

EXPOSURE DRAFT OF GIPS GS ON RISK

ANSWERS BY THE GREECE COUNTRY SPONSOR

Question 1)

Do you agree with the removal of provision 5.A.2.b, which reads “For periods ending on or after 1 January 2011, FIRMS MUST present, as of each annual period end: b. An additional three-year EX-POST risk measure for the BENCHMARK (if available and appropriate) and the COMPOSITE, if the FIRM determines that the three-year annualized EX-POST STANDARD DEVIATION is not relevant or appropriate. The PERIODICITY of the COMPOSITE and the BENCHMARK MUST be identical when calculating the EX-POST risk measure.”?

We agree with the removal of this provision, makes things simpler.

Question 2)

Do you agree with the new requirement to disclose whether gross or net returns for the composite were used in the calculation of the three-year annualized ex-post standard deviation?

We agree with this proposal.

Question 3)

Should firms presenting gross (net) returns be required to use gross (net) returns in the calculation of the three-year annualized ex-post standard deviation?

We agree with this proposal.

Question 4)

If both gross and net returns are presented, should firms be required to present the three-year annualized ex-post standard deviation for each type of return presented?

We agree with this proposal providing that the definition of net returns here includes all fees (management and performance).

Question 5)

Do you agree that when a firm includes an additional composite and benchmark ex-post risk measure that the periodicity of the composite and benchmark returns must be identical?

We agree with this proposal.

Question 6)

Do you agree with the requirement to disclose a description of the additional risk measure presented and how the measure is relevant to the strategy?

We agree with this proposal.

Question 7)

Are there additional, commonly used ex-post risk measures that provide helpful information to prospective clients that should be included as examples?

We think that as examples are informative and good enough.

Question 8)

Do you agree with the requirement that if a risk measure is presented that uses a risk-free rate, the risk-free rate used must be included in the description of the measure?

We agree with this proposal.

It is a very good development towards the clarification on the definition of the use of risk free rate.

Question 9)

Is the description of risks that could have significant influence on returns adequate, or are there additional risks that should be included?

We would add the political and economic risks with many details as possible.