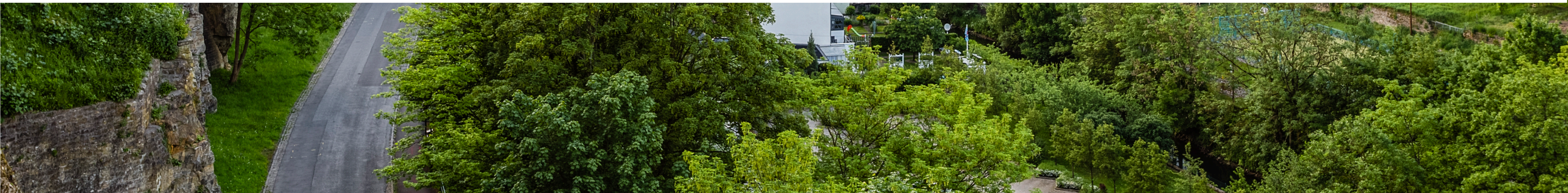




CONNECTING BRAZIL AND EUROPE



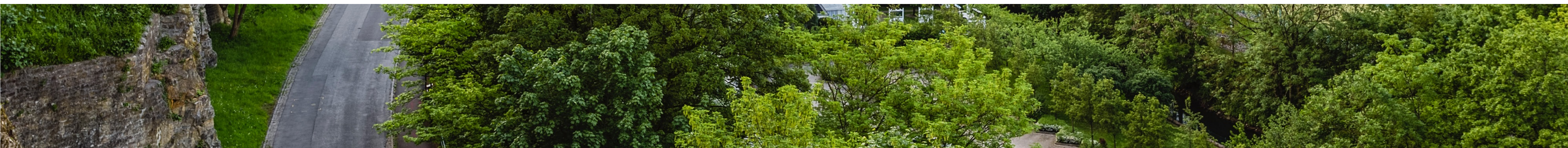


THE LUXEMBOURG FINANCIAL CENTRE: TODAY AND TOMORROW



Tom Théobald

Deputy CEO, Luxembourg for Finance





LUXEMBOURG/ CONNECTS/





Part of the visa-free Schengen travel zone and availability of EU Blue Card work permits



Most multilingual country in Europe

Second most widely spoken mother tongue is Portuguese



Luxembourg City is the safest city in the world (Mercer's Quality of Living Survey 2016)



Family-friendly environment with a good choice of private, state and international schools



Cost of living in Luxembourg is lower than in central London, Paris, Berlin or Brussels (EIU Cost of Living 2017)



A GREAT PLACE TO LIVE AND WORK

LONDON

FRANKFURT

LUXEMBOURG

2

1

3

THE EUROPEAN SINGLE MARKET



500
MILLION
CUSTOMERS

WITH FREE MOVEMENT OF



GOODS



CAPITAL



SERVICES



PEOPLE



**INVESTMENT
FUNDS**



BANKING



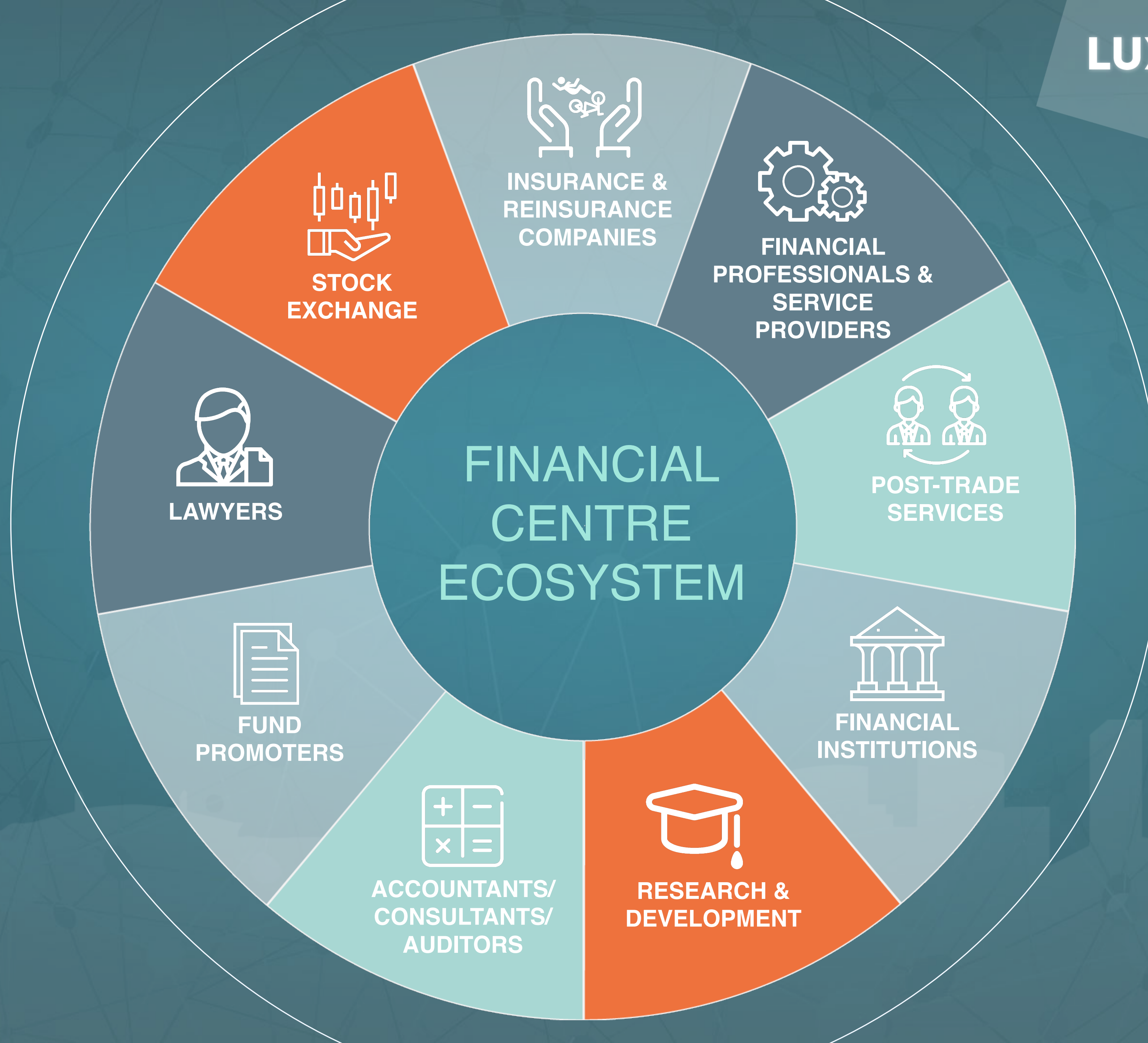
INSURANCE



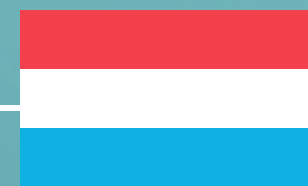
**CAPITAL MARKET
OPERATIONS**



MAIN FINANCIAL CENTRE ACTIVITIES



EU banking and investment fund hub
for Bradesco, Safra Sarasin, BTG
Pactual and Itau



27 Brazilian issuers have listed bonds
worth \$125 bn on LuxSE, including the
Brazilian Government, Banco do Brasil,
Itau, BNDES, Bradesco and Caixa
Economica Federal



Brazilian fund managers
manage \$6.9 bn AuM in
Luxembourg funds

Latin America represents 3.8%
of the \$432 bn AuM in Private
Banking.

A SOLID RELATIONSHIP



**RENMINBI
BUSINESS**



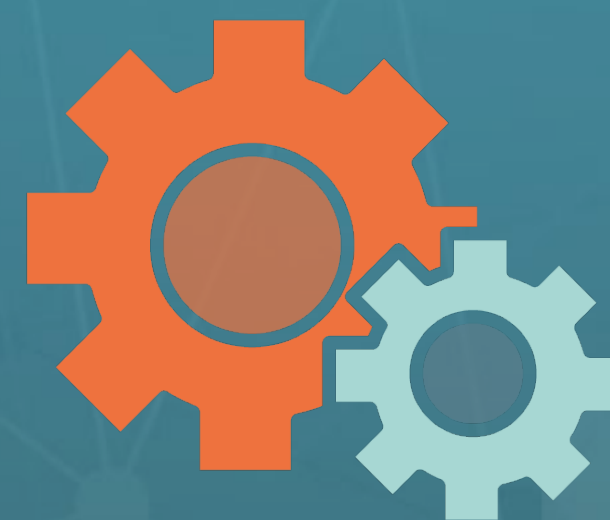
**SUSTAINABLE
FINANCE**



FINTECH



**ISLAMIC
FINANCE**



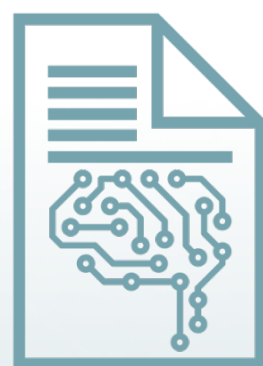
OTHER ACTIVITIES



REGTECH



SECURITY &
INFRASTRUCTURE



BLOCKCHAIN &
CRYPTOCURRENCY



SESAMm



DATA
ANALYTICS



INVESTMENT
SERVICES

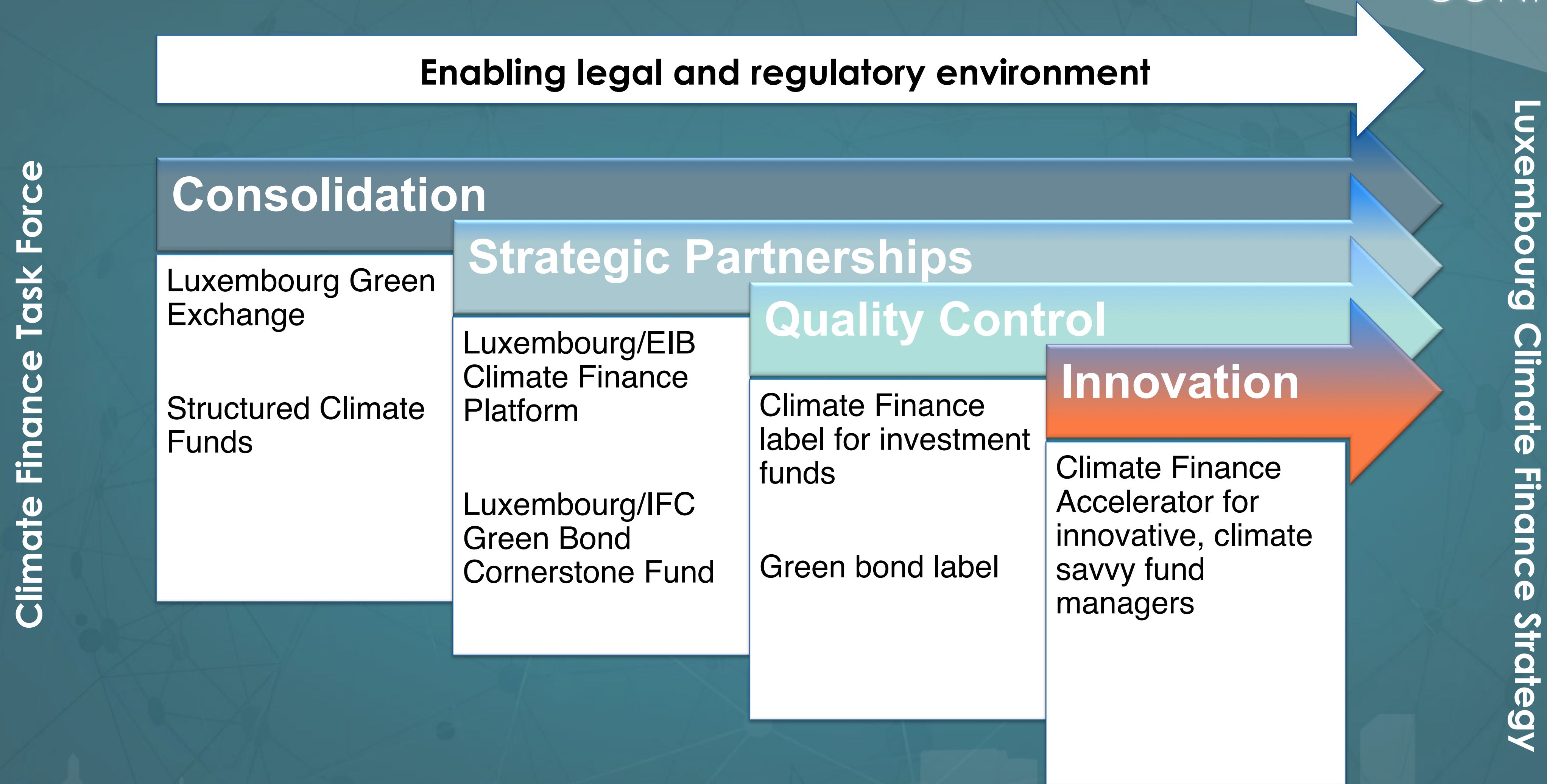


PAYMENTS &
BANKING



FINTECH IN LUXEMBOURG

(non-exhaustive)



