

Chapter 10

Instructions regarding reporting templates

IR.26.01 – Solvency Capital Requirement – Market risk

General comments

This section relates to annual submission of information for individual entities, ring fenced–funds, matching adjustment portfolios, and remaining part.

The template IRR.26.01.01 has to be filled in for each ring–fenced fund (RFF), each matching adjustment portfolio (MAP) and for the remaining part. However, where a RFF/MAP includes a MAP/RFF embedded, the fund should be treated as different funds. This template shall be reported for all sub–funds of a material RFF/MAP as identified in the second table of IR.01.03.

	ITEM	INSTRUCTIONS
Z0020	Ring–fenced fund, matching adjustment portfolio or remaining part	Identifies whether the reported figures are with regard to a RFF, matching adjustment portfolio or to the remaining part. One of the options in the following closed list shall be used: 1 – RFF/MAP 2 – Remaining part
Z0030	Fund/Portfolio number	When item Z0020 = 1, identification number for a ring-fenced fund or matching adjustment portfolio. This number is attributed by the undertaking and must be consistent over time and with the fund/portfolio number reported in other templates.
R0012/C0010	Simplifications spread risk – bonds and loans	The options in the following closed list shall be used: 1 – Simplifications used 9 – Simplifications not used Simplifications may be either or both Solvency Capital Requirement – Standard Formula 7.24 and 7.26.
R0014/C0010	Simplifications market concentration risk – simplifications used	One of the options in the following closed list shall be used: 1 – Simplifications for Solvency Capital Requirement – Standard Formula 7.24 and 7.26 9 – Simplifications not used
R0020/C0010	Captives simplifications – interest rate risk	Identify whether a captive undertaking used simplifications for the calculation of interest rate risk. The following options shall be used: 1 – Simplifications used 2 – Simplifications not used
R0030/C0010	Captives simplifications – spread risk on bonds and loans	Identify whether a captive undertaking used simplifications for the calculation of spread risk with regard to bonds and loans. The following options shall be used: 1 – Simplifications used 2 – Simplifications not used

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R0040/C0010	Captives simplifications – market concentration risk	Identify whether a captive undertaking used simplifications for the calculation of market risk concentration. The following options shall be used: 1 – Simplifications used 2 – Simplifications not used
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Interest rate risk

R0100/C0060	Absolute value after shock – Net solvency capital requirement – interest rate risk	This is the net capital charge for interest rate risk, ie after adjustment for the loss absorbing capacity of technical provisions. If R0020/C0010=1, this item represents the net capital charge for interest rate risk calculated using simplified calculations for captive undertakings.
R0110–R0120/C0060	Absolute value after shock – Net solvency capital requirement – interest rate risk – interest rate down/up shock	This is the net capital charge for interest rate down/up risk, after adjustment for the loss absorbing capacity of technical provisions. If R0020/C0010=1, this item represents the net capital charge for interest rate down/up risk calculated using simplifications.

Equity risk

R0200/C0060	Absolute value after shock – Net solvency capital requirement – equity risk	This is the net capital charge for equity risk, ie after adjustment for the loss absorbing capacity of technical provisions.
R0210/C0060	Absolute value after shock – Net solvency capital requirement – equity risk – type 1 equities	This is the net capital charge for equity risk (for type 1 equities), after adjustment for the loss absorbing capacity of technical provisions.
R0250/C0060	Absolute value after shock – Net solvency capital requirement – equity risk – type 2 equities	This is the net capital charge for equity risk (for type 2 equities) after adjustment for the loss absorbing capacity of technical provisions.
R0291/C0060	Absolute value after shock – Net solvency capital requirement – equity risk – qualifying infrastructure corporate equities	This is the net capital charge for qualifying infrastructure corporate equities after adjustment for the loss absorbing capacity of technical provisions.
R0292/C0060	Absolute value after shock – Net solvency capital requirement – equity risk – qualifying infrastructure other than corporate equities	This is the net capital charge for equity risk (for each kind of qualifying infrastructure equities other than corporate equities) after adjustment for the loss absorbing capacity of technical provisions.

Property risk

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R0300/C0060	Absolute value after shock – Net solvency capital requirement – property risk	This is the net capital charge for property risk, after adjustment for the loss absorbing capacity of technical provisions.
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Spread risk

