



Republic of the Philippines  
Department of Finance  
**INSURANCE COMMISSION**  
1071 United Nations Avenue  
Manila



Circular Letter (CL) No..	2016 - 58
Date:	10 October 2016
Supplements	CL No. 2016-26

### CIRCULAR LETTER

**TO : ALL LIFE INSURANCE COMPANIES AND MUTUAL BENEFIT ASSOCIATIONS DOING BUSINESS IN THE PHILIPPINES**


**SUBJECT : DISCOUNT RATES FOR LIFE INSURANCE POLICY RESERVES AS OF 30 SEPTEMBER 2016**

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Pursuant to Item IV(1) of IC Circular Letter No 2016-26 entitled *Valuation Standards for Life Insurance Policy Reserves*, attached hereto are the schedules of **Peso and Dollar Spot and Forward rates as of 30 September 2016** which will be used in discounting the cash flows in the calculation of policy reserves as of 30 September 2016

The Peso spot and forward rates derived from the PDST-R2 rates and the Dollar spot and forward rates derived from the International Yield Curve from Bloomberg, shall be used for Peso-denominated and US Dollar-denominated policies, respectively. The Peso and Dollar spot and forward rates to be used for discounting cash flows with duration of more than 20 years were determined using the 2-year moving-average of the 20-year government bond yield rate.

Please be guided accordingly.

  
**EMMANUEL F. DOOC**  
Insurance Commissioner

Peso Spot and Forward Rates as of 30 September 2016					
Tenor/Term (in years)	Spot Rate	Forward Rate	Tenor/Term (in years)	Spot Rate	Forward Rate
1	2.0208%	2.0208%	51	5.2145%	4.9484%
2	2.3018%	2.5835%	52	5.2094%	4.9484%
3	3.3575%	5.5019%	53	5.2045%	4.9484%
4	2.9065%	1.5652%	54	5.1997%	4.9484%
5	3.7305%	7.0928%	55	5.1951%	4.9484%
6	3.6156%	3.0430%	56	5.1907%	4.9484%
7	3.5042%	2.8385%	57	5.1865%	4.9484%
8	3.5773%	4.0906%	58	5.1824%	4.9484%
9	3.6519%	4.2506%	59	5.1784%	4.9484%
10	3.7281%	4.4158%	60	5.1745%	4.9484%
11	3.8493%	5.0700%	61	5.1708%	4.9484%
12	3.9735%	5.3495%	62	5.1672%	4.9484%
13	4.1010%	5.6432%	63	5.1638%	4.9484%
14	4.2323%	5.9534%	64	5.1604%	4.9484%
15	4.3677%	6.2827%	65	5.1571%	4.9484%
16	4.5080%	6.6342%	66	5.1540%	4.9484%
17	4.6536%	7.0117%	67	5.1509%	4.9484%
18	4.8054%	7.4198%	68	5.1479%	4.9484%
19	4.9642%	7.8643%	69	5.1450%	4.9484%
20	5.1311%	8.3524%	70	5.1422%	4.9484%
21	5.5959%	15.3358%	71	5.1395%	4.9484%
22	5.5663%	4.9484%	72	5.1368%	4.9484%
23	5.5394%	4.9484%	73	5.1342%	4.9484%
24	5.5147%	4.9484%	74	5.1317%	4.9484%
25	5.4920%	4.9484%	75	5.1293%	4.9484%
26	5.4710%	4.9484%	76	5.1269%	4.9484%
27	5.4516%	4.9484%	77	5.1246%	4.9484%
28	5.4336%	4.9484%	78	5.1223%	4.9484%
29	5.4169%	4.9484%	79	5.1201%	4.9484%
30	5.4012%	4.9484%	80	5.1180%	4.9484%
31	5.3866%	4.9484%	81	5.1159%	4.9484%
32	5.3728%	4.9484%	82	5.1138%	4.9484%
33	5.3600%	4.9484%	83	5.1118%	4.9484%
34	5.3478%	4.9484%	84	5.1099%	4.9484%
35	5.3364%	4.9484%	85	5.1080%	4.9484%
36	5.3256%	4.9484%	86	5.1061%	4.9484%
37	5.3154%	4.9484%	87	5.1043%	4.9484%
38	5.3057%	4.9484%	88	5.1025%	4.9484%
39	5.2965%	4.9484%	89	5.1008%	4.9484%
40	5.2878%	4.9484%	90	5.0991%	4.9484%
41	5.2795%	4.9484%	91	5.0974%	4.9484%
42	5.2716%	4.9484%	92	5.0958%	4.9484%
43	5.2641%	4.9484%	93	5.0942%	4.9484%
44	5.2569%	4.9484%	94	5.0927%	4.9484%
45	5.2500%	4.9484%	95	5.0912%	4.9484%
46	5.2435%	4.9484%	96	5.0897%	4.9484%
47	5.2372%	4.9484%	97	5.0882%	4.9484%
48	5.2312%	4.9484%	98	5.0868%	4.9484%
49	5.2254%	4.9484%	99	5.0854%	4.9484%
50	5.2198%	4.9484%	100	5.0840%	4.9484%

