



BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE GOVERNOR

CIRCULAR NO. 1056

Series of 2019

Subject: Reduction in Reserve Requirements

In its Resolution Nos. 1495 dated 27 September 2019 and 1525 dated 3 October 2019, the Monetary Board approved the reduction in the reserve requirement ratios of deposit and deposit substitute liabilities of banks.

Section 1. Section 251 of the Manual of Regulations for Banks (MORB) on required reserves against deposit and deposit substitute liabilities is hereby amended to read, as follows:

Section 251 ACCOUNTS SUBJECT TO RESERVES; AMOUNTS REQUIRED

The following rules and regulations shall govern the reserves against deposit and deposit substitute liabilities.

Required reserves against deposit and deposit substitute liabilities. The rates of required reserves against deposit and deposit substitute liabilities in local currency of banks effective reserve week 1 November 2019 shall be as follows:

Reservable Liabilities	UBs/KBs	TBs	RBs/ Coop Banks
a. Demand Deposits	15%	5%	3%
b. NOW accounts	15%	5%	3%
c. Savings Deposits (excluding basic deposit accounts)	15%	5%	3%
d. Time Deposits, Negotiable CTDs, Long-term Non-negotiable Tax Exempt CTDs	15%	5%	3%
e. Long-term negotiable certificates of time deposits	4%	4%	4%
f. Deposit Substitutes (DS)	15%	5%	NA
xxx	xxx	xxx	xxx
k. Peso deposits lodged under Due to foreign banks	15%	NA	NA
l. Peso deposits lodged under Due to Head Office/Branches/Agencies Abroad (Philippine branch of a foreign bank)	15%	NA	NA
m. Basic deposit accounts, as defined in Sec. X222	0%	0%	0%

xxx

Section 2. This Circular shall take effect on 1 November 2019 after its publication either in the Official Gazette or in a newspaper of general circulation.

FOR THE MONETARY BOARD:


CHUCHI G. FONACIER
Officer-In-Charge

22 October 2019