

ANNUAL REPORT

OF THE

PHILIPPINE DEPOSIT INSURANCE CORPORATION

FOR THE YEAR ENDED

DECEMBER 31, 1973



PHILIPPINE DEPOSIT INSURANCE CORPORATION
MAKATI, RIZAL

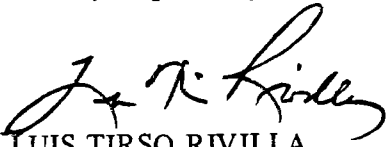
15 January 1974

His Excellency
The President of the Republic
of the Philippines
Malacañang, Manila

Sir:

Pursuant to the provision of Section 15 of Republic Act 3591, as amended, I have the honor to submit herewith the report for 1973 of the Philippine Deposit Insurance Corporation.

Very respectfully,


LUIS TIRSO RIVILLA
Chairman of the Board

OFFICERS OF THE CORPORATION

Board of Directors

LUIS TIRSO RIVILLA
Chairman

GREGORIO S. LICAROS
Governor, Central Bank of the Philippines
Director

BASILIO ESTANISLAO*
Director

Executive Officers

LUIS TIRSO RIVILLA
Chairman

DANILO S. URSUA
Assistant to the Chairman
Internal Affairs

JESUS L. EVANGELISTA
Assistant to the Chairman
External Affairs

DOMINADORA C. SUNGA
Manager, Department of Examination I

JAIME C. LOPEZ
Legal Counsel

VIRGINIA A. DIMALANTA
Chief Cashier

SANTOS G. ESTACIO**
Manager, Department of Examination II

EDUARDO S. MARTINEZ
Manager, Department of Personnel
and Administrative Services

CARMELITA C. VIDAL
Manager, Accounting Department

ALBERTO R. ENRIQUEZ
Corporate Secretary

Representatives from the Commission on Audit

JUAN G. GRANADOS
Corporate Auditor

GUILLERMO S. NIEVA
Assistant Corporate Auditor

* Resigned on October 19, 1973 due to appointment as Land Bank President.

**Transferred to Land Bank on January 7, 1974.

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PART I

THE 1973 OPERATIONS AND FINANCIAL STATEMENTS OF THE CORPORATION

Presidential Decree No. 120

On January 29, 1973 the Charter of the Corporation, R.A. 3591, was amended by Presidential Decree No. 120. The permanent insurance fund was increased from the original ₱5 Million to ₱20 Million. The amendment further provides that the annual operating expenses of the Corporation may amount to not more than the annual gross income from the investment of the ₱20 Million permanent insurance fund and not more than 15 per cent of the first ₱10 Million of all other income. If all the other income exceeds ₱10 Million the annual operating expenses may be increased to not more than 10 per cent of the excess. The decree further provides that the phrase "all other income" includes assessments and earnings from other investment of funds, but excludes recoveries and accrued income.

As provided in the Charter, the PDIC is empowered to make loans to, or purchase the assets of, or make deposits in an insured bank which is in danger of closing in order to prevent its closure. The Corporation will prevent such closure only when its Board is of the opinion that the continued operation of the bank is essential to provide adequate banking service in the community. The amendatory presidential decree limits the funds available for this purpose to the permanent insurance fund, additional appropriations thereto and money borrowed from the CB. Funds accumulated from assessments paid by the bank shall not be used for the financial assistance nor for the repayment of loans obtained from the CB for assistance purposes.

Presidential Decree 120 embodies the recommendation of the IMF-CBP Banking Survey Commission. It may be mentioned that the Operations Staff of this survey commission was headed by Director Basilio Estanislao, a member of the PDIC Board. Among the other members of the Operations Staff are officers and employees of the Corporation.

Pay-off Operations

As of December 31, 1973 the Corporation paid a total of ₱17 Million of insured deposits of the following banks ordered closed by the Central Bank:

	<i>No. of Accounts</i>	<i>Amount Paid</i>
1. Provident Savings Bank	29,598	₱11,132,219
2. Philippine National Cooperative Bank	21,907	4,349,260
3. Obando Rural Bank	1,990	1,992,373
4. Balagtas Rural Bank	665	259,464
5. Rural Bank of La Carlota	219	13,679
6. Rural Bank of Natividad	75	57,438
7. Rural Bank of Guimba	61	1,774
8. Rural Bank of Binalbagan	49	2,855
9. Rural Bank of Faire	19	97
10. Rural Bank of Nabua	100	670
	<u>54,683</u>	<u>₱17,009,829</u>

Some of the pay-offs started in 1972 and continued into 1973. In addition to the above payments, the Corporation still expects to pay ₱14 Million to around 101,337 deposit accounts of the closed banks listed above.

Under a special law, R.A. 5517, the PDIC had also paid ₱15 Million to some 26,000 depositors of nine (9) banks closed on various dates before the actual operations of PDIC in 1969.

Financial Statements

The Statement of Condition as of December 31, 1973 and the results of operation for the year ended are shown in the following pages.

STATEMENT OF CONDITION

December 31, 1973

Assets

Current Assets

Cash on hand and in banks	P2,207,200.54	
Philippine Government Obligations	15,528,700.00	
Accrued interest receivable	747,864.31	
Inventory of supplies and materials	19,668.05	
Inventory of decals and standees	4,338.08	
Prepayments	2,733.35	
Due from officers and employees	764.10	
Accounts receivable	173.35	P18,511,441.78

Assets Acquired in Bank Assistance and Deposit Subrogation Transactions

Cash deposit with transferee bank	P 41,363.13	
Deposit assistance to Banks	80,000.00	
Loan assistance to Banks	500,000.00	
Investment in banks	5,000.00	
Subrogated claims paid	17,241,236.48	17,867,599.61

Fixed Assets

Furniture and fixtures	P173,564.66		
Less: Accumulated depreciation	60,862.62	P 112,702.04	
Equipment	P154,993.72		
Less: Accumulated depreciation	58,976.37	96,017.35	208,719.39

Other Assets

Deposits with Bureau of Telecommunications & other companies	P 2,505.70	
Sundry debits	153.00	2,658.70
		P36,590,419.48
TOTAL ASSETS		

Liabilities and Deposit Insurance Funds

Liabilities

Current Liabilities

Notes payable to the CBP	₱16,860,990.63	
Accrued interest payable – CBP	362,508.59	
Premiums/Loans payable – GSIS	33,318.56	
Accounts payable	47,151.04	
Due to officers and employees	18,097.01	
Income tax withheld	11,867.95	
Estimated taxes payable	1,726.94	
Deferred assessment income	1,564.55	
Sundry credits	1.80	₱17,337,227.07

Other Credits

Reserve for insurance losses	12,380,000.00
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Deposit Insurance Funds

Permanent Deposit Insurance Fund	₱ 5,000,000.00	
Add: Accumulated net income	1,873,192.41	6,873,192.41
TOTAL LIABILITIES AND DEPOSIT INSURANCE FUNDS		₱36,590,419.48

STATEMENT OF INCOME & EXPENSES
For Year Ended December 31, 1973

Income:

Assessment income	₱6,933,163.70
Interest earned on Philippine Government obligations, bank loans and on deposits	1,438,795.22
Total Income	<u>₱8,371,958.92</u>

Deduct Expenses:

Provision for insurance losses	₱4,000,000.00
Salaries	1,404,625.97
Other personnel expenses (cost of living allowances, medical and hospitalization, life insurance and retirement premiums, etc.)	1,003,269.31
Interest on notes payable — CBP	959,173.26
Rental and related expenses	236,583.73
Provision for taxes	199,673.15
Retainers' fees	61,686.69
Communication expense	43,249.98
Depreciation	32,715.45
Advertising and promotion	29,960.00
Travel — local	33,362.00
Discretionary expenses	13,964.85
Supplies and materials used	17,684.69
Other expenses	23,432.14
Total Expenses	<u>8,059,381.22</u>
Net Income	<u>₱ 312,577.70</u>

PART II

BANKING LEGISLATIONS

On November 29, 1972 the President of the Philippines signed into law Presidential Decree Nos. 71 and 72 which amended the General Banking Act and the Central Bank Act, respectively. These decrees are the first in the series of decrees which instituted reforms in the banking and credit and financial system of the country.

The other decrees, listed below, amended then existing legislations affecting specific banking institutions and provided legislations for the operations of special types of non-bank financial intermediaries not hitherto regulated.

1. Presidential Decree No. 113, amending the Savings and Loan Association Act (R. A. 3779);
2. Presidential Decree No. 114, otherwise known as the Pawnshop Regulation Act;
3. Presidential Decree No. 115, otherwise known as the Trust Receipts Law;
4. Presidential Decree No. 116, amending the Usury Law (R. A. 2655);
5. Presidential Decree No. 117, Facilitating Bank Mergers and Consolidations;
6. Presidential Decree No. 118, repealing the Act Prohibiting and Punishing the Possession and Exportation of Silver and/or Nickel Coins (R. A. 427);
7. Presidential Decree No. 119, amending the Private Development Banks Act (R.A. 4093);
8. Presidential Decree No. 120, amending the Philippine Deposit Insurance Corporation Act (R. A. 3591);
9. Presidential Decree No. 121, amending the Administrative Code (R. A. 2711);
10. Presidential Decree No. 122, amending the Rural Banks Act (R. A. 720);
11. Presidential Decree No. 123, amending the Insurance Act (R. A. 2427);
12. Presidential Decree No. 129, otherwise known as the Investment Houses Act.

The presidential decrees actually embody the recommendations, with few exceptions, of the IMF-CBP Banking Survey Commission which was set up in 1971 by the Monetary Board to determine and introduce the needed reforms in the banking, credit and financial system of the country.

Part II of this Annual Report provides a summary of the presidential decrees.

PRESIDENTIAL DECREE NO. 71
Amending R.A. No. 337, entitled "General Banking Act"

Prior to Proclamation No. 1081, dated September 21, 1972, there were pending before Congress urgent banking measures proposing amendments to R.A. No. 337, entitled the General Banking Act, which are vital to the national development program of the Government. On the 29th of November, 1972, the President signed Presidential Decree No. 71, after an extensive survey and study of the banking system had been undertaken for the purposes of assessing its adequacy in the Philippine economic growth and of facilitating the savings-investment process in development, as follows:

Section 1. This section amends Section 2 of R.A. 337, and provides that only entities duly authorized by the Monetary Board of the Central Bank may engage in the lending of funds obtained from the public through the receipt of deposits of any kind, and all entities regularly conducting such operations shall be considered as banking institutions and shall be subject to the provisions of this Act, of the Central Bank Act, and other pertinent laws.

Section 2. The following entities shall not be considered as banking institutions but shall be subject to regulations by the Monetary Board which may include the imposition of net worth to risk asset ratios, reserve requirements, and interest rate ceilings:

- (a) entities regularly engaged in the lending of funds or purchasing of receivables or other obligations with funds obtained from the public through the issuance, endorsement of acceptance of debt instruments of any kind for their own account;
- (b) entities regularly engaged in the lending of funds which receive deposits only occasionally; and
- (c) trust companies, buildings & loan associations, and non-stock savings and loan associations, but such non-deposit accepting entities shall continue to be supervised and regulated by the Monetary Board under the pertinent provisions of this Act, and/or R.A. No. 265 and 3779.

Section 2-B. The operations and activities of non-bank financial intermediaries, except insurance companies, shall be subject to regulation by the Monetary Board which may include the imposition of constraints covering the

- (a) Minimum size of funds received
- (b) Methods of marketing and distribution
- (c) Terms and maturities of funds received
- (d) Uses of funds

Section 2-C. The Monetary Board may prescribe control ratio ceilings, limitations or other forms of regulations on the different types of contingent accounts of banking institutions and non-bank financial intermediaries performing quasi-banking functions.

Section 2-D. For purposes of Sections 2, 2-A, 2-B, & 2-C, the following terms are defined: public, quasi-banking functions, financial intermediaries, regulation and supervision.

Section 3. This section amends Section 4 of R.A. 337, to provide that the Monetary Board, subject to judicial review, shall determine whether a person or an entity is (a) performing banking or quasi-banking functions, or (b) engaged in other types of financial intermediary. The Board may, through the Central Bank, examine, inspect, or investigate the books and records of such person or entity in order to resolve the question.

Section 4. This section amends Section 5 of the same Act by defining "Unimpaired Capital and Surplus", "Combined Capital Accounts", and "Net Worth" as terms which mean the total of the unimpaired paid-in capital, surplus and undivided profits, net of such valuation reserves as may be required by the CB.

Section 5. (Amending Section 6 of the same Act) — No person, association or corporation not conducting the banking business, shall advertise or hold itself out as being engaged in such business, or use in connection with its business title the words 'bank', 'banking', 'building & loan association',

'savings and loan association', etc., or solicit or receive deposits, or transact in any manner the business of any such bank, corporation or association, without having first complied with the provisions of this Act or other banking laws. The officers and directors of a corporation violating the provisions of this section, shall be jointly and severally liable, and shall be punished by a fine of ₱500 for each day that such violation continues or is repeated.

Section 6. This section gives the classification of banking institutions as follows:

- (a) Commercial Banks
- (b) Thrift Banks
 - (1) Savings & Mortgage Banks
 - (2) Stock Savings & Loan Associations
 - (3) Private Development Banks
- (c) Regional unit banks composed of Rural Banks.

Specialized Government Banks, such as the Development Bank of the Philippines and the Land Bank, are not covered by this classification, but subject to supervision and regulation by the Central Bank pursuant to the provisions of Section 25 of R.A. No. 265.

Section 6-B. With prior approval of the Monetary Board, commercial banks and thrift banks may establish branches, agencies, or extension offices, on a nationwide basis, but rural banks shall remain as regional unit banks.

Section 6-C. All banks, including their branches, agencies or extension offices, shall transact business for not less than 6 hours a day, between 8:00 A.M. to 8:00 P.M., depending upon the discretion of such banking institution. Banks, however, after giving notice to the Monetary Board, may remain open beyond 6 hours, and even before 8:00 A.M. or after 8:00 P.M. for the purpose of servicing deposits and withdrawals.

Section 6-D. The Monetary Board may, at its discretion, require a bank to engage the services of an independent auditor to be chosen by the bank concerned from a list of certified public accountants acceptable to the Monetary Board. The engagement may be either on a continuing basis or on the basis of special engagements as prescribed by the Monetary Board.

Section 6-E. This section declares the banking industry as indispensable to the national interest and any strike or lockout involving banks, if unsettled after 7 calendar days, shall be reported by the CB to the President of the Philippines who shall immediately certify the same to the appropriate court, government agency, or commission for resolution.

