[BSP CIRCULAR LETTER, April 01, 1993]

MANUAL OF ACCOUNTS FOR COMMERCIAL BANKS

Pursuant to M. B. Resolution No. 215 dated March 19, 1993, item 4 of the guidelines on revaluation enumerated on page 60 as footnote to the Manual of Accounts for Commercial Banks revised under Circular Letters dated February 20, 1986 and April 23, 1986 is further revised to read as follows:

"4.   Revaluation shall be done at least monthly, using the Philippine Dealing System Weighted Average Rate (PDSWAR) subject to the following conditions:

a.   For US Dollar Foreign Exchange Assets and Liabilities:

(1)   Use the Philippine Dealing System Weighted Average Rate (PDSWAR) for the day as the revaluation rate, provided the absolute differential of PDSWAR with the Philippine Dealing System Closing Rate (PDSCR) is less than or equal to 2% of PDSWAR;

(2)   If the absolute differential of PDSWAR and PDSCR is greater than 2% of PDSWAR, use PDSCR as the revaluation rate if the following conditions are present:

i.   Total transactions for the day should at least be equal to $20.0 million; and

ii.   The volume of last transaction for the day should at least be equal to 15% of the total transactions for the day. Otherwise, use PDSWR as the revaluation rate.

(3)   If there are no transactions for the day, use the immediately preceding applicable revaluation rate.

b.   For non-US dollar foreign currency (third currency) assets and liabilities, use the designated Peso/US dollar revaluation rate (as determined in 1 above) against the relevant US dollar/third currency rate in the Central Bank Reference Exchange Rate Bulletin for the day.

Revaluation entries passed at the end of the month may be reversed the following day."

The above revisions are effective immediately. Attached is page 60*, as revised, of the Manual of Accounts for Commercial Banks.