

Summary of Monetary Policy Decisions

Effectivity Date	Overnight Reverse Repurchase Facility (in percent)	Overnight Deposit Facility (in percent)	Overnight Lending Facility (in percent)	Monetary Policy Decisions
2023				
16 Feb 2023	6.00	5.50	6.50	The MB decided to raise the interest rates on the BSP's overnight RRP facility, ODF and OLF by 50 bps, to 6.00 percent, 5.50 percent and 6.50 percent, respectively, effective 17 February 2023.
23 Mar 2023	6.25	5.75	6.75	The MB decided to raise the interest rates on the BSP's overnight RRP facility, ODF and OLF by 25 bps, to 6.25 percent, 5.75 percent and 6.75 percent, respectively, effective 24 March 2023.
18 May 2023 22 Jun 2023	6.25	5.75	6.75	The MB decided to maintain the BSP's key policy interest rates at 6.25 percent for the overnight RRP facility, 5.75 percent for the ODF and 6.75 percent for the OLF.
8 Jun 2023				The BSP implemented a reduction in the reserve requirement ratios (RRRs) by 250 bps for universal and commercial banks (U/KBs) and non-bank financial institutions with quasi-banking functions (NBQBs), 200 bps for digital banks (DBs), and by 100 bps for thrift banks (TBs), rural banks (RBs) and cooperative banks. This measure shall bring the RRRs of U/KBs and NBQBs to 9.5 percent, DBs to 6.0 percent, TBs to 2.0 percent, and RBs and cooperative banks to 1.0 percent. The new ratios shall take effect on the reserve week beginning 30 June 2023 and shall apply to the local currency deposits and deposit substitute liabilities of banks and NBQBs.
17 Aug 2023	6.25	5.75	6.75	The MB decided to maintain the BSP's key policy interest rates at 6.25 percent for the overnight RRP rate, 5.75 percent for the ODF and 6.75 percent for the OLF.

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Effectivity Date	Overnight Reverse Repurchase Facility/ Target Reverse Repurchase Rate ¹ (in percent)	Overnight Deposit Facility (in percent)	Overnight Lending Facility (in percent)	Monetary Policy Decisions
2023				
21 Sep 2023	6.25	5.75	6.75	The MB decided to maintain the BSP's key policy interest rates at 6.25 percent for the BSP's target RRP rate, 5.75 percent for the ODF and 6.75 percent for the OLF.
26 Oct 2023	6.50	6.00	7.0	The MB decided to take-off cycle action to raise the BSP's key policy interest rates at 6.50 percent for the BSP's target RRP rate, 6.0 percent for the ODF and 7.0 percent for the OLF, effective 27 October 2023.
16 Nov 2023 14 Dec 2023	6.50	6.00	7.0	The MB decided to keep the BSP's key policy interest rates unchanged at 6.50 percent for the BSP's target RRP rate, 6.0 percent for the ODF and 7.0 percent for the OLF.
2022				
17 Feb 2022 24 Mar 2022	2.00	1.50	2.50	The MB decided to maintain the BSP's key policy interest rates at 2.00 percent for the overnight RRP facility, 2.50 percent for the OLF and 1.50 percent for the ODF.
19 May 2022	2.25	1.75	2.75	The MB decided to raise the interest rates on the BSP's overnight RRP facility, ODF and OLF by 25 bps, to 2.25 percent, 1.75 percent and 2.75 percent, respectively, effective 20 May 2022.
23 Jun 2022	2.50	2.00	3.00	The MB decided to raise the interest rates on the BSP's overnight RRP facility, ODF and OLF by 25 bps, to 2.50 percent, 2.00 percent and 3.00 percent, respectively, effective 24 June 2022.
14 Jul 2022	3.25	2.75	3.75	The MB decided to take-off cycle action to raise the interest rates on the BSP's overnight RRP facility, ODF and OLF by 75 bps, to 3.25 percent, 2.75 percent and 3.75 percent, respectively, effective 14 July 2022.