Section 7. (Amending Section 9 of R.A. 337) – The Monetary Board may pass upon and review the qualifications of persons who are elected or appointed bank directors or officers and disqualify those found unfit, in order to maintain the quality of bank management and afford better protection to depositors and the public.

Section 8. Section 12 of the same Act is amended to read as follows: At least 70 per cent of the voting stock of any banking institution which may be established after the approval of this Act shall be owned by citizens of the Philippines, except where such bank is established as a result of the local incorporation of foreign banks in the Philippines, or the consolidation of existing banks wherein foreign-owned voting stocks exist. The Monetary Board may, if national interest so requires, increase the minimum percentage of Filipino-owned voting stocks in banking institutions.

Section 9. Section 12-A of R.A. 337 is amended to read as follows: If the percentage of foreign-owned voting stocks in any domestic bank exceeds 30 per cent upon the effectivity of this Act, it shall not be increased, but may be reduced, and, once reduced, shall not be increased thereafter beyond 30 per cent of the voting stocks of the bank. Voting stocks of banks with less than 30 per cent which is foreign-owned, may be increased to 30 per cent with the prior approval of the Monetary Board. These limitations shall also apply to merged or constituent banks or of banks established as a result of the local incorporation of foreign banks.

The Monetary Board, however, may increase the percentage of foreign-owned voting stocks from 30 per cent to 40 per cent with the approval of the President of the Philippines. The percentage shall be determined by the citizenship of the individual stockholders in that bank, or in case of corporations owning bank shares, by the citizenship of each stockholder in that corporation.

Section 12-B is likewise amended to provide that the total voting stocks which a corporation, or 2 or more corporations owned or controlled by the same group of persons, may own in any bank shall not exceed 30 per cent of the voting stock of that bank. In the case of wholly-owned corporations, or those the majority of the voting stock of which is owned by persons related to each other within the 3rd degree of consanguinity or affinity, no more than 20 per cent of the voting stock of a bank should be owned by them.

Any corporation owning more than 30 per cent of the voting stocks of any bank upon the effectivity of this Act shall not increase such holdings, but these may be reduced, and, once reduced, shall not be increased thereafter beyond 30 per cent of the voting stock of the bank.

Section 12-C. Corporations formed to hold equities of rural banks may only own equities in a rural bank of a particular region, as may be defined by the CB, to the extent allowed by the preceding section, and such corporation must be partly owned by residents of that particular region.

Section 12-D. No new commercial bank shall be licensed to operate if the stockholdings of persons related within the 3rd degree of consanguinity or affinity constitute more than 20 per cent of the voting stocks of the new bank. Any such relationship existing upon the effectivity of this Act shall not be increased but may be reduced, and, once reduced, shall not be increased thereafter beyond 20 per cent of the voting stock of the bank.

Section 10. Section 13 of the same Act is amended to read as follows: At least 2/3 of the members of the board of directors of any bank or banking institution which may be established after the approval of this Act shall be citizens of the Philippines. No full time appointive or elective public official shall at the same time serve as officer, director or legal counsel of any private bank, except where such service is incident to financial assistance provided by the Government or a Government-owned or controlled corporation.

In case of a bank merger or consolidation, the limitation on the number of directors in a corporation, as provided in Section 28 of the Corporation Law, shall not apply so that membership in the new board may total up to the number of directors provided for in their respective Articles of Incorporation.

Section 11. Additional provision to Section 14 of the same Act: Foreign banking institutions, without branches in the Philippines, may invest, without prior approval of the Monetary Board, in equities of local companies under the same restrictions imposed on domestic banks as provided for in Section 21-A & 31 of this Act, or in other banking laws. In any case, the aggregate holdings of voting stocks of all foreign entities in any domestic financial enterprise shall remain a minority participation in that enterprise.

Section 12. Section 20 of the same Act is amended to read as follows: Upon the effectivity of this Act, only commercial banks may accept or create demand deposits subject to withdrawal by check. Any other bank, which has been authorized by the CB to accept demand deposits, may continue to do so at the discretion of the Monetary Board.

Section 13. This section amends Section 21 of the same Act to provide that a commercial banking corporation, in addition to the general powers incident to it, shall have all the powers necessary to carry on its business, such as, accepting drafts and issuing letters of credit, discounting and negotiating promissory notes, drafts, bills of exchanges, receiving deposits, buying and selling foreign exchange, etc.

No real estate security loan shall have a maturity in excess of 15 years, except loans for home building or development which may have maturities up to 20 years. Loans for real estate security of over one year maturity shall not exceed 50 per cent of the total savings and time deposits of the bank.

Section 14. Added to Section 21 thereof is the following provision: Commercial banks, including government and foreign banks with existing local branches, may invest in equities of the following

undertakings: warehousing and storage companies, leasing companies, safe deposit box companies, companies engaged in the management of mutual banks, banks other than rural banks and other similar activities as the Monetary Board may declare. The total investment, however, shall not exceed 25 per cent of the net worth of the bank, the equity investment in any one enterprise shall not exceed 15 per cent of the net worth of the bank, the total equity investment of the bank shall remain a minority holding in that enterprise, and the equity investment in other banks shall be deducted from the investing bank's net worth for purposes of computing the prescribed ratio of net worth to risk assets.

Section 15. This section amends Section 22 of R.A. 337 to read as follows: The combined capital accounts of each commercial bank shall not be less than 10 per cent of its risk assets which is defined as the total assets (except contingent accounts) minus the following assets:

- (a) Cash on Hand
- (b) Amount due from CB
- (c) Evidences of indebtedness or obligations the repayment of which are fully guaranteed by the Republic of the Philippines or of the CB
- (d) Loans to the extent covered by hold-out on, or assignment of, deposits maintained in the lending bank and held in the Philippines
- (e) Loans or acceptances under letters of credit to the extent covered by margin deposits
- (f) Other non-risk items which the Monetary Board may, from time to time, authorize to be deducted from total assets.

In case of deficiency of capital accounts, the Monetary Board shall limit or prohibit the distribution of net profits until the minimum requirement is met, and/or restrict or prohibit the making of new investments by the bank, except purchases of readily marketable securities of indebtedness as provided in subsection (c) of this section, until the minimum requirement has been restored.

Section 16. Section 23 of the same Act is amended to provide that the total liabilities of any person, corporation or firm to a commercial banking corporation, including loan accommodations granted by commercial banks to any other bank and deposits maintained by them in any bank, but excluding those enumerated in subsections (b) to (f) of Section 22 of R.A. 337, as amended by Sect. 15 of this Decree, shall not exceed 15 per cent of the unimpaired capital and surplus of such bank, unless the additional liabilities are secured by shipping documents, warehouse receipts or other similar documents transferring or securing title covering readily marketable, nonperishable staples which must be fully covered by insurance, and have a market value of at least 125 per cent of such additional liabilities.

Section 17. Section 25 of the same Act is amended to read as follows: Any commercial bank may purchase, hold, and convey real estate for the following purposes:

- (a) such as shall be necessary for its immediate accommodation in the transaction of its business, provided that the total investment, including real estate owned by another corporation in which the bank has equity and used by it for its own purposes, does not exceed 50% of the net worth;
- (b) such as shall be mortgaged to it in good faith by way of security for debts;
- (c) such as shall be conveyed to it in satisfaction of debts;
- (d) such as it shall purchase at sales under judgments, decrees, mortgages or trust deeds held by it, and such as it shall purchase to secure debts for it, but not for a period longer than 5 years.

Section 18. Section 27 of the same Act is amended to read as follows: Any commercial bank organized under the laws of the Philippines may, with the approval of the Monetary Board, establish branches and agencies inside or outside the Philippines, and the bank shall be responsible for all business conducted in such branches to the same extent as in the head office.

Section 19. This section amends Section 29 to provide that a savings and mortgage bank shall be one organized for the purposes of accumulating the savings of depositors and investing them, in bonds or in

loans secured by real estate mortgages and other securities, or in loans for personal finance and long-term financing for home building and development.

Section 20. This section amends Section 30 to provide that the combined capital accounts of each savings and mortgage banks shall not be less than 10 per cent of its risk assets which is defined as its total assets (excluding contingent accounts) minus the following assets:

- (a) Cash on Hand
- (b) Amounts due from Central Bank
- (c) Evidences of indebtedness or obligations the payment of which are fully guaranteed by the Republic of the Philippines, or of the CB
- (d) Loans to the extent covered by hold-out on, or assignment of, deposits maintained in the lending bank and held in the Philippines
- (e) Other non-risk items as the Monetary Board may, from time to time, authorized to be deducted from total assets.

In case of deficiency in capital accounts, the same provisions affecting commercial banking institutions as provided in Section 22 of R.A. 337 shall prevail.

Section 21. This section amends subsection (a) and (b) of Section 31 of the same Act to provide as follows:

- (a) Loans, secured by own or other bank's savings deposit obligations, or mortgage and cattle mortgage bonds: Provided, That clean loans may be granted, but shall not exceed the borrower's deposit in the bank plus his 4 months regular income or salary;
- (b) Medium-term loans of the following types:
 - (1) Loans for the encouragement of cattle, carabao, and other livestock breeding, with maturities up to 3 years, and secured by a lien on the animals, and real estate and other securities if the bank so requires;
 - (2) Equipment loans with maturities up to 5 years, for the acquisition of fertilizers and any instruments, machinery and other movable equipment used in the production, processing, transformation, or transportation of agricultural & industrial products.

Section 22. Section 31 of the Act is amended by adding the following to section (1) thereof:

- (j) Equities of allied undertakings as may be approved by the Monetary Board for savings & mortgages bonds: Provided, That the total investment shall not exceed 25 per cent of the net worth of the bank, the equity investment in any single enterprise shall not exceed 15 per cent of the net worth of the bank, the total equity investment shall remain a minority holding, and the equity investment in other banks shall be deducted from the investing bank's net worth.

Section 23. This section amends Section 32 of the same Act to provide that the direct indebtedness to a savings & mortgage bank of any person, corporation, or firm, including loan accommodations granted by such banks and deposits maintained by them in other banks, but excluding those enumerated in subsections (b) to (f) of Section 30 of R.A. 337, as amended by Section 20 hereof, shall not exceed 15 per cent of the unimpaired capital and surplus of the bank.

Section 24. (Amending Section 56 of the same Act) – A trust company, or any bank authorized to engage in the business of a trust company, shall administer the funds or property under its custody, but shall not purchase or acquire property from any of the departments, directors, officers or employees of such company for the account of the trustor or its beneficiary, unless authorized to do so by the latter.

Section 24-A. (Amending Section 57 of the same Act) – A trust company may, with the approval of the Monetary Board, do a commercial banking business, distinct and separate from its trust business, and all relevant provisions of Chapter IV of this Act governing the business of commercial banking corporations shall be held to apply to such banking activities of the trust company.

Section 25. (Amending Section 68 of the same Act) – Any foreign bank presently having branches and agencies in the Philippines, shall, within one year from the effectivity of this Act, comply with the following options:

- (a) incorporate its branches into a new bank in accordance with Philippine laws, in which case, at least 60 per cent of the voting stocks shall be owned by citizens of the Philippines;
- (b) assign permanent capital to the local branch with a concurrent maintenance of a “net due to” head office account.

Section 26. (Amending Section 69 of the same Act) – After one year from the effectivity of this Act, branches of foreign banks shall be subject to the provisions of Section 22 and 30 of this Act, as amended by Sections 15 and 20 hereof.

Section 27. (Amending Section 70 of the same Act) – After one year from the effectivity of this Act, branches of foreign banks shall be subject to the provisions of Sections 23 & 32 of this Act, as amended by Section 16 & 23 hereof.

Section 28. (Section 71 of the same Act is hereby repealed).

Section 29. (Amending Section 74 of the same Act) – No bank or banking institution shall enter into any contract of guaranty or suretyship, or shall guaranty the interest of principal of any obligation of any person, copartnership, association or corporation. However, this shall not apply to the following:

- (a) borrowing of money through the rediscounting of receivables
- (b) acceptance of drafts or bills of exchange
- (c) certification of checks
- (d) transactions involving the release of documents attached to items received for collection
- (e) letters of credit transaction
- (f) repurchase agreements
- (g) shipside bonds

Section 30. (Amending Section 83 of the same Act) – No director or officer shall, for himself or as agent, borrow any of the deposits of funds of such bank nor shall he become a guarantor, indorser, or surety for loans from such bank to other except with the written approval of the majority of the directors of that bank. The Monetary Board may regulate the amount of credit accommodations that may be extended to directors, officers or stockholders of a banking institution.

Section 31. (Amending Section 84 of the same Act) – No dividend shall be declared by a bank if losses sustained by them equal or exceed the undivided profits on hand. No dividend shall also be declared greater than its net profits, deducting therefrom its losses and bad debts.

Section 32. (Additional section to Section 87 of the same Act) – A fine of not more than ₱2,000 or imprisonment of not more than 1 year, or both, shall be imposed upon:

- (1) Any officer, employee, or agent who shall make false entries in any bank report or statement; disclose to any unauthorized person any information relative to funds or properties in the custody of the bank; accept gifts, fees or commissions in connection with the approval of a loan; or overvalue any security to influence the action of any bank.
- (2) Any borrower or a banking institution who shall fraudulently over-value property offered as security, furnish false material facts to obtain, renew or increase a loan, or offer any officer or employee of the bank any gift, fee or commission in connection with the approval of a loan.
- (3) Any examiner, officer or employee of the Central Bank, or of any agency of the Government who shall commit any of the acts enumerated in paragraph 1 of this section while examining or rendering technical assistance to a banking institution.

PRESIDENTIAL DECREE NO. 72
Amending R.A. No. 265, entitled "The Central Bank Act"

Prior to Proclamation No. 1081, there were pending before Congress urgent banking measures proposing to amend R.A. No. 265, entitled "The Central Bank Act", which are vital to the national development program of the Government. On the 29th of November, 1972, the President signed Presidential Decree No. 72, after an extensive survey and study of the banking and credit system had been undertaken, as follows:

Section 1. (Amending Section 2 of R.A. No. 265) – It shall be the responsibility of the Central Bank of the Philippines to administer the monetary, banking and credit system of the Philippines. It shall be the duty of the Central Bank to use its powers to achieve the following objectives:

- (a) To maintain internal and external monetary stability in the Philippines, and to preserve the international value of the peso into other freely convertible currencies; and
- (b) To foster monetary, credit and exchange conditions conducive to a balanced and sustainable growth of the economy.

