

**1. *How is Monetary and Financial Statistics compiled?***

- The Department of Economic Statistics (DES) of the Bangko Sentral ng Pilipinas (BSP) compiles monetary and financial statistics on a monthly basis, consistent with the framework of the Monetary and Financial Statistics Manual and Compilation Guide (MFSMCG) of the International Monetary Fund (IMF). The monetary statistics consist of the Central Bank Survey (CBS) and the Depository Corporations Survey (DCS).
- In 2004, the IMF introduced the Standardized Report Forms (SRF) for member-countries' reporting of monetary and financial statistics. The SRF is a reporting format that conforms to certain principles and concepts as guideposts. Adherence to these guidelines and principles promotes internal consistency with other macroeconomic statistics and facilitates cross-country comparison. In the SRF, assets and liabilities are reported according to the residency of counterparties and expressed in national currency units. The adoption of the SRF provided enhanced clarity by showing domestic assets and domestic liabilities that are disaggregated by sector. The SRF shows more details, i.e., types of financial instruments, currency of denomination of accounts, residency classification and type of asset/liability, as well as identifies which of these financial instruments are components of broad money.
- To align the country's monetary statistics with international standards and to be consistent with the frameworks of the MFSMCG, the Balance of Payments and International Investment Position Manual, 6<sup>th</sup> Edition (BPM6) and the 2008 System of National Accounts (SNA), the BSP adopted the new format (SRF-based) in reporting monetary statistics beginning with August 2013 data. The SRF series was also backtracked through December 2001.
- ***What is the Depository Corporations Survey (DCS)?***

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

- The BSP and the accounts of the Central Government (CG) arising from its holdings of transactions with the IMF, and
- Other Depository Corporations (ODCs), which 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 (SRF-based series)?**

- Net foreign assets (NFA), as distinguished from domestic accounts, following the residency criteria of the 6<sup>th</sup> Edition of the IMF Balance of Payments Manual, represents the difference between claims on non-residents and liabilities to non-residents of ODCs and the BSP (including the difference between accrued interest receivable and payable on transactions of the BSP with nonresidents).
- Domestic Claims are the sum of net claims on central government and claims on other sectors.

Net Claims on Central Government include of domestic securities issued by and loans and advances extended to the central government, net of liabilities to the central government such as deposits.

Claims on Other Sectors include domestic securities issued by and loans and advances extended to sectors other than the central government. These sectors consist of other financial corporations, state and local government, non-financial corporations and other resident sectors.

- Broad Money Liabilities (Liquidity Aggregates)

M1 (Narrow Money) consists of currency outside depository corporations (currency in circulation) and peso deposits subject to check of the monetary system (transferable deposits).

The item “currency outside depository corporations” (currency in circulation) is obtained by deducting cash held in the vaults of ODCs from the currency issue of the BSP.

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 Central Government and other depository corporations’ holdings of “checks and other cash items.”

“Interbank deposits” among ODCs are also not included in the computation of money supply.

M2 consists of M1 and other deposits included in broad money such as savings and time deposits. Savings deposits are interest-bearing deposits, which are withdrawable upon presentation of properly accomplished withdrawal slips together with the corresponding passbooks or by means of negotiable orders of withdrawal (for NOW accounts). Time deposits are interest-bearing deposits with specific maturity dates and evidenced by certificates issued by the bank.

M3 (Domestic Liquidity) includes M2 and securities other than shares included in broad money (deposit substitutes). 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.

M4 consists of M3 and transferable and other deposits in foreign currency (foreign currency deposits of residents).

- Liabilities Excluded from Broad-Money covers all domestic direct/negotiated borrowings obtained by the ODCs 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. It also includes net other items which represent the difference between all other assets and liabilities, including capital accounts of the BSP and ODCs.

### **3. *What is the Central Bank Survey (CBS) (SRF-based)?***

The CBS is an analytical tool used to consolidate 1) the balance sheet of the BSP and 2) the accounts of the CG which are related to its monetary functions and transactions with the IMF.

Accounts are classified according to financial instruments, transactors or institutional units and residence. The foreign and domestic positions are distinguished on the basis of residence following the guidelines of the IMF's BPM6 and segregated into four (4) major categories, namely:

- I. Net Foreign Assets refer to the central bank's net position with regard to its transactions with nonresidents which consist of:
  - a) Claims on Non-Residents comprising of the country's official reserve assets and other foreign assets; and
  - b) Liabilities to Non-Residents consisting of gross foreign liabilities segregated into short-term and long-term maturities.
- II. Domestic Claims refer to the BSP's position with regard to its transactions with residents comprising of:
  - a) Net Claims on Central Government which consist of securities other than shares and loans less deposit liabilities to CG;
  - b) Claims on Other Depository Corporations such as deposits, securities other than shares, loans and financial derivatives; and

- c) Claims on Other Sectors which comprise mainly of loans to other financial corporations, claims on state and local government, claims on public nonfinancial corporations and claims on private sector.

III. Reserve Money includes:

- a) Currency Issue which refers to the currency notes and coins issued by the BSP
- b) Liabilities to Other Depository Corporations which comprise:
  - Required reserves and clearing balances of ODCs which 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 and accrued interests.
  - Reserve Deposit Account (RDA) of ODCs or fund placements with the BSP in lieu of government securities holdings to be bought directly from the BSP in compliance with the liquidity reserve requirement and accrued interests.<sup>1</sup>
  - Secured Settlement Account (SSA) of ODCs is used for the settlement of Automated Clearing House-type transactions. The SSA was created to ensure that all payments for valid retail transactions are made on time.
- c) Liabilities to Other Sectors consist of:
  - Transferable deposits of other financial corporations (OFCs) included in broad money refer to the BSP's demand deposit reserve accounts of Common Trust Funds (CTF) and Trust and Other Fiduciary Accounts (TOFA) of OFCs and accrued interests.
  - RDA of OFCs which pertains to the funds placed with the 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 and accrued interests.<sup>1</sup>

- IV. Liabilities Other Than Reserve Money include all other unclassified accounts such as deposits and securities other than shares, shares and other equity and other items (net).

**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 with quasi-banking functions and the report on the Philippine's Summary Position in the IMF serve as the main database for the DCS.

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<sup>1</sup> As of end-June 2012, the use of the RDA facility was discontinued due to the implementation of the Rationalization of the BSP' Reserve Requirement Policy in 2012. This policy includes the unification of the statutory reserve requirement and liquidity reserve requirement (RDA facility) into a single set of reserve requirement.

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

- Provides a measure of the stock of liquidity in the system and identifies the sources 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) and the BSP website.