Sustainable Finance: Leveraging Private Sector Investment

For more information, visit our website

www.luxembourgforfinance.com

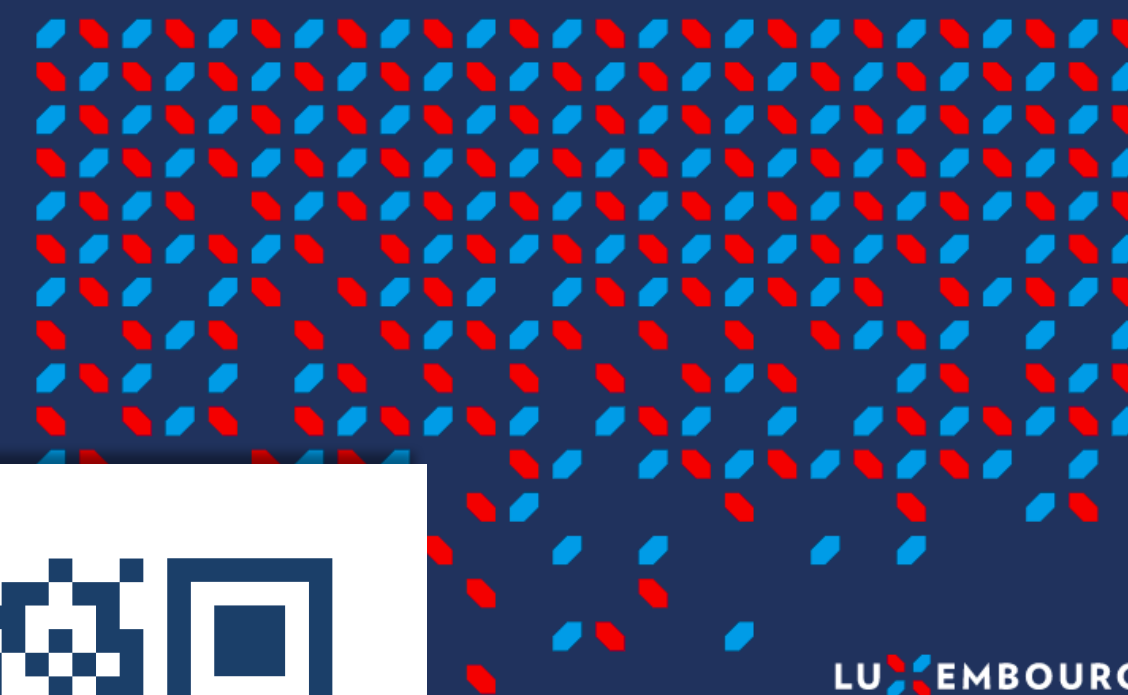
or get in touch with us:

tom.theobald@lff.lu

fabio.regis@lff.lu



LUXEMBOURG
CONNECTING YOU WITH
FINANCIAL EXPERTISE



LU  **EMBOURG**
LET'S MAKE IT HAPPEN

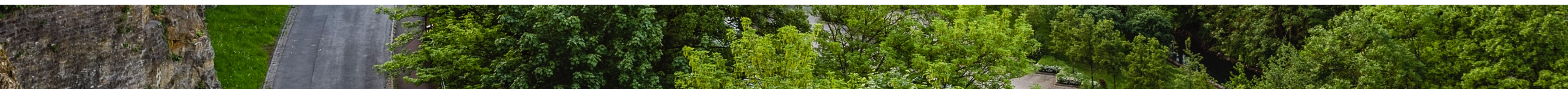




INVESTMENT FUNDS & CAPITAL MARKETS IN BRAZIL - THE YEAR AHEAD



José Carlos H. Doherty
CEO, ANBIMA





FUNDOS DE INVESTIMENTO & MERCADO DE CAPITAIS NO BRASIL: EXPECTATIVAS PARA 2018

Conectando o Brasil e a Europa
20/03/2018

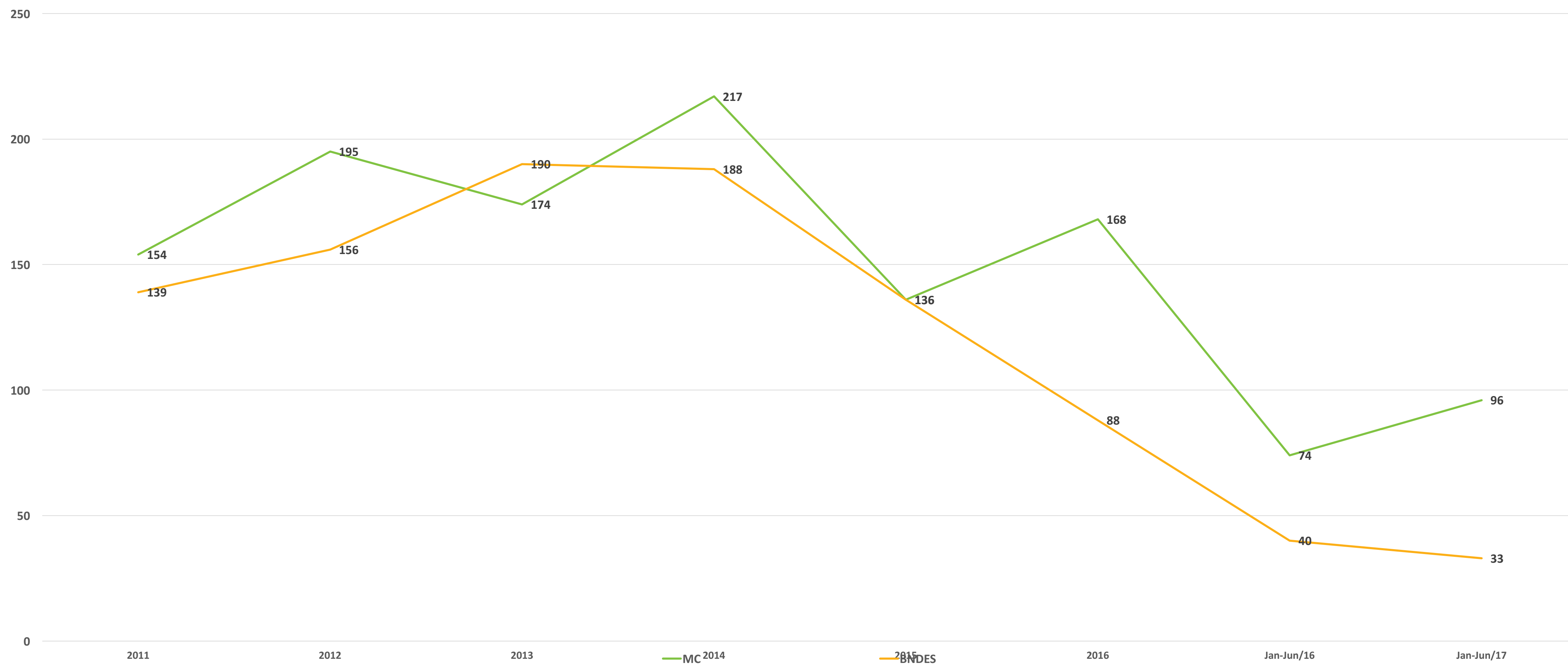


VOLUME DE DESEMBOLSOS

BNDES x Mercado de capitais



MERCADO DE CAPITAIS ULTRAPASSA BNDES COMO FINANCIADOR DAS EMPRESAS

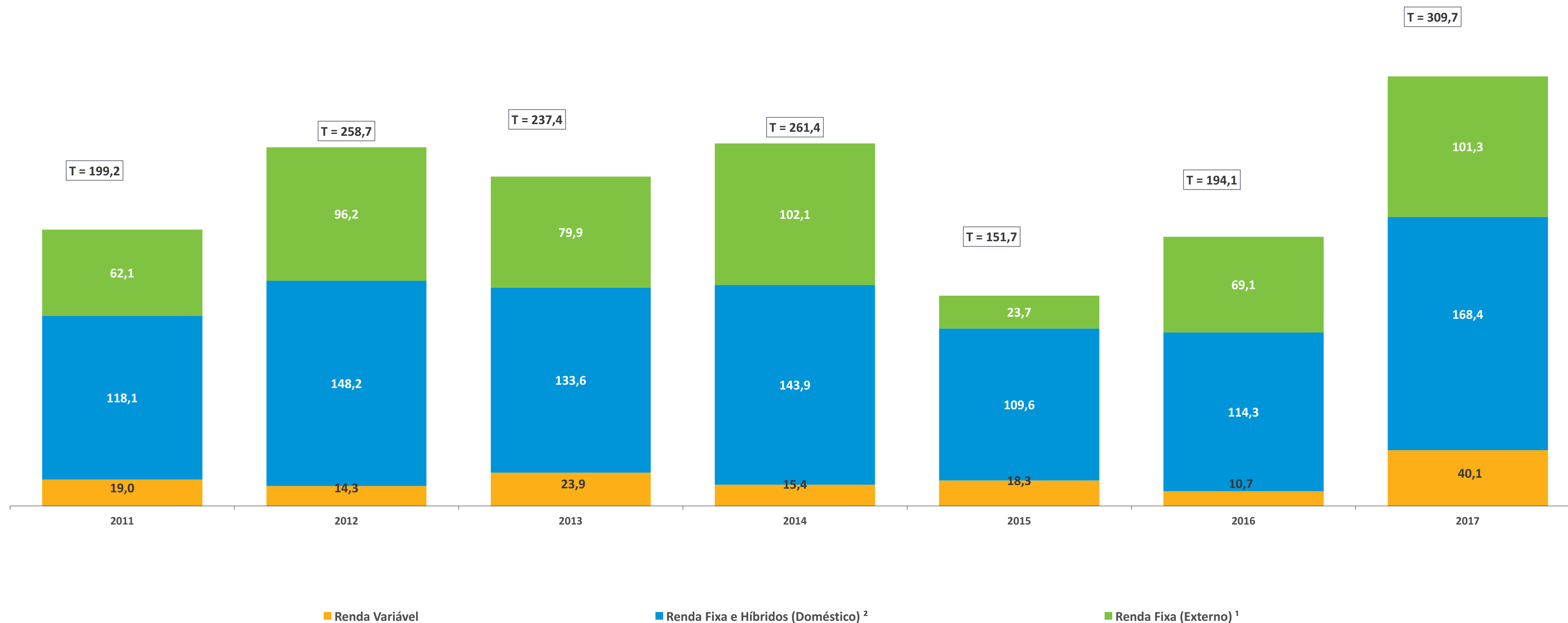


EVOLUÇÃO DO TOTAL DE OFERTAS

Em 2017, volume de emissões cresceu 59% em relação a 2016



Total de Ofertas: mercado externo + mercado doméstico
Volume (R\$ bilhões)



