



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



Circular Letter (CL) No.:	2017-24
Date:	11 April 2017
Supplements:	CL No. 2016-67

CIRCULAR LETTER

TO : ALL NON-LIFE INSURANCE AND PROFESSIONAL REINSURANCE COMPANIES DOING BUSINESS IN THE PHILIPPINES

SUBJECT : DISCOUNT RATES FOR NON-LIFE INSURANCE POLICY RESERVES AS OF 31 MARCH 2017

Pursuant to Item 10 of IC Circular Letter No. 2016-67 entitled *Valuation Standards for Non-Life Insurance Policy Reserves*, attached hereto are the schedules of **Peso and Dollar Spot and Forward rates as of 31 March 2017** which will be used in discounting the cash flows in the calculation of policy reserves as of 31 March 2017.

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.

DENNIS B. FUNA
Insurance Commissioner

Annex A

Peso Spot and Forward Rates as of 31 March 2017					
Tenor/Term (in years)	Spot Rate	Forward Rate	Tenor/Term (in years)	Spot Rate	Forward Rate
1	2.6886%	2.6886%	51	5.0123%	5.0180%
2	3.2861%	3.8870%	52	5.0124%	5.0180%
3	4.1859%	6.0091%	53	5.0125%	5.0180%
4	4.3407%	4.8066%	54	5.0126%	5.0180%
5	4.3403%	4.3384%	55	5.0127%	5.0180%
6	4.8015%	7.1387%	56	5.0128%	5.0180%
7	5.2805%	8.2008%	57	5.0129%	5.0180%
8	5.2583%	5.1026%	58	5.0130%	5.0180%
9	5.2403%	5.0965%	59	5.0131%	5.0180%
10	5.2253%	5.0902%	60	5.0132%	5.0180%
11	5.2122%	5.0815%	61	5.0132%	5.0180%
12	5.2007%	5.0744%	62	5.0133%	5.0180%
13	5.1904%	5.0671%	63	5.0134%	5.0180%
14	5.1811%	5.0595%	64	5.0135%	5.0180%
15	5.1724%	5.0517%	65	5.0135%	5.0180%
16	5.1644%	5.0437%	66	5.0136%	5.0180%
17	5.1568%	5.0354%	67	5.0137%	5.0180%
18	5.1496%	5.0268%	68	5.0137%	5.0180%
19	5.1426%	5.0179%	69	5.0138%	5.0180%
20	5.1359%	5.0087%	70	5.0139%	5.0180%
21	5.0042%	2.4040%	71	5.0139%	5.0180%
22	5.0048%	5.0180%	72	5.0140%	5.0180%
23	5.0054%	5.0180%	73	5.0140%	5.0180%
24	5.0059%	5.0180%	74	5.0141%	5.0180%
25	5.0064%	5.0180%	75	5.0141%	5.0180%
26	5.0068%	5.0180%	76	5.0142%	5.0180%
27	5.0073%	5.0180%	77	5.0142%	5.0180%
28	5.0076%	5.0180%	78	5.0143%	5.0180%
29	5.0080%	5.0180%	79	5.0143%	5.0180%
30	5.0083%	5.0180%	80	5.0144%	5.0180%
31	5.0086%	5.0180%	81	5.0144%	5.0180%
32	5.0089%	5.0180%	82	5.0145%	5.0180%
33	5.0092%	5.0180%	83	5.0145%	5.0180%
34	5.0095%	5.0180%	84	5.0145%	5.0180%
35	5.0097%	5.0180%	85	5.0146%	5.0180%
36	5.0099%	5.0180%	86	5.0146%	5.0180%
37	5.0102%	5.0180%	87	5.0147%	5.0180%
38	5.0104%	5.0180%	88	5.0147%	5.0180%
39	5.0106%	5.0180%	89	5.0147%	5.0180%
40	5.0107%	5.0180%	90	5.0148%	5.0180%
41	5.0109%	5.0180%	91	5.0148%	5.0180%
42	5.0111%	5.0180%	92	5.0148%	5.0180%
43	5.0113%	5.0180%	93	5.0149%	5.0180%
44	5.0114%	5.0180%	94	5.0149%	5.0180%
45	5.0116%	5.0180%	95	5.0149%	5.0180%
46	5.0117%	5.0180%	96	5.0150%	5.0180%
47	5.0118%	5.0180%	97	5.0150%	5.0180%
48	5.0120%	5.0180%	98	5.0150%	5.0180%
49	5.0121%	5.0180%	99	5.0151%	5.0180%
50	5.0122%	5.0180%	100	5.0151%	5.0180%