Section 2. (Amending Section 5 of the same Act) – The powers and functions of the CB shall be exercised by a Monetary Board, which shall be composed of 7 members as follows:

- (a) The Governor, who shall be the Chairman of the Monetary Board, and shall be appointed for a term of 6 years by the President of the Philippines with the consent of the Commission on Appointments. The senior-deputy governor shall act as Chairman whenever the Governor is unable to attend a meeting of the Board.
- (b) The Secretary of Finance, who shall designate an undersecretary to attend as his alternate;
- (c) The Director General of the National Economic and Development Authority, or his designated deputy director-general of the Authority;
- (d) The Chairman of the Board of Investments, or his designated governor of the Board of Investments; and
- (e) Three (3) part-time members from the private sector, to be appointed by the President with the consent of the Commission on Appointments for terms of 6 years each.

Section 3. (Amending Section 7 of the same Act) – Qualifications of a member of the Monetary Board or deputy-governor of the CB are the following:

- (a) He must be of good moral character and of unquestionable integrity and responsibility;
- (b) He must be of recognized competence in economics, banking, finance, commerce, agriculture or industry; and
- (c) He must be a natural-born Filipino citizen.

Section 4. (Amending Section 8 of the same Act) – Disqualifications from being a member of the Monetary Board or a deputy-governor of the CB are:

- (a) Persons holding any elective or appointive public position or office, except those holding academic positions, ex-officio members and their alternates;
- (b) Directors, officers, employees, consultants or stockholders of other banking or financial institutions, except non-stock savings and loan associations and provident funds organized exclusively for CB employees.

Section 5. (Amending Section 10 of the same Act) – The Monetary Board shall convene as frequently as necessary to discharge its responsibilities, but shall meet at least once every two weeks, to be convoked either by the Governor of the Central Bank or by the Secretary of Finance. All decisions of the Monetary Board shall require the concurrence of at least 4 members, constituting a quorum, except in special cases demanding a greater majority.

Section 6. (Amending Section 11 of the same Act) – The Senior Deputy-Governor of the CB and the Deputy-Governor for Economic Research shall attend the meetings of the Monetary Board with the right to be heard but not to vote.

Section 7. (Amending Section 12 of the same Act) – The members of the Monetary Board, except the Governor and the Senior Deputy-Governor, shall receive a per diem not exceeding ₱250 for every board meeting attended, nor exceeding ₱2,500 for any single month.

Section 8. (Amending Section 13 of the same Act) – Any member of the Board who has a personal interest in the discussion or resolution of a Monetary Board meeting, or if any of his business associates or relatives within the 4th degree of consanguinity or 2nd degree of affinity has such interest, shall not participate in that meeting, and such withdrawal of the member must be noted down in the minutes of the meeting.

Section 9. (Amending Section 14 of the same Act) – In order to exercise the authority granted to it, the Monetary Board shall:

- (a) prepare and issue rules and regulations for the effective discharge of its responsibilities;
- (b) direct the management, operations and administration of the CB;
- (c) on the recommendation of the Governor, appoint, fix the remunerations, and remove personnel of the CB, with the exception of the Governor, provided that the Monetary Board shall have exclusive and final authority to promote, transfer, or assign personnel of the CB;
- (d) authorize such expenditures by the CB as are in the interest and effective administration and operations of the Bank.

Section 10. (Amending Section 15 of the same Act) – Any Board member, officer, or employee of the CB who willfully violates this Act, or who is guilty of gross negligence in the performance of his duties or who discloses any information of a confidential nature about the Monetary Board resolutions or about the operations of the Bank, using such for personal gain to the detriment of the Government, the Bank or 3rd parties, shall be liable for such acts.

Section 11. (Amending Section 20 of the same Act) – The salary of the Governor of the Central Bank shall be fixed by the Monetary Board with the approval of the President of the Philippines. Such salary, including other emoluments and allowances, shall be the ceiling for fixing the salary, allowances and other emoluments of all other personnel in the CB.

Section 12. (Amending Section 21 of the same Act) – The Governor, with the approval of the Monetary Board, shall appoint one senior deputy-governor and not more than 5 deputy-governors, who shall perform duties and responsibilities as may be assigned to them by the Governor and the Board, such as bank supervision, economic research, operations, and administration. In the absence of the Governor, the senior deputy-governor shall act as chief executive of the CB and shall exercise the powers of the Governor, including the authority to participate and the right to vote in meetings of government boards or councils in which the governor is an ex-officio member, and supervisory authority over the other deputy-governors.

Section 13. (Amending Section 23 of the same Act) – The Department of Economic Research shall have the authority to request from any person or entity, including Government offices, any data which the CB may require for the proper discharge of its functions and responsibilities, and for this purpose, may issue a subpoena for the production of their books and records.

Section 14. (Amending Section 24 of the same Act) – The Central Bank shall promote and sponsor the training of technical personnel in the field of money and banking, especially of outstanding employees and qualified personnel of the Bank.

Section 15. (Title B, Article IV of Chapter I of the same Act is changed, to read as follows: B. SUPERVISION AND EXAMINATION DEPARTMENT)

Section 16. (Amending Section 25 of the same Act) – The Central Bank shall have appropriate supervising and examining departments which shall be charged with the supervision and periodic examination of specific categories of banking institutions, including all Government credit institutions. These departments, which shall be directly supervised and coordinated by the Deputy-Governor for

Supervision, shall discharge their responsibilities in accordance with the instructions of the Monetary Board. The department heads and examiners of such departments are authorized to administer oaths to any director, officer or employee of any institution under their respective jurisdiction, and to compel the presentation of all books, records and pertinent documents necessary to ascertain the facts relative to the true condition of any institution.

Section 17. (Amending Section 26 of the same Act) – The Deputy-Governor for Supervision and the heads of supervision and examining departments must be persons of recognized integrity and competence in accounting, auditing and banking practice.

Section 18. (Amending Section 27 of the same Act) – Personnel of the Central Bank are prohibited from:

- (a) Being an officer, director, employee or stockholder, directly or indirectly, of any institution subject to supervision or examination by the CB, except non-stock savings and loan associations and provident funds organized exclusively for CB employees;
- (b) Receiving any gift or thing of value from any officer, director or employee thereof;
- (c) Revealing any information relating to the condition or business of any such institution, except upon order of the court, or to the Monetary Board or Governor of the CB.

Examiners and other personnel of the supervising and examining departments may not borrow from a banking institution in which they are assigned, or are conducting an examination. Other personnel of the CB shall also be prohibited from borrowing from banking institutions during such time that the application of the latter is being processed and evaluated by such personnel.

Section 19. (Amending Section 28 of the same Act) – An examination of the books of every banking institution must be made at least once a year by the head of the appropriate supervising and examining departments or his deputy, and a report of such shall be made to the Monetary Board. Every such institution shall make available to the examiners its books, cash and available assets, and general condition at any time requested by the CB, provided that such information shall not be open for inspection by the public.

These institutions which are subject to examination by the CB shall reimburse the latter for the cost of maintaining the corresponding department, and for this purpose, shall pay within the first 30 days of each year, an annual fee equal to, but not exceeding, 1/20 of 1 per cent of its average total assets during the preceding year, after deducting its cash on hand and amounts due from banks.

Section 20. (Additional provision to Section 28 of the same Act) – Whenever on the basis of the CB examiners' report, the Monetary Board finds that a bank is in a state of inability to maintain a condition of solvency and liquidity, the Board may appoint a conservator to take charge of the management of that bank, collect all monies and debts due said bank, and exercise all powers necessary to preserve the assets of the bank. As much as practicable, the conservator should not be connected with the CB but shall be competent and knowledgeable in bank operations and management. He shall report and be responsible to the Monetary Board, but his remuneration shall be borne by the bank concerned.

Section 21. (Amending Section 29 of the same Act) – If a bank is in a condition of insolvency, or its continuance in business would involve probable loss to its depositors or creditors, the Monetary Board shall forbid such to do business and shall designate a CB official as receiver to take charge of its assets and liabilities, administer the same for the benefit of the creditors, and bring suits and foreclose mortgages in the name of the bank as is necessary. On the other hand, within 10 days after the Monetary Board has taken charge of its assets, the bank may apply to the Court of First Instance for an order requiring the Monetary Board to show cause for its take-over.

Within 30 days thereafter, the Monetary Board shall determine whether the institution may be reorganized or permitted to resume business, or if such should find that the bank cannot resume business safely, it shall file a petition in the court to liquidate the affairs of the same, and shall designate an official of the CB as liquidator who shall convert the bank's assets to money or sell, assign or dispose the same to creditors and other interested parties.

Section 22. (Amending Section 32 of the same Act) – Any owner, manager or officer-in-charge of a bank who refuses to file the required report or permit any lawful examination into the affairs of such bank as required by the Monetary Board, shall be punished by a fine of not more than ₱10,000 or by imprisonment for not more than 1 year, or both, in the discretion of the court.

Section 23. (Amending Section 33 of the same Act) – The wilful making of a false statement to the Monetary Board or its representatives, shall be punished by a fine of not more than ₱15,000 or by imprisonment for not more than 2 years, or both, in the discretion of the court.

Section 24. (Amending Section 34 of the same Act) – Any person or entity who wilfully violates this Act, or any rule or regulation issued by the Monetary Board, shall be punished by a fine of not more than ₱20,000 and by imprisonment for not more than 5 years. Whenever a banking institution persists in violating such rules and regulations, or its charter and by-laws, or carries on its business in an unlawful manner, the Board may, without prejudice to penalties provided above, file a petition with the CFI to compel the bank to discontinue such practices, and, if necessary, direct an official of the CB to liquidate such business.

Section 25. (Amending provision to Section 34 above) – The Monetary Board is authorized to impose upon banking institutions, their directors and/or officers, for any wilful delay in the submission of the reports, any refusal to permit examination of its affairs, any wilful violation of the rules and regulations prescribed by the Board, any false statement to the Board or its examiners, or any management of the bank's business in an unsound and unlawful manner, the following administrative sanctions:

- (a) Fines not exceeding ₱500 a day;
- (b) Suspension, or after due hearing, removal of directors and/or officers;
- (c) Suspension of rediscounting privileges;
- (d) Suspension of lending or foreign exchange operations, or authority to accept new deposits or make investments;
- (e) Suspension of inter-bank clearing privileges, and/or
- (f) Suspension of authority to operate.

The Governor of the CB is authorized to render opinions, decisions or rulings on matters regarding enforcement of banking laws, implementation of regulations and policies, keeping of accounts and financial records by the bank, and imposition of fines not exceeding ₱500 a day, all of which shall be final and executory until reversed or modified by the Monetary Board.

Section 26. (Amending Section 37 of the same Act) – Before the end of March of each year, the CB shall submit to the President and shall so publish an annual report on the condition of the Bank, a review of its policies and measures adopted during the past year, and an analysis of the economic and financial circumstances that gave rise to said policies and measures.

The annual report shall also include a statement of the financial condition of the CB and a statistical appendix which shall present, at least, the following data:

- (a) the monthly movement of the money supply, distinguishing between currency and deposit money;
- (b) the monthly movement of purchases and sales of exchange and of the international assets of the bank;
- (c) the balance of payments of the Philippines;
- (d) monthly indices of wages, of the cost of living and of export and import prices;
- (e) the monthly movement of export and imports, by volume and value;
- (f) the monthly movement of the accounts of the CB and other banks;
- (g) the principal data on Government receipts and expenditures and on the public debt, both domestic and foreign, and
- (h) the texts of the major legal and administrative measures adopted by the Monetary Board during the year.

Section 27. (Amending Section 44 of the same Act) – Any profit or loss realized or incurred by the CB shall be the property of the State and shall be paid to or assumed by the CB.

losses, but shall be offset by any amount which, as a consequence of such revaluations, are owed by the Philippines to any international or regional inter-governmental financial institution of which the Philippines is a member. Any remaining profit or loss shall be carried in a special account, "Revaluation of International Reserve" and its net balance shall appear either as an asset or liability of the CB, depending on whether the revaluation have produced a net profit or a net loss.

Section 28. (Amending Section 46 of the same Act) – The Auditor of the CB shall be appointed by the Auditor General and his salary together with that of his personnel shall be fixed by the same, subject to the approval of the Monetary Board. The Auditor must have at least 10 years experience as a CPA, or has had experience in commercial or central banking, must not be related to any member of the Monetary Board or the Auditor General, and may be removed only by the Auditor General.

Section 29. (Amending Section 49 of the same Act) – The par value of the peso may be altered only in the following circumstances:

- (a) when the par value would make impossible the maintenance of a balanced growth of the economy without:
 - (1) the depletion of the international reserve of the CB
 - (2) the use of restriction on the convertibility of the peso or the transferability abroad of Philippine funds;
 - (3) undue Government intervention in the international flow of goods and services; or
- (b) when uniform proportionate changes are made by countries which are members of the International Monetary Fund; or
- (c) when such is necessary in the operation of any executive or international agreement wherein the Philippines is a party.

Any modification in the gold dollar value of the peso shall be made by the concurrence of at least 5 members of the Board, upon the approval of the President.

Section 30 and 31. (Amending Section 52 and 54 of the same Act) – The CB has the sole right and authority to issue currency and, as such, may promulgate rules and regulations necessary to prevent the circulation of foreign and other substitute currencies. All notes and coins issued by it shall be legal tender and fully guaranteed by the Government, provided that coins shall be legal tender if not exceeding ₱50 for denominations of 10 centavos to one peso, and ₱25 for denominations of 5 centavos or less.

Section 32. (Amending Section 63 of the same Act) – Checks do not have legal tender power, and may only be accepted at the option of the creditor, but once cleared and credited to the same, is equivalent to cash.

Section 33 and 34. (Amending Sections 64 and 65 of the same Act) – The Monetary Board shall endeavor to control the money supply, the level of credit, or any rise or fall of prices, in order to maintain a balanced and sustainable growth in the economy. For purposes of this Act, the Monetary Board shall formulate definitions of money supply, credit and prices based on statistics prepared by the CB.

Section 35. (Amending Section 66 of the same Act) – Whenever abnormal movements in the monetary supply, credit or prices endanger the stability of the economy, the Monetary Board shall:

- (a) take remedial measures within its powers as are appropriate, and
- (b) submit to the President, and make public, a detailed report which shall include:
 - (1) the causes of the rise or fall of the money supply, credit or price;
 - (2) the extent to which such changes have been reflected in the level of domestic output, employment, wages and economic activity in general;
 - (3) the measures which the Board has taken and the other monetary, fiscal or administrative measures which it recommends be adopted.

Whenever such movements of the money supply, or the level of credit fluctuates by more than 15 per cent, or the cost of living index increases by more than 10 per cent of that of the preceding year, the Board shall submit the aforesaid reports and state an opinion as to whether such represent a threat to the stability of the Philippine economy.

Section 36. (Amending Section 67 of the same Act) – The Central Bank shall exercise its powers to maintain the peso par value, and its convertibility to other currencies for current payments for foreign trade and invisibles.

