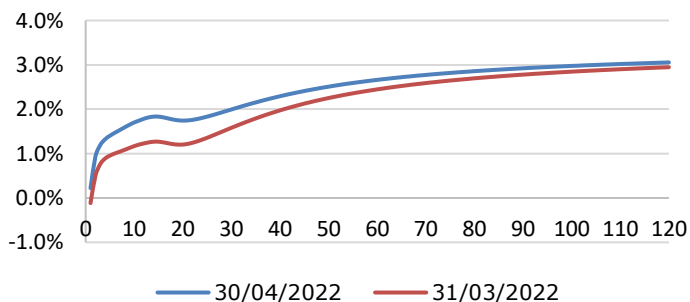


To: Solvency II Working Group
 From: Prudential Team
 Date: 09-05-2022
 Reference: ECO-SLV-22-
 Subject: RFR monthly monitoring – April 2022

Background

EIOPA publishes the technical information related to [risk-free interest rate](#) (RFR) term structures for a wide range of currencies and the [symmetric adjustment](#) of the equity capital charge monthly. The latest technical documentation for the RFR which provides EIOPA's methodology for calculation can be found [here](#). The secretariat monitors EIOPA's RFR curves published for the euro as well as the symmetric adjustment and provides below summary information for members (Source: EIOPA, Insurance Europe).

1. RFR curves with VA (euro) as at the end of April 2022 vs previous curve



<i>RFR with VA</i>	<i>10yrs</i>	<i>20yrs</i>	<i>60yrs</i>
Apr 2022	1.70%	1.74%	2.66%
Mar 2022	1.17%	1.20%	2.45%
<i>RFR without VA</i>	<i>10yrs</i>	<i>20yrs</i>	<i>60yrs</i>
Apr 2022	1.64%	1.68%	2.64%
Mar 2022	1.11%	1.14%	2.42%

2. Change in Volatility Adjustment and Credit Risk Adjustment

	April	March
Volatility Adjustment (VA) (bps)	6	6
Credit Risk Adjustment (bps)	10	10

3. Impact on discounting

The value after discounting a 1,000 euro cashflow at different years in the future is shown below along with the impact of changes in RFR (with VA) on these valuations:

	10yrs	20yrs	60yrs
Present Value using April 2022 RFR with VA	845	708	207
Present Value change from March 2022	-5.1%	-10.1%	-11.8%

4. Symmetric Adjustment of the Equity Capital Charge

April 2022	March 2022	February 2022	January 2022	December 2021	November 2021	October 2021	September 2021
-0.48%	1.40%	1.40%	4.33%	6.88%	4.53%	7.17%	5.31%