AGENDA DO MERCADO DE CAPITAIS

Mudanças orientadas por três grandes pilares



Regulação



Autorregulação



Advocacy



INDÚSTRIA DE FUNDOS PASSOU POR PROFUNDA REESTRUTURAÇÃO

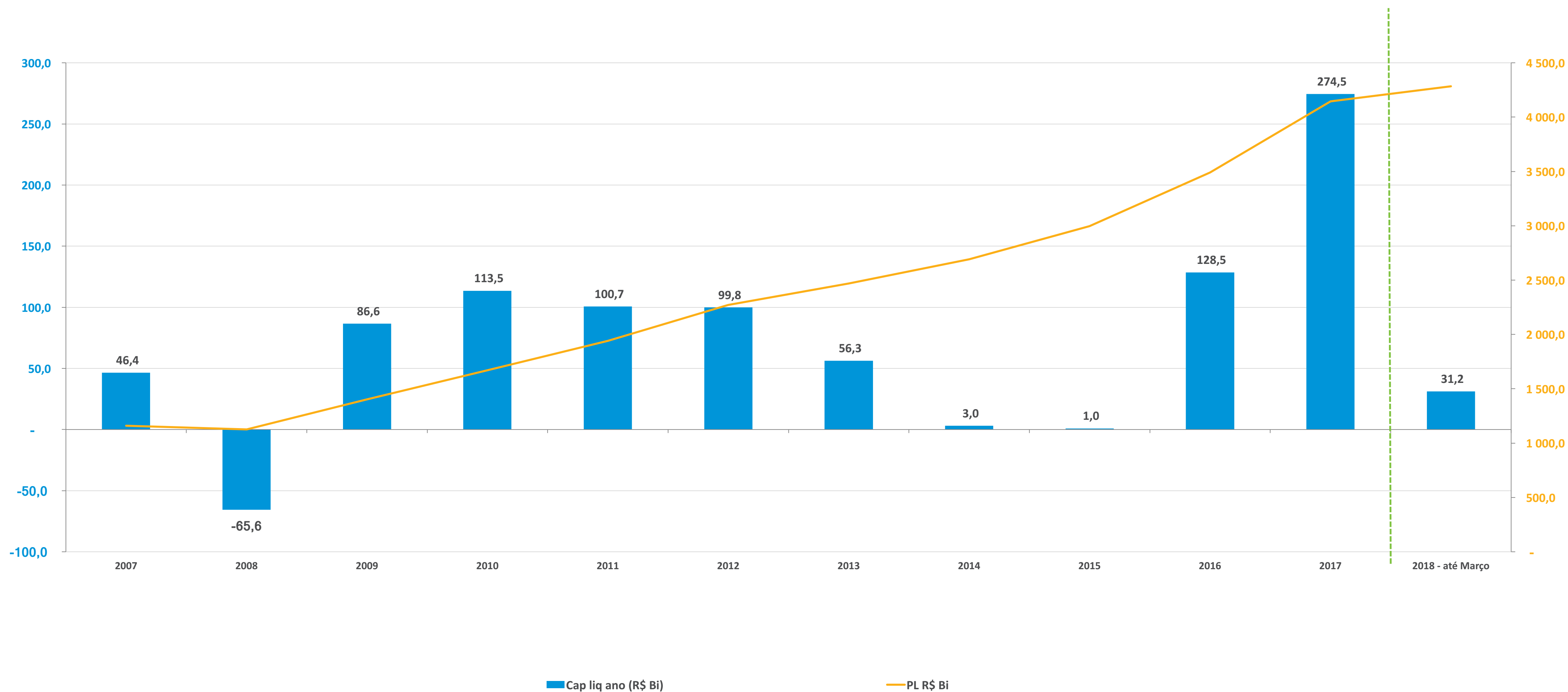


EVOLUÇÃO DA INDÚSTRIA DE FUNDOS

Captação líquida x Patrimônio líquido



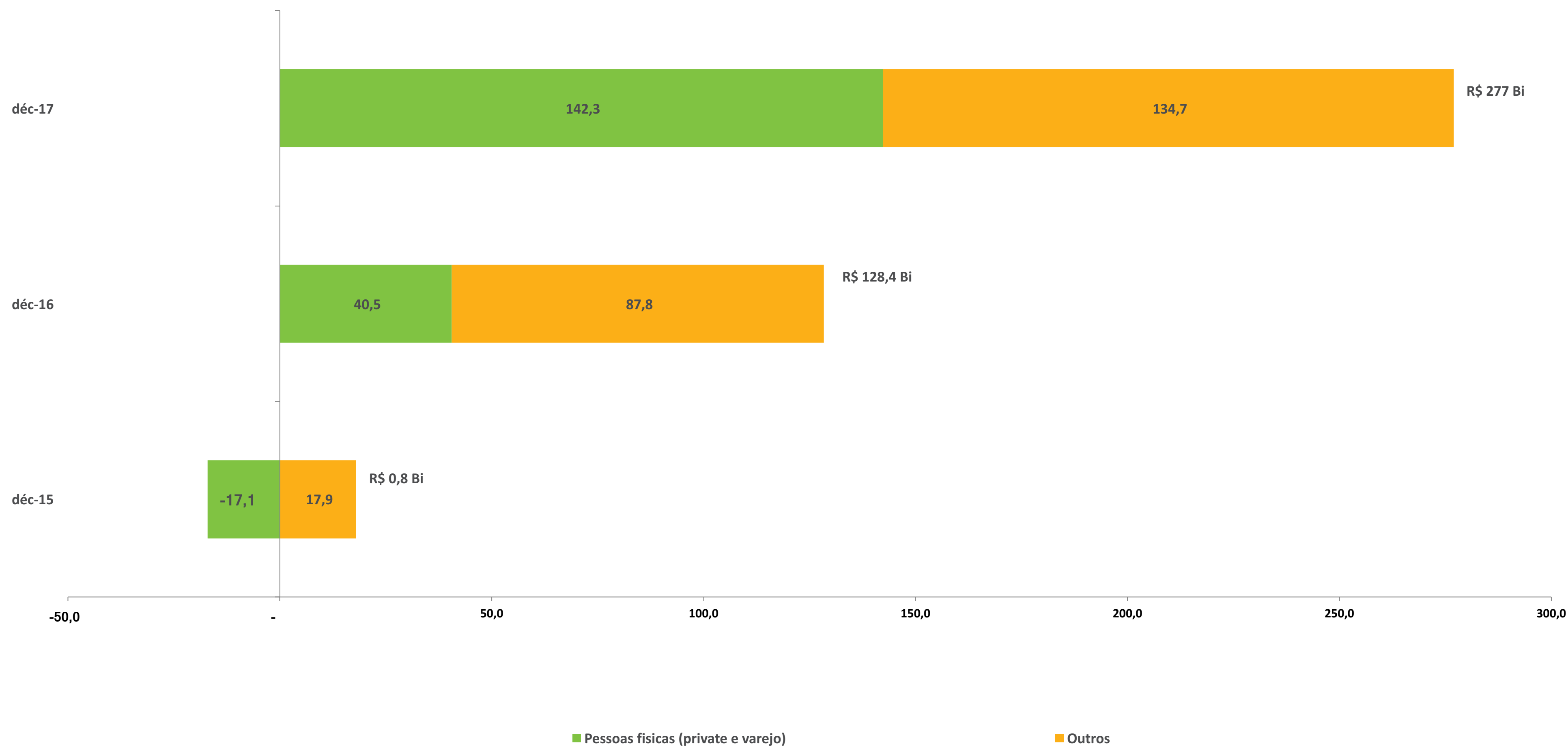
PL ULTRAPASSOU R\$ 4 TRI EM 2017, COM CAPTAÇÃO RECORDE



