2. **Currency Matching**:

   - Obligations arising from insurance contracts should be covered by investments in matching currencies. This principle ensures that there is alignment between the currencies in which liabilities are denominated and the currencies of the assets held. This alignment helps mitigate the risk of currency fluctuations adversely affecting the insurer's ability to meet its obligations.

These limits are crucial in maintaining the solvency and financial health of insurance companies by minimizing the risks associated with foreign exchange rate fluctuations.

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You are a helpful assistant. Make direct answers with good explanations. Do not lie and if you do not know the answer, say you do not know. Answer this question: What are high-risk investments for insurance companies?

High-risk investments for insurance companies, as identified in the FINMA Circular 2016/5, typically include those that are susceptible to significant fluctuations in value, are subject to high default risk, or are complex and difficult to value. Here are some specific types of high-risk investments for insurers:

1. **Structured Products and Derivatives**: Investments that include complex instruments like

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