A.

4, rue Thomas Edison, L-1445 Strassen

NORDEA INVESTMENT FUNDS COMPANY I S.A.

672, rue de Neudorf, L-2220 Findel

SWISS LIFE FUNDS (LUX) MANAGEMENT COMPANY

76-78, Grand Rue, L-1660 Luxembourg

WILLERFUNDS MANAGEMENT COMPANY S.A.

15, boulevard F.D. Roosevelt, L-2450 Luxembourg

Change of address:

LEGG MASON INVESTMENTS (LUXEMBOURG) S.A.

145, rue du Kiem, L-8030 Strassen

OFFICIAL LISTS

■ LIST OF UNDERTAKINGS FOR COLLECTIVE INVESTMENT (UCIS)

Registrations on and withdrawals from the official list of the Luxembourg undertakings for collective investment that 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 January 2007

Registrations

- UNIVEST IV; 16, rue Erasme; L-1468 Luxembourg
- CREDIT SUISSE INVESTMENT PRODUCTS; 5, rue Jean Monnet; L-2180 Luxembourg
- LRI INVEST ALPHA DYNAMIC €; 1C, Parc d'activité Syrdall; L-5365 Munsbach
- LRI INVEST BOND SELECT €; 1C, Parc d'activité Syrdall; L-5365 Munsbach
- LRI INVEST EQUITY SELECT; 1C, Parc d'activité Syrdall; L-5365 Munsbach
- LRI INVEST OPTI RETURN €; 1C, Parc d'activité Syrdall; L-5365 Munsbach
- LRI INVEST TOTAL RETURN DYNAMIC; 1C, Parc d'activité Syrdall; L-5365 Munsbach
- DEKA-PENSION; 5, rue des Labours; L-1912 Luxembourg
- UNIPROFIANLAGE (2011); 308, route d'Esch; L-1471 Luxembourg
- UNIPROFIANLAGE (2015); 308, route d'Esch; L-1471 Luxembourg
- UNIPROFIANLAGE (2019); 308, route d'Esch; L-1471 Luxembourg
- UNIPROFIANLAGE (2023); 308, route d'Esch; L-1471 Luxembourg
- ACATIS MODULOR COLLEGE FONDS; 21, avenue de la Liberté; L-1931 Luxembourg
- DB FCS; 2, boulevard Konrad Adenauer; L-1115 Luxembourg
- COMINVEST LAUFZEITFONDS 31.12.2036; 25, rue Edward Steichen; L-2540 Luxembourg
- MULTIMANAGER; 25, rue Edward Steichen; L-2540 Luxembourg
- HUMBOLDT MULTI INVEST B SICAV; 33, rue de Gasperich; L-5826 Howald-Hesperange
- DWS BEST GLOBAL FX SELECTION PLUS; 2, boulevard Konrad Adenauer; L-1115 Luxembourg
- DEKA-TRENDGARANT 4/2012; 5, rue des Labours; L-1912 Luxembourg
- KSK-DEKA-FONDS; 5, rue des Labours; L-1912 Luxembourg
- LRI INVEST ASSET SELECT; 1C, Parc d'activité Syrdall; L-5365 Munsbach
- LRI INVEST MONEY SELECT €; 1C, Parc d'activité Syrdall; L-5365 Munsbach
- ALLIANZ GLOBAL INVESTORS TRENDS; 6A, route de Trèves; L-2633 Senningerberg
- OP GLOBAL EXPERTISE; 4, rue Jean Monnet; L-2180 Luxembourg
- GREIFF DEFENSIV PLUS OP; 4, rue Jean Monnet; L-2180 Luxembourg
- GREIFF DYNAMISCH PLUS OP; 4, rue Jean Monnet; L-2180 Luxembourg
- SJ SEYMOUR SICAV; 6A, Circuit de la Foire Internationale; L-1347 Luxembourg
- UNIVARIO POINT: CHANCE; 308, route d'Esch; L-1471 Luxembourg
- UNIVARIO POINT: ERTRAG; 308, route d'Esch; L-1471 Luxembourg
- UNIVARIO POINT: SICHERHEIT; 308, route d'Esch; L-1471 Luxembourg
- UNIVARIO POINT: WACHSTUM; 308, route d'Esch; L-1471 Luxembourg
- DWS EQUITY STRATEGY; 2, boulevard Konrad Adenauer; L-1115 Luxembourg
- METROPOLE INTERNATIONAL SICAV; 16, boulevard Royal; L-2449 Luxembourg
- LEVANNA SICAV; 12, avenue de la Liberté; L-1930 Luxembourg
- UNIGARANTPLUS: COMMODITIES (2012); 308, route d'Esch; L-1471 Luxembourg
- UNIGARANTPLUS: EUROLAND (2013); 308, route d'Esch; L-1471 Luxembourg
- ROCK FUND HAIG; 21, avenue de la Liberté; L-1931 Luxembourg
- 4IP EUROPEAN REAL ESTATE FUND OF FUNDS; 5, rue Thomas Edison; L-1445 Luxembourg-Strassen
- GL FUNDS; 20, boulevard Emmanuel Servais; L-2535 Luxembourg
- ORBIT FCP; 11, rue Beaumont; L-1219 Luxembourg