CRESCIMENTO DA PARTICIPAÇÃO DAS PESSOAS FÍSICAS

Juntos, private e varejo concentraram 51% da captação em 2017

CAPTAÇÃO LÍQUIDA POR SEGMENTO DE INVESTIDOR - R\$ BILHÕES



NÚMEROS GERAIS DA INDÚSTRIA

Fevereiro/18

Patrimônio Líquido  4,3 Trilhões

Gestores*  564

Administradores*  83

Captação líquida
(de jan/18 a Fev/18)  29 Bilhões

Nº de fundos  16.177

Nº de contas  13,9 milhões

Custodiantes*  41

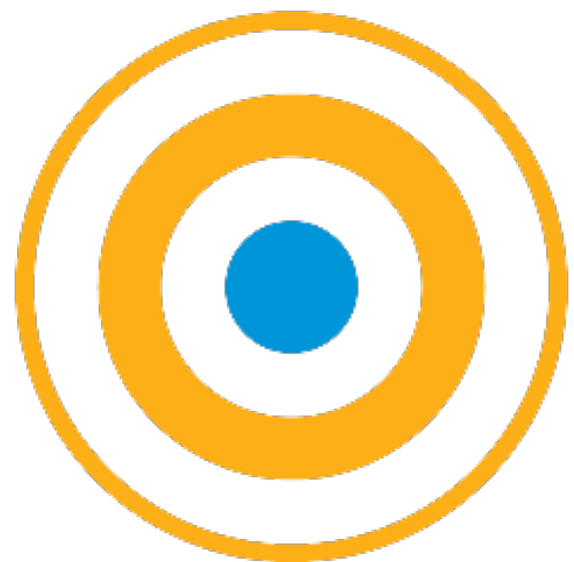
*número referente a Jan/18

AGENDA DA INDÚSTRIA DE FUNDOS

Mudanças são orientadas por quatro grandes linhas



Eficiência



Proporcionalidade



Internacionalização



Simplificação



José Carlos Doherty

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ANBIMA

ASSET MANAGEMENT

Connecting Brazilian asset management expertise with international investors

Moderator



Charles Muller

Senior Adviser to KPMG Luxembourg

Experts



Cristina Ferreira

Head of Regulatory Solutions and Innovation
State Street Bank Luxembourg

 @StateStreet



Roberto Martinho

Country Head
Nordea Asset Management



Jefferson Oliveira

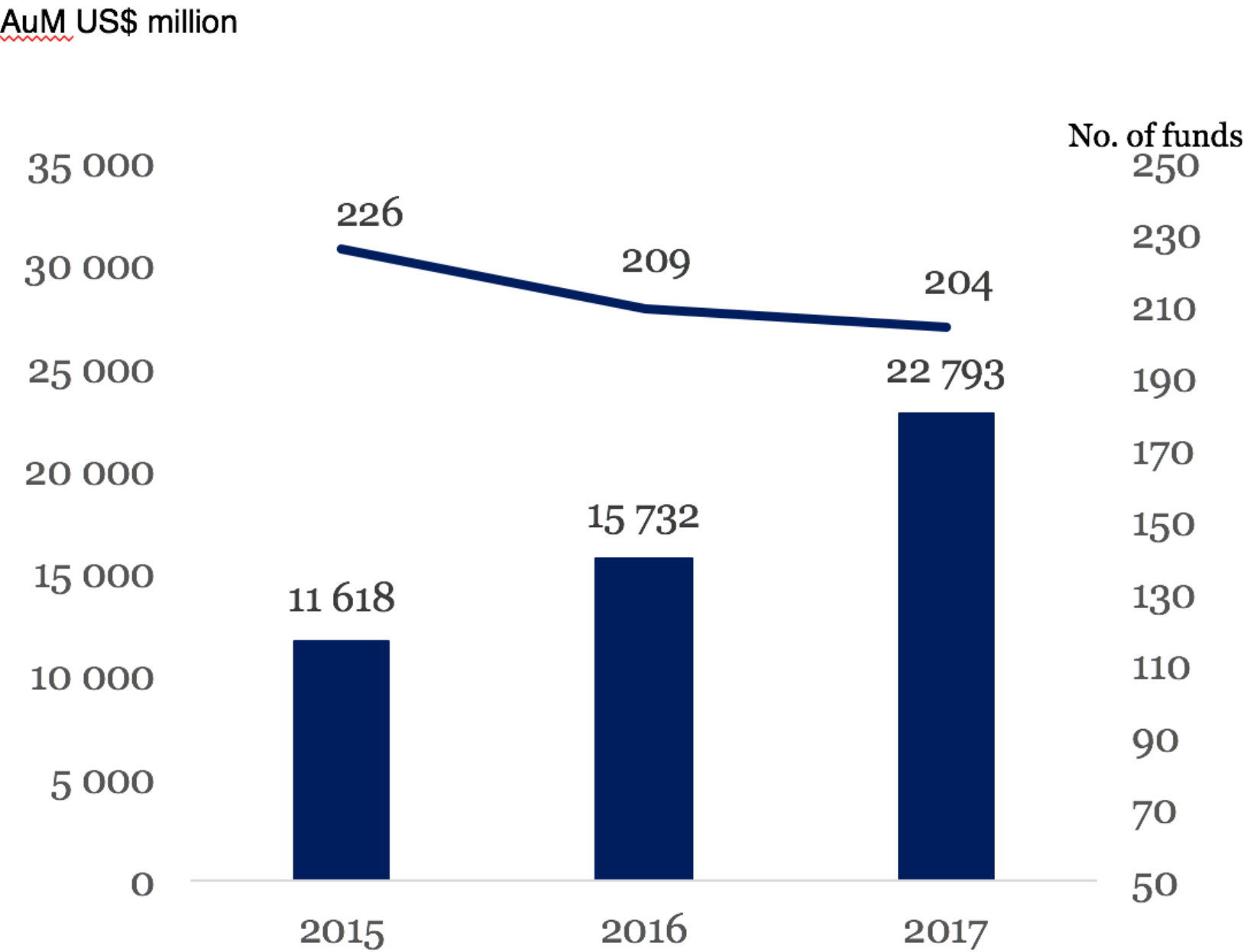
Asset & Wealth Management Director
PwC

 @PwC_Luxembourg

Overview of LATAM strategies in Europe

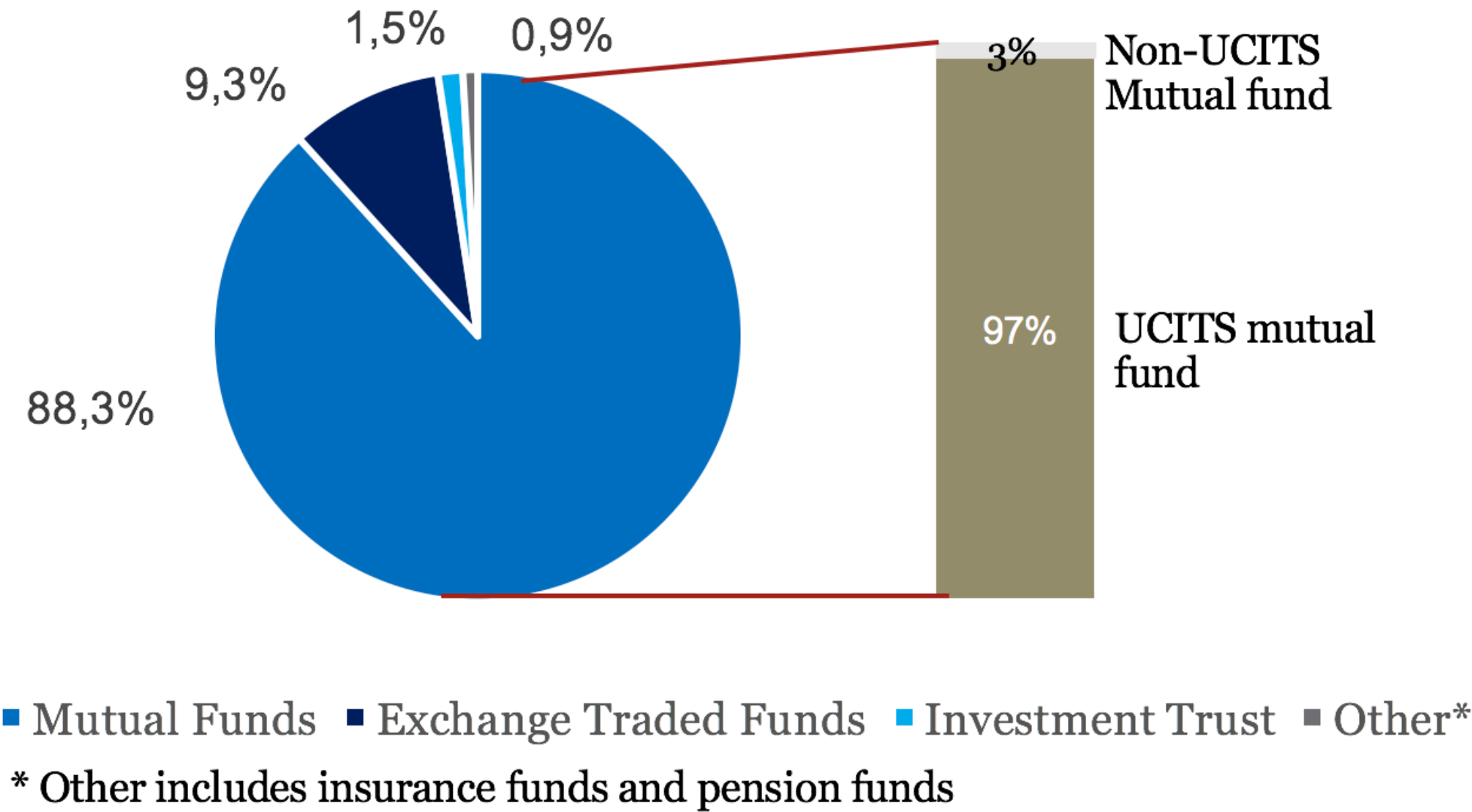
A growing market driven by UCITS mutual funds, rationalisation of fund ranges

AuM & number of investment funds distributed in Europe with geographical focus in LATAM



• Source: PwC Market Research Centre based on Lipper

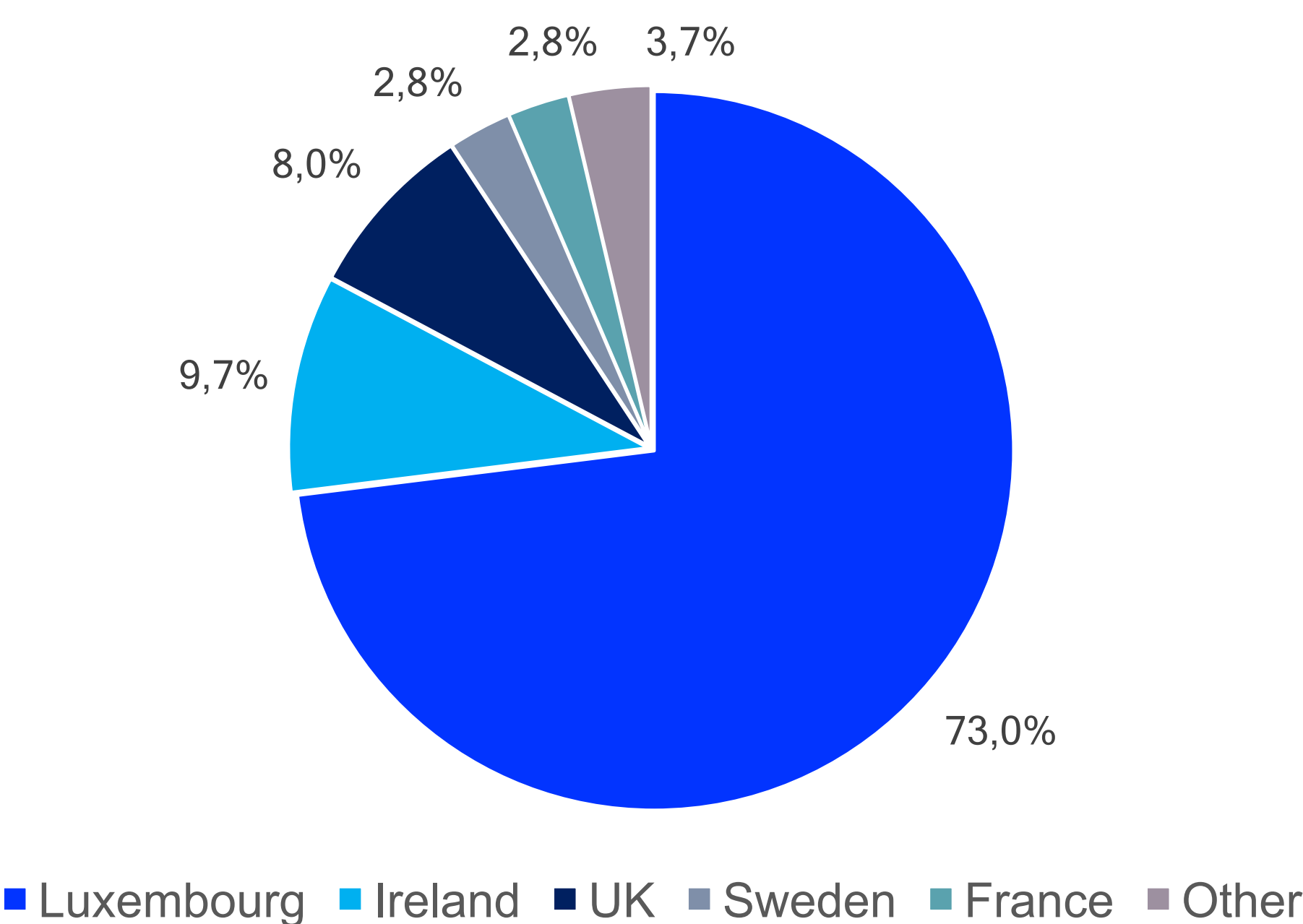
Breakdown of investment funds distributed in Europe with geographical focus in LATAM
(% in terms of AuM)



Top Domicile and Distribution countries

Luxembourg is the leading domicile for Latin America strategies. The Iberian region and the UK are among the top countries of distribution

Domicile of investment funds distributed in Europe with geographical focus in LATAM



• Source: PwC Market Research Centre based on Lipper

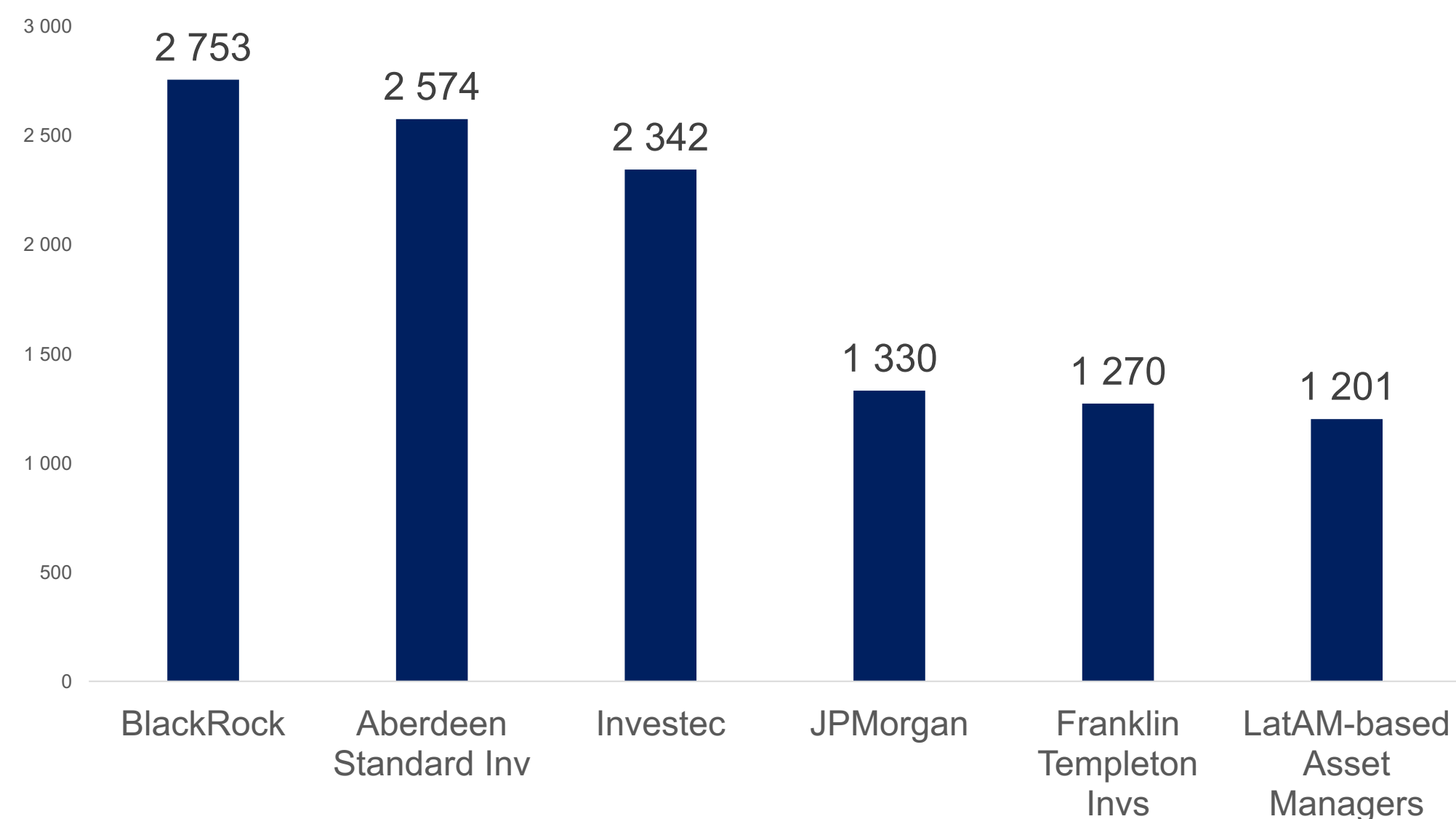
Top 10 destinations country of distribution

Country	No. of registration
Iberian region (Spain + Portugal)	116
United Kingdom	115
Switzerland	81
Spain	77
Germany	70
France	65
Italy	60
Sweden	55
Finland	50
Netherlands	50

