

**Submission Date**

01/07/2012

## **ESMA\_QA\_1198**

Status: Answer Published

### **Additional Information**

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#### **Level 1 Regulation**

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

#### **Topic**

Leverage

#### **Subject Matter**

Risk Measurement and Calculation of Global Exposure and Counterparty Risk for UCITS - Disclosure of leverage

#### **Question**

Could UCITS using the VaR approach to calculate global exposure disclose leverage based on the Commitment Approach?

## ESMA Answer

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01-07-2012

Original language

[ESMA 34-43-392 UCITS Q&A, section 5, Q&A 2b]

Yes. However, the leverage should be disclosed based on both the 'sum of the notionals' as provided by CESR's guidelines and the Commitment Approach.