Section 37. (Amending Section 70 of the same Act) – Whenever the international reserve of the CB falls to an amount which the Monetary considers inadequate to meet the demands for foreign currencies, the Board shall take such remedial measures as are appropriate under the circumstances, and submit to the President a detailed report which shall include: the nature and causes of the decline; the remedial measures taken, or to be taken, by the Monetary Board; the monetary, fiscal or administrative measures proposed; and the character and extent of the cooperation required from other Government agencies for the execution of such remedies.

Section 38. (Amending Section 72 of the same Act) – The CB may buy and sell gold subject to regulations by the Monetary Board. On the other hand, the Monetary Board may require any person or entity to deliver their gold to the CB, and may impose conditions under which gold may be acquired, held, sold or melted.

Section 39. (Amending Section 73 of the same Act) – The CB may buy and sell foreign notes and coins, and engage in future exchange operations. It may engage in foreign exchange transactions with banking institutions, the Government and its political subdivisions, foreign or international financial institutions and foreign governments, and with other entities which are authorized foreign exchange dealers.

Section 40. (Amending Section 74 of the same Act) – The Monetary Board, with the concurrence of at least 5 of its members and with the approval of the President, may temporarily suspend or restrict sales of exchange by the CB, may subject all transactions in gold and foreign exchange to license by the CB, and may require that all foreign exchange be delivered to the CB at the effective exchange rates, if economic conditions so warrant, but not including foreign currency deposits.

Section 41. (Amending Section 76 of the same Act) – The Monetary Board shall determine the rates at which the CB may buy and sell spot exchange, and the rates for other types of foreign exchange transaction by the CB.

Section 42. (Amending Section 77 of the same Act) – The profits and losses arising from any revaluation of the CB's net assets or liabilities in gold or foreign currencies as a result of the changes in the gold value of the peso, and those arising from other transactions of the CB in gold or foreign exchange, shall be distributed in the manner provided for in Section 44 of the same Act.

Section 43. (Amending Section 79 of the same Act) – The minimum and maximum rates at which banks may buy or sell exchange shall be determined by the Monetary Board. The rates to be used by banks for other types of foreign exchange transactions shall be based on their spot exchange rates.

Section 44. The subtitle of Section 84 of the same Act is amended to read:

“OTHER EXCHANGE PROFITS AND LOSSES”.

Section 45. (Amending Section 87 of the same Act) – The CB may normally carry on the following credit operations with banking institutions:

- (a) Commercial credits – The CB may rediscount, discount, buy and sell bills, acceptances, promissory notes and other credit instruments with maturities of not more than 180 days resulting from commercial transactions.
- (b) Production credits – The CB may likewise rediscount, discount, buy and sell such instruments with maturities of not more than 360 days resulting from transactions related to the processing of agricultural, mineral or industrial products.
- (c) Advances – The CB may grant advances for fixed periods which shall not exceed 180 days for the kinds of collaterals enumerated in this section.

Section 46. Title C, Article IV of Chapter IV of the same Act is amended to read as follows:
“C. SPECIAL CREDIT OPERATIONS”.

Section 47. (Amending Section 88 of the same Act) – Loans to Long-term Lending Institutions.–

- A. Under special circumstances where the Monetary Board considers it advisable, the CB may grant loans or advances to banking institutions engaged in long-term financing against pledge or assignment of payments or amortizations of their borrowers and in an amount not exceeding 40 per cent of such payments or amortizations, provided that said loans are financed from non-inflationary sources and additional safeguards are provided by the CB, such as, ascertaining that those assigned or pledge to it are not in arrears and are related to credit operations which are secured by mortgages to be assigned to the CB.
- B. Under special circumstances where the Board considers it advisable, such as to promote bank mergers and consolidations, the CB may grant loans or advances to the DBP or to any Government financial institution, which shall be used by the latter to purchase shares of stocks of a bank for resale to the general public, provided that such loans or advances are secured by assets which are acceptable to the Board by a concurrent vote of at least of 5 of its members.

Section 48. (Amending Section 90 of the same Act) – In periods of emergency or of imminent financial danger to monetary and banking stability, the CB may grant extraordinary advances to banks secured by assets acceptable to the Board. The CB may likewise grant such advances in normal times for the purpose of assisting a bank in precarious financial condition, provided that such bank is not insolvent and has assets to secure the advances, and has been approved by the Monetary Board.

Section 49. (Amending Section 91 of the same Act) – The Monetary Board shall fix the interest and rediscount rates to be charged by the CB on its credit operations, and shall be applied to banks of the same category uniformly.

Section 50. (Amending Section 95 of the same Act) – The CB may make provisional advances to the Government or to any of its political subdivisions to finance expenditures authorized in the annual appropriation of the borrowing entity, provided that such advances are repaid before the end of the 1st quarter following the end of its fiscal year, and the amount does not exceed 20 per cent of the average annual income of the borrower for the last 3 preceding fiscal years.

Section 51. (Amending Section 100 of the same Act) – Banks are required to maintain reserves in proportion and against their deposit liabilities or against their liabilities for deposit substitutes. Such reserves shall take the form of a deposit in the CB, and, at times, may be in the form of assets. The Board, however, may exempt from reserve requirements deposits with remaining maturities of 2 years or more.

Section 52. (Additional provision to Section 100 of the same Act) – “Deposit substitute” is defined as an alternative form of obtaining funds from the public through the issuance of endorsement, or acceptance of debt instruments for the borrower’s own account, for the purpose of relending or purchasing of receivables and other obligations. These instruments may include bankers acceptances, promissory notes, participations, certificates of assignment and trust certificates.

Section 53. (Amending Section 106 of the same Act) – Whenever the reserve position of any bank is below the required minimum, the bank shall pay the CB 1/10 of 1 per cent per day on the amount of deficiency. Such deficiency may ordinarily be computed on the average daily deficiency for one week. In cases of abuse or periodic deficiency in such reserves, the Monetary Board may impose penalties and deny the bank certain privileges.

Section 54. (Amending Section 107 of the same Act) – The CB shall establish nationwide facilities to provide interbank clearing at no cost to the banks. The basis for the clearing of checks and the settlement of interbank balances shall be the deposit reserves maintained by banks in the CB.

Section 55. (Amending Section 108 of the same Act) – The Monetary Board shall ensure that the supply, availability and cost of money are in accord with the needs of the economy and that the bank

credit is not granted for speculative purposes prejudicial to the national interests.

Section 56. (Amending Section 109 of the same Act) – The Monetary Board may fix the maximum rates of interest, may provide interest rate differentials, eliminate interest rate ceilings above a specified amount, or exempt from such those with remaining maturities of 2 years or more, the deposits, deposit substitutes and other obligations paid by banks and other financial institutions.

Section 57. (Amending Section 118 of the same Act) – The CB shall be the official depository of the Government, its political subdivisions, as well as Government-owned or controlled corporations.

Section 58. (Amending Section 121 of the same Act) – The CB shall not charge for services it renders to the Government and to its political subdivisions any rates, commissions or fees, but shall pay interest on deposits of the Government as well as those maintained by banks as part of their reserves.

PRESIDENTIAL DECREE NO. 113

Amending R.A. No. 3779, entitled “Savings & Loan Associations Act”

Section 1. Savings & Loan Association shall include any corporation engaged in the business of accumulating the savings of its members or stockholders, and using such accumulations, together with its capital, for loans and/or investment in the securities of productive enterprises or in securities of the Government and its political subdivisions, and that they shall be primarily engaged in servicing the needs of households by providing personal finance and long-term financing for home building and development.

Section 2. (Amending Section 4 of the same Act) – The minimum paid-up capital of a Savings & Loan Association shall not be less than ₱100,000, or as the Monetary Board may consider necessary for its safe and sound operation. At least 70 per cent of the voting stock of a Savings & Loan Association, which may be established after the approval of this Act shall be citizens of the Philippines. In case foreign-owned voting stocks exceed 30 per cent, such shall not be increased, but may be reduced, and, once reduced, shall not be increased thereafter beyond 30 per cent.

Section 3. (Amending Section 5 of the same Act) – A savings & loan association shall be incorporated under the Corporation Law, and in addition, may exercise the following:

- (a) To grant loans of not exceeding the amount deposited by the borrower plus his 4 months salary or regular income, or 70 per cent of the fair market value of any property acceptable as collateral that he may put up by way of security: Provided, That the maturity date is not more than 3 years, except for home building and development in which the maturity may not exceed 20 years subject to regulations prescribed by the Monetary Board;
- (b) To charge interest within the limits allowed by law;
- (c) To discount with recourse commercial papers and accounts receivables subject to such rules as the Monetary Board may prescribe;
- (d) To invest its funds in non-speculative enterprises, bonds, securities, and other obligations issued by the Government or its instrumentalities subject to the rules and regulations of the Monetary Board;
- (e) To allow member depositors to participate in the profits of the SLA on the basis of their deposits on the date dividends are declared;
- (f) To borrow money or incur such obligations not exceeding 20 per cent of the total assets of the association;
- (f-1) To maintain deposit with banks and other stock SLA.

Section 4. (Amending subsection-b of Section 6 of the same Act) – Non-stock savings & loan associations shall not advertise or represent itself to the public as a bank, though a stock SLA may use the word “bank” to represent itself only upon compliance with such requirements as may be imposed by the Monetary Board.

Section 5. (Amending Section 14 of the same Act) – Only members of a non-stock savings and loan association, and only stockholders with at least ₱5,000 par value shares of a stock savings & loan association, may be eligible as director of such associations. The board of directors of a savings & loan association shall be limited by the provisions of Section 13 of the General Banking Act, R.A. 337, as amended by Section 10 of Presidential Decree No. 71.

Section 6. (Amending Section 18 of the same Act) – An Association shall not commit itself to make a loan in excess of the following:

- (1) Amount of cash available for loan purposes;
- (2) Amount of cash which can be readily realized upon the sale or redemption of permissible investments by the associations; and
- (3) Amount of credit available for loan purposes from government or private financing institutions.

No association shall directly or indirectly make loans to any director or officer of such corporation or association, except with the written approval of the majority of its directors, in which case, the total amount shall be regulated by the Monetary Board for stock associations, and shall not exceed 20 per cent of the total paid-up capital for non-stock SLA.

No association shall make any loan to any corporation owned or controlled, directly or indirectly, by any one or more of its directors except with the written approval of the majority of the directors of the association, nor shall it loan any of its funds upon the security of its own stock.

Section 7. (Amending Section 21 of the same Act) – Limitations on investment:

- (a) No association shall invest in bonds and securities in excess of 10 per cent of the total assets of such association.
- (b) No non-stock SLA shall invest in real property exceeding 5 per cent of the total assets of such association.
- (c) No non-stock SLA shall invest in furniture, fixtures & equipment and leasehold improvements for its offices more than 10 per cent of its aggregate paid-up capital.
- (d) No stock SLA shall invest in real estate in excess of 50 per cent of its net worth.

Section 8. (Added to subsection-c of Section 29 of the same Act) – A fine of not more than ₱2,000, or imprisonment of not more than one year, or both, shall be imposed upon the same offenses committed by the same persons as enumerated in Section 87 of R.A. 337, as amended.

PRESIDENTIAL DECREE NO. 114

Regulating the Establishment and Operation of Pawnshops

Presidential Decree No. 114, otherwise known as the “Pawnshop Regulation Act” was prompted by the fact that no specific law in the Philippines governs pawnshop establishments, particularly providing definite and uniform standards for their operation, and especially since such establishments provide an additional source of credit for small borrowers left unserved by the banking and other financial institutions in the country.

Section 1. Title. – “Pawnshop Regulation Act”.

Section 2. It is the policy of the State to regulate the establishment of pawnshops and to standardize and place their operation on a stable basis so as to derive optimum advantages from them as an additional source of credit.

Section 3. Definitions:

- | | |
|----------|---|
| Pawnshop | – a person or entity engaged in the business of lending money on personal property delivered as security for loans. |
| Pawner | – refers to the borrower from a pawnshop. |
| Pawnee | – refers to the pawnshop or pawnbroker. |

Pawn — the personal property delivered by the pawner.

Pawn ticket — pawnbroker's receipt for a pawn.

Section 4. A pawnshop may be established as a single proprietorship, partnership or corporation.

Section 5. Registration and Licensing. — In the case of a single proprietorship, the entity must be registered with the Bureau of Commerce, while, in the case of a corporation or any other association, it must be registered with the Securities and Exchange Commission. A license must be secured from the appropriate city or municipality where the establishment is to be operated.

Section 6. Any registered and licensed pawnshop business, before commencement of actual operations, shall file an information sheet, under oath, with the Central Bank. Those in operation prior to this Decree shall, within 6 months thereafter, register with the Central Bank.

Section 7. Capital. — The minimum paid-in capital of any pawnshop which may be established hereafter shall be ₱100,000, and those in operation prior thereto must comply with such requirement within such time as may be prescribed by the Monetary Board, which time shall, in no case, be less than 3 years from the date of effectivity of this Decree.

Section 8. Citizenship Requirement. — Only Filipino citizens may establish and own a pawnshop organized in the form of a single proprietorship. In the case of a partnership, 70 per cent of its capital shall be owned by Filipino citizens, while in the case of a corporation, at least 70 per cent of the voting stocks or 70 per cent of the members entitled to vote shall be Filipino citizens. If prior to the effectivity of this Act, the percentage of foreign-owned voting stocks of a pawnshop exceeds 30 per cent, it shall not be increased but may be reduced, and, once reduced, may not be increased thereafter beyond 30 per cent.

Section 9. Amount of Loan. — The amount of loan shall, in no case, be less than 30 per cent of the appraised value of the security offered for the loan unless the pawner desires a lesser amount.

Section 10. Rates of Interest. — The rate of interest shall not be higher than the rate allowed by the Usury Law. Additional maximum service charge of ₱5.00 may be imposed but not exceed 1 per cent of the principal loan.

Section 11. Every pawnbroker shall keep a memorandum book in which shall be entered an accurate account and description of every transaction made between the pawner and the pawnbroker.

Section 12. A pawn ticket signed by the pawnbroker should be delivered to the pawner for every such loan or pledge, without any compensation for such ticket.

Section 13. The pawner who fails to pay his obligation on the date of maturity may, within 90 days thereafter, redeem the pawn by payment of the principal with interest, the basis of which shall be the sum of the principal and interest at the time of maturity.

Section 14. If the pawner fails to redeem the pawn after 90 days from the date of its maturity, the pawnbroker, after notifying the pawner prior to the 90th day, may sell or otherwise dispose of such article.

Section 15. The article must be disposed at a public auction in the place or territorial limits of the city or municipality where the pawnshop is established by a duly licensed auctioneer, after such auction has been published in at least 2 daily newspapers, or such notices have been posted at public places in the case of remote areas where newspapers are not circulated.

