

**SPOT YIELD CURVES, CORPORATE AA BONDS  
END OF 2001 – 2003**

*Supplement to*

**CREATING A CORPORATE BOND SPOT YIELD CURVE FOR  
PENSION DISCOUNTING**

**OFFICE OF ECONOMIC POLICY WHITE PAPER  
FEBRUARY 7, 2005**

## SPOT YIELD CURVE, CORPORATE AA BONDS

**12/31/01, Percent**  
Average of 90 Business Days

Maturity, Years	Spot Rate	Maturity, Years	Spot Rate	Maturity, Years	Spot Rate	Maturity, Years	Spot Rate
0.5	2.63	20.5	7.06	40.5	7.21	60.5	7.27
1.0	3.06	21.0	7.07	41.0	7.21	61.0	7.27
1.5	3.47	21.5	7.07	41.5	7.22	61.5	7.27
2.0	3.84	22.0	7.08	42.0	7.22	62.0	7.27
2.5	4.17	22.5	7.09	42.5	7.22	62.5	7.27
3.0	4.46	23.0	7.09	43.0	7.22	63.0	7.27
3.5	4.72	23.5	7.10	43.5	7.22	63.5	7.27
4.0	4.95	24.0	7.10	44.0	7.22	64.0	7.27
4.5	5.16	24.5	7.11	44.5	7.23	64.5	7.27
5.0	5.35	25.0	7.11	45.0	7.23	65.0	7.27
5.5	5.52	25.5	7.12	45.5	7.23	65.5	7.28
6.0	5.68	26.0	7.12	46.0	7.23	66.0	7.28
6.5	5.82	26.5	7.12	46.5	7.23	66.5	7.28
7.0	5.95	27.0	7.13	47.0	7.23	67.0	7.28
7.5	6.07	27.5	7.13	47.5	7.24	67.5	7.28
8.0	6.18	28.0	7.14	48.0	7.24	68.0	7.28
8.5	6.27	28.5	7.14	48.5	7.24	68.5	7.28
9.0	6.36	29.0	7.14	49.0	7.24	69.0	7.28
9.5	6.44	29.5	7.15	49.5	7.24	69.5	7.28
10.0	6.52	30.0	7.15	50.0	7.24	70.0	7.28
10.5	6.58	30.5	7.16	50.5	7.24	70.5	7.28
11.0	6.64	31.0	7.16	51.0	7.25	71.0	7.28
11.5	6.69	31.5	7.16	51.5	7.25	71.5	7.28
12.0	6.74	32.0	7.17	52.0	7.25	72.0	7.28
12.5	6.78	32.5	7.17	52.5	7.25	72.5	7.29
13.0	6.82	33.0	7.17	53.0	7.25	73.0	7.29
13.5	6.85	33.5	7.18	53.5	7.25	73.5	7.29
14.0	6.88	34.0	7.18	54.0	7.25	74.0	7.29
14.5	6.91	34.5	7.18	54.5	7.25	74.5	7.29
15.0	6.93	35.0	7.18	55.0	7.26	75.0	7.29
15.5	6.95	35.5	7.19	55.5	7.26	75.5	7.29
16.0	6.97	36.0	7.19	56.0	7.26	76.0	7.29
16.5	6.98	36.5	7.19	56.5	7.26	76.5	7.29
17.0	7.00	37.0	7.20	57.0	7.26	77.0	7.29
17.5	7.01	37.5	7.20	57.5	7.26	77.5	7.29
18.0	7.02	38.0	7.20	58.0	7.26	78.0	7.29
18.5	7.03	38.5	7.20	58.5	7.26	78.5	7.29
19.0	7.04	39.0	7.20	59.0	7.26	79.0	7.29
19.5	7.05	39.5	7.21	59.5	7.26	79.5	7.29
20.0	7.05	40.0	7.21	60.0	7.27	80.0	7.29

