



## Standard Parameters for use in Financial Statements for Financial Reporting Periods ending 30 June 2018

Parameter	Value	Website
<b>Consumer Price Index</b>		
Rates at 30 June 2018 (per 2018-19 Budget)		
2017-18 (forecast)	2.00%	<a href="https://www.budget.gov.au/2018-19/content/overview.html">https://www.budget.gov.au/2018-19/content/overview.html</a>
2018-19 (forecast)	2.25%	
2019-20 (forecast)	2.50%	
2020-21 (projection)	2.50%	
2021-22 (projection)	2.50%	
<b>Wage Price Index<sup>1</sup></b>		
Rates at 30 June 2018 (per 2018-19 Budget)		
2017-18 (forecast)	2.25%	<a href="https://www.budget.gov.au/2018-19/content/overview.html">https://www.budget.gov.au/2018-19/content/overview.html</a>
2018-19 (forecast)	2.75%	
2019-20 (forecast)	3.25%	
2020-21 (projection)	3.50%	
2021-22 (projection)	3.50%	
<b>Real Gross Domestic Product<sup>2</sup></b>		
Rates at 30 June 2018 (per 2018-19 Budget)		
2017-18 (forecast)	2.75%	<a href="https://www.budget.gov.au/2018-19/content/overview.html">https://www.budget.gov.au/2018-19/content/overview.html</a>
2018-19 (forecast)	3.00%	
2019-20 (forecast)	3.00%	
2020-21 (projection)	3.00%	
2021-22 (projection)	3.00%	
<b>Commonwealth Government Securities (yields)<sup>3</sup></b>		
Short term	various	<a href="http://www.rba.gov.au/statistics/tables/index.html#interest_rates">http://www.rba.gov.au/statistics/tables/index.html#interest_rates</a> (Table: Capital Market Yields – Government Bonds – Daily – F2)
2 years	2.0%	
3 years	2.1%	
5 years	2.3%	
Long term		
10 years	2.6%	
Longest dated Treasury Bond at 29 June 2018 (March 2047) <sup>4</sup>	3.1%	<a href="http://www.rba.gov.au/statistics/tables/index.html#interest_rates">http://www.rba.gov.au/statistics/tables/index.html#interest_rates</a> (Table: Indicative Mid Rates of Australian Government Securities – F16)
Rate from Long-term Cost Report	5.0%	<a href="https://www.budget.gov.au/2018-19/content/bp1/index.html">https://www.budget.gov.au/2018-19/content/bp1/index.html</a> (page 7-21)
<b>Group of 100 Discount Rate<sup>5</sup></b>		
(used by For-Profit Corporate Entities only)		
		<a href="http://au.milliman.com/G100_Discount_Rates/">http://au.milliman.com/G100_Discount_Rates/</a>
<b>Exchange Rates</b>		
End of financial year rates		
RBA:		
United States dollar	0.7391	<a href="http://www.rba.gov.au/statistics/tables/index.html#exchange_rates">http://www.rba.gov.au/statistics/tables/index.html#exchange_rates</a>
Chinese renminbi	4.8888	
Japanese yen	81.82	
European euro	0.6344	
South Korean won	822.91	
Singapore dollar	1.0078	
New Zealand dollar	1.0903	
UK pound sterling	0.5634	
Malaysian ringgit	2.9837	
Thai baht	24.47	
Indonesian rupiah	10612	
Indian rupee	50.68	
New Taiwan dollar	22.5	
Vietnamese dong	16970	
Hong Kong dollar	5.8003	
Papua New Guinea kina	2.4273	
Swiss franc	0.7348	
United Arab Emirates dirham	2.7143	
Canadian dollar	0.9771	
Trade-weighted Index (4pm)	62.6	
Special Drawing Right	0.5261	
<b>Rates for Market Sensitivity Analysis<sup>6</sup></b>		
Interest Rate sensitivity analysis's standardised rate (IRSA rate)	0.2%	
Foreign Exchange sensitivity analysis's standardised rate (FXSA rate)	9.2%	

1. Seasonally adjusted, through-the-year growth rate to the June quarter.

2. Real rates (that is, the nominal rate has been adjusted for inflation).

3. RBA rate converted from semi annual to annual rate, rounded to one decimal. Rates at at 29 June 2018, the last working day of 2017-18.

4. Only to be used where the longest dated government bond is appropriate under accounting standards, e.g. it is a close match to the expected average maturity of a liability.

5. For-Profit Entities that use a corporate bond yield will also be required to prepare calculations using a government bond yield for the purpose of preparing Australian Government Consolidated Financial Statements, which is collected in the supplementary reporting pack.

6. Standard rates required by subsection 16(8) of the PGPA Financial Reporting Rule - *market risk sensitivity analysis*.

**Long Service Leave (LSL) - Shorthand Method Standard Factors**

**LSL - Table of Probability**

<i>Completed years of service</i>	<i>Probability Weights</i>
0	55.00%
1	65.00%
2	70.00%
3	75.00%
4	80.00%
5	85.00%
6	90.00%
7	90.00%
8	95.00%
9	100.00%
10+	100.00%

**LSL - Table of Discount Factors**

<i>Bond (Discount) Rate p.a.</i>													
<b>SGR*</b>	<b>2.00%</b>	<b>2.25%</b>	<b>2.50%</b>	<b>2.75%</b>	<b>3.00%</b>	<b>3.25%</b>	<b>3.50%</b>	<b>3.75%</b>	<b>4.00%</b>	<b>4.25%</b>	<b>4.50%</b>	<b>4.75%</b>	<b>5.00%</b>
<b>2.00%</b>	100.00%	98.10%	96.30%	94.50%	92.70%	91.10%	89.40%	87.90%	86.40%	84.90%	83.50%	82.10%	80.80%
<b>2.50%</b>	104.10%	102.00%	100.00%	98.10%	96.30%	94.50%	92.80%	91.10%	89.50%	87.90%	86.40%	85.00%	83.60%
<b>3.00%</b>	108.40%	106.20%	104.10%	102.00%	100.00%	98.10%	96.30%	94.50%	92.80%	91.10%	89.50%	88.00%	86.50%
<b>3.50%</b>	113.00%	110.60%	108.30%	106.20%	104.00%	102.00%	100.00%	98.10%	96.30%	94.50%	92.80%	91.20%	89.60%
<b>4.00%</b>	117.90%	115.40%	112.90%	110.60%	108.30%	106.10%	104.00%	102.00%	100.00%	98.10%	96.30%	94.60%	92.90%
<b>4.50%</b>	123.20%	120.40%	117.80%	115.30%	112.90%	110.50%	108.30%	106.10%	104.00%	102.00%	100.00%	98.20%	96.30%
<b>5.00%</b>	128.80%	125.90%	123.00%	120.30%	117.70%	115.20%	112.80%	110.50%	108.20%	106.10%	104.00%	102.00%	100.00%

\*SGR = Salary Growth Rate

**Contacts**

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