Section 16. A pawnshop may only be closed or transferred to another place of business three months after the articles pawned and received by such have expired or after such articles have been sold or disposed of. However, if the pawnshop is to be transferred to another place within the territorial limits of the same city or municipality, publication of such transfer in at least 2 newspapers for 3 days is required.

Section 17. The Central Bank is authorized to issue rules and regulations to implement such provisions, to require from pawnshop reports of condition and other reports necessary to determine compliance with this Decree, to exercise visitatorial powers whenever necessary, and to impose administrative

sanctions, including imposition of fines for any violation by pawnshops.

Section 18. A fine of ₱100 to ₱1,000, or imprisonment of 30 days to 1 year, or both, shall be imposed for violations of this Decree on the proprietor of a pawnshop, or, in cases of corporations, associations or partnerships, upon the directors, officers or employees of such who are responsible for the offense.

This decree was signed on January 29, 1973 and took effect immediately.

PRESIDENTIAL DECREE NO. 115

Providing for the Regulation of Trust Receipts Transactions

Since there is no specific law in the Philippines that governs trust receipts transactions, especially the rights and obligations of the parties involved therein, and since the utilization of trust receipts, as a convenient device to assist importers and merchants solve their financing problems, had gained popular acceptance in international and domestic practices, particularly in commercial banking transactions, Presidential Decree No. 115, otherwise known as the Trust Receipts Law, was signed on January 29, 1973 and took effect immediately, with the following provisions:

Section 1. Title. – “Trust Receipts Law”.

Section 2. It is the policy of the State to encourage and promote the use of trust receipts as an aid to commerce and trade, to provide the regulation of such in order to assure the protection of the rights and the enforcement of obligations of the parties involved therein, and to declare the misuse and/or misappropriation of proceeds realized from the sale of goods, documents or instruments released under trust receipts as a criminal offense punishable under Article 315 of the Revised Penal Code.

Section 3. As used in this Decree, the following terms have been defined: document, entruster, entrustee, goods, instrument, purchase, purchaser, security, interest, person, trust receipt and value.

Section 4. A trust receipt transaction is any transaction by and between a person, the entruster, and another person, the entrustee, whereby the entruster or the owner of the goods, documents and instruments releases the same to the possession of the entrustee upon the latter's execution and delivery to the entruster a trust receipt binding himself to hold such in trust for the owner, and to sell or otherwise dispose of them with the obligation to turnover the proceeds thereof, or the goods, documents and instruments themselves if not disposed of, to the entruster in accordance with the terms and conditions specified in the trust receipt, or for the following purposes:

(a) In the case of goods or documents, to sell the goods, to manufacture or process them with the purpose of ultimate sell, or to load, unload, ship or otherwise deal with them in a manner preliminary to their sale;

(b) In the case of instruments, to sell, to deliver them to a principal, to effect the consummation of some transactions involving delivery to a depository, or to effect their presentation, collection or renewal.

Section 5. A trust receipt must substantially contain a description of the goods, documents, or instruments, their total invoice value, and a commitment of the entrustee to hold in trust for the entruster the goods, to dispose of them and to turnover the proceeds of the sale to the entruster to such extent owing to the latter.

Section 6. A trust receipt may be denominated in Philippine currency or any foreign currency acceptable as part of international reserves of the Philippines.

Section 7. Rights of the Entruster. – The entruster shall be entitled to the proceeds from the sale of goods to the extent of the amount owing to him or as appears in the trust receipt, or to the return of the same in case of non-sale. The entruster may cancel the trust at any time upon default of failure of the entrustee to comply with any of the terms of the trust receipt. After giving notice to the entrustee, he may sell the goods, documents or instruments himself, with the proceeds being applied to the payment

of expenses thereof, including retaking, keeping and storing of goods, after which, the surplus shall be received by the entrustee.

Section 8. The entruster shall not be responsible as principal or as vendor under any sale made by the untrustee.

Section 9. The entrustee shall have the obligation to hold the goods, documents and instruments in trust for the entruster, and shall dispose of them in accordance with the conditions of the trust receipt; to receive and turn over the proceeds to the entruster; to insure the goods for their total value against loss from fire, pilferage or theft; to keep said goods or proceeds separate and capable of identification as property of the entruster; to return the same in case of non-sale; and, to observe all other terms and conditions of the trust receipt.

Section 10. The risk of the loss of things entrusted to the entrustee shall be borne by him, irrespective of whether or not it was due to his fault or negligence.

Section 11. A purchaser of goods, documents or instruments who buys the same for value and in good faith from the entrustee, acquires such free from the entruster's security interest.

Section 12. The entruster's security interest shall be valid as against all creditors of the entrustee for the duration of the trust receipt agreement.

Section 13. Penalty clause. — The failure of the entrustee to turn over the proceeds of sale or to return the goods in case of non-sale shall constitute the crime of estafa.

PRESIDENTIAL DECREE NO. 116

Amending Further R.A. No. 2655, As Amended, Otherwise Known As "The Usury Law"

There is a need for further amendment of the Usury Law, since the monetary authorities realize the need to allow for more flexible rate ceilings that would be responsive to the requirements of changing economic conditions. Due to the fact that the interest rate, together with other monetary and credit policy instruments, performs a vital role in mobilizing domestic savings and attracting capital resources into preferred areas of investment, Presidential Decree No. 116 was signed and took effect on January 29, 1973, as follows:

Section 1. The rate interest for the loan or forbearance of any money, goods, or credits, and the rate allowed in judgments in the absence of express contract, shall be 6 per cent per annum or such rate as may be prescribed by the Monetary Board.

Section 2. Added to Section 1 of R.A. 2655 is the following provision: The Monetary Board is authorized to prescribe the maximum interest rate and to change such rate, if conditions so warrant, as long as such changes are made not oftener than once a year.

Section 3. (Amending Section 2 of the same Act) — No person or corporation may receive money or property whose value as interest rate is more than 12 per cent per annum or the maximum rate prescribed by the Monetary Board for a loan secured by a mortgage upon real estate or other securities as may be specified by the Monetary Board.

Section 4. (Amending Section 3 of the same Act) — No person or corporation may receive or change money or property as interest rate whose value is more than 14 per cent per annum or the maximum rate as prescribed by the Monetary Board for a loan which is not secured.

Section 5. (Amending Section 4 of the same Act) — A pawnbroker or his agent shall only charge as maximum interest rate 1/2 per cent per month for a loan which is less than ₱100, 2 per cent per month for a loan valued at ₱100 to ₱500, and 14 per cent per annum for a loan which amounts to more than ₱500. It is unlawful for a pawnbroker to divide the pawn offered into 2 or more fractions to collect greater interest, or to require the pawner an additional charge as insurance premium for the safekeeping of the article pawned.

Section 6. Added to Section 4 of the same Act is the provision that the Monetary Board, in fixing the maximum rates, shall be guided by the following:

- (a) the existing economic conditions in the country,
- (b) the supply of and demand for credit,
- (c) the rate of increase in the price levels, and
- (d) other criteria as the Monetary Board may adopt.

Section 7. (Amending Section 5 of the same Act) – In computing the interest on any obligation, promissory notes or other instruments, compound interest shall not be used, except by agreement, whereupon the effective rate of interest shall not exceed the equivalent of the maximum rate prescribed by the Monetary Board. Interest paid in advance shall not be made for a period of more than one year, and shall have an effective rate also equivalent to the maximum rate prescribed by the Monetary Board.

Section 8. (Amending Section 7 of the same Act) – All covenants and stipulations contained in mortgages, bonds, notes and other evidences of debts to the effect that a higher rate or greater value for the loan is allowed, shall be void, except when the computation of interest is due to a clerical error or when it is stipulated in the contract that the rate prevailing on the date of agreement shall not be affected by subsequent changes made by the Monetary Board.

Section 9. The Monetary Board shall promulgate such rules and regulations to implement effectively the provisions of this Act.

PRESIDENTIAL DECREE NO. 117

Facilitating Bank Mergers or Consolidations

As the Government is currently engaged in instituting vital reforms in the banking system to enable it to play a more effective role in the socio-economic development of the country, and as a means of promoting the financial stability and capacity of the different banking measures, the President deemed it necessary to adopt measures to facilitate and encourage bank mergers or consolidations.

Thus, Presidential Decree No. 117 was signed on January 29, 1973, and provided that any bank may merge or consolidate with another bank or banks and increase its capital as is necessary to effect such a merger or consolidation by the affirmative vote of the majority of its stockholders. This Decree takes effect immediately and shall remain in force for 3 years from date hereof.

PRESIDENTIAL DECREE NO. 118

Providing for the Repeal of R.A. 427, Entitled “An Act Prohibiting and Punishing the Possession and Exportation of Silver and/or Nickel”

R.A. No. 427 was enacted in 1950 to forestall a threatened coin shortage. Since the present fiduciary coinage system of the country allows the replenishment of the coin supply quite easily and economically, thus assuring a constant and adequate supply of small change, Presidential Decree No. 118 was signed on January 29, 1973 to repeal Republic Act No. 427.

PRESIDENTIAL DECREE NO. 119

Amending Further Certain Sections of R.A. No. 4093, As Amended, Otherwise Known as “The Private Development Banks Act”

Prior to Proclamation No. 1081, there were also pending before Congress urgent banking measures proposing to amend R.A. No. 4093, entitled “The Private Development Banks Act”. Thus, the result of a survey, which was an integrated set of recommendations regarding such measures, was

accepted with modifications by the monetary authorities, and was made the basis of this Decree, signed on January 29, 1973.

Section 4 of R.A. 4093 was amended to provide that a private development bank shall be organized in the form of a stock corporation and its paid-up capital shall not be less than four million pesos for Class A, two million pesos for Class B, and one million pesos for Class C. The provisions of Section 12 of R.A. 337, the General Banking Act, as amended by Section 8 of Presidential Decree No. 71 regarding the requirement of Filipino-owned voting stocks shall apply to private development banks. If the subscription of private shareholders to the initial capitalization cannot be secured or is not available, the Development Bank of the Philippines, with the approval of its Board of Governors, shall subscribe to the capital stock of such development bank, and pay in full the amount equal to the difference between the required paid-up capital and the fully paid subscribed capital of the stockholders of the bank, after the latter's representation is made to the Board of Governors of the DBP within 30 days thereof.

The shares of stock subscribed by the bank shall be preferred shares entitled to cumulative dividends at the yearly rate of 1 per cent during the first 5 years, 2 per cent during the following 5 years, and 3 per cent thereafter. It shall be preferred as against common and preferred stockholders in the distribution of assets in case of liquidation, and shall be entitled to voting privileges. Such preferred shares may also be sold at any time at par to citizens of the Philippines, with stockholders having the right of pre-emption within one year from the date of offer, and the residents of the city or province where the development bank is located having secondary rights to such sale.

All members of the Board of Directors of the private development bank shall be Filipino citizens. Other provisions regarding limitations on the directors of a private bank as provided in Section 13 of R.A. 337, as amended by Section 10 of Presidential Decree No. 71, shall also apply to directors of private development banks.

Equipment or livestock loans granted by private development banks need not be secured by chattel, equipment or livestock acquired out of the proceeds of the loan if the borrower offers to constitute a mortgage on real estate properties equal or exceeding 70 per cent of the value of the loan granted.

Added to Section 7 of R.A. 4093 is the following provision: Any private development bank may invest in equities of such allied undertakings as may be approved by the Central Bank for banks of their category as provided in Section 6-A of R.A. No. 337, as amended. Other provisions regarding investments made by banks as provided in Sections 21 and 31 of R.A. 337, as amended by Section 14 and 22 of Presidential Decree No. 71, shall also apply to private development banks.

PRESIDENTIAL DECREE NO. 120

Amending R.A. NO. 3591, As Amended, Entitled "An Act Establishing the Philippine Deposit Insurance Corporation"

The deposit insurance scheme has been adopted to generate more faith and confidence in the banking system and the PDIC, as an insurer of bank depositors, is entrusted not only with the vital role of protecting depositors from loss resulting from bank closures but also in helping develop a sound and stable banking system. Thus, to effect the desired changes and reforms in the economic structure of our society, Presidential Decree No. 120 was signed on January 29, 1973, and provided as follows:

Section 1. (Amending Section 2 of R.A. 3591) — The powers and functions of the Corporation shall be vested in a Board of Directors consisting of 3 members: the Governor of the CB and 2 Filipino citizens appointed by the President of the Philippines with the consent of the Commission of Appointments. One of the appointive members shall be the Chairman of the Board with a term of 6 years, while the other appointive member shall have a term of 4 years and, together with the Governor of the CB, shall receive a per diem of not exceeding ₱50 for each day of meeting, but not more than ₱500 a month. In case of vacancy in the office of the Governor or during his absence, the Acting Governor of the CB shall act as member of the Board of Directors. In case of vacancy in the Office of the Chairman of the

Board, the Governor of the Central Bank shall act as Chairman. The members of the Board shall be ineligible during their term and 2 years thereafter to hold office or employment in any insured bank, except if the member has served the full term for which he was appointed. Any vacancy in the Board shall be filled by a new member to complete the unexpired period of the term of the member concerned.

The Board of Directors shall have the authority to:

- (1) prepare and issue rules and regulations as is necessary for the effective discharge of its responsibilities;
- (2) direct the management, operations and administration of the corporation;
- (3) appoint, fix the remuneration and remove any officer or employee for cause: Provided, That officers exercising discretionary powers shall not be subject to the Civil Service Law; and
- (4) authorize the expenditures of the Corporation: Provided, That not later than 1 year after the appropriation and release of the additional 15 million pesos for the permanent insurance fund as provided in this Decree, the annual operating expenses of the Corporation may amount to not more than the annual gross income from the investment of the permanent insurance fund and not more than 15 per cent of the first 10 million pesos of all other income, such as assessments and earnings from other investment of funds, but excluding recoveries and accrued income. If all other income exceeds 10 million pesos, the annual operating expenses may be increased to not more than 10 per cent of the excess.

Section 2. (Additional provision to Section 10-a of the same Act) – The permanent insurance fund is hereby increased to 20 million pesos and for this purpose, the amount of 15 million pesos is hereby appropriated from the General Fund.

Section 3. (Amending Section 12-c of the same Act) – When an insured bank is in danger of closing, the Corporation is authorized to make loans to, or purchase the assets of, or make deposits in, such insured bank to prevent its closure, when, in the opinion of the Board, the continued operation of such bank is essential to provide adequate banking service in the community. Funds available for this purpose shall be limited only to the permanent insurance fund, additional appropriations thereto, and money borrowed from the CB in accordance with the provisions of Section 13 of this Act. Funds of the Corporation accumulated from assessments paid by the banks shall not be used for this purpose nor for the repayment of loans obtained from the CB for assistance purposes.

