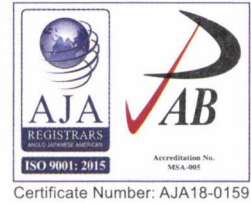




Republic of the Philippines  
Department of Finance  
**INSURANCE COMMISSION**  
1071 United Nations Avenue  
Manila



|                           |                              |
|---------------------------|------------------------------|
| Circular Letter (CL) No.: | 2019 - 75                    |
| Date:                     | 27 December 2019             |
| Supplements:              | CL Nos. 2018-75 &<br>2016-66 |

### CIRCULAR LETTER

**TO : ALL LIFE INSURANCE COMPANIES DOING BUSINESS IN THE PHILIPPINES**

**SUBJECT : DISCOUNT RATES FOR LIFE INSURANCE POLICY RESERVES AS OF 31 DECEMBER 2019**

---

Pursuant to IC Circular Letter Nos. 2016-66 and 2018-75 on *Valuation Standards for Life Insurance Policy Reserves*, attached hereto are the schedules of **Peso and Dollar Spot and Forward rates as of 27 December 2019 and 31 December 2019, respectively**, which will be used in discounting the cash flows in the calculation of policy reserves as of 31 December 2019.

The Peso spot and forward rates derived from the PHP BVAL Reference rates from Bloomberg 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 1-year moving-average of the 20-year government bond yield rate.

Please be guided accordingly.

**DENNIS B. FUNA**  
Insurance Commissioner

