

CMF issues regulation incorporating the duration method for determining market risk-weighted assets, launches public consultation on criteria for excluding derivatives

The duration method becomes effective in October of this year. Meanwhile, the public consultation on the criteria for excluding derivatives will last three weeks.

September 11, 2026 — The Financial Market Commission (CMF) The Financial Market Commission (CMF) issued a regulation amending Chapter 21-7 of the Updated Compilation of Banking Regulations (RAN), incorporating the duration method as an alternative for measuring overall interest rate risk in the calculation of Market Risk-Weighted Assets (MRWA). The regulation received prior approval from the Board of the Central Bank of Chile and underwent two public consultation processes this year.

These amendments are part of the CMF's ongoing review of regulations, aimed at further refining the implementation of Basel III standards in Chile.

Core Aspects of the Issued Regulation

1. Incorporation of the duration method for measuring overall interest rate risk:
 - Until now, banks could only use the maturity method to measure market risk. The duration method, which is now available, allows for a more sensitive measurement of market risk by providing a more accurate reflection of changes in the economic value of positions following changes in interest rates.
 - Since its implementation requires additional resources from banking institutions, its use will be optional and limited to those institutions that have the necessary technical and operational capacity to calculate each position's price sensitivity.
 - Entities opting for the duration method must submit a report to the CMF containing the supporting documentation that verifies its proper implementation. This report must include — among other items —

approval from internal authorities, methodological criteria used, results of at least three monthly closings, and a report from an independent department.

- For reporting purposes, a new entry is added to File R07 of the Risk System. This provides the CMF with the information it needs to carry out its monitoring and supervisory functions.
2. Public consultation on criteria for excluding derivatives
- At the same time, the CMF is opening a three-week public consultation on a proposal that specifies the rules allowing for the exclusion of positions in derivative instruments from interest rate risk measurement.
 - This issue, which was part of the original project, is now addressed separately with the aim of incorporating objective criteria — in line with Basel standards — that will provide greater certainty and consistency in its application by financial institutions. It also seeks to provide up-to-date quantitative information allowing for a more accurate estimation of the effects of its implementation.

Details of the [published regulation](#) and the [proposed regulation under public consultation](#) are available on the CMF website, along with the Regulatory Reports with their core aspects and impact assessments.

Communication Area — Financial Market Commission (CMF)

Contact: prensa@cmfchile.cl | [Press Room](#) | [Subscribe to Relevant CMF Information](#)