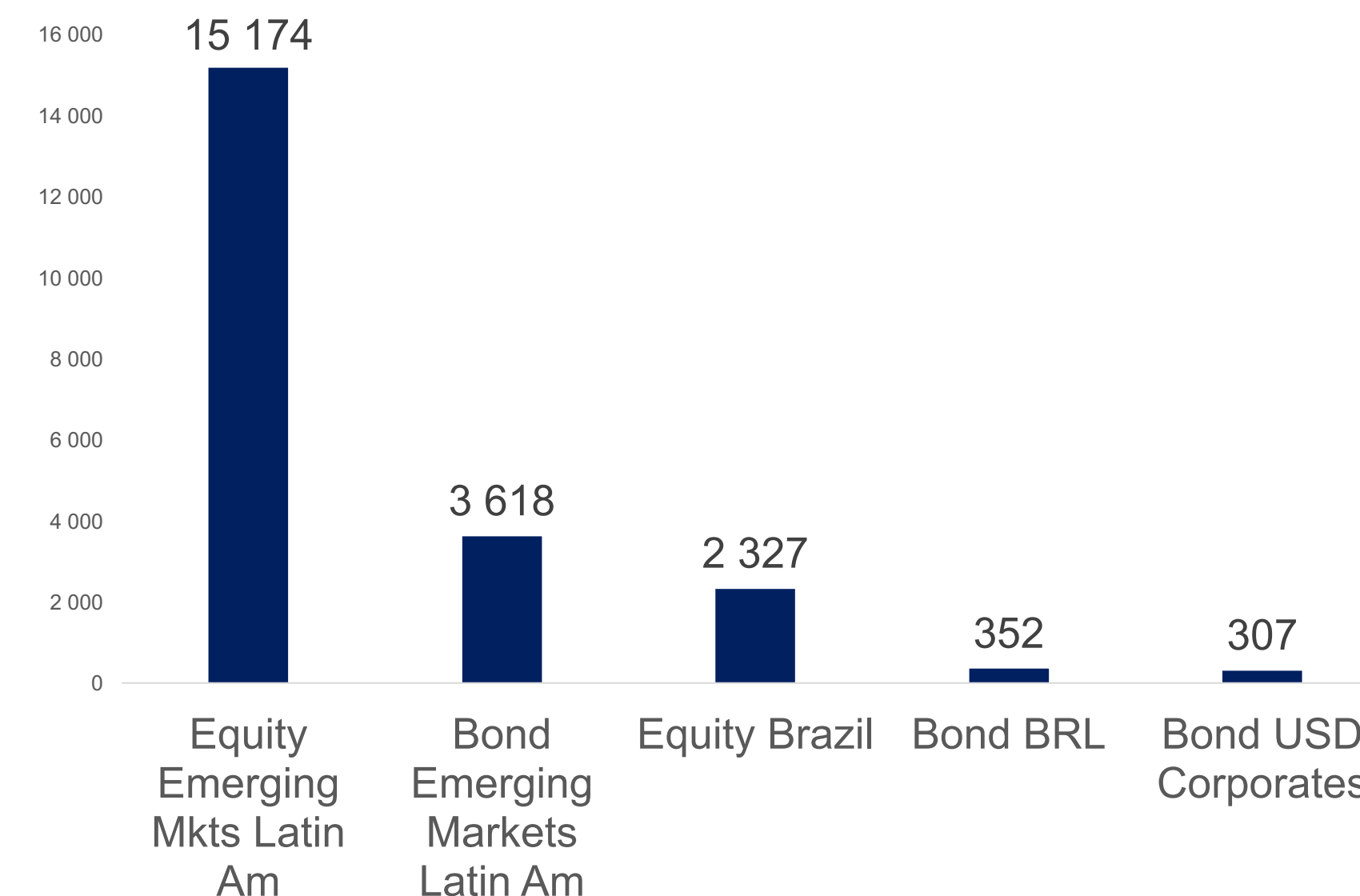
Asset managers and investment strategies

A market driven by Anglo-Saxon promoters, with room for LATAM asset managers to increase their market share in the European market

Top asset managers of funds distributed in Europe with geographical focus in LATAM



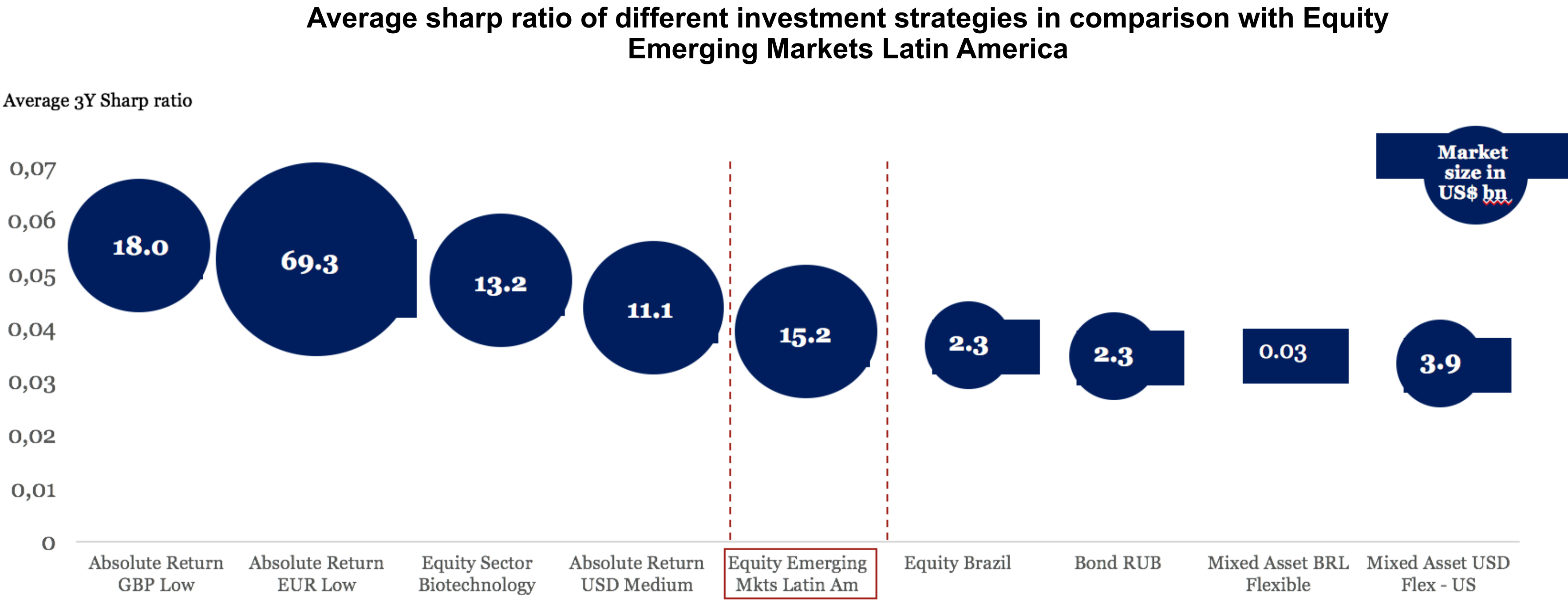
Top 5 investment strategies of funds distributed in Europe with geographical focus in LATAM



- Source: PwC Market Research Centre based on Lipper

Risk/return ratio comparison

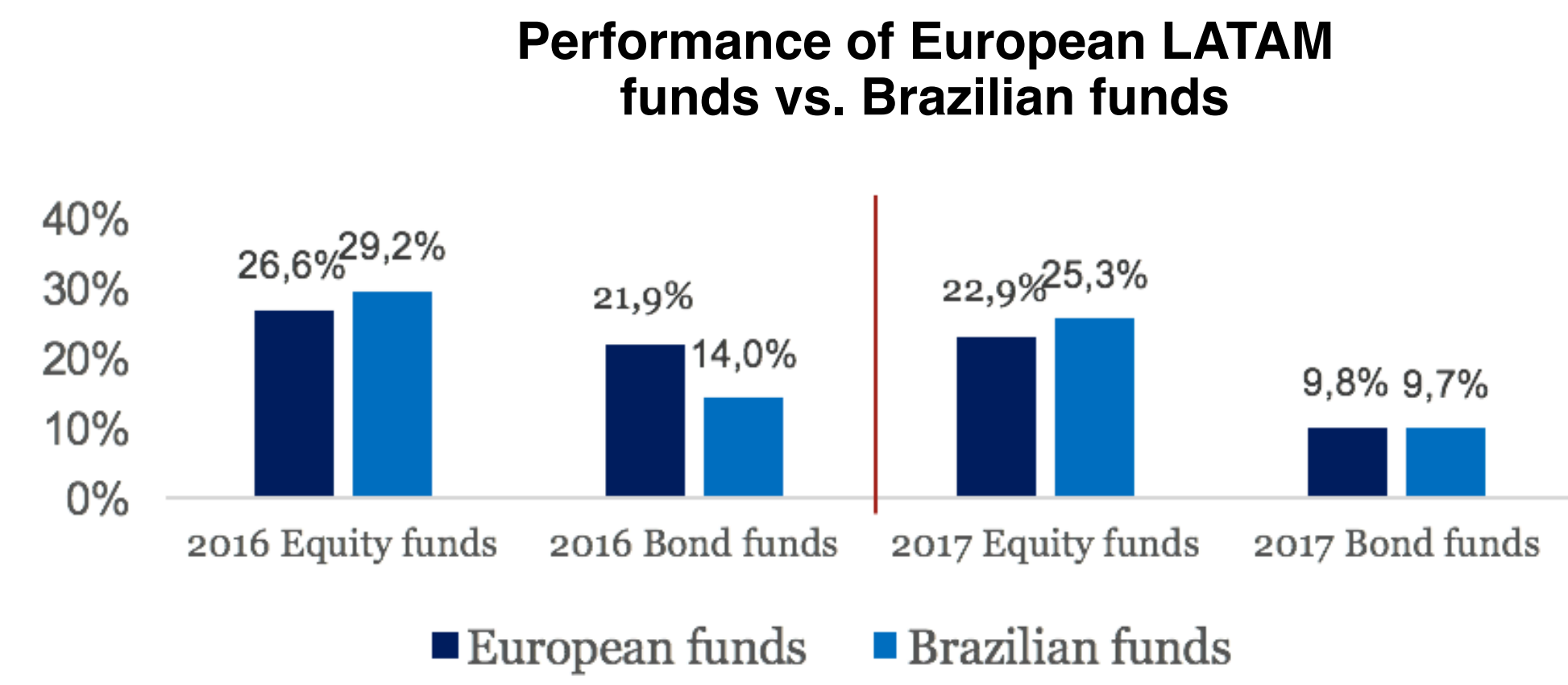
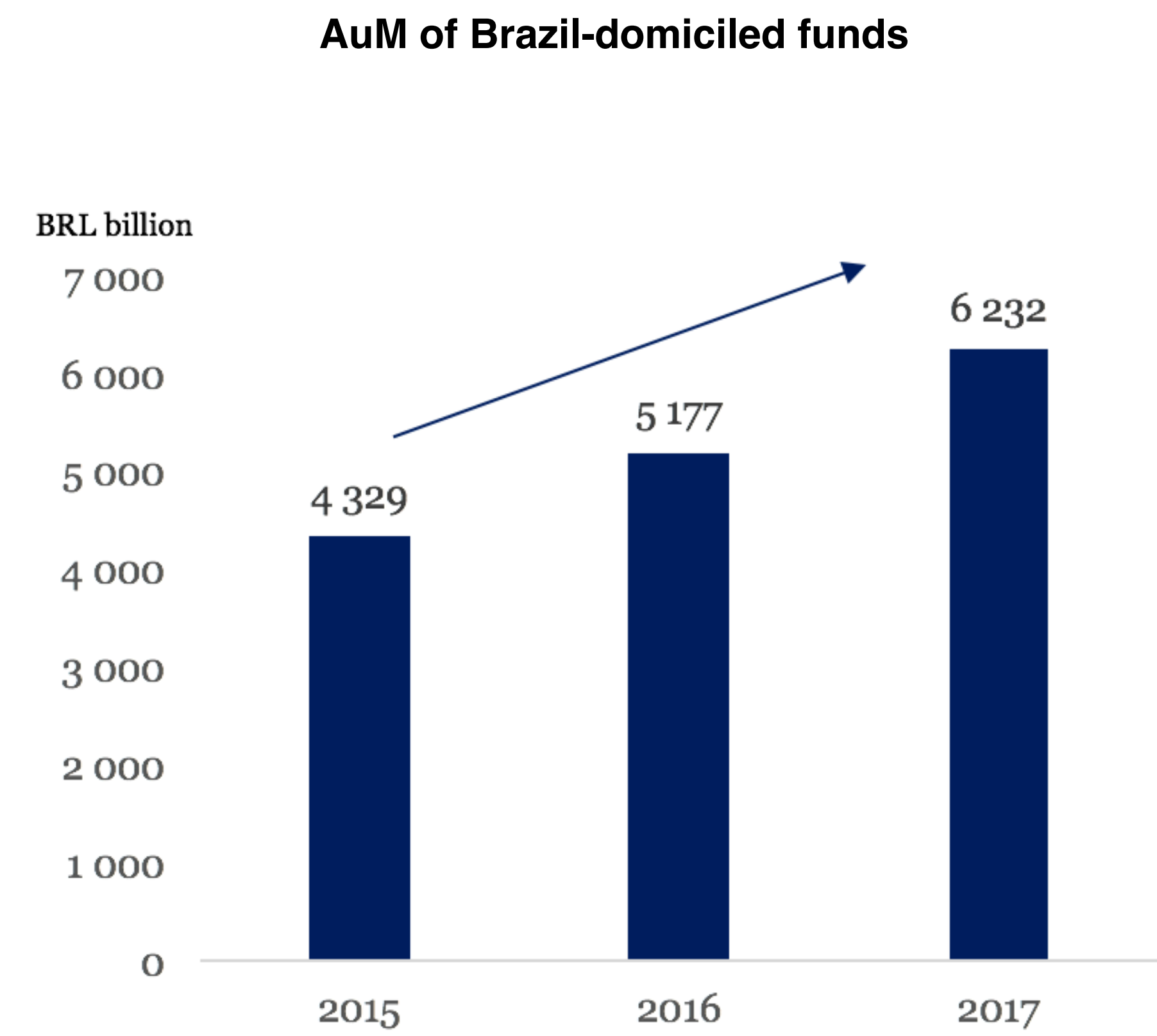
A risk/return ratio in line with absolute return strategies



