



Bangko Sentral ng Pilipinas

OFFICE OF THE DEPUTY GOVERNOR
SUPERVISION AND EXAMINATION SECTOR

MEMORANDUM TO ALL BANKS AND NBQBS

To clarify the calculation of the reserve requirements during the forthcoming extended holidays in December 2003 under Proclamation No. 503, please be guided by the following:

1. December 24, 2003 and January 2, 2004 declared as special non-working days throughout the country shall be considered as non-reserve days.
2. December 26, 2003, which was declared as a non-working holiday only for government employees shall also be considered a non-reserve day since there will be no PCHC clearing as per advise of the Bankers Association of the Philippines (BAP).
3. December 30, 2003 (Rizal Day) which was declared a regular working day in lieu of January 2, 2003 shall be considered a reserve day.
4. The bank's/NBQB's reserve position at the close of December 23, 2003 shall be carried over to December 24 to 28, 2003 while the reserve position as calculated as of December 30, 2003 shall be carried over to December 31, 2003 and January 1, 2004 up to January 4, 2004.
5. The reserve weeks, December 19 to 25, 2003 and December 26, 2003 to January 1, 2004 shall be considered as a single reserve week for the purpose of determining "abuse" of the privilege of offsetting reserve deficiencies against excess reserves during that reserve week.

For compliance.


ALBERTO V. REYES
Deputy Governor

November 29, 2003

MAG-IMPOK SA BANGKO