



OFFICE OF THE GOVERNOR

**CIRCULAR NO. 632
Series of 2008**

The Monetary Board, in its Resolution No. 1448 dated 6 November 2008, approved the reduction in the statutory/legal reserve requirements for peso demand, "NOW", savings, time deposit liabilities and deposit substitutes of universal banks, commercial banks, thrift banks, rural and cooperative banks, and quasi-banks, as follows:

BANK/ FINANCIAL INSTITUTION	ACCOUNTS	STATUTORY/LEGAL RESERVES		LIQUIDITY RESERVES
		From	To	
Universal Banks/ Commercial Banks	- Demand	10%	8%	11%
	- Savings			
	- Time			0%
	- Deposit Substitutes			
	- "NOW"	9%	8%	
	- Long-term Negotiable CTDs	2%	2%	
Thrift Banks	- Demand	6%	4%	2%
	- "NOW"			
	- Savings			0%
	- Time			
	- Deposit Substitutes			
	- Long-term Negotiable CTDs	2%	2%	
Rural Banks/Cooperative Banks	- Demand	6%	4%	0%
	- "NOW"			
	- Savings	2%	1%	
	- Time			
	- Long-term Negotiable CTDs	2%	2%	
Quasi-Banks	- Deposit Substitutes	10%	8%	11%

Required reserves for peso-denominated Common Trust Funds (CTFs) and such other similarly managed funds, as well as those for Trust and Other Fiduciary Accounts--Others (TOFA-Others) shall remain at current levels.

These new reserve requirement ratios shall be effective starting with the reserve week beginning 14 November 2008.

FOR THE MONETARY BOARD:


AMANDO M. TETANGCO, JR.
Governor

19 November 2008

PANANALAPING MATATAG, BANSANG PANATAG