Withdrawals

- OBLICIC; 14, boulevard Royal; L-2449 Luxembourg
- NORDEA 3; 672, rue de Neudorf; L-2220 Luxembourg-Findel
- LUX-AWO; 2, place Dargent; L-1413 Luxembourg
- SKWB SCHOELLERBANK THESAURENT SICAV; 4, rue Alphonse Weicker; L-2721 Luxembourg
- FIRST NIS REGIONAL FUND; 40, avenue Monterey; L-2163 Luxembourg
- EUROACTION; 308, route d'Esch; L-1471 Luxembourg
- BALZAC; 11, rue Aldringen; L-1118 Luxembourg
- LUX-ARC; 2, place Dargent; L-1413 Luxembourg
- LUX-INTERNET-FONDS; 2, place Dargent; L-1413 Luxembourg
- ACM EUROPEAN DIVERSIFIED BOND FUND; 18, rue Eugène Ruppert; L-2453 Luxembourg
- LEGION PORTFOLIOS (LUXEMBOURG); 40, avenue Monterey; L-2163 Luxembourg
- LUX-TELECOMMUNICATION; 2, place Dargent; L-1413 Luxembourg
- TONIC SECTOR FUND SICAV; 20, boulevard Emmanuel Servais; L-2535 Luxembourg
- REDGOLD DIVERSIFIED; 20, boulevard Emmanuel Servais; L-2535 Luxembourg
- LUX-TOPWORLD; 2, place Dargent; L-1413 Luxembourg
- DWS BONUS BASKET 2006; 2, boulevard Konrad Adenauer; L-1115 Luxembourg
- MELLON OP USA MID/SMALL CAPS; 4, rue Jean Monnet; L-2180 Luxembourg
- PRAMERICA OP GLOBAL HIGH YIELD BOND; 4, rue Jean Monnet; L-2180 Luxembourg

FINANCIAL CENTRE

Main updated figures regarding the financial centre:

Number of banks: **156** (28 February 2007)

Balance sheet total: **EUR 861.187 billion** (31 January 2007)

Net profit: **EUR 5.685 billion** (31 December 2006)

Employment: **24,752 persons** (31 December 2006)

Number of UCIs: **2,266** (12 March 2007)

Total net assets: **EUR 1,895.810 billion** (31 January 2007)

Number of SICARs: **116** (12 March 2007)

Number of pension funds: **14** (28 February 2007)

Number of management companies: **160** (12 March 2007)
(chapter 13 of the law of 20 December 2002)

Employment: **2,069 persons** (31 December 2006)

Number of PFS: **202** (28 February 2007)

Balance sheet total: **EUR 73.215 billion** (31 January 2007)

Net provisional profit: **EUR 54.80 million** (31 January 2007)

Employment: **9,928 persons** (31 December 2006)

Number of securitisation undertakings: **12** (28 February 2007)

Total employment in the supervised establishments: **34,048 persons** (30 June 2006)

Total employment in the supervised establishments: **34,863 persons** (30 September 2006)

Total employment in the supervised establishments: **36,749 persons** (31 December 2006)

CSSF Newsletter

Design and editing: General Secretariat of the CSSF

110, route d'Arlon, L-2991 LUXEMBOURG

Tel.: (+352) 26 251 237 / 327

E-mail: direction@cssf.lu

Website: www.cssf.lu