

Office of Thrift Supervision

TB 36-2c was rescinded 1/4/91 by TB 36-2d. Click [HERE](#) to link to TB 36-2d.

Handbook: Thrift Activities  
Subjects: Capital Adequacy

Section: 320  
TB 36-2c

August 15, 1990

Interest Rates Used in Financial  
Projections Contained in Capital Plans  
**RESCINDED**

*Summary:* Attachments A and B of this Bulletin replace incorrect versions that were inadvertently distributed in TB 36-2b, dated July 27, 1990. The revised attachments should be used as guidelines for financial projections contained in capital plans.

*For Further Information Contact:* Your District Office or the Supervision Division of OTS, Washington, D.C.

*Thrift Bulletin 36-2c*

Thrift Bulletin 36a, "Guidelines for FIRREA Capital Plans, Exemptions, and Exceptions," issued on March 8, 1990, indicated that the financial projections provided in any savings association's capital plan should be based on the continuation of existing interest rates and regional eco-

nommic conditions. Thrift Bulletin 36-1, "Guidelines on Interest, Prepayment, and Loan Origination Rates," provided further guidance on the preparation of financial projections contained in capital plans. In particular, Tables 1 and 2 of TB 36-1 provided data on interest rates that were to be used as guidelines in formulating conservative capital plan projections. In TB 36-1, this Office indicated that it would provide quarterly updates of Tables 1 and 2.

As noted in the summary above, Attachments A and B of TB 36-2b, dated July 27, 1990, were incorrect. Attachments A and B of this Bulletin represent the corrected quarterly update of Tables 1 and 2. They provide information on interest rates that should be used as guidelines for financial projections contained in capital plans submitted from the date of this Bulletin until the next quarter-end update is issued.

Attachments

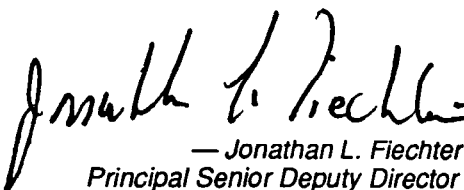
  
— Jonathan L. Fiechter  
Principal Senior Deputy Director

TABLE 1

PROJECTED SHORT-TERM AND  
LONG-TERM TREASURY  
RATES BASED ON YIELD CURVE  
(As of the week of June 29, 1990)

<u>PERIOD</u>	<u>ONE-MONTH TREASURY BILL RATE</u>	<u>5-YEAR ZERO COUPON TREASURY RATE</u>
1990		
Q3	7.71	8.62
Q4	7.58	8.64
1991		
Q1	7.50	8.67
Q2	7.45	8.69
Q3	7.43	8.70
Q4	7.41	8.70
1992		
Q1	7.41	8.71
Q2	7.40	8.71
Q3	7.40	8.71
Q4	7.40	8.72
1993		
Q1	7.40	8.72
Q2	7.40	8.72
Q3	7.40	8.72
Q4	7.40	8.72
1994		
Q1	7.40	8.72
Q2	7.40	8.72
Q3	7.40	8.73
Q4	7.40	8.73

TABLE 2

SELECTED INTEREST RATES  
(As of June 29, 1990)

Commercial Paper

30 Days	8.27%
60 Days	8.21
90 Days	8.17

London Interbank Offered Rates (LIBOR)

One Month	8.31%
Three Months	8.38
Six Months	8.38
One Year	8.44

Certificates of Deposit

One Month	7.70%
Two Months	7.74
Three Months	7.76
Six Months	7.93
One Year	8.14

Corporate Bonds

1-10yr. High Quality	9.20%
1-10yr. Med. Quality	9.76
10+yr. High Quality	9.48
10+yr. Med. Quality	9.97
High-Yield Corporate	14.76

Other

Prime Rate	10.00%
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