

Publication Date: 11 Dec 2013

Effective Date: 11 Dec 2013

Addendum 3 to the CRI Technical Report (Version: 2013, Update 2b)

This document updates the Technical Report (Version: 2013, Update 2b) and details (1) a replacement for the 3 month interest rate in Singapore. These changes have been implemented as of the probabilities of default (PD) released on 11th of December.

I. 3 Month interest rate, Singapore

The MAS discontinued issuance of 3m T-bills on behalf of the Singapore Government in September 2013, and our data provider (Reuters) ceased updating their Singapore 3 month T-Bill rate series (*Reuters Singapore 3m rate*). However, MAS continues to issue 3-month bills as part of its Money Market Operations. We have thus changed to another data provider (Bloomberg) who continues to update their Singapore 3 month T-Bill rate (*Bloomberg Singapore 3m rate*) using data for the MAS bills.

Henceforth, as of December 2013 calibration, the *Bloomberg Singapore 3m rate* is used as the 3 month i-rate for all data points starting from 20th of September 2013; we continue to use the *Reuters Singapore 3m rate* for earlier periods. Users should note that while the historical data of these two series is very similar, there are some discrepancies due to differences in pricing sources and methodologies.