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**Addendum 7 to the CRI Technical Report (Version: 2014, Update 1)**

This document updates the Technical Report (Version: 2014, Update 1) and details the replacement of the 3-month and 1-year interest rates in Jordan. These changes have been implemented for the probabilities of default (PDs) and Actuarial Spreads (AS) released on 9<sup>th</sup> February 2015.

**I. Replacement of 3-month and 1-year interest rates, Jordan**

Our data provider (Reuters) ceased updating the interest rates for Jordan (*Reuters Amman 3-month and 1-year Interbank Rates*) in August 2009. As of the February 2015 calibration, we used the *Bloomberg Jordan Re-Discount Rate* as a replacement for the 1-year risk-free rate for Jordan in the DTD computation. The new risk-free rate is the benchmark rate decided by the central bank on a regular basis.

We replaced the *Reuters Amman 3-month rate* with an admixture of the *Bloomberg 3-month Interbank Offered Rate* and the *Bloomberg Jordan Re-Discount Rate*. The *Bloomberg 3-month Interbank Offered Rate* is only available since 20<sup>th</sup> September 2006. Therefore, for earlier periods we used the *Bloomberg Jordan Re-Discount Rate* instead but after, an adjustment. The *Bloomberg Jordan Re-Discount Rate* is scaled by a factor of 0.921, which is based on the values of the *Bloomberg Jordan Re-Discount Rate* (7.50%) and the *Bloomberg 3-month Interbank Offered Rate* (6.91%) on 20<sup>th</sup> September 2006. The net effect of this adjustment helps to prevent a sudden change in PD during the transition of interest rates.