For e.g. SD = 30/05/2014 9M trade. LEG’s day count fraction or fixing lag is often the trades’ day count fraction and fixing lag.

PureIM,

OIS\_IMapproach,

TenorBasis&OIS\_IMapproach,

StressApproach,

Ois AddOn = OIS\_IMapproach- PureIM

Tenor AddOn = TenorBasis&OIS\_IMapproach - OIS\_IMapproach

BasisRiskAddon = MIN(Ois AddOn + TenorAddOn,0)+IF((StressApproach -MIN(TenorAddOn,0))<-10000000,( StressApproach -MIN(TenorAddOn,0)),0)

Total Basis Risk = IF (BasisRiskAddon <-10000000, BasisRiskAddon ,0)