

Bangko Sentral ng Pilipinas

MANILA

OFFICE OF THE GOVERNOR

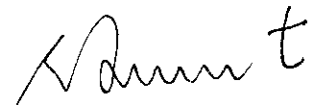
CIRCULAR-LETTER

Series of 2003

TO : All Authorized Agent Banks

SUBJECT: **Clarification of Section 44 of CB Circular No. 1389 dated April 13, 1993, as amended, on outward investments by Philippine residents**

Pursuant to Monetary Board Resolution No. 1154 dated August 14, 2003, subject Section 44 is clarified so as to **exclude** in the coverage of eligible outward investments, foreign currency-denominated bonds/notes of the Republic of the Philippines (ROP) or other Philippine entities, whether issued onshore or offshore, that are acquired by Philippine residents and, therefore, may not be funded with foreign exchange (FX) sourced from the Philippine banking system and bank-affiliated FX corporations, via spot purchases, derivatives transactions or any other means.


RAFAEL B. BUENAVENTURA
Governor


August , 2003