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Dollar Spot and Forward Rates as of 31 March 2017					
Tenor/Term (in years)	Spot Rate	Forward Rate	Tenor/Term (in years)	Spot Rate	Forward Rate
1	1.4714%	1.4714%	51	3.6911%	3.6820%
2	1.7877%	2.1050%	52	3.6909%	3.6820%
3	2.1482%	2.8731%	53	3.6908%	3.6820%
4	2.4352%	3.3010%	54	3.6906%	3.6820%
5	2.6939%	3.7351%	55	3.6905%	3.6820%
6	2.9057%	3.9713%	56	3.6903%	3.6820%
7	3.1221%	4.4302%	57	3.6902%	3.6820%
8	3.2829%	4.4157%	58	3.6900%	3.6820%
9	3.4321%	4.6337%	59	3.6899%	3.6820%
10	3.5816%	4.9363%	60	3.6898%	3.6820%
11	3.6825%	4.6971%	61	3.6896%	3.6820%
12	3.7864%	4.9363%	62	3.6895%	3.6820%
13	3.8934%	5.1864%	63	3.6894%	3.6820%
14	4.0038%	5.4491%	64	3.6893%	3.6820%
15	4.1177%	5.7260%	65	3.6892%	3.6820%
16	4.0855%	3.6032%	66	3.6891%	3.6820%
17	4.0548%	3.5642%	67	3.6889%	3.6820%
18	4.0252%	3.5243%	68	3.6888%	3.6820%
19	3.9967%	3.4838%	69	3.6887%	3.6820%
20	3.9689%	3.4424%	70	3.6887%	3.6820%
21	3.7041%	-1.4522%	71	3.6886%	3.6820%
22	3.7031%	3.6820%	72	3.6885%	3.6820%
23	3.7022%	3.6820%	73	3.6884%	3.6820%
24	3.7013%	3.6820%	74	3.6883%	3.6820%
25	3.7006%	3.6820%	75	3.6882%	3.6820%
26	3.6999%	3.6820%	76	3.6881%	3.6820%
27	3.6992%	3.6820%	77	3.6880%	3.6820%
28	3.6986%	3.6820%	78	3.6880%	3.6820%
29	3.6980%	3.6820%	79	3.6879%	3.6820%
30	3.6975%	3.6820%	80	3.6878%	3.6820%
31	3.6970%	3.6820%	81	3.6878%	3.6820%
32	3.6965%	3.6820%	82	3.6877%	3.6820%
33	3.6961%	3.6820%	83	3.6876%	3.6820%
34	3.6957%	3.6820%	84	3.6875%	3.6820%
35	3.6953%	3.6820%	85	3.6875%	3.6820%
36	3.6949%	3.6820%	86	3.6874%	3.6820%
37	3.6946%	3.6820%	87	3.6874%	3.6820%
38	3.6942%	3.6820%	88	3.6873%	3.6820%
39	3.6939%	3.6820%	89	3.6872%	3.6820%
40	3.6936%	3.6820%	90	3.6872%	3.6820%
41	3.6933%	3.6820%	91	3.6871%	3.6820%
42	3.6931%	3.6820%	92	3.6871%	3.6820%
43	3.6928%	3.6820%	93	3.6870%	3.6820%
44	3.6926%	3.6820%	94	3.6870%	3.6820%
45	3.6923%	3.6820%	95	3.6869%	3.6820%
46	3.6921%	3.6820%	96	3.6869%	3.6820%
47	3.6919%	3.6820%	97	3.6868%	3.6820%
48	3.6917%	3.6820%	98	3.6868%	3.6820%
49	3.6915%	3.6820%	99	3.6867%	3.6820%
50	3.6913%	3.6820%	100	3.6867%	3.6820%

