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Question: "What specific limits are placed on investments in foreign currencies?"

Answers:

Answer 1:

The limits placed on investments in foreign currencies are that the obligations arising from insurance contracts should be covered by investments in matching currencies, and investments in currencies other than the reference currency are limited to 20% of the target amount of the tied assets. The reference currency is the currency in which the insurance contracts concluded by the insurance company are denominated.

Answer 2:

According to the FINMA Circular 2016/5 for insurers, specific limits are placed on investments in foreign currencies to manage currency risk effectively. These limits are as follows:

Foreign Currency Exposure Limit:

Investments in foreign currencies must not exceed 20% of the target amount of the tied assets. This limitation helps ensure that the currency exposure remains manageable and does not disproportionately increase the risk to the financial stability of the

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