AUTORITÉ DES MARCHÉS FINANCIERS

# Book IV - Collective investment products

## Title II - AIFS

### Chapter II - Funds open to retail investors

#### Section 1 - Retail investment funds

Sub-section 4 - Calculation of aggregate risk

Paragraph 1 - Measurement of aggregate risk for retail investment funds in relation to financial contracts

Sub-paragraph 3 - Value at risk approach

# General regulation of the AMF

# Article 422-56 into force since 21 December 2013



### Article 422-56

I. - The aggregate risk of a retail investment fund calculated according to the value at risk approach shall cover all positions in the portfolio.

The maximum value at risk of a retail investment fund shall be set by the asset management company on the basis of how its risk profile is defined.

II. - The value at risk of a retail investment fund shall cover a period of twenty working days with a confidence threshold of 99 per cent. The effective observation period for risk factors shall be no less than two hundred and fifty working days. In the event of any significant increase in price volatility, the value at risk shall be calculated for a shorter observation period. The data sample used for the calculation shall be updated at least quarterly, or more frequently if market prices are subject to material changes.

The conditions in which this section II may be waived shall be specified in an AMF instruction. The value at risk approach shall be performed at least daily.

The calculation stages for aggregate risk using the value at risk approach shall be specified in an AMF instruction.

**Version into force since 21 December 2013**