## SPOT YIELD CURVE, CORPORATE AA BONDS

**12/31/02, Percent**  
Average of 90 Business Days

Maturity, Years	Spot Rate	Maturity, Years	Spot Rate	Maturity, Years	Spot Rate	Maturity, Years	Spot Rate
0.5	1.73	20.5	6.79	40.5	7.14	60.5	7.26
1.0	2.11	21.0	6.81	41.0	7.14	61.0	7.26
1.5	2.46	21.5	6.82	41.5	7.15	61.5	7.26
2.0	2.78	22.0	6.83	42.0	7.15	62.0	7.27
2.5	3.07	22.5	6.85	42.5	7.15	62.5	7.27
3.0	3.34	23.0	6.86	43.0	7.16	63.0	7.27
3.5	3.58	23.5	6.87	43.5	7.16	63.5	7.27
4.0	3.80	24.0	6.89	44.0	7.17	64.0	7.27
4.5	4.02	24.5	6.90	44.5	7.17	64.5	7.28
5.0	4.23	25.0	6.91	45.0	7.17	65.0	7.28
5.5	4.43	25.5	6.92	45.5	7.18	65.5	7.28
6.0	4.61	26.0	6.93	46.0	7.18	66.0	7.28
6.5	4.80	26.5	6.94	46.5	7.18	66.5	7.28
7.0	4.97	27.0	6.95	47.0	7.19	67.0	7.28
7.5	5.13	27.5	6.96	47.5	7.19	67.5	7.29
8.0	5.28	28.0	6.97	48.0	7.20	68.0	7.29
8.5	5.43	28.5	6.98	48.5	7.20	68.5	7.29
9.0	5.56	29.0	6.99	49.0	7.20	69.0	7.29
9.5	5.68	29.5	7.00	49.5	7.20	69.5	7.29
10.0	5.80	30.0	7.01	50.0	7.21	70.0	7.29
10.5	5.90	30.5	7.01	50.5	7.21	70.5	7.30
11.0	6.00	31.0	7.02	51.0	7.21	71.0	7.30
11.5	6.09	31.5	7.03	51.5	7.22	71.5	7.30
12.0	6.17	32.0	7.04	52.0	7.22	72.0	7.30
12.5	6.24	32.5	7.05	52.5	7.22	72.5	7.30
13.0	6.30	33.0	7.05	53.0	7.22	73.0	7.30
13.5	6.36	33.5	7.06	53.5	7.23	73.5	7.30
14.0	6.42	34.0	7.07	54.0	7.23	74.0	7.31
14.5	6.46	34.5	7.07	54.5	7.23	74.5	7.31
15.0	6.51	35.0	7.08	55.0	7.24	75.0	7.31
15.5	6.54	35.5	7.08	55.5	7.24	75.5	7.31
16.0	6.58	36.0	7.09	56.0	7.24	76.0	7.31
16.5	6.61	36.5	7.10	56.5	7.24	76.5	7.31
17.0	6.64	37.0	7.10	57.0	7.24	77.0	7.31
17.5	6.67	37.5	7.11	57.5	7.25	77.5	7.31
18.0	6.69	38.0	7.11	58.0	7.25	78.0	7.32
18.5	6.71	38.5	7.12	58.5	7.25	78.5	7.32
19.0	6.74	39.0	7.12	59.0	7.25	79.0	7.32
19.5	6.75	39.5	7.13	59.5	7.26	79.5	7.32
20.0	6.77	40.0	7.13	60.0	7.26	80.0	7.32

## SPOT YIELD CURVE, CORPORATE AA BONDS

12/31/03, Percent  
Average of 90 Business Days

Maturity, Years	Spot Rate	Maturity, Years	Spot Rate	Maturity, Years	Spot Rate	Maturity, Years	Spot Rate
0.5	1.25	20.5	6.36	40.5	6.96	60.5	7.17
1.0	1.55	21.0	6.39	41.0	6.97	61.0	7.17
1.5	1.85	21.5	6.41	41.5	6.98	61.5	7.17
2.0	2.17	22.0	6.44	42.0	6.99	62.0	7.18
2.5	2.49	22.5	6.47	42.5	6.99	62.5	7.18
3.0	2.81	23.0	6.49	43.0	7.00	63.0	7.18
3.5	3.11	23.5	6.52	43.5	7.01	63.5	7.19
4.0	3.40	24.0	6.54	44.0	7.01	64.0	7.19
4.5	3.66	24.5	6.56	44.5	7.02	64.5	7.19
5.0	3.89	25.0	6.58	45.0	7.03	65.0	7.20
5.5	4.10	25.5	6.60	45.5	7.03	65.5	7.20
6.0	4.29	26.0	6.62	46.0	7.04	66.0	7.20
6.5	4.46	26.5	6.64	46.5	7.04	66.5	7.20
7.0	4.61	27.0	6.66	47.0	7.05	67.0	7.21
7.5	4.74	27.5	6.67	47.5	7.06	67.5	7.21
8.0	4.86	28.0	6.69	48.0	7.06	68.0	7.21
8.5	4.98	28.5	6.71	48.5	7.07	68.5	7.22
9.0	5.08	29.0	6.72	49.0	7.07	69.0	7.22
9.5	5.18	29.5	6.74	49.5	7.08	69.5	7.22
10.0	5.26	30.0	6.75	50.0	7.08	70.0	7.22
10.5	5.35	30.5	6.76	50.5	7.09	70.5	7.23
11.0	5.43	31.0	6.78	51.0	7.09	71.0	7.23
11.5	5.50	31.5	6.79	51.5	7.10	71.5	7.23
12.0	5.57	32.0	6.80	52.0	7.10	72.0	7.23
12.5	5.64	32.5	6.81	52.5	7.11	72.5	7.24
13.0	5.70	33.0	6.83	53.0	7.11	73.0	7.24
13.5	5.76	33.5	6.84	53.5	7.11	73.5	7.24
14.0	5.82	34.0	6.85	54.0	7.12	74.0	7.24
14.5	5.87	34.5	6.86	54.5	7.12	74.5	7.25
15.0	5.92	35.0	6.87	55.0	7.13	75.0	7.25
15.5	5.97	35.5	6.88	55.5	7.13	75.5	7.25
16.0	6.02	36.0	6.89	56.0	7.13	76.0	7.25
16.5	6.06	36.5	6.90	56.5	7.14	76.5	7.25
17.0	6.11	37.0	6.91	57.0	7.14	77.0	7.26
17.5	6.15	37.5	6.92	57.5	7.15	77.5	7.26
18.0	6.19	38.0	6.92	58.0	7.15	78.0	7.26
18.5	6.22	38.5	6.93	58.5	7.15	78.5	7.26
19.0	6.26	39.0	6.94	59.0	7.16	79.0	7.26
19.5	6.29	39.5	6.95	59.5	7.16	79.5	7.27
20.0	6.32	40.0	6.96	60.0	7.16	80.0	7.27