



BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE GOVERNOR

CIRCULAR LETTER NO. CL-2023-026

To : **All Universal and Commercial Banks (UKBs)**
Subject : **Availability of the Currency Rate Risk Protection Program (CRPP) Facility**

Pursuant to BSP Circular No. 1014 dated 24 September 2018, the CRPP Facility is a continuing facility that offers a non-deliverable USD/PHP forward contract (NDF) between the BSP and a UB/KB in response to the request of bank clients who wish to hedge their eligible foreign currency obligations.

In 2022, the Philippine peso depreciated, in line with comparable regional peers, amid worries over aggressive interest rate hikes by the U.S. Federal Reserve, and concerns over global economic slowdown following Russia's invasion of Ukraine, as well as the imposition of tighter restrictions in China. As such, due to the possibility of renewed depreciation pressure in the peso following the continued interest rate hikes by the Fed, we would like to remind all UKBs that the CRPP facility remains open. Bank clients who wish to hedge their eligible foreign currency obligations from foreign exchange volatility through the CRPP may contact their respective banks.

Banks that wish to avail of the CRPP Facility shall adhere to the implementing guidelines set out under BSP Circular No. 1015 series of 2018, as amended by BSP Circular No. 1172 series of 2023.

For information and guidance.


CHUCHI G. FONACIER
Officer-in-Charge

18 April 2023