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Additional Information

Level 1 Regulation
Undertakings for Collective Investment in Transferable Securities Directive (UCITS) Directive 2009/65/EC

Topic
UCITS eligible assets and investment restrictions

Subject Matter
KIID Collateral management

Question
In the case of government bonds, can the 20% limit be deemed to apply to each different issue of bonds of the same issuer?

ESMA Answer

01-10-2016

Original language

[ESMA 34-43-392 UCITS Q&A, section 3, Q&A 6g]

No. The limit applies to the issuers and not to the issue. Accordingly, exposure to any one government issuer, or any individual issuer, is limited to 20% of the net asset value of the UCITS.