¹ Beginning 8 September 2023, the main policy rate set by the Monetary Board, which signals the BSP's monetary policy stance, is referred to as the Target Reverse Repurchase (RRP) rate. The change in the name followed when the BSP shifted to a variable-rate auction format for the overnight Reverse Repurchase (RRP) facility.

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Effectivity Date	Overnight Reverse Repurchase Facility (in percent)	Overnight Deposit Facility (in percent)	Overnight Lending Facility (in percent)	Monetary Policy Decisions
2022				
18 Aug 2022	3.75	3.25	4.25	The MB decided to raise the interest rates on the BSP's overnight RRP facility, ODF and OLF by 50 bps, to 3.75 percent, 3.25 percent and 4.25 percent, respectively, effective 19 August 2022.
22 Sep 2022	4.25	3.75	4.75	The MB decided to raise the interest rates on the BSP's overnight RRP facility, ODF and OLF by 50 bps, to 4.25 percent, 3.75 percent and 4.75 percent, respectively, effective 23 September 2022.
17 Nov 2022	5.00	4.50	5.50	The MB decided to raise the interest rates on the BSP's overnight RRP facility, ODF and OLF by 75 bps, to 5.00 percent, 4.50 percent and 5.50 percent, respectively, effective 18 November 2022.
15 Dec 2022	5.50	5.00	6.00	The MB decided to raise the interest rates on the BSP's overnight RRP facility, ODF and OLF by 50 bps, to 5.50 percent, 5.00 percent and 6.00 percent, respectively, effective 16 December 2022.
2021				
11 Feb 2021 25 Mar 2021 13 May 2021 24 Jun 2021 12 Aug 2021 23 Sep 2021 18 Nov 2021 16 Dec 2021	2.00	1.50	2.50	The MB decided to maintain the BSP's key policy interest rates at 2.00 percent on the overnight RRP facility, 2.50 percent on the OLF and 1.50 percent on the ODF.

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2020				
6 Feb 2020	3.75	3.25	4.25	The MB decided to cut the key policy interest rate by 25 bps to 3.75 percent. The interest rates on the OLF and ODF were reduced to 4.25 percent and 3.25 percent, respectively.
19 Mar 2020	3.25	2.75	3.75	The MB decided to cut the key policy interest rate by 50 bps to 3.25 percent, effective 20 March 2020. The interest rates on the OLF and ODF were reduced to 3.75 percent and 2.75 percent, respectively.
24 Mar 2020				The MB announced a 200-bp reduction in the RR ratio of reservable liabilities of U/KBs effective 3 April 2020. This lowered the RRR of U/KBs to 12 percent. The RR cut was intended to calm the markets and to encourage banks to continue lending to both retail and corporate sectors. This aimed to ensure sufficient domestic liquidity in support of economic activity amidst the global pandemic due to the COVID-19.
16 Apr 2020	2.75	2.25	3.25	The MB decided to cut the interest rate on the BSP's overnight RRP facility by 50 bps to 2.75 percent, effective 17 April 2020. The interest rates on the OLF and ODF were reduced to 3.25 percent and 2.25 percent, respectively. The off-cycle rate cut was meant to strongly encourage lending to various sectors, especially the most vulnerable, amid the COVID-19 pandemic.
25 Jun 2020	2.25	1.75	2.75	The MB decided to cut the interest rate on the BSP's overnight RRP facility by 50 bps to 2.25 percent, effective 26 June 2020. The interest rates on the OLF and ODF were reduced to 2.75 percent and 1.75 percent, respectively. Amid a benign inflation outlook, the MB saw a critical need for continuing measures to bolster economic activity and support financial conditions.
20 Aug 2020 1 Oct 2020	2.25	1.75	2.75	The MB decided to maintain the BSP's key policy interest rates at 2.25 percent on the overnight RRP facility, 2.75 percent on the OLF and 1.75 percent on the ODF.
19 Nov 2020	2.00	1.50	2.50	The MB decided to cut the key policy interest rate by 25 bps to 2.00 percent, effective 20 November 2020. The interest rates on the OLF and ODF were reduced to 2.50 percent and 1.50 percent, respectively.
17 Dec 2020	2.00	1.50	2.50	The MB decided to maintain the BSP's key policy interest rates at 2.00 percent on the overnight RRP facility, 2.50 percent on the OLF and 1.50 percent on the ODF.

