



BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE GOVERNOR

CIRCULAR NO. 1071

Series of 2020

Subject: Revised Rediscount/Lending Rates for Peso and Dollar/Yen

The Monetary Board, in its Resolution No. 1917 dated 13 December 2019, approved the amendments to Section 282 of the MORB on Rediscount/Lending Rates and Liquidated Damages.

Section 1. Section 282 on Rediscount/Lending Rates and Liquidated Damages is hereby retitled and amended to read as follows:

282 x x x

x x x

Rediscount/Lending Rates. The following are the guidelines in establishing the Bangko Sentral rediscount rates for peso, dollar and yen loans:

a. Peso Rediscount Rates

The peso rediscount rate shall be the Bangko Sentral overnight (O/N) lending rate plus a spread depending on the term of the loan as may be determined by the Bangko Sentral. The spread between these two may change periodically to complement changes in the Bangko Sentral's monetary policy goals. Banks eligible to apply in the Bangko Sentral's peso rediscounting window may avail of a 1-90 days and/or 91-180 days term facility, subject to applicable rediscount rates.

b. Dollar/Yen Rediscount Rates

The dollar/yen rediscount rates shall be the 90-day London Inter-bank Offered Rate (LIBOR) or in the absence of LIBOR, an applicable benchmark rate, plus an appropriate spread depending on the term of the loan as may be determined by the Bangko Sentral. The spread between these two rates may also vary to reflect movements in the market interest rates and to achieve monetary policy objectives. Banks eligible to apply in the Bangko Sentral's foreign currency rediscounting window may avail of the 1-90 days, 91-180 days, and/or 181-360 days term facility, subject to applicable rediscount rates.

The applicable rates for both terms of the rediscounting window shall be posted in the Bangko Sentral's website, within 10 calendar days from the reference quarter.

Past due Bangko Sentral x x x

Section 2. Effectivity

This Circular shall take effect fifteen (15) calendar days after its publication either in the Official Gazette or in a newspaper of general circulation.

FOR THE MONETARY BOARD:



BENJAMIN E. DIOKNO
Governor

08 January 2020