ANNEX 8

DURATION METHOD

(Time bands and assumed changes in yield)

Zone 1 1 month or less 1.00 1 to 3 months 1.00 3 to 6 months 1.00 6 to 12 months 1.00 Zone 2 1.00 1.0 to 1.9 years 0.90 1.9 to 2.8 years 0.80 2.8 to 3.6 years 0.75 Zone 3 0.75 3.6 to 4.3 years 0.75 5.7 to 7.3 years 0.60 9.3 to 10.6 years 0.60 10.6 to 12 years 0.60 12 to 20 years 0.60	Time Bands	Assumed Change in Yield
1 to 3 months 1.00 3 to 6 months 1.00 6 to 12 months 1.00 Zone 2 1.00 1.0 to 1.9 years 0.90 1.9 to 2.8 years 0.80 2.8 to 3.6 years 0.75 Zone 3 0.75 3.6 to 4.3 years 0.75 4.3 to 5.7 years 0.65 7.3 to 9.3 years 0.60 9.3 to 10.6 years 0.60 10.6 to 12 years 0.60 12 to 20 years 0.60	Zone 1	
3 to 6 months 1.00 6 to 12 months 1.00 Zone 2 1.0 to 1.9 years 1.0 to 1.9 years 0.90 1.9 to 2.8 years 0.80 2.8 to 3.6 years 0.75 Zone 3 0.75 3.6 to 4.3 years 0.75 4.3 to 5.7 years 0.70 5.7 to 7.3 years 0.65 7.3 to 9.3 years 0.60 9.3 to 10.6 years 0.60 10.6 to 12 years 0.60 12 to 20 years 0.60	1 month or less	1.00
6 to 12 months 1.00 Zone 2 1.0 to 1.9 years 1.0 to 1.9 years 0.90 1.9 to 2.8 years 0.80 2.8 to 3.6 years 0.75 Zone 3 0.75 3.6 to 4.3 years 0.75 4.3 to 5.7 years 0.70 5.7 to 7.3 years 0.65 7.3 to 9.3 years 0.60 9.3 to 10.6 years 0.60 10.6 to 12 years 0.60 12 to 20 years 0.60	1 to 3 months	1.00
Zone 21.0 to 1.9 years0.901.9 to 2.8 years0.802.8 to 3.6 years0.75Zone 30.753.6 to 4.3 years0.754.3 to 5.7 years0.705.7 to 7.3 years0.657.3 to 9.3 years0.609.3 to 10.6 years0.6010.6 to 12 years0.6012 to 20 years0.60	3 to 6 months	1.00
1.0 to 1.9 years0.901.9 to 2.8 years0.802.8 to 3.6 years0.75Zone 30.753.6 to 4.3 years0.754.3 to 5.7 years0.705.7 to 7.3 years0.657.3 to 9.3 years0.609.3 to 10.6 years0.6010.6 to 12 years0.6012 to 20 years0.60	6 to 12 months	1.00
1.9 to 2.8 years 0.80 2.8 to 3.6 years 0.75 Zone 3 0.75 3.6 to 4.3 years 0.75 4.3 to 5.7 years 0.70 5.7 to 7.3 years 0.65 7.3 to 9.3 years 0.60 9.3 to 10.6 years 0.60 10.6 to 12 years 0.60	Zone 2	
2.8 to 3.6 years 0.75 Zone 3 0.75 3.6 to 4.3 years 0.75 4.3 to 5.7 years 0.70 5.7 to 7.3 years 0.65 7.3 to 9.3 years 0.60 9.3 to 10.6 years 0.60 10.6 to 12 years 0.60 12 to 20 years 0.60	1.0 to 1.9 years	0.90
Zone 3 0.75 3.6 to 4.3 years 0.75 4.3 to 5.7 years 0.70 5.7 to 7.3 years 0.65 7.3 to 9.3 years 0.60 9.3 to 10.6 years 0.60 10.6 to 12 years 0.60 12 to 20 years 0.60	1.9 to 2.8 years	0.80
3.6 to 4.3 years 0.75 4.3 to 5.7 years 0.70 5.7 to 7.3 years 0.65 7.3 to 9.3 years 0.60 9.3 to 10.6 years 0.60 10.6 to 12 years 0.60 12 to 20 years 0.60	2.8 to 3.6 years	0.75
4.3 to 5.7 years 0.70 5.7 to 7.3 years 0.65 7.3 to 9.3 years 0.60 9.3 to 10.6 years 0.60 10.6 to 12 years 0.60 12 to 20 years 0.60	Zone 3	
5.7 to 7.3 years 0.65 7.3 to 9.3 years 0.60 9.3 to 10.6 years 0.60 10.6 to 12 years 0.60 12 to 20 years 0.60	3.6 to 4.3 years	0.75
7.3 to 9.3 years 0.60 9.3 to 10.6 years 0.60 10.6 to 12 years 0.60 12 to 20 years 0.60	4.3 to 5.7 years	0.70
9.3 to 10.6 years 0.60 10.6 to 12 years 0.60 12 to 20 years 0.60	5.7 to 7.3 years	0.65
10.6 to 12 years 0.60 12 to 20 years 0.60	7.3 to 9.3 years	0.60
12 to 20 years 0.60	9.3 to 10.6 years	0.60
	10.6 to 12 years	0.60
over 20 years 0.60	12 to 20 years	0.60
	over 20 years	0.60