

[**BSP CIRCULAR NO. 180, October 01, 1998**]

RESERVE REQUIREMENT ON ALL TYPES OF PESO DEPOSITS AND DEPOSIT SUBSTITUTE LIABILITIES

Pursuant to Monetary Board Resolution No. 65 dated September 28, 1998, raising the reserve requirement on all types of peso deposits and deposit substitute liabilities of expanded commercial banks, commercial banks and non-banks with quasi-banking functions (NBQBs) and certain types of deposit and deposit substitute liabilities of thrift banks, Books I, II, III and IV of the Manual of Regulations for Banks and Other Financial Intermediaries are hereby amended as follows:

Book I — Expanded Commercial Banks and Commercial Banks

SECTION 1. Sections 1203, 1214, 1225, 1232, 1236 and 1253 of Book I of the Manual of Regulations are hereby amended by raising the required reserves against demand and savings deposits, NOW accounts, time deposits and negotiable certificate of time deposits regardless of maturity of banks with expanded commercial banking authority, commercial banks, the Land Bank of the Philippines, the Development Bank of the Philippines and the Al-Amanah Islamic Investment Bank of the Philippines from **eight percent (8%) to ten percent (10%)**.

SECTION 2. Section 1283 of Book I of the Manual of Regulations is hereby amended by raising the required reserves against deposit substitute liabilities regardless of maturity from **eight percent (8%) to ten percent (10%)**.

Book II — Thrift Banks

SECTION 3. Sections 2203, 2225 and 2253 of Book II of the Manual of Regulations are hereby amended by raising the required reserves against demand deposits and NOW accounts from **eight percent (8%) to nine percent (9%)**.

SECTION 4. Section 2283 of Book II of the Manual of Regulations is hereby amended by raising the required reserves against deposit substitute liabilities regardless of maturity from **eight percent (8%) to nine percent (9%)**.

SECTION 5. Sections 2232, 2236, and 2253 of Book II of the Manual of Regulations are hereby amended by raising the required reserves against time deposits and negotiable certificates of time deposits regardless of maturity from **six percent (6%) to seven percent**.

SECTION 6. Sections 2214 and 2253 of Book II of the Manual of Regulations are hereby amended by raising the required reserves against savings deposits from **six percent (6%) to seven percent (7%)**.

Book IV — Non-Bank Financial Intermediaries