

1. *What is the Depository Corporations Survey (DCS)?*

The DCS is a consolidation of the balance sheets of the following:

- Monetary Authorities (MA) consist of the Bangko Sentral ng Pilipinas (BSP) and the National Government (NG) in so far as the latter's monetary functions arising from its holdings of cash and transactions with the International Monetary Fund (IMF) are concerned.
- Other Depository Corporations (ODCs) are deposit-generating institutions other than the BSP, such as universal and commercial banks, thrift banks, rural banks, non-stock savings and loan associations and non-banks with quasi-banking functions. This is an expansion of the coverage of ODCs as compared with that of the old series of the Deposit Money Banks, which covered only universal and commercial banks and rural banks accepting demand deposits.

2. *What are the Components of the Depository Corporations Survey?*

The DCS includes the following:

- Net Foreign Assets (NFA), as distinguished from domestic accounts, follow the residency criteria consistent with the Monetary and Financial Statistics Manual, System of the National Accounts, and 5th Edition of the IMF Balance of Payments Manual. NFA, which refers to transactions with non-residents represents the difference between foreign assets and foreign liabilities of Depository Corporations (DCs), including the difference between accrued interest receivable and payable on transactions of the BSP.
- Net Domestic Assets (NDA) is the sum of net claims on residents and net other items of the DCs.
 - a. Net Claims on Residents consists of holdings of domestic securities and loans and advances, net of NG deposits. These claims are subdivided into net claims on the public sector and claims on other sectors. Net claims on the public sector are further broken down into net claims on the NG, local governments, government corporations and other government instrumentalities.
 - b. Net Other Items represents the difference between all other assets and liabilities, (e.g., due to/from BSP/local banks, accrued interest/taxes receivable/payable), including capital accounts, of the MA and ODCs.
- Liquidity Aggregates
 - a. Expanded Broad Money Liabilities (M4) consists of broad money liabilities (M3) and transferable and other deposits denominated in foreign currency of residents
 - Broad Money Liabilities or M3 include national currency outside DCs, transferable deposits, other deposits, and securities other than shares included in broad money (deposit substitutes).

- ❖ Currency Outside Depository Corporations and Transferable Deposits, also called Narrow Money. This is defined under M.B. Res. No. 404 dated 14 February 1975 as consisting of currency in circulation (or those outside DCs) and peso deposits subject to check of the monetary system (or transferable deposits). The item "currency in circulation" (currency outside DCs) is obtained by deducting from the currency issue of the BSP, cash held in the vaults of the Bureau of the Treasury (BTr) and ODCs. The term "peso deposits subject to check", or transferable deposits, includes "managers and cashiers' checks" as well as deposits automatically transferred from savings to demand deposits, but excludes demand deposits by the NG and ODCs' holdings of "checks and other cash items." Also included are reserve balances of Other Financial Corporations i.e., the BSP's demand deposit reserve accounts of Common Trust Funds (CTF) and Trust and Other Fiduciary Accounts (TOFA) of OFCs. "Interbank deposits" among DCs are no longer included in the computation of money supply as they are netted out in the consolidation process.
 - ❖ Other Deposits are interest-bearing deposits, which can be withdrawn upon presentation of properly accomplished withdrawal slips together with the corresponding passbooks or by means of negotiable orders of withdrawal (for NOW accounts) and interest-bearing deposits with specific maturity dates and evidenced by certificates issued by the bank. Also included are cash letters of credit which refers to import letters of credit issued where the importer pays 100 percent in Philippine pesos and marginal deposits which are non-interest bearing deposits made by importers and local merchants upon opening letters of credit (both foreign and domestic).
 - ❖ Securities Other Than Shares Included in Broad Money are instruments used as an alternative form of obtaining funds from the public other than deposits through the issuance, endorsement or acceptance of debt instruments for the borrower's own account. These represent all types of money market borrowings by banks like promissory notes, repurchase agreements, commercial papers/securities and certificates of assignment/participation with recourse.
 - Transferable and Other Deposits in Foreign Currency are foreign currency-denominated transferable and other deposits owed to residents. Also included are foreign currency deposits of Government –Owned/Controlled Corporations.
- b. Liabilities Excluded from Broad-Money includes:
- Bills Payable covers all domestic direct/negotiated borrowings obtained by the DCs from other financial intermediaries, private and government firms and individuals for the limited purpose of financing their needs and those of their agents/dealers. Excluded are those obligations/borrowings from the BSP and other local commercial banks.

- Restricted Deposits are deposits for which withdrawals are restricted on the basis of legal, regulatory, or commercial requirements. Examples of these are deposits in financial corporations that are closed, pending liquidation or reorganization.

3. *What is Reserve Money (RM)?*

RM represents the most important subset of the liabilities of the monetary authorities (MA) through which the BSP is able to influence the supply of liquidity in the system. It consists of the following:

- Currency Outside Monetary Authorities which consists of currency notes and coins issued by the BSP.

- Liabilities To Other Depository Corporations (ODCs) include:
 - a. Transferable Deposits of ODCs which consist of:
 - Reserve Balances of ODCs refer to the BSP's regular peso demand deposit liabilities to commercial banks, specialized government banks, thrift banks, rural banks and non-banks with quasi-banking functions.
 - Reserve Deposit Account of ODCs refers to the funds placed with BSP in lieu of government securities holdings to be bought directly from the BSP in compliance with the liquidity reserve requirement.

- Liabilities To Other Sectors include:
 - a. Transferable Deposits Included In Broad Money of the Other Financial Corporations (OFCs) which consist of:
 - Reserve Balances of OFCs refer to the BSP's demand deposit reserve accounts of Common Trust Funds (CTF) and Trust and Other Fiduciary Accounts (TOFA) of OFCs.
 - Reserve Deposit Account of OFCs refers to the funds placed with BSP in lieu of government securities holdings to be bought directly from the BSP in compliance with the liquidity reserve requirement on CTF and TOFA accounts.

4. *What are the sources of data?*

Balance sheets of the BSP, universal and commercial banks, thrift banks, rural banks, non-stock savings & loan association and non-banks w/ quasi-banking functions serve as the main database for DCS.

5. *What are the uses of the Depository Corporations Survey?*

- Provides a measure of the stock of liquidity in the system and identifies the source of money growth.
- Provides the core set of monetary statistics for macroeconomic policy.
- Provides inputs for early warning system models on the macroeconomy.
- Facilitates a more detailed analysis of broad money and credit aggregates.
- Provides monetary data for the research needs of both the public and private sectors and the general public.

6. *How is the data disseminated?*

Data is disseminated through the Special Data Dissemination Standards (SDDS), BSP website, Selected Philippine Economic Indicators (SPEI) publications and the BSP Economic and Financial Learning Center.