PRESIDENTIAL DECREE NO. 122

Amending R.A. No. 720, Otherwise Known as the “Rural Banks Act”

Since there were also pending before Congress prior to promulgation of Proclamation No. 1081 urgent banking measures proposing to amend R.A. No. 720, as amended, Presidential Decree No. 122 was signed on January 29, 1973 to provide as follows:

Section 1. (Amending Section 4 of R.A. No. 720) – All Rural Banks must have a Certificate of Authority of the Monetary Board of the Central Bank to operate and must be organized in the form of stock corporations. Cooperatives and corporations primarily organized to hold equities in Rural Banks may organize such and/or subscribe to its shares of stock, provided that such corporation is at least partly owned by residents of that region. The capital stock of any Rural Bank shall be owned wholly by Filipino citizens.

If the subscription of private shareholders to the capital stock cannot be secured or is not available, the Development Bank of the Philippines, upon the approval of the Monetary Board of the CB, shall subscribe to such Rural Bank and pay in full the amount equal to the fully paid subscribed capital but not exceeding one million pesos. Such subscription by the DBP may be sold at par to Filipino

citizens, with the stockholders having the right of pre-emption within one year from the date of offer, and the residents of the Rural Bank's locality having secondary preference.

No full term appointive or elective public official shall at the same time serve as officer, director, legal counsel or consultant of any Rural Bank except where such service is incident to financial assistance provided by the Government.

Section 2. (Amending Section 5 of the same Act) — Loans or advances extended by Rural Banks shall be primarily to meet the normal credit needs of any small farmer owning or cultivating not more than 50 hectares of land, as well as the normal credit needs of cooperatives and any small merchant whose capital investment does not exceed ₱50,000.

Loans may be granted on the security of lands without Torrens Title if the owner can show 5 years or more of peaceful and continuous possession of such land; or of portions of friar land estates or other lands administered by the Bureau of Lands wherein the purchasers have at least paid 5 years installment; or of portions of other estates under the administration of the Land Authority or other governmental agency wherein the purchasers have likewise paid at least 5 years installment; or of homesteads or free patent lands pending the issuance of titles but already approved. When the corresponding titles are issued, the same shall be delivered to the register to deeds. In the case of lands pending homestead or free patent titles, copies of notices shall be furnished to the creditor rural bank by the borrower within 30 days from the date of notice; otherwise, the rural bank may do so at the expense of the borrower.

The foreclosure of mortgages covering loans granted by rural banks shall be exempt from publication in newspapers if the total amount of the loan does not exceed ₱3,000. Notices of such foreclosure need only be posted in at least 3 places of the barrio or municipality where the land is situated for a period of 60 days prior to the public auction. When a homestead or free patent land is foreclosed, the homesteader, as well as the heirs, may redeem the same within 2 years from the date of foreclosure if the land is not covered by a Torrens Title, or 2 years from the date of foreclosure's registration if the land is covered by a Torrens title.

Section 4. (Amending Section 7 of the same Act) — To provide supplemental capital to any Rural Bank, the DBP shall, upon certification of the Monetary Board of such need, subscribe within 30 days to the capital stock of any rural bank in an amount equal to the total equity investment of the private shareholders but not exceeding one million pesos. Such stock to be held by the DBP shall be preferred only as to assets upon liquidation and shall share in dividend distributions not exceeding 2 per cent thereof, but without the power to vote.

Section 5. (Amending Section 10 of the same Act) — The power of the Monetary Board of the CB over rural banks shall consist in placing maximum limits to the credit allowed any individual, in prescribing the interest rate, in determining the loan period and loan procedures, in indicating the manner in which technical assistance shall be extended to rural bank, in imposing the manner of keeping the accounts and records of the rural bank, in undertaking regular credit examination of the rural banks, in instituting periodic surveys of loan and lending procedures, audits and test-check of cash, in conducting training courses for the bank's personnel, and, in general, in supervising the business and operations of the rural banks.

The director of the department of the CB designated by the Monetary Board to supervise rural banks shall enforce the rules and regulations promulgated by the Monetary Board, and, if any rural bank fails to follow such in a manner prejudicial to the interests of the Government, depositors of creditors, he shall take over its management until a new board of directors and officers are elected. The directors and examiners of such department of the CB may administer oaths to any director, officer or employee of the bank and compel them to present all books, documents, papers or other necessary records.

Section 6. (Additional provision to Section 11 of the same Act) — Rural Banks may invest in equities of allied undertakings, except banks, as may be approved by the Monetary Board: Provided, That the total investment shall not exceed 25 per cent of the net worth of the Rural Bank, the equity investment in any single enterprise shall be limited to 15 per cent of its net worth and shall remain a minority holding in that enterprise.

Section 7. (Amending Section 13 of the same Act) – In cases of emergency, the Central Bank may give a loan to any Rural Bank against its assets which may be considered acceptable by a concurrent vote of at least 5 members of the Monetary Board. In normal times, the CB may rediscount against paper evidencing a loan granted by a Rural Bank to any of its customers which can be liquidated within a period of 360 days. To implement a nationwide program of agricultural and industrial development, rural banks may borrow on a medium or long-term basis funds that the CB shall borrow from the International Bank for Reconstruction and Development or other international or foreign lending institutions.

Section 8. (Amending Section 16 of the same Act) – Any city or municipal judge shall administer the oath or acknowledge the instruments of any rural bank, and its borrowers or mortgagors, free from all charges, fees and documentary stamps, relative to any loan or transaction not exceeding ₱5,000.

Section 9. (Amending Section 17 of the same Act) – Likewise, any register of deeds shall accept from any Rural Bank for registration free from all charges any instrument relating to loans not exceeding ₱5,000 and charges shall only be levied on the amount in excess of ₱5,000.

Section 10. (Amending Section 18 of the same Act) – Any rural bank may be required to contribute to the CB an annual fee to be determined by the Monetary Board but not exceeding 1/20 of 1 per cent of its average total assets during the preceding year after deducting its Cash on Hand and amounts due from banks.

PRESIDENTIAL DECREE NO. 121

Amending Section 1988 of Act No. 2711, as Amended,
Otherwise Known as the Administrative Code

The Philippine Postal Savings Bank was established by the Government at a time when the number of existing banking institutions was unable to provide the necessary banking facilities for the safekeeping and investment of small savings, especially in the rural areas. Since it is the declared policy of the Government to move out of areas of business where it has pioneered whenever the same could be served by private entrepreneurs, and since over the years, private banking institutions have increased in number, and at present more than meet the banking needs of both rural and urban communities, Presidential Decree No. 121 was signed on January 29, 1973, to amend R.A. 2711, known as the Administrative Code.

The Decree provides that the Central Office of the Philippine Postal Savings Bank shall be in Manila and the Director of Posts shall establish, maintain and discontinue postal savings banks in such places as he shall deem proper or in places where banking services are already available. Within one year from the date of effectivity of this Act, such postal savings banks shall be discontinued in places already served by banks, and within 3 years from said date, all operations of the bank shall be completely discontinued and its remaining assets and liabilities shall be transferred to the Philippine National Bank or to any other appropriate government bank.

PRESIDENTIAL DECREE NO. 123

Amending Act No. 2427, Otherwise Known as the "Insurance Act"

In line with the policy of the Government to promote and develop a strong and stable insurance industry, there is an urgent need to ensure and maintain the liquidity of insurance companies doing business in the Philippines and to coordinate their investment and credit policies with that of the Government authorities having due regard to the principles adopted by both the monetary and fiscal authorities. Thus, Presidential Decree No. 123 was signed on January 29, 1973 to effect such need amending certain section of Act No. 2427, otherwise known as the "Insurance Act".

PRESIDENTIAL DECREE NO. 129
Otherwise Known as the "Investment Houses Law"

The provisions of Presidential Decree No. 129, signed on February 15, 1973, have been based on the recommendations advocating the enactment of the statutory framework within which the underwriting of securities may be governed, and the harmonization of their operations with national monetary goals.

Section 1. This Decree shall be known as the "Investment Houses Law".

Section 2. An "investment house" is any enterprise which engages in the underwriting of securities of other corporations.

Section 3. This section provides for the definition of "underwriting" and "securities".

Section 4. Organization and Registration. — Investment Houses shall be organized in the form of stock corporations, and the Securities and Exchange Commission shall register its Articles of Incorporation upon submitting evidences to the following:

- (1) That all the requirements of this Decree and of existing laws have been complied with;
- (2) That the proposed enterprise will not be in conflict with public interest and economic growth; and
- (3) That the organization, by itself, provide assurance that it will be conducted with financial prudence.

Other requirements in the registration of the articles of incorporation of Investment Houses are also enumerated.

Section 5. The majority of the voting stock of any investment house and the majority of the members of its Board shall be owned or must be Filipino Citizens.

Section 6. No director or officer of an Investment House shall concurrently be a director or officer of a bank, except as may be authorized by the Monetary Board. No Investment House shall engage in banking operations.

Section 7. In addition to the powers granted to corporations in general, this section enumerates other powers granted to Investment Houses.

Section 8. The minimum initial paid-in capital of any Investment House shall be twenty million pesos.

Section 9. Investment Houses shall coordinate their credit policies with the general credit policies of the Monetary Board of the Central Bank.

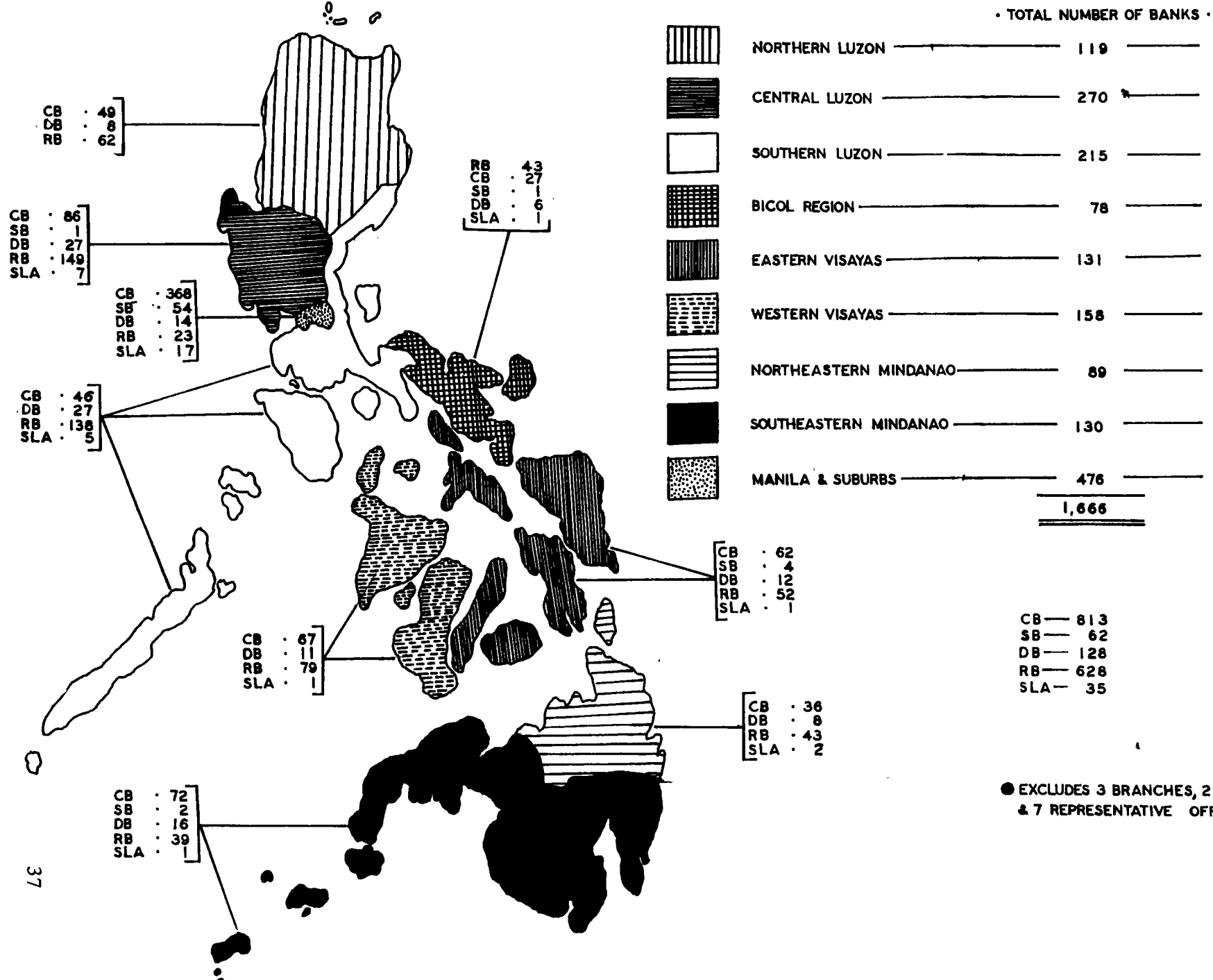
Section 10. Investment Houses shall submit a semi-annual report of operations and financial condition to the Securities and Exchange Commission and the CB.

Section 11. The SEC, in coordination with the CB, shall promulgate rules and regulations implementing the provisions of this Decree within 6 months after its approval.

Section 12. Investment Houses shall be subject to such regulations on non-bank financial intermediaries by the CB. The Monetary Board may determine whether such corporations may perform quasi-banking functions, and any such corporation authorized to do so will be subject to further regulations, pursuant to R.A. 337, by the CB. Penalties for non-compliance by Investment Houses of the provisions of this Decree and the rules and regulations issued by the Monetary Board is also provided in this section.

Section 13. An Investment House may engage in the business of a dealer or broker under the Securities Act without obtaining a separate license for the purpose.

Figure 1 — GEOGRAPHICAL DISTRIBUTION OF PDIC-MEMBER BANKS
AS OF DECEMBER 31, 1973



PART III

BANKING DEVELOPMENTS



At year-end 1973 the total number of banks under the PDIC's risk coverage reached 744, with a network of 934 branches, agencies, and extension offices all over the Philippines. This consisted of 39 commercial banks, 10 savings banks, 32 development banks, 628 rural banks, and 35 stock savings and loan associations.

From 1972 to 1973, the number of banking offices was increased by 160 units, over one-half of which were branches, agencies, extension offices and sub-offices of commercial banks. The savings banks were likewise increased to 8, the development banks to 32, and the rural banks by 37.

