8th January 2018

NOTICE

BERMUDA SOLVENCY CAPITAL REQUIREMENT UPDATE PROPOSAL

NOVEMBER 2017 – UPDATED APPENDIX A

On 30th November 2017, Bermuda Monetary Authority (Authority) published for consultation the "Bermuda Solvency Capital Requirement Update Proposal November 2017" (Consultation Paper).

The Authority would like to advise that, in Appendix A of the Consultation Paper, the interest rate "Down" shock for US Dollar in Table A.1 contained incorrect values. The magnitudes of the error range from 1 bps to 8 bps at most. The "Up" shock for USD is not affected by this update.

The updated values for USD are below. For the avoidance of doubt, the shock values for all other currencies remain as previously published.

Any questions relating to the update should be directed to riskanalytics@bma.bm.

Table A.1 Shocks (in absolute terms) per currency and spot curve tenor – USD updated.

USD		
Tenor	Up	Down
1	0.00%	-0.07%
2	0.68%	-0.71%
3	1.10%	-1.09%
4	1.36%	-1.33%
5	1.54%	-1.50%
6	1.65%	-1.63%
7	1.74%	-1.72%
8	1.80%	-1.79%
9	1.84%	-1.85%
10	1.87%	-1.89%
11	1.90%	-1.92%
12	1.93%	-1.94%
13	1.94%	-1.96%
14	1.96%	-1.98%
15	1.97%	-1.99%
16	1.99%	-2.01%
17	2.00%	-2.02%
18	2.01%	-2.03%
19	2.02%	-2.04%
20	2.02%	-2.04%
21	2.03%	-2.05%
22	2.04%	-2.06%
23	2.04%	-2.06%
24	2.05%	-2.07%
25	2.05%	-2.07%
26	2.06%	-2.08%
27	2.06%	-2.08%
28	2.06%	-2.09%
29	2.07%	-2.09%
30	2.07%	-2.09%