R0400/C0060	Absolute value after shock – Net solvency capital requirement – spread risk	This is the net capital charge for spread risk, after adjustment for the loss absorbing capacity of technical provisions.
R0410/C0060	Absolute value after shock – Net solvency capital requirement – spread risk – bonds and loans	This is the net capital charge for spread risk on bonds and loans, after adjustment for the loss absorbing capacity of technical provisions. If R0012/C0010 = 1, this item represents the net solvency capital requirement for spread risk – bonds and loans, calculated using simplifications
R0414/C0060	Absolute value after shock – Net solvency capital requirement – Spread risk – bonds and loans (qualifying infrastructure corporate investment)	This is the net capital charge for spread risk on bonds and loans that are qualifying infrastructure corporate investment, after adjustment for the loss absorbing capacity of technical provisions. This value shall be reported only where the split between R0412, R0413 and R0414 could be derived from the method used for the calculation. When the split is not possible only R0410 shall be filled in. If R0012/C0010 = 1, this item shall not be reported.
R0413/C0060	Absolute value after shock – Net solvency capital requirement – Spread risk – bonds and loans (qualifying investment infrastructure other than infrastructure corporate)	This is the net capital charge for spread risk on bonds and loans that are qualifying infrastructure investment other than infrastructure corporate, after adjustment for the loss absorbing capacity of technical provisions. This value shall be reported only where the split between R0412, R0413 and R0414 could be derived from the method used for the calculation. When the split is not possible only R0410 should be filled in. If R0012/C0010 = 1, this item should not be reported.
R0412/C0060	Absolute value after shock – Net solvency capital requirement – Spread risk – bonds and loans (other than qualifying investment infrastructure and infrastructure corporate)	This is the net capital charge for spread risk on bonds and loans other than qualifying infrastructure investment and infrastructure corporate, after adjustment for the loss absorbing capacity of technical provisions. This value shall be reported only where the split between R0412, R0413 and R0414 could be derived from the method used for the calculation. When the split is not possible only R0410 should be filled in. If R0012/C0010 = 1, this item should not be reported.

Bank of England PRA

R0420/C0060	Absolute value after shock – Net solvency capital requirement – spread risk – credit derivatives	This is the net capital charge for spread risk on credit derivatives, after adjustment for the loss absorbing capacity of technical provisions.
R0430–R0440/C0060	Absolute value after shock – Net solvency capital requirement – spread risk – credit derivatives – downward/upward shock on credit derivatives	This is the net capital charge for the downward/upward shock for spread risk on credit derivatives, after adjustment for the loss absorbing capacity of technical provisions.
R0450/C0060	Absolute value after shock – Net solvency capital requirement – spread risk – securitisation positions	This is the net capital charge for spread risk on securitisation positions, after adjustment for the loss absorbing capacity of technical provisions.
R0461/C0060	Absolute value after shock – Net solvency capital requirement – spread risk – securitisation positions – senior STS securitisation	This is the net capital charge for spread risk on senior STS securitisation positions, after adjustment for the loss absorbing capacity of technical provisions.
R0462/C0060	Absolute value after shock – Net solvency capital requirement – spread risk – securitisation positions – non-senior STS securitisation	This is the net capital charge for spread risk on non-senior STS securitisation positions, after adjustment for the loss absorbing capacity of technical provisions.
R0480/C0060	Absolute value after shock – Net solvency capital requirement – spread risk – securitisation positions – resecuritisation	This is the net capital charge for spread risk on resecuritisation positions, after adjustment for the loss absorbing capacity of technical provisions.
R0481/C0060	Absolute value after shock – Net solvency capital requirement – spread risk – securitisation positions – other securitisation	This is the net capital charge for spread risk on other securitisation positions, after adjustment for the loss absorbing capacity of technical provisions.
R0482/C0060	Absolute value after shock – Net solvency capital requirement – spread risk – securitisation	This is the net capital charge for spread risk on transitional type 1 securitisation positions, after adjustment for the loss absorbing capacity of technical provisions.

Bank of England PRA

	positions – transitional type 1 securitisation	
R0483/C0060	Absolute value after shock – Net solvency capital requirement – spread risk – securitisation positions – guaranteed STS securitisation	This is the net capital charge for spread risk on guaranteed STS securitisation positions, after adjustment for the loss absorbing capacity of technical provisions.

Concentration risk

R0500/C0060	Absolute value after shock – Net solvency capital requirement – market risk concentrations	This is the net capital charge for market risk concentrations, after adjustment for the loss absorbing capacity of technical provisions, aggregated for each single name exposure. For captive undertakings, if cell R0040/C0010=1, this item represents net capital charge for market risk concentration, calculated using simplified calculation.
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Currency risk

R0600/C0060	Absolute value after shock – Net solvency capital requirement (after the loss absorbing capacity of technical provisions) – currency risk	This is the sum for the different currencies of: – the capital requirement (including after the loss absorbing capacity of technical provisions) for an increase in value of the foreign currency against the local currency; – the capital requirement (including after the loss absorbing capacity of technical provisions) for a decrease in value of the foreign currency against the local currency.
R0610–R0620/ C0060	Absolute value after shock – Net solvency capital requirement (after the loss absorbing capacity of technical provisions) – Currency risk – increase/ decrease in the value of the foreign currency	This is the net capital charge for currency increase/decrease risk, after adjustment for the loss absorbing capacity of technical provisions. In R0610 only the currencies where the increase shock is the largest shall be reported and in R0620 only the currencies where the decrease shock is the largest shall be reported.

Diversification within market risk module

R0700/C0060	Diversification within market risk module – net	This is the diversification effect within the market risk module as a result of the aggregation of the net capital requirements (after loss absorbing capacity of technical provisions) of the single risk sub-modules. Diversification shall be reported as a negative value when it reduces the capital requirement.
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Total solvency capital requirement for market risk

R0800/C0060	Total market risk – Net solvency capital requirement	This is the total net capital charge for all market risks, after loss absorbing capacity of technical provisions, calculated using the standard formula.
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