ESMA_QA_731

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Additional Information

Level 1 Regulation
Benchmarks Regulation (BMR) - Regulation 2016/1011

Topic
Benchmarks Regulation

Subject Matter
Definition of a benchmark in relation to investment funds (ESMA70-145-114 Q&A_5.6)

Question
Does the use of a benchmark to measure the performance of an investment fund include the sole mentioning of an index as a comparison?

ESMA Answer

05-02-2018

Original language

No. ESMA considers that indices referenced in the documentation of an investment fund solely to compare the performance of the investment fund should not be included in the scope of this definition, where no investment constraint on the asset allocation of the portfolio is established in relation to the index. This is without prejudice to other European or national rules governing the mentioning of indices in fund documentation.