A total of 18 commercial banks inaugurated new offices in 1973, namely, Associated BC, Bank of P.I., China BC, Commercial BTC, Consolidated BTC, Equitable BC, Far East Bank, First United Bank, Manila BC, Metropolitan BTC, Pacific BC, Philippine Veterans Bank, Prudential Bank, Rizal CBC, Security BTC, Traders CB, and the Philippine National Bank. Most of the offices opened by these banks were located in Manila and the suburban areas. The Philippine Commercial & Industrial Bank put up 56 so-called "money shops" to provide short term loans to licensed stallholders and vendor cooperatives in public markets all over the country.

Five savings banks and six private development banks also opened new offices during the period. The savings banks are: Acme SB, Banco Filipino S&MB, Family SB, Home CB and Monte de Piedad SB; the development banks: Bacolod City DB, Capitol City DB, Cavite City DB, Lipa City DB, Pasay City DB, and Quezon City DB. The Development Bank of the Philippines established provincial branches in Catarman, Samar, in Laoag City, and in Pagadian City. (Table 1 presents comparative data on the number of banking offices for 1972 and 1973.)

The Philippine Banking System Statement of Condition

Wide-ranging banking reforms and improved business conditions enabled the Philippine banking system to attain new successes in its operations during 1973.

Total assets of the system for that year reached ₱35.979 billion, surpassing the previous year's total by 42.6 per cent or ₱10.753 billion. This was almost double the growth attained in 1972. Since the largest part of these assets were in the form of loans (about 59.8 per cent), the banking system, therefore, contributed immensely to the sustained growth of the economy during this period.

The factor in the huge increment in assets was credited to the relatively faster growth of deposits and capital accounts of the banking system. Deposits grew at the rate of 39.7 per cent in 1973, compared to only 18.3 per cent in 1972. Capital accounts, on the other hand, registered a phenomenal rise of 88.7 per cent from ₱2.589 billion to ₱4.886 billion, mainly on account of new capital contributions from stockholders and the flowing back of profits.

The banking system covered in this analysis includes commercial banks, savings banks, development banks, and stock savings and loan associations.

Table 2 reflects the comparative conditions of the Philippine banking system for 1972 and 1973, while table 3 gives the quarterly changes in condition from 1972 to 1973.

Earnings and Expenses

The forward strides in the operations of the banking system were also reflected in net earnings (after deductions for income taxes) of ₱453.7 million in 1973, compared to only ₱288.4 million in 1972, or an increase of 57.3 per cent. Over 79 per cent of total net earnings was assigned to commercial banks, and the remaining was shared between savings banks and development banks.

The system's current operating earnings during the year amounted to ₱2,806.3 million, exceeding those of the previous year by 31.1 per cent. Interest and discount on loans formed the biggest bulk — about 62.7 per cent. On the other hand, total current operating expenses amounted to ₱2,208.1 million, of which interest on both deposits and borrowed money contributed 58.6 per cent.

This analysis does not include rural banks and stock savings and loan associations (see table 4).

Figure 2 — SELECTED ACCOUNTS OF THE
PHILIPPINE BANKING SYSTEM
1972-1973

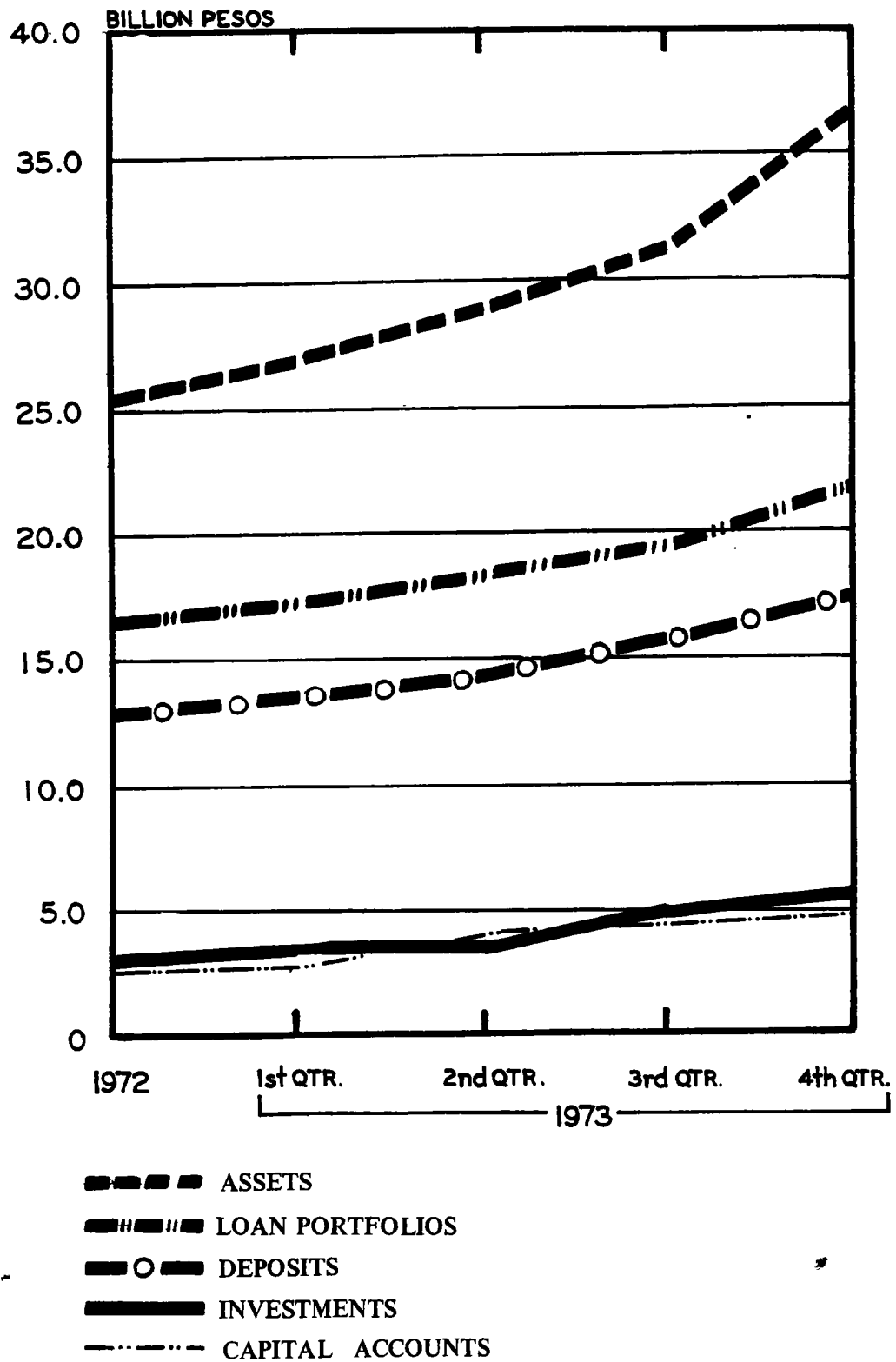
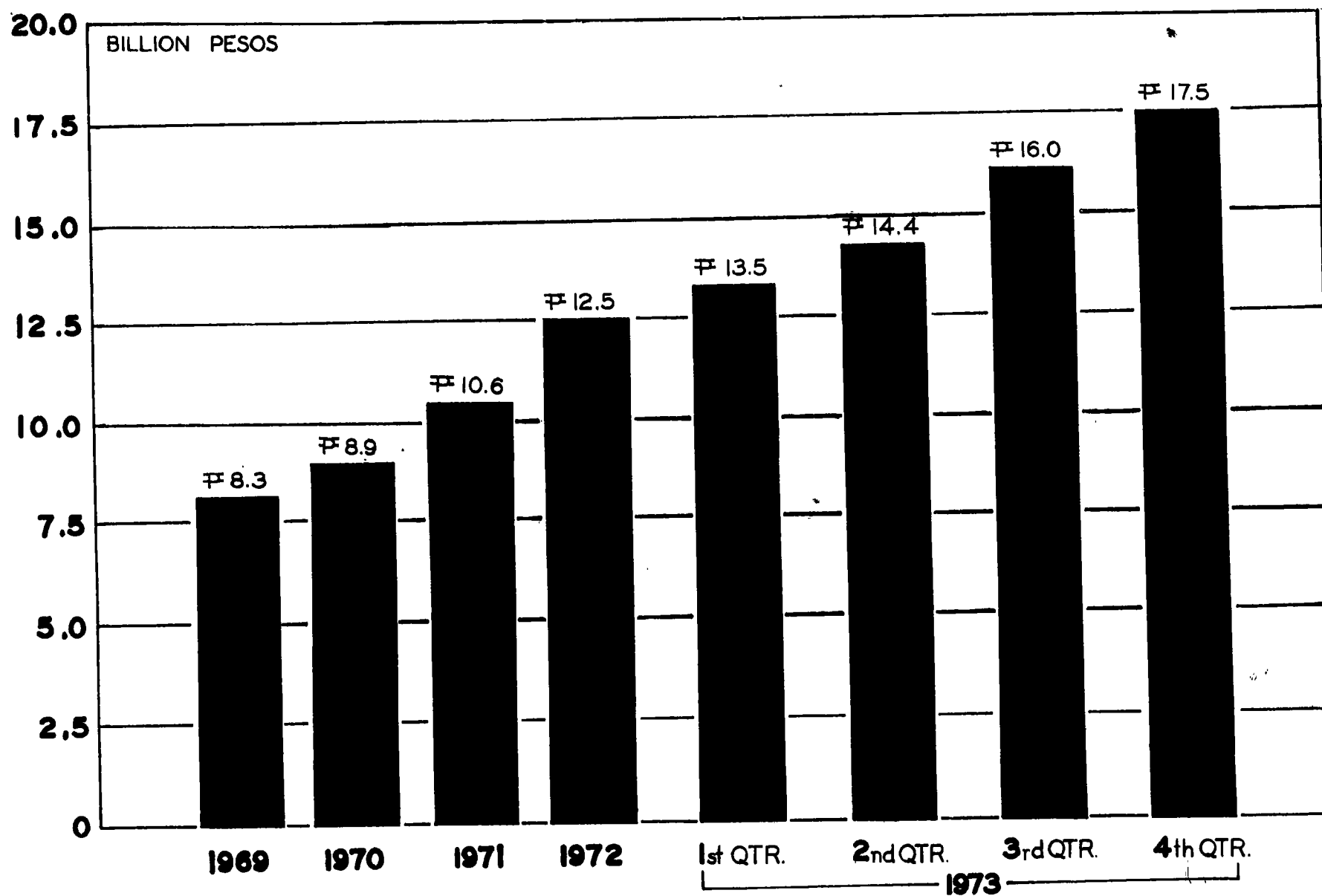


Figure 3 – GROWTH OF DEPOSITS OF THE BANKING SYSTEM*
1969-1973



*Excludes rural banks.

Figure 4 – PERCENTAGE DISTRIBUTION OF DEPOSITS OF THE
PHILIPPINE BANKING SYSTEM
DECEMBER 31, 1973
(BY TYPE OF BANK)

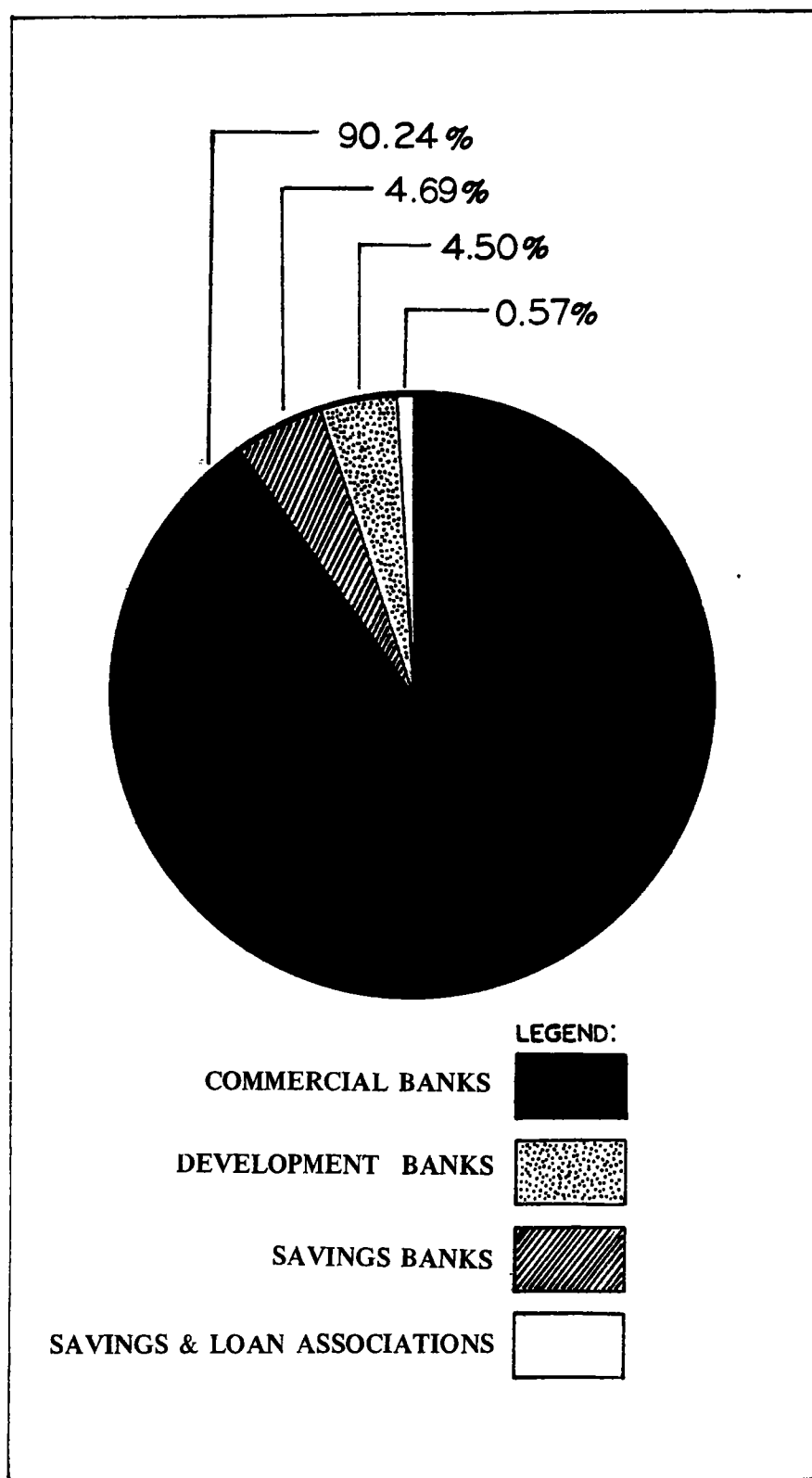
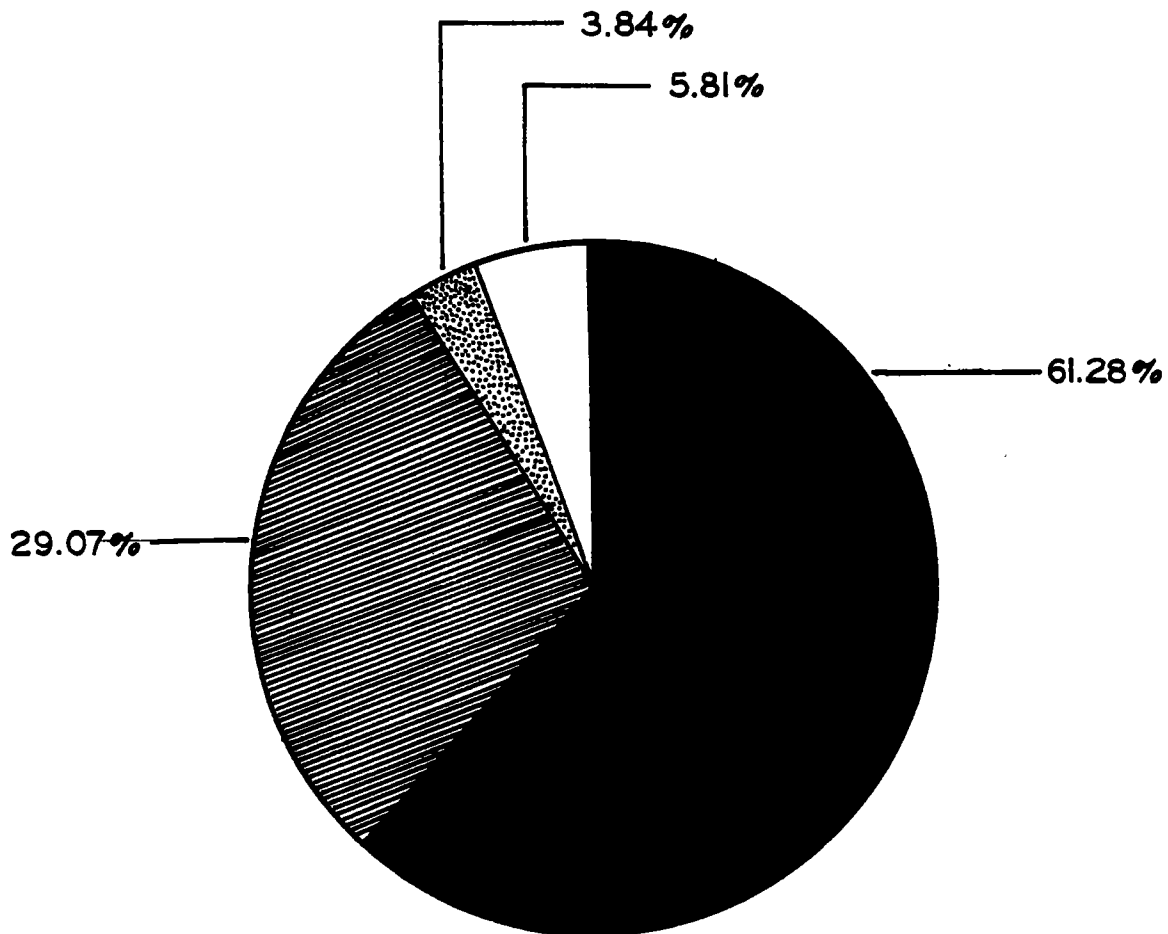
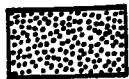