- Source: PwC Market Research Centre based on Lipper

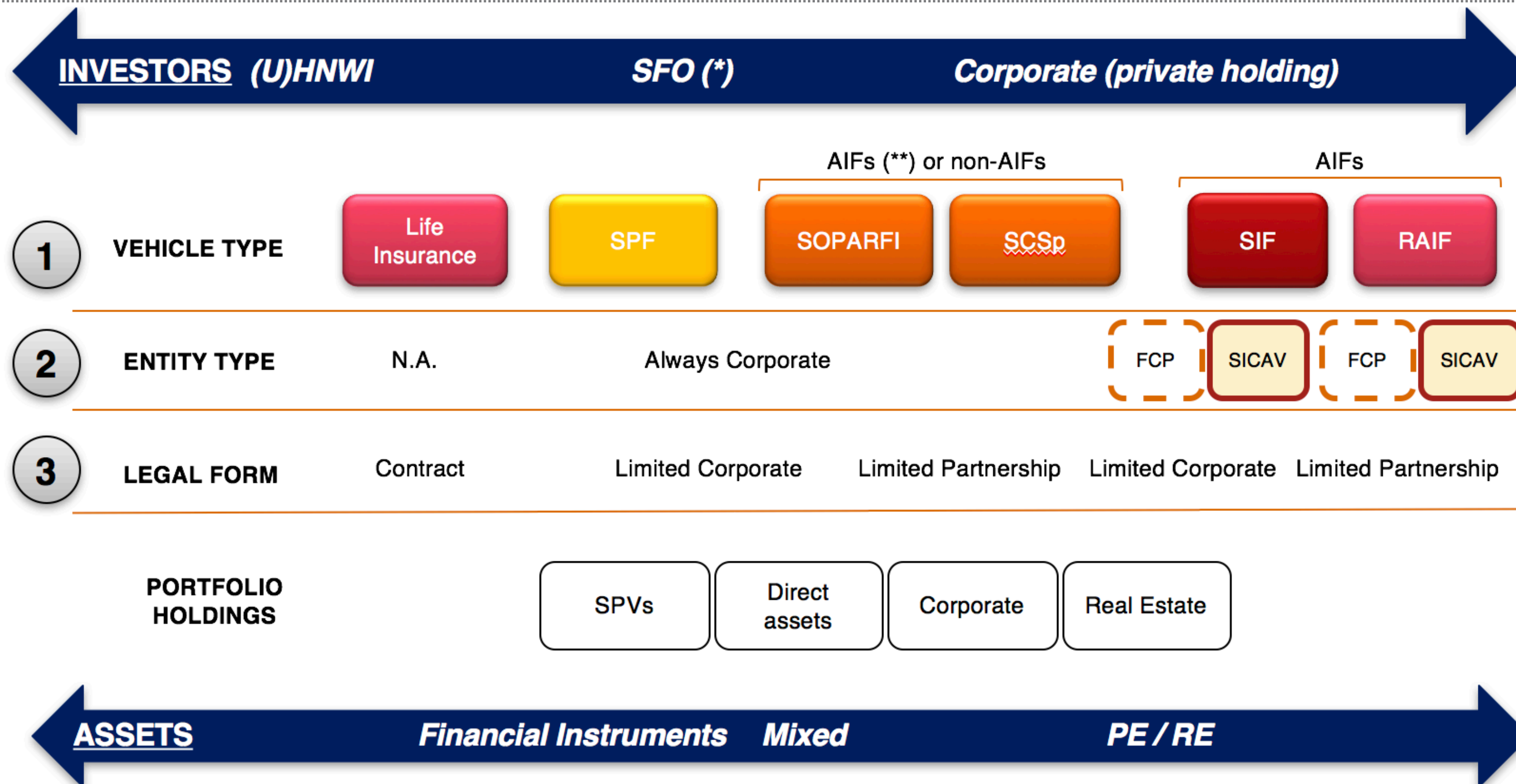
Local funds vs European LATAM funds

Brazilian funds outperform European funds for LATAM Equity strategies



	Equity LATAM strategy (retail / institutional)		Bond Brazil strategy (retail / institutional)	
Lux- and Ireland domiciled funds	1.34%	0.92%	1.17%	0.75%
Brazil-domiciled funds				

Bespoke design of solutions per assets and investor type



(*): Single Family Office

(**): Alternative Investment Funds

WEALTH MANAGEMENT

International wealth management solutions and portfolio diversification

Moderator



Yves Maas

Chairman

The Luxembourg Bankers' Association (ABBL)

 @ABBLbanking

Experts



Francisco da Cunha

Tax Partner

Deloitte

 @DeloitteLU



Melania Mameli

Head of Latin American Markets and International Markets

BNP Paribas Wealth Management



Monica Tiuba





Senior Wealth Planner

Edmond de Rothschild (Europe)

 @EdeRothschild

Wealth Management in Luxembourg

Global results

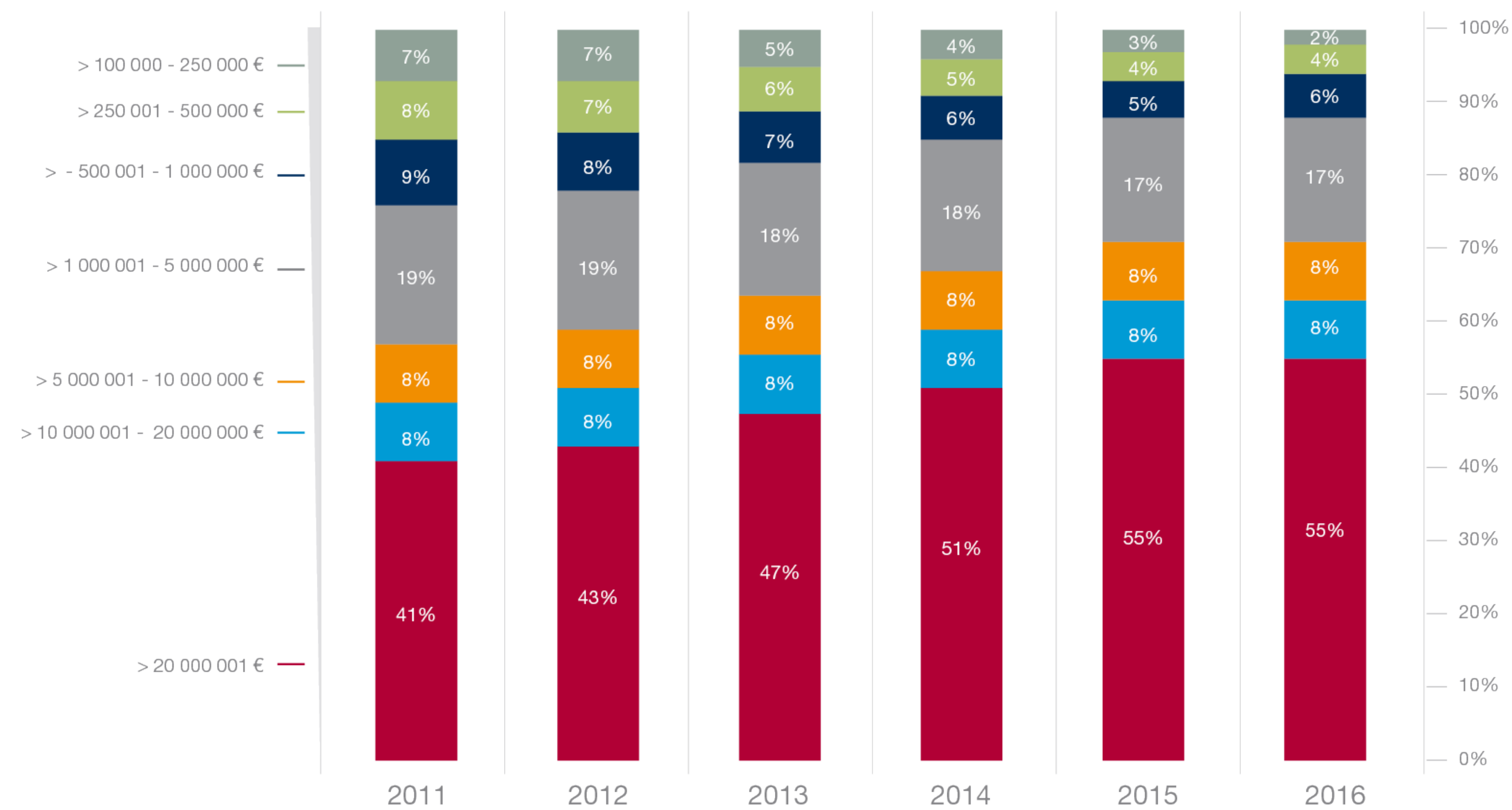
AuM	EUR 360.7 bln* (EUR 350.6 billion**)	+3% 
Revenues	EUR 1.64 bln of revenues* (EUR 1.66 bln**)	-1.2% 
FTEs	Directly employed: 6,733* (6,605**) Client facing staff: 1,427* (1,544**)	+1.9% 
HCs	Banking Employment*** ▴ 2016: 26,060 ▴ 2015: 25,942	+0.5% 