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2019				
7 Feb 2019 21 Mar 2019	4.75	4.25	5.25	The MB decided to keep the BSP's key policy interest rates at 4.75 percent on the overnight RRP facility, 5.25 percent on the OLF and 4.25 percent on the ODF.
9 May 2019	4.50	4.00	5.00	The MB decided to reduce the BSP's key policy interest rates by 25 bps to 4.50 percent on the overnight RRP facility, 5.00 percent on the OLF and 4.00 percent on the ODF.
16 May 2019				The MB decided to reduce the reserve requirements by 200 bps (or two percentage points) which shall be implemented according to the following schedule: 100 bps on 31 May 2019; 50 bps on 28 Jun 2019; and 50 bps on 26 Jul 2019. The reduction applied to those reservable liabilities of U/KBs that are currently subject to a reserve requirement of 18 percent.
23 May 2019				The MB complemented the reduction in reserve requirements for U/KBs with a phased 200-bp reduction in the reserve requirements for TBs and NBQBs, as well as a 100-bp reduction for demand deposits and negotiable order of withdrawal (NOW) accounts of rural and cooperative banks on 31 May 2019. Moreover, long-term negotiable certificates of time deposits issued by all banks and NBQBs were subject to lower and uniform reserve requirement ratio of 4.0 percent. The reductions on reserve requirements took effect for U/KBs, TBs, and NBQBs on the reserve weeks beginning 31 May 2019, 28 June 2019, and 26 July 2019. The lower ratios applied to all reservable liabilities except bonds and mortgage/chattel mortgage certificates as the BSP continued to assess the impact of a reduction in the reserve requirements on said instruments.

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2019				
20 Jun 2019	4.50	4.00	5.00	The MB decided to maintain the BSP's key policy interest rates at 4.50 percent on the overnight RRP facility, 5.00 percent on the OLF and 4.00 percent on the ODF.
27 Sep 2019				The MB decided to reduce the reserve requirements for U/KBs, TBs, and RBs by 100 bps (or one percentage point). The reduction in reserve requirements applied to the deposits and deposit substitute liabilities in local currency of banks. The reserve requirement of U/KBs was reduced from 16.0 percent to 15.0 percent, TBs from 6.0 percent to 5.0 percent, and RBs from 4.0 percent to 3.0 percent. The reduction took effect on the first day of the first reserve week of November 2019.
26 Sep 2019	4.00	3.50	4.50	The MB decided to cut the BSP's key policy interest rates by 25 bps to 4.00 percent on the overnight RRP facility, 4.50 percent on the OLF and 3.50 percent on the ODF.
24 Oct 2019				The MB decided to reduce the reserve requirements for U/KBs and TBs by 100 bps (or one percentage point). The MB complemented the move with a reduction in the RRs for NBQBs. The reduction in reserve requirements applied to the deposits and deposit substitute liabilities in local currency of banks and NBQBs. The reserve requirement of U/KBs was reduced from 15.0 percent to 14.0 percent, TBs from 5.0 percent to 4.0 percent, and NBQBs from 16.0 percent to 14.0 percent. The reduction took effect on the first day of the first reserve week of December 2019.
14 Nov 2019 12 Dec 2019	4.00	3.50	4.50	The MB decided to maintain the BSP's key policy interest rate at 4.00 percent on the overnight RRP facility, 4.50 percent on the OLF and 3.50 percent on the ODF.

