

**Table 10**  
**Exposure to changes in interest rates, five major banking groups, December 2012 through June 2013**

(NIS million)

	Leumi			Hapoalim			Discount			Mizrahi-Tefahot			First International			Five Groups		
	2012	2013:Q1	2013:Q2	2012	2013:Q1	2013:Q2	2012	2013:Q1	2013:Q2	2012	2013:Q1	2013:Q2	2012	2013:Q1	2013:Q2	2012	2013:Q1	2013:Q2
<b>Unindexed segment</b>																		
Net position in segment <sup>a</sup>	17,000	17,272	20,056	13,489	14,669	16,586	1,147	557	1,317	-611	669	-854	3,997	3,245	3,015	35,022	36,412	40,120
The change in the fair value of the net position in the segment as a result of an interest rate change <sup>b</sup>																		
1 percentage point increase	-439	-537	-860	-26	-108	146	-342	-271	-291	290	330	431	-107	-121	-189	-624	-707	-763
1 percentage point decrease	485	620	892	81	115	-138	332	271	320	-334	-382	-413	117	132	208	681	756	869
Maximum change in interest rates <sup>c</sup> (percentage points)	0.72	0.71	0.71	0.72	0.71	0.71	0.72	0.71	0.71	0.72	0.71	0.71	0.72	0.71	0.71	0.72	0.71	0.71
The change in the fair value of the net position in the segment as a result of the maximum change in the interest rate <sup>d</sup>																		
Interest rate increase	-317	-383	-613	-19	-77	104	-247	-193	-208	209	235	307	-77	-86	-135	-450	-504	-544
Interest rate decrease	350	442	636	58	82	-98	240	193	228	-241	-272	-295	84	94	148	491	539	620
<b>CPI-indexed segment</b>																		
Net position in segment <sup>a</sup>	1,456	3,187	1,971	5,885	5,382	4,746	1,954	2,635	1,887	7,029	5,895	7,704	367	1,365	1,432	16,691	18,464	17,740
The change in the fair value of the net position in the segment as a result of an interest rate change <sup>b</sup>																		
1 percentage point increase	90	-24	-28	-16	-10	-106	-24	-87	-111	-169	-190	-222	-72	-71	-83	-191	-382	-550
1 percentage point decrease	-181	21	-61	37	7	115	22	128	105	424	491	590	84	81	92	386	728	841
Maximum change in interest rates <sup>c</sup> (percentage points)	0.94	0.97	0.97	0.94	0.97	0.97	0.94	0.97	0.97	0.94	0.97	0.97	0.94	0.97	0.97	0.94	0.97	0.97
The change in the fair value of the net position in the segment as a result of the maximum change in the interest rate <sup>d</sup>																		
Interest rate increase	84	-23	-27	-15	-10	-103	-22	-84	-107	-158	-184	-215	-67	-69	-80	-179	-370	-532
Interest rate decrease	-169	20	-59	35	7	111	21	124	102	397	475	571	79	78	89	361	705	814
<b>Foreign currency segment<sup>e</sup></b>																		
Net position in segment <sup>a</sup>	-364	-1,225	-2,605	28	-61	-362	2,136	2,276	2,298	113	132	-23	-253	-195	-210	1,660	927	-902
The change in the fair value of the net position in the segment as a result of an interest rate change <sup>b</sup>																		
1 percentage point increase	-130	-200	-276	-36	-62	-176	-310	-380	-518	-95	-46	-45	-15	-9	-32	-586	-697	-1,047
1 percentage point decrease	125	171	265	84	127	240	-38	48	319	132	106	110	21	19	44	324	471	978
Maximum change in interest rates <sup>c</sup> (percentage points)	0.62	0.64	0.64	0.62	0.64	0.64	0.62	0.64	0.64	0.62	0.64	0.64	0.62	0.64	0.64	0.62	0.64	0.64
The change in the fair value of the net position in the segment as a result of the maximum change in the interest rate <sup>d</sup>																		
Interest rate increase	-81	-128	-176	-22	-40	-112	-193	-242	-330	-59	-29	-29	-9	-6	-20	-365	-444	-668
Interest rate decrease	78	109	169	52	81	153	-24	31	203	82	68	70	13	12	28	202	300	624
<b>Total</b>																		
Total fair value of bank's net worth <sup>f</sup>	18,092	19,234	19,422	19,402	19,990	20,970	5,237	5,468	5,502	6,531	6,696	6,827	4,111	4,415	4,237	53,373	55,803	56,958
The change in the fair value of the bank's net worth as a result of an interest rate change <sup>b</sup>																		
1 percentage point increase	-479	-761	-1,164	-78	-180	-136	-676	-738	-920	26	94	164	-194	-201	-304	-1,401	-1,786	-2,360
1 percentage point decrease	429	812	1,096	202	249	217	316	447	744	222	215	287	222	232	344	1,391	1,955	2,688
The change in the fair value of the bank's net worth as a result of the maximum change in interest rates <sup>d</sup>																		
Interest rate increase	-313	-534	-816	-56	-126	-111	-462	-520	-645	-8	22	64	-154	-161	-236	-994	-1,318	-1,744
Interest rate decrease	258	572	746	145	170	166	236	348	533	238	270	347	176	185	265	1,054	1,544	2,057
As a percent of the fair value of the bank's net worth																		
Interest rate increase	-1.7	-2.8	-4.2	-0.3	-0.6	-0.5	-8.8	-9.5	-11.7	-0.1	0.3	0.9	-3.7	-3.6	-5.6	-1.9	-2.4	-3.1
Interest rate decrease	1.4	3.0	3.8	0.7	0.8	0.8	4.5	6.4	9.7	3.6	4.0	5.1	4.3	4.2	6.3	2.0	2.8	3.6

<sup>a</sup> The difference between the fair value of assets and the fair value of liabilities, including the effect of futures transactions in each indexing segment.

<sup>b</sup> Based on published financial statements - directors report.

<sup>c</sup> The maximum change in the yield-to-maturity on *makam* (short term securities) for a year in the unindexed segment, on 3-year CPI-indexed bonds in the indexed segment, and on the 1-year LIBOR in the foreign currency segment is derived from monthly changes over the past 7 years, on the assumption of a normal distribution and a confidence level of 99 percent. In calculating the maximum change in the yield-to-maturity, the redemption periods of bonds were set according to the average duration of the assets and liabilities in each segment.

<sup>d</sup> Based on published financial statements - directors report, and on the Banking Supervision Department's estimate of the maximum change in the interest rate. This calculation is an approximation, as it assumes linear behavior of interest rate risk.

<sup>e</sup> Including the foreign-currency-indexed segment.

<sup>f</sup> The total of the net positions in the three indexing segments.

**SOURCE: Published financial statements and Banking Supervision Department calculations.**