*CSSF / ABBL Private Banking Survey 2017 – figures as of end of 2016

** CSSF / ABBL Private Banking Survey 2016 - figures as of end of 2015

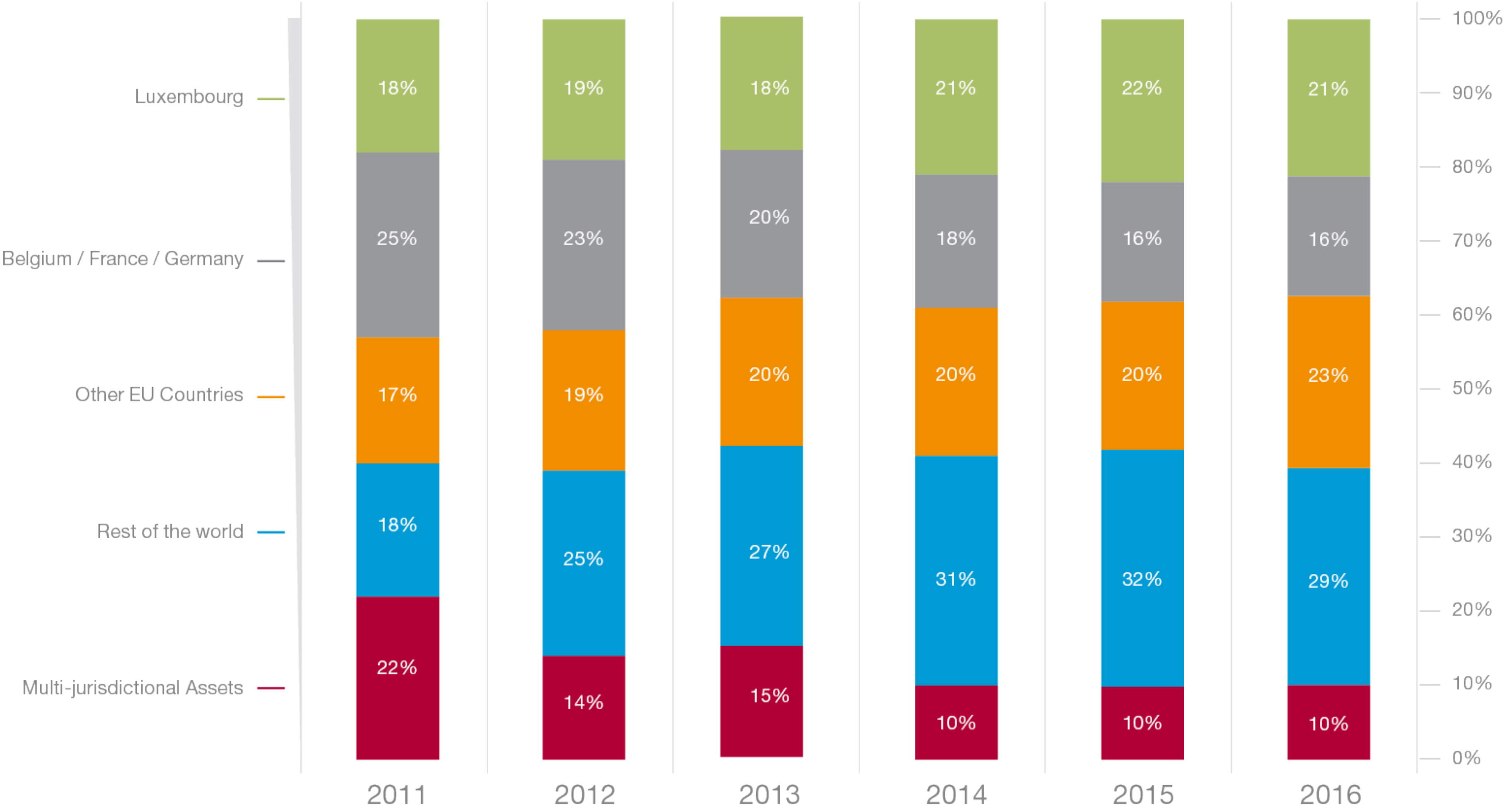
*** CSSF website

Evolution of Wealth Bands in terms of Assets



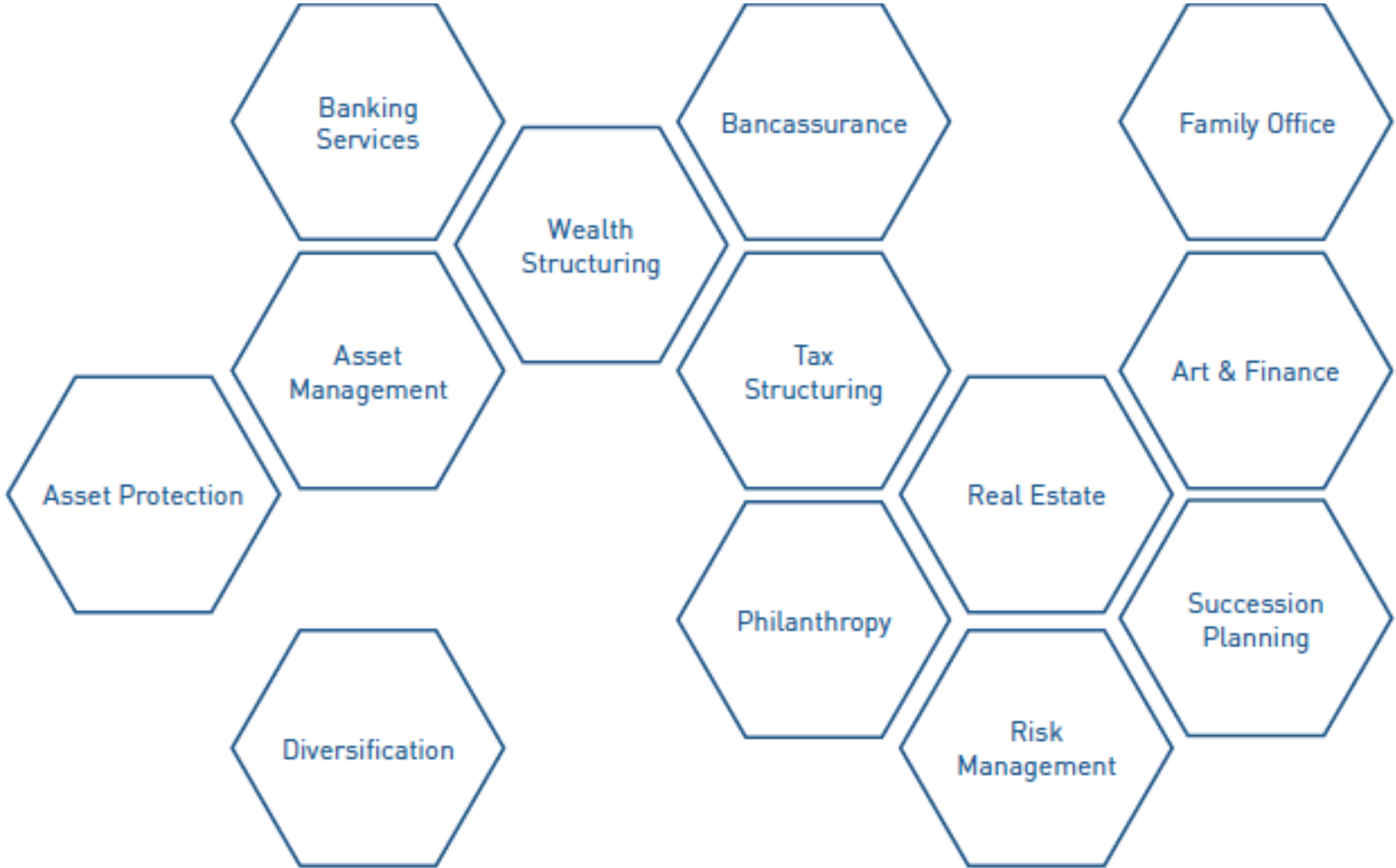
Source: CSSF / ABBL Private Banking Survey 2016 - figures as of end of 2016

Evolution of Geographic Origin of Client Assets



Source: CSSF / ABBL Private Banking Survey 2017 - figures as of end of 2016

Luxembourg Wealth Management Service Offer



CAPITAL MARKETS

Securities, securitisation & going green: Raising finance on international capital markets

Moderator



Laurent Schummer

Partner

Arendt & Medernach

@ArendtMedernach

Experts



Daniel Bregman

Manager of Market Funding Department
The Brazilian Development Bank (BNDES)

@bndes



Carlo Oly

Head of Relationship Management
Luxembourg Stock Exchange

@LuxembourgSE



Marcos Pimentel

Head of International Fixed Income Sales
BTG Pactual



Marc Tkatcheff

Senior Associate
Head of Luxembourg-Latin America desk
Allen & Overy

@AllenOvery_LU

Brazilian issuers on Luxembourg Stock Exchange

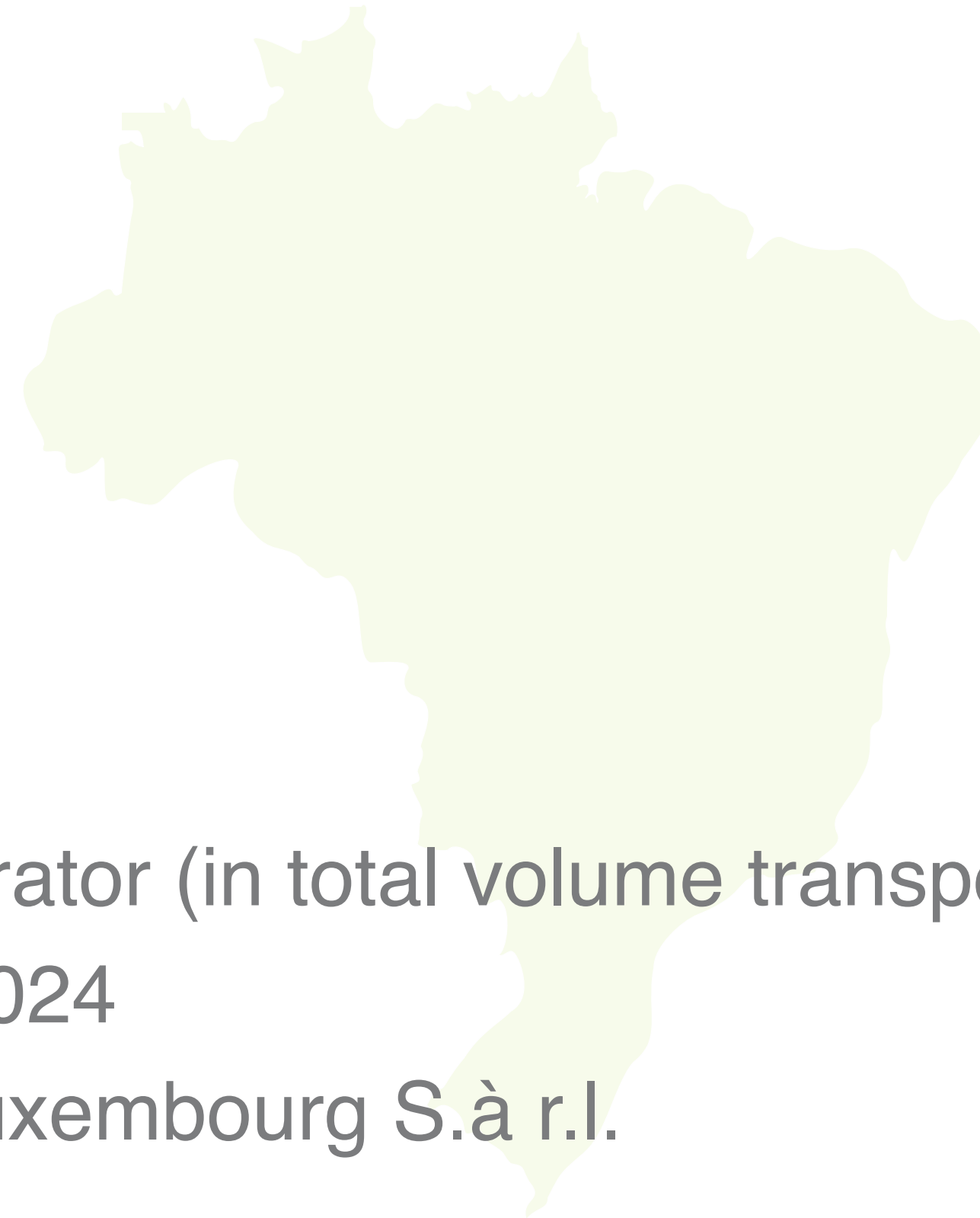
- 27 issuers domiciled in Brazil currently list on LuxSE
- 136 listings from issuers domiciled in Brazil:
 - 87% listed in USD, 7% in EUR, 5% in BRL and 1% in AUD
- 83 listings in BRL originating from 7 different countries



Brazilian issuers on Euro MTF – Case study



rumo



- Brazil's largest railroad-based logistics operator (in total volume transported)
- Bond issue in 2017 for \$ 750m, 7.375%, 2024
- Issued by a Luxembourg vehicle : Rumo Luxembourg S.à r.l.
- Guaranteed by Rumo SA



