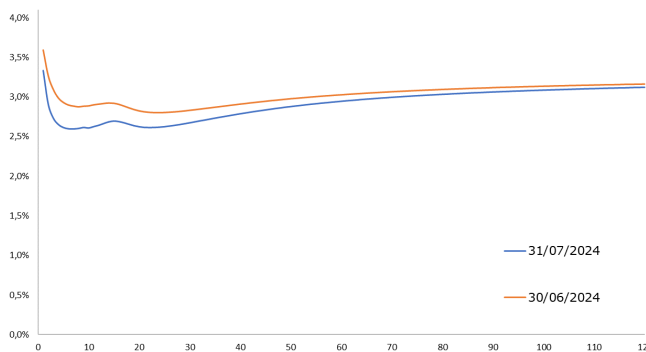


To: Solvency II Working Group
 From: Prudential Team
 Date: 06-08-2024
 Reference: ECO-SLV-24-195
 Subject: RFR monthly monitoring – July 2024

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).

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



4. RFR with VA - rates for 10, 20 and 60 yrs maturities

<u>RFR with VA</u>	10yrs	20yrs	60yrs
Jul 2024	2,61%	2,63%	2,95%
Jun 2024	2,89%	2,82%	3,03%
<u>RFR without VA</u>	10yrs	20yrs	60yrs
Jul 2024	2,46%	2,48%	2,88%
Jun 2024	2,73%	2,66%	2,96%

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
Present Value using July 2024 RFR with VA	773	595	175
Present Value change from the previous month	2.7%	3.9%	4.7%

4. Symmetric Adjustment of the Equity Capital Charge

