

Completeness: It correctly mentions the main rules regarding currency matching and limits on foreign currency exposure, which are pivotal to managing currency risk.

Clarity: The explanation is straightforward and concise, making it easy to understand.

Score: 10/10 - The answer is clear, accurate, and covers the essential information from the document regarding foreign currency investment limits.

Answer 2 Evaluation:

Relevance: This answer also correctly addresses the specific limits on foreign currency investments, with added details on the purpose behind these limits.

Accuracy: It accurately describes the 20% limit for foreign currency exposure and the need for currency matching, consistent with the circular's stipulations.

Completeness: The answer provides comprehensive coverage of the limits and their rationale, adding context to the rules, which enhances understanding.

Clarity: The structuring of the answer adds clarity by breaking down the components of the regulation into bullet points, making the information more accessible.

Score: 10/10 - This answer also fully captures the necessary details from the document, presenting them in a clear and structured manner.

Both answers provide a correct and comprehensive overview of the limitations on foreign currency investments as prescribed by the FINMA Circular 2016/5, tailored to the insurance sector's requirements.



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