



BANKERS ASSOCIATION OF THE PHILIPPINES

January 9, 2015

MEMO TO ALL BAP MEMBER BANKS

Attention: **Treasurer/Head of Treasury**

Subject: **REVISED PDST CALCULATION GUIDELINES**

The calculation methods for the PDST R1 and R2 benchmarks have undertaken amendments in compliance with BSP Circular No. 813. Consequently, the PDST Calculation Guidelines had to be revised. These calculation methodology and guidelines were revised by the BAP-OMC in consultation with the Bangko Sentral ng Pilipinas (BSP), Philippine Dealing and Exchange Corporation (PDEX) and other stakeholders. Subsequently, the referred guidelines were approved by the BAP Board during its December 18, 2014 meeting.

For your reference and guide, enclosed is the subject Revised PDST Calculation Guidelines. Please note that last January 08, we have issued an advisory on the demise of PDST-F benchmarks starting April 1, 2015. By that time, only the PDST R1 and R2 benchmarks, as revised, will be published. Given this development, relevant sections of the revised guidelines, specifically, Sections 2 and 3 will have to be revisited and adjusted accordingly. The sub-committee on Interest Rates is working on the amendments together with all the other changes affected by the discontinuance of PDST-F. We will inform you of the changes as soon as it is completed and approved by the BAP Board.

The new calculation methods will be officially launched on January 26, 2015. A briefing will be conducted and the details will be provided in a separate advisory.

Please be guided accordingly.


ANTONIO C. MONCUPA, JR.
Chairman
BAP Open Market Committee

Cc: Mr. Nestor A. Espenilla, Jr., Deputy Governor, Bangko Sentral ng Pilipinas
Mr. Cesar B. Crisol, Chairman & CEO, PDS Group
Mr. Antonino Nakpil, President & COO, PDEX