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2018				
8 Feb 2018	3.00	2.50	3.50	The MB decided to maintain the BSP's key policy interest rates at 3.0 percent on the overnight RRP facility, 3.5 percent on the OLF and 2.5 percent on the ODF.
15 Feb 2018				The reserve requirement ratio was reduced by one percentage point as an operational adjustment to support the BSP's shift toward a more market-based implementation of monetary policy as well as its broad financial market reform agenda. The reduction applied to the reservable liabilities of all banks and non-bank financial institutions with quasi-banking functions with reserve requirement 20 percent.
22 Mar 2018	3.00	2.50	3.50	The MB decided to maintain the BSP's key policy interest rates at 3.0 percent on the overnight RRP facility, 3.5 percent on the OLF and 2.5 percent on the ODF.
10 May 2018	3.25	2.75	3.75	The MB decided to increase the BSP's key policy interest rates by 25 bps to 3.25 percent on the overnight RRP facility, 3.75 percent on the OLF and 2.75 percent on the ODF.
24 May 2018				The reserve requirement ratio was reduced by one percentage point as part of the BSP's medium-term financial market reform agenda to promote a more efficient financial system by lowering intermediation costs. The reduction applied to those reservable liabilities of all banks and non-bank financial institutions with quasi-banking functions that were currently subject to a reserve requirement of 19 percent.
20 Jun 2018	3.50	3.00	4.00	The MB decided to raise the BSP's key policy interest rates by 25 bps to 3.50 percent on the overnight RRP facility, 4.00 percent on the OLF and 3.00 percent on the ODF.
9 Aug 2018	4.00	3.50	4.50	The MB decided to raise the BSP's key policy interest rates by 50 bps to 4.00 percent on the overnight RRP facility, 4.50 percent on the OLF and 3.50 percent on the ODF.
27 Sep 2018	4.50	4.00	5.00	The MB decided to raise the BSP's key policy interest rates by 50 bps to 4.50 percent on the overnight RRP facility, 5.00 percent on the OLF and 4.00 percent on the ODF.

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2018				
15 Nov 2018	4.75	4.25	5.25	The MB decided to raise the BSP's key policy interest rates by 25 bps to 4.75 percent on the overnight RRP facility, 5.25 percent on the OLF and 4.25 percent on the ODF.
13 Dec 2018	4.75	4.25	5.25	The MB decided to maintain the BSP's key policy interest rates at 4.75 percent on the overnight RRP facility, 5.25 percent on the OLF and 4.25 percent on the ODF.
2017				
9 Feb 2017 23 Mar 2017 11 May 2017 22 Jun 2017 10 Aug 2017 21 Sep 2017 9 Nov 2017 14 Dec 2017	3.00	2.50	3.50	The MB decided to maintain the BSP's key policy interest rates at 3.0 percent on the overnight RRP facility, 3.5 percent on the OLF and 2.5 percent on the ODF. The reserve requirement ratios were left unchanged as well.
2016				
11 Feb 2016 23 Mar 2016 12 May 2016	4.00		6.00	The MB decided to maintain the BSP's key policy interest rates at 4.0 percent on the overnight borrowing or RRP facility and 6.0 percent for the overnight lending or RP facility. The interest rates on term RRPs, RPs, and SDAs were also kept steady. The reserve requirement ratios were left unchanged as well.
23 Jun 2016 11 Aug 2016 22 Sep 2016 10 Nov 2016 22 Dec 2016	3.00	2.50	3.50	<p>The BSP formally adopted an interest rate corridor (IRC) system as a framework for conducting its monetary operations. The IRC system consists of the following instruments: (a) standing liquidity facilities, namely, the overnight lending facility (OLF) and the overnight deposit facility (ODF); (b) the overnight RRP facility; and (c) a term deposit auction facility (TDF).</p> <p>The interest rates for these facilities will be set as follows starting 3 June 2016:</p> <ul style="list-style-type: none"> • 3.5 percent on the OLF (a reduction of the interest rate on the upper bound of the corridor from the current overnight RP rate of 6.0 percent); • 3.0 percent on the overnight RRP facility (an adjustment from the current 4.0 percent); and • 2.5 percent on the ODF (no change from the current SDA rate).