

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 starting reserve week 1 June 2018 shall be as follows:

| | UBs/KBs | TBs | RBs/Coop Banks |
|--|---------|-----|----------------|
| a. Demand Deposits | 18% | 8% | 5% |
| b. NOW Accounts | 18% | 8% | 5% |
| c. Savings Deposits | 18% | 8% | 3% |
| d. Time Deposits, Negotiable CTDs, Long-Term Non- Negotiable Tax Exempt CTDs | 18% | 8% | 3% |
| e. Long-term Negotiable certificate of Time Deposits | | | |
| (1)LTNCTDs under Circular No. 304 | 4% | 4% | 4% |
| (2)LTNCTDs under Circular No. 824 | 7% | 7% | 7% |
| f. Deposit Substitute (DS) | 18% | 8% | NA |
| g. DS evidenced by repo agreement | 0% | 0% | NA |
| h. IBCL (Sec. 315) | 0% | 0% | 0% |
| i. Bonds | 6% | 6% | NA |
| j. Mortgage/CHM cert. | NA | 6% | NA |
| k. Peso deposits lodged under Due to foreign banks | 18% | NA | NA |
| l. Peso deposits lodged under Due to Head Office/Branches/ Agencies Abroad (Philippine branch of a foreign bank) | 18% | NA | NA |
| m. Basic deposit accounts, as defined in Sec. 213 ¹ | 0% | 0% | 0% |

Item “g” refers to deposit substitutes evidenced by repo agreements covering government securities that are transacted in an organized market under the Government Securities Repo Program.

Items “k” and “l” refer to peso deposits, except those utilized as capital of foreign banks (including Head Office/Branches/Agencies abroad of local branches of foreign banks) booked under the “Due to Foreign Banks” and “Due to Head Office/Branches/Agencies Abroad” accounts as provided under Sec. 172 (*Adoption of the Manual of Accounts*), as amended.

(Circular Nos. 1004 dated 24 May 2018, 997 dated 15 February 2018 and 992 dated 01 February 2018)

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Footnotes

1. The required reserves for banks shall take effect starting reserve week 23 February 2018.