Brazilian issuers on Luxembourg Green Exchange



EUR 80 billion

Issued in total



160+ securities

Denominated in 17 currencies



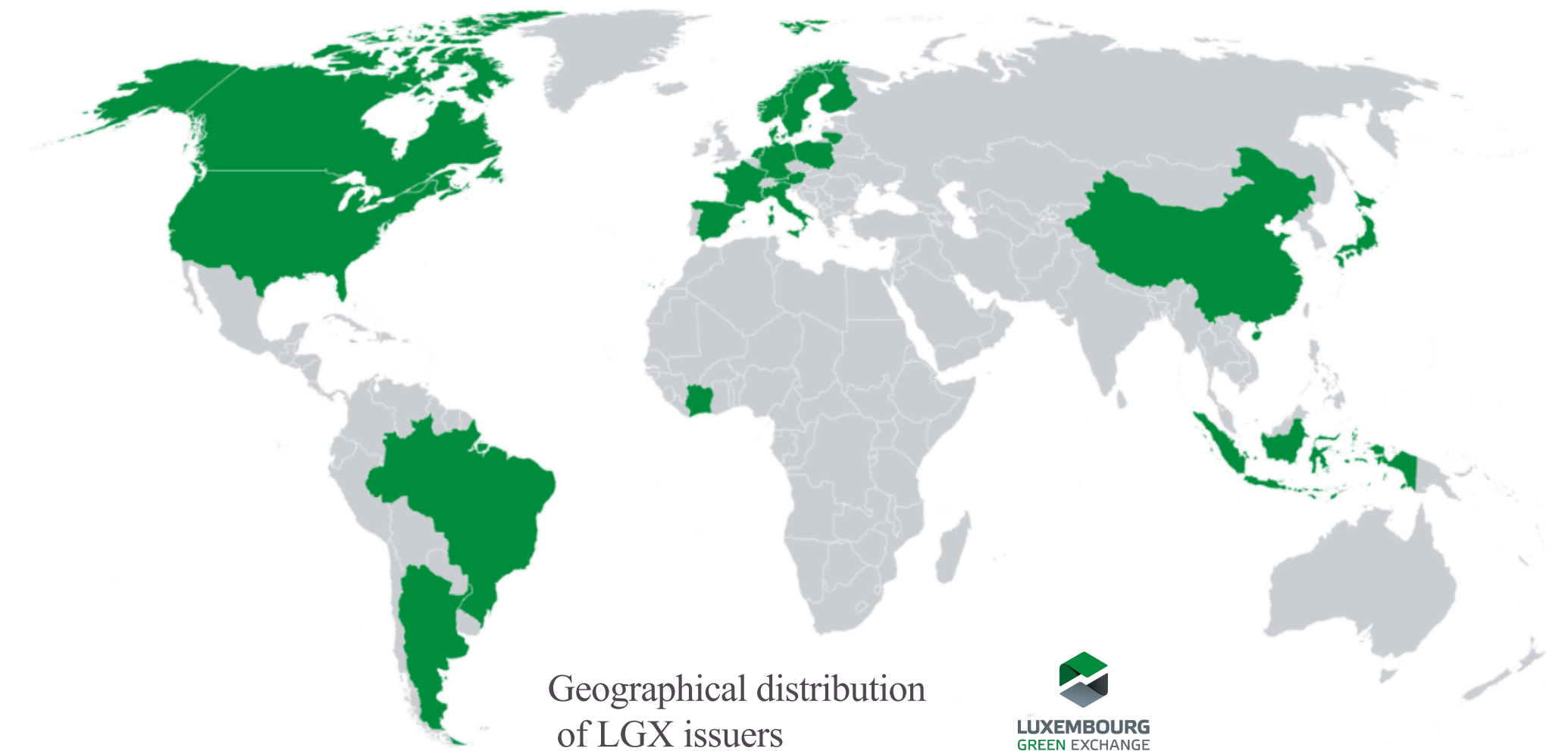
110% growth

Since 2016



50% market share

Of labelled green, social and sustainable bonds listed worldwide



Geographical distribution
of LGX issuers



Brazilian issuers on LGX – Case study

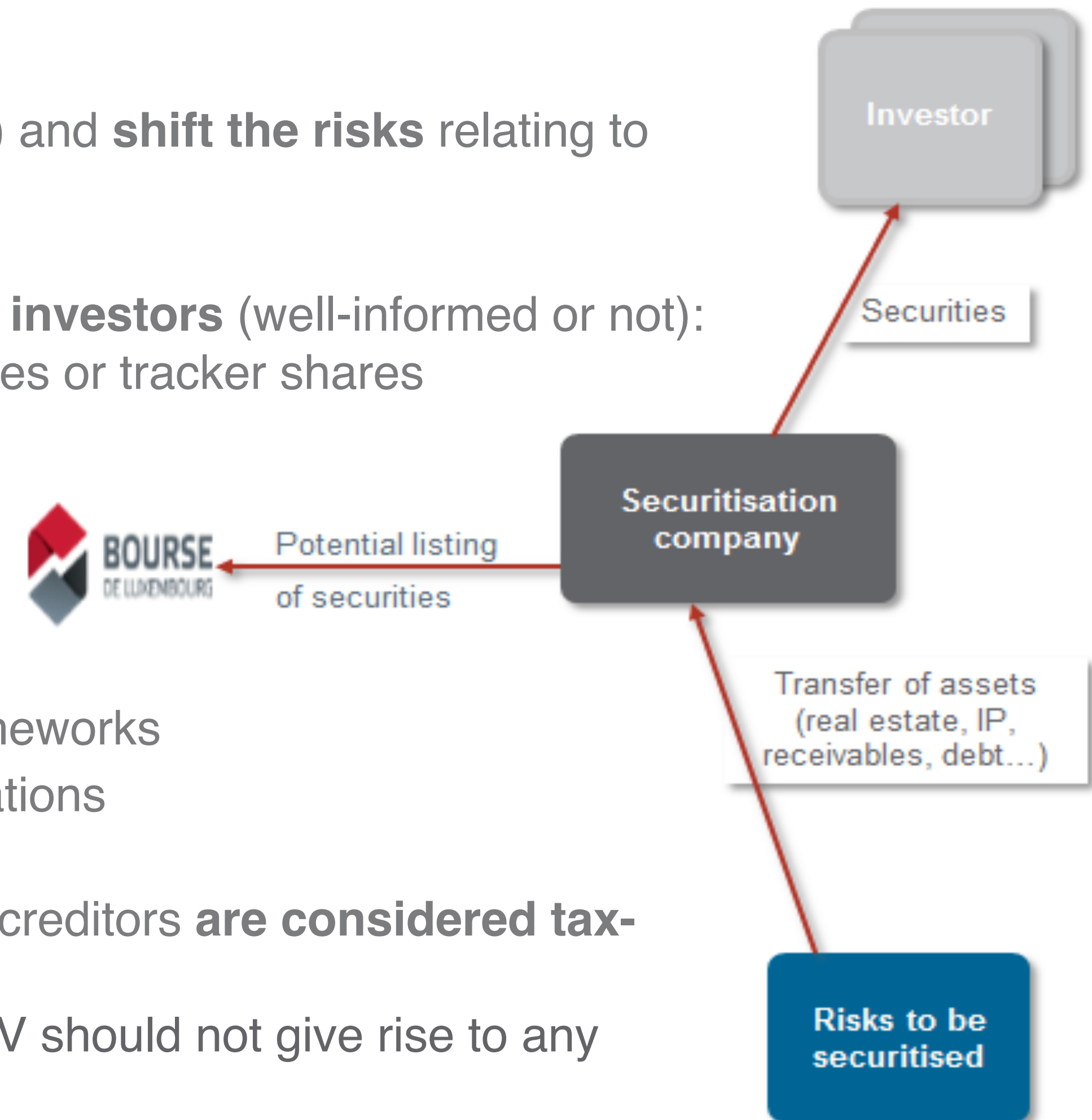


- 2 green bonds with a total amount of EUR 500 million on LGX
- The proceeds are used for:
 - **Sustainable forestry** - restoration of native forest
 - **Conservation** - protect any native animal or plant species or habitats
 - **Water management** - improve the quality of treated wastewater
 - **Energy efficiency** - reduction in fossil fuel consumption
 - **Renewable energy** - generation of energy from renewable sources

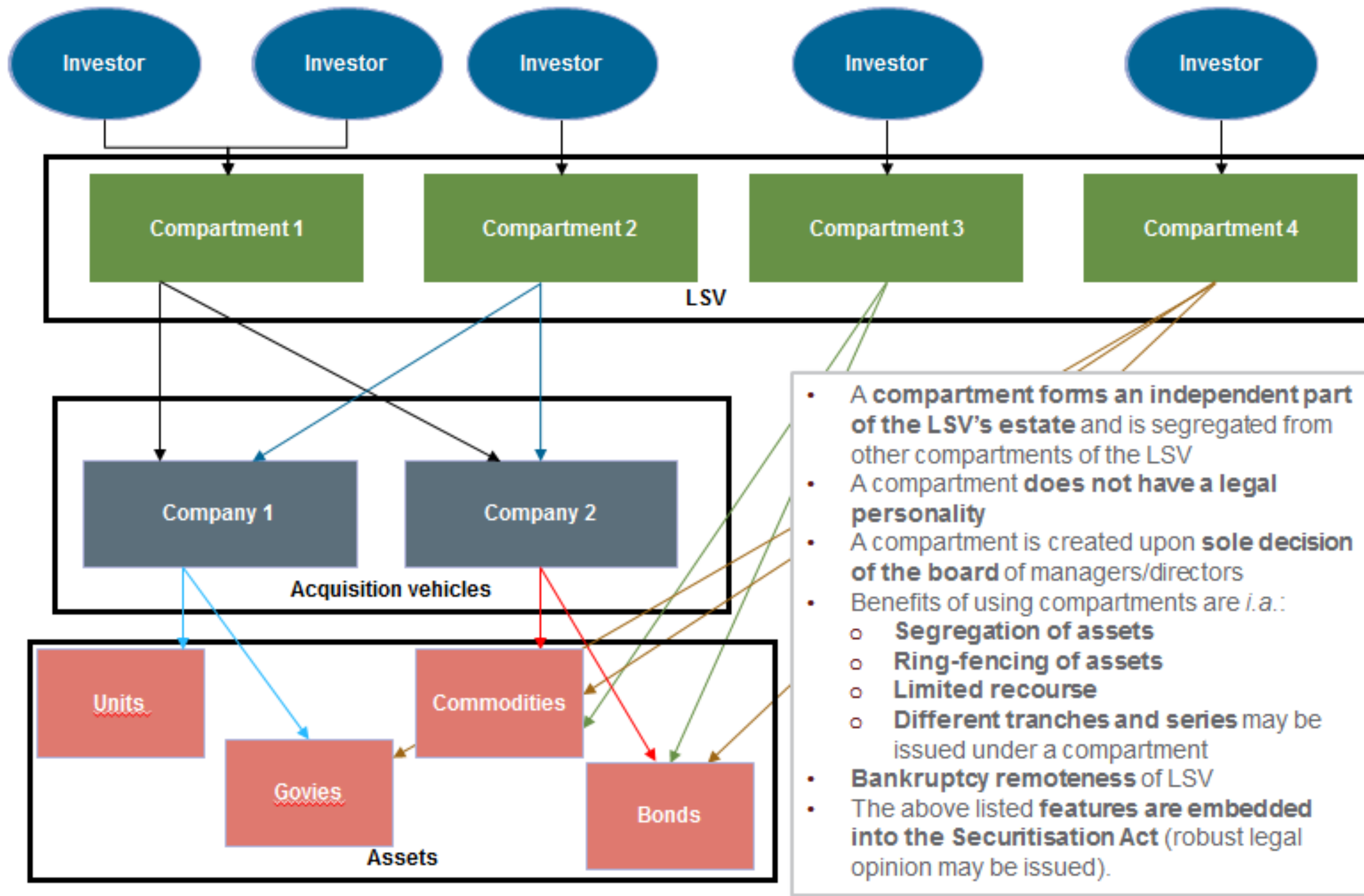


The Luxembourg securitisation vehicle (the «LSV»)

- Purpose of the LSV:
 - Transform **illiquid assets into liquid assets**
 - **Clean up a company's balance sheet**
 - **Isolate the securitised assets** within a specific estate (*patrimoine*) and **shift the risks** relating to these assets to the investor(s)
 - **Cover all types of assets** (both true and synthetic securities).
- **Financing by way of** (listed and/or unlisted) **securities to all kinds of investors** (well-informed or not):
 - Equity securities: ordinary equity, preferred shares, non-voting shares or tracker shares
 - Beneficiary shares (*parts bénéficiaires*)
 - Debt securities: notes, bonds and certificates
 - Warrants
 - Units (for securitisation funds only).
 - On an ancillary basis, by way of loans.
- Luxembourg has one of the **world's most advanced** securitisation frameworks
- Luxembourg has **81 double tax treaties in effect** and 15 under negotiations
- **The LSV is fully subject to corporation taxes**, but:
 - **obligations assumed by LSV** towards its investors and any other creditors **are considered tax-deductible expenses**
 - **if properly structured**, a financial transaction entered into by a LSV should not give rise to any corporation taxes but to a **minimum net wealth tax of EUR4,815**.



The LSV may set up compartments



WITH THE KIND SUPPORT OF

ALLEN & OVERY

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OLYMPIC[®]
BANKING SYSTEM
by — *eRI*[®]

KPMG

LOYENS *L* LOEFF

AVOCATS À LA COUR



pwc