

254 COMPUTATION OF RESERVE POSITION

The reserve position of any bank and the penalty on reserve deficiency shall be computed based on a seven (7)-day week, starting Friday and ending Thursday, including Saturdays, Sundays, public special/legal holidays, non-banking days or declared half-day holidays and days when there is no clearing: *Provided*, That with reference to public special/legal holidays, non-banking days, unexpected declared non-banking days, declared half day holidays and days when there is no clearing, the reserve position as calculated at the close of the business day immediately preceding such public special/legal holidays, non-banking days and unexpected declared non-banking days and declared half-day holidays and days when there is no clearing, shall apply thereon. For this purpose, the principal office in the Philippines and all other banking offices located therein shall be treated as a single unit.

The guidelines on the computation of a banks' reserve position during public sector holidays are shown in *Appendix 88*.

Measurement of reserve requirement. The required reserves in the current period (reference reserve week) shall be computed based on the corresponding levels of deposit and deposit substitute liabilities of the prior week.

(Circular Nos. 893 dated 23 November 2017, 890 dated 02 November 2015 and 827 dated 28 February 2014)