



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



Circular Letter (CL) No.:	2018-49
Date:	15 October 2018
Supplements:	CL No. 2018-18

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 30 SEPTEMBER 2018

Pursuant to Item 10 of IC Circular Letter No. 2018-18 entitled *Valuation Standards for Non-Life Insurance Policy Reserves*, attached hereto are the schedules of **Peso and Dollar Spot and Forward rates as of 28 September 2018** which will be used in discounting the cash flows in the calculation of policy reserves as of 30 September 2018.

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