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Dollar Spot and Forward Rates as of 30 September 2016					
Tenor/Term (in years)	Spot Rate	Forward Rate	Tenor/Term (in years)	Spot Rate	Forward Rate
1	1.3848%	1.3848%	51	3.8403%	3.6699%
2	1.4740%	1.5634%	52	3.8370%	3.6699%
3	1.6511%	2.0062%	53	3.8339%	3.6699%
4	1.8382%	2.4016%	54	3.8308%	3.6699%
5	2.0138%	2.7193%	55	3.8279%	3.6699%
6	2.1682%	2.9434%	56	3.8251%	3.6699%
7	2.3249%	3.2700%	57	3.8223%	3.6699%
8	2.4427%	3.2714%	58	3.8197%	3.6699%
9	2.5546%	3.4542%	59	3.8172%	3.6699%
10	2.6768%	3.7829%	60	3.8147%	3.6699%
11	2.7882%	3.9094%	61	3.8123%	3.6699%
12	2.9020%	4.1624%	62	3.8100%	3.6699%
13	3.0185%	4.4258%	63	3.8078%	3.6699%
14	3.1377%	4.7010%	64	3.8057%	3.6699%
15	3.2602%	4.9899%	65	3.8036%	3.6699%
16	3.2640%	3.3211%	66	3.8015%	3.6699%
17	3.2689%	3.3470%	67	3.7996%	3.6699%
18	3.2747%	3.3736%	68	3.7977%	3.6699%
19	3.2813%	3.4008%	69	3.7958%	3.6699%
20	3.2887%	3.4287%	70	3.7940%	3.6699%
21	4.0841%	21.3440%	71	3.7923%	3.6699%
22	4.0653%	3.6699%	72	3.7906%	3.6699%
23	4.0480%	3.6699%	73	3.7889%	3.6699%
24	4.0323%	3.6699%	74	3.7873%	3.6699%
25	4.0177%	3.6699%	75	3.7857%	3.6699%
26	4.0043%	3.6699%	76	3.7842%	3.6699%
27	3.9919%	3.6699%	77	3.7827%	3.6699%
28	3.9804%	3.6699%	78	3.7813%	3.6699%
29	3.9697%	3.6699%	79	3.7799%	3.6699%
30	3.9597%	3.6699%	80	3.7785%	3.6699%
31	3.9503%	3.6699%	81	3.7772%	3.6699%
32	3.9416%	3.6699%	82	3.7759%	3.6699%
33	3.9333%	3.6699%	83	3.7746%	3.6699%
34	3.9256%	3.6699%	84	3.7733%	3.6699%
35	3.9182%	3.6699%	85	3.7721%	3.6699%
36	3.9113%	3.6699%	86	3.7709%	3.6699%
37	3.9048%	3.6699%	87	3.7698%	3.6699%
38	3.8986%	3.6699%	88	3.7686%	3.6699%
39	3.8928%	3.6699%	89	3.7675%	3.6699%
40	3.8872%	3.6699%	90	3.7664%	3.6699%
41	3.8819%	3.6699%	91	3.7654%	3.6699%
42	3.8768%	3.6699%	92	3.7643%	3.6699%
43	3.8720%	3.6699%	93	3.7633%	3.6699%
44	3.8674%	3.6699%	94	3.7623%	3.6699%
45	3.8630%	3.6699%	95	3.7614%	3.6699%
46	3.8588%	3.6699%	96	3.7604%	3.6699%
47	3.8548%	3.6699%	97	3.7595%	3.6699%
48	3.8509%	3.6699%	98	3.7586%	3.6699%
49	3.8472%	3.6699%	99	3.7577%	3.6699%
50	3.8437%	3.6699%	100	3.7568%	3.6699%