

4. **Liquidity**: The investment portfolio must maintain sufficient liquidity to meet the insurance company's foreseeable needs. This is crucial for managing claims and other financial obligations without the need to liquidate investments under unfavorable conditions.

5. **Profitability**: While security and liquidity are paramount, the investments also need to generate a reasonable return. This balances the need to protect the capital with the requirement to grow the assets to cover liabilities and support the profitability of the insurer.

These principles guide the investment strategies to ensure that they align with the company's overall financial health and obligations to policyholders, aiming to achieve an optimal balance between risk and return within the regulatory framework.



After reviewing the provided excerpts from the FINMA Circular 2016/5 document, here are the evaluations for the answers given to the question regarding the primary investment principles for total assets.

Answer 1 Evaluation

- Relevance:** This answer is relevant as it lists investment principles that generally align with investment principles outlined for insurers.
- Accuracy:** The answer mentions principles such as security, liquidity, profitability, diversification, and regulatory compliance. These are indeed fundamental aspects discussed in the circular but with a more nuanced context that links directly to the structure and development of the company's obligations.



- Completeness:** Provides a broad and general understanding of investment principles. but lacks



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