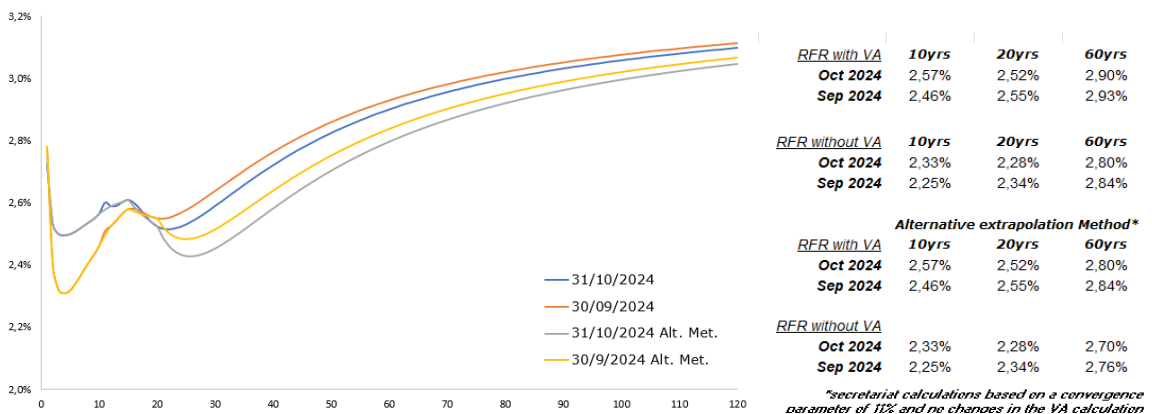


To: Solvency II WG  
 From: Prudential Team  
 Date: 06-11-2024  
 Reference: ECO-SLV-24-303  
 Subject: RFR monthly monitoring – October 2024

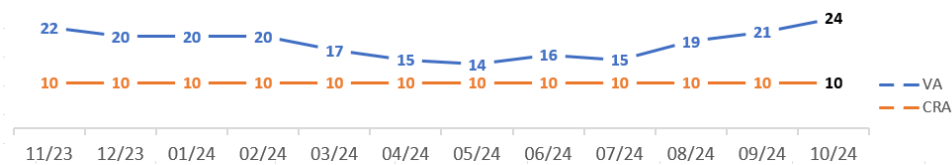
## Background

EIOPA publishes 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). Additional information on the alternative extrapolation method proposed by the EC as part of the Solvency II review is included for reference only.

### 1. RFR curves with VA (euro) as at the end of October 2024 vs previous curve



### 2. Change in Volatility Adjustment and Credit Risk Adjustment



### 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 |
|----------------------------------|-------|-------|-------|
| Value using current RFR with VA  | 776   | 608   | 180   |
| Value change from previous month | -1,0% | 0,5%  | 1,7%  |

### 4. Symmetric Adjustment of the Equity Capital Charge