Figure 5 – PERCENTAGE DISTRIBUTION OF THE
NUMBER OF DEPOSIT ACCOUNTS OF THE
PHILIPPINE BANKING SYSTEM
DECEMBER 31, 1973



LEGEND :



DEVELOPMENT BANKS




SAVINGS & LOAN ASSOCIATIONS



COMMERCIAL BANKS




SAVINGS BANKS



The growth of deposits totalling ₱17.477 billion, exclusive of deposits of rural banks as of December 31, 1973, was considered foolproof evidence of the increasing strength of the local banking system. The preceding year's level was ₱4.965 billion or 39.7 per cent less. The distribution of these deposits was as follows: commercial banks – 90.2 per cent (or ₱15.771 billion); savings and mortgage banks – 4.7 per cent (or ₱0.819 billion); development banks – 4.5 per cent (or ₱0.786 billion), and stock savings and loan associations – 0.58 per cent (or ₱0.101 billion).


On a quarterly basis, deposits totalled ₱13.480 billion in the first quarter; they went up to ₱14.442 billion in the second quarter; they went up further to ₱15.978 billion during the third quarter, and they were at their highest at ₱17.477 billion at the end of the fourth quarter, or an increase of ₱1.499 billion over the third quarter level.

These movements in deposits may be gleaned from table 5.



The number of deposit accounts of the banking system (exclusive of rural banks) took a big leap forward in 1973 when this reached a new level of 8,269,892, or an increase of 1,378,939 over the previous year's. The commercial banks accounted for over 61 per cent of the total, while the savings banks made up for about 29 per cent.

The number of deposit accounts of the banking system expanded at a quarterly average of 344,735 between 1972 and 1973. Table 6 shows for the end of the fourth quarter of 1973 and each of the preceding three quarters the number of deposit accounts of the banking system.




The commercial banking system showed an expansive trend in its operations for the year 1973. Assets of the system registered a growth of ₱9.920 billion or 50.3 per cent from the level of ₱19.714 billion in 1972.

The expansion in the banks' assets was traced to the following factors: first, increase in deposits of 40.1 per cent, from ₱11.260 billion to ₱15.771 billion; second, increase in capitalization of banks from ₱1.860 billion to ₱2.745 billion; and third, the heavy borrowings during the period which increased by ₱3.119 billion or 103.8 per cent from the 1972 level of ₱3.005 billion.

The resultant liquidity generated by these factors enabled the commercial banking system to expand its loan operation during the period. Total loan portfolios of the banks in 1973 upped the previous year's level by ₱4.330 billion or 33.6 per cent to reach ₱17.224 billion. Investments more than doubled from ₱2.022 billion in 1972 to ₱4.424 billion in 1973.

The statement of condition of commercial banks by quarters is given in table 8.



The commercial banking system gained ₱554.2 million or 31.7 per cent in current operating earnings for the period ended December 31, 1973. Total operating earnings amounted to ₱2.303 billion. The gains were attributed to increases in interests on loans and advances and on investment securities totalling ₱406.2 million.

Current operating expenses increased by ₱445.6 million or 32.7 per cent, from ₱1.362 billion to ₱1.808 billion, and thus nearly offset the gains made during the period. Interest and discount on money borrowed accounted for 44.2 per cent of the increase (see table 9).

Since the end of 1972 the amount of assets held by the commercial banks has consistently gone up. From ₱19.714 billion on December 31, 1972 the level increased by an average of ₱2.280 billion per quarter until it reached ₱29.634 billion on December 31, 1973. The ten largest banks accounted for 61.5 per cent (or ₱18.231 billion) of total assets and 64.8 per cent (or ₱6.425 billion) of its increment amounting to ₱9.920 billion. Substantial increases in assets were attained by Producers BP (223.0 per cent), Continental Bank (216.0 per cent), Manila BC (122.2 per cent), Chartered Bank (108.9 per cent), Metropolitan BTC (85.7 per cent), Philippine Banking Corp. (85.0 per cent), Far East BTC (83.5 per cent), Bank of Asia (82.5 per cent), Merchants BC (71.4 per cent), and Feati Bank (70.3 per cent).

Deposits stood at ₱11.260 billion at the end of December 1972; rose to ₱12.163 billion by March 1973; to ₱13.078 billion by June 1973; to ₱14.321 billion by September 1973; and to ₱15.771 billion by December 1973. On the whole, deposits have increased at the average rate of ₱1.255 billion per quarter from 1972 to 1973. Record growth in deposits was set by the following banks from 1972: Manila BC (by 83.1 per cent), Metropolitan BTC (by 82.4 per cent), Continental Bank (by 81.1 per cent), Producers BP (by 79.4 per cent), Feati Bank (by 74.3 per cent), PNB (by 69.7 per cent), First United Bank (by 68.0 per cent), Citizens BTC (by 59.6 per cent), Republic Bank (by 59.6 per cent), and Far East BTC (by 57.5 per cent). The FNCB decreased its deposits by 1.9 per cent from ₱0.955 billion to ₱0.937 billion, while China BC's deposits dropped by 1.3 per cent to ₱0.491 billion.

Loans increased at the rate of 1.9 per cent during the first quarter, 6.8 per cent during the second quarter, 9.5 per cent during the third quarter, and 12.1 per cent at the end of the fourth quarter. The share of the top ten banks of total loans amounted to ₱10.347 billion or over 60 per cent. Increases of more than 100 per cent in loan portfolios were reported by Producers BP, Continental Bank and General BTC; on the other hand, decreased portfolios by an aggregate of ₱0.75 billion were recorded in the Philippine Trust Co., Philippine Veterans Bank, and Republic Bank.

Capital funds of the commercial banks in the amount of ₱1.860 billion in 1972 went up to ₱1.981 billion during the first quarter of 1973, or a growth rate of 6.5 per cent; the same rose to ₱2.067 billion during the second quarter but at a smaller rate of 4.3 per cent. By the third quarter, capital funds reached ₱2.379 billion and by the end of the fourth quarter their level stood at ₱2.745 billion. Producers BP posted the biggest increment in capital funds of 198.5 per cent, followed by Far East BTC of 150.2 per cent, then by PNB of 73.0 per cent, by Continental Bank of 63.0 per cent, and finally by Metropolitan BTC of 60.8 per cent. Banks with over ₱100 million in total capital accounts included China Banking Corp., Equitable BC, Far East BTC, PNB, the Chartered Bank, and FNCB (see table 10).

Rankings As To Selected Accounts.

There were significant shifts in positions of the top ten commercial banks from 1972 overall rankings.

* In point of assets, the most noticeable change was that shown by Manila BC which rose in rank from 15th in 1972 to 8th in 1973, following a 122.2 per cent increase in assets from P436.1 million to P969.1 million. Similarly, PCIB rose in rank from 4th to 3rd, RCBC from 5th to 4th, Consolidated Bank from 8th to 7th, Metropolitan BTC from 12th to 9th, and Far East BTC from 13th to 10th. China BC dropped from 3rd to 5th, BPI from 7th to 11th, Pacific BC from 9th to 12th, and Prudential from 10th to 14th. PNB, FNCB and Equitable BC kept their 1972 ranks in 1st, 2nd and 6th, respectively.

Improvement in deposit structure raised the ranks of the following banks: Consolidated from 6th to 3rd, PCIB from 8th to 6th, and Far East BTC from 11th to 10th. Deposits in these banks increased from a low 35.6 per cent in the case of Consolidated BC to a high 57.8 per cent in the case of Far East BTC between 1972 and 1973. China BC lowered its rank by three degrees from 5th to 8th as a result of a decline in deposits by 1.4 per cent. RCBC and Pacific BC also slid down from 3rd to 5th and from 10th to 12th in the rank, respectively. PNB retained its place in 1st, FNCB in 2nd, Equitable in 4th, BPI in 7th and Prudential in 9th.

The changes in loan portfolios were as follows: PCIB moved up to 3rd from 4th; RCBC, to 6th from 7th; Equitable, to 4th from 5th; Pacific, to 8th from 10th; and Manila Bank, to 7th from 12th. Significantly, Manila Bank posted an increase in its loan portfolios by 98.3 per cent, while the other four increased their loans by an average of 41.8 per cent. Due to only slight increases in their loan portfolios, China BC and BPI slid down to 5th and 10th, from 3rd and 6th, respectively, in previous year's rankings, PNB and FNCB and Consolidated clung to 1st, 2nd and 9th places which were the ranks they held in 1972.

The biggest in terms of capital accounts were PNB, China BC, Bank of P.I. and Equitable BC, which retained their 1972 rankings in 1st, 2nd, 3rd, and 4th, respectively. CBC, BPI and Equitable had over P104 million in capital funds as of the end of 1973, while PNB had P748 million. In 5th place was Far East with P102 million, a big jump from its 14th place the previous year. The assignment of capital to the local branches of Chartered Bank and FNCB put these banks in 6th and 7th positions, respectively (refer to table 11).

Quarterly Growth of the Number of Deposit Accounts of Commercial Banks

From 3,848,654 at the close of the fourth quarter in 1972, the number of deposit accounts of commercial banks rose to 4,819,196 during the same period in 1973, or an addition of 970,542 new accounts. The quarterly growth trend of the number of deposit accounts was as follows: 4.88 per cent during the first quarter, 5.03 per cent during the second quarter, 8.11 per cent during the third quarter, and 5.12 per cent during the fourth quarter.

Banks posting big increases in the number of deposit accounts were the PNB (by 480,640), Manila BC (by 102,393), PCIB (by 96,571), General Bank (by 38,619), and Citizens Bank (by 32,938). On the other hand, the following banks recorded decreases in the number of deposit accounts: Bank of America (by 3,969), China BC (by 1,721), FNCB (by 8,179), and Traders CB (by 8,923). At the end of 1973, PNB still held the biggest number of deposit accounts of 1,643,318, followed by Republic Bank with 400,044, PCIB with 354,065, and Manila Bank with 247,187 (see table 12).

Savings and Finance Banks

A comparison of the condition of savings banks in 1972 and 1973 indicated a growth in assets of 24.7 per cent, from ₱804.7 million to ₱1,003.8 million. From the third quarter, assets rose by 6.3 per cent.

Aggregate loans of the banks decreased from ₱522.4 million in December 1972 to ₱498.2 million in December 1973, although they still constituted 49.6 per cent. of total assets.

Deposits, which recorded an increment of 25.7 per cent (from ₱651.5 million to ₱819.1 million), were obviously utilized for purposes of investment in securities. The overall increase in investments amounted to 142.2 per cent, from ₱132.6 million to ₱321.1 million between the two years under review.

An increase in the capital base on ₱8.2 million or 11.3 per cent upped the total capital accounts to ₱111.6 million, which was higher than the comparable total of the previous year by ₱14.4 million or 14.8 per cent.

The status of savings banks by quarter is given in table 13.

The country's ten savings banks closed the year of 1973 with an unimpressive net gain of only ₱1.6 million over the 1972 record of ₱10.9 million.

Interest and discounts on loans decreased by ₱0.6 million while other earnings posted minimal increments. On the other hand, total operating expenses went up to ₱84.1 million, or an increase of ₱5.6 million over the comparative period in 1972 (see table 14).

Assets and Liabilities of Selected Accounts

After posting a 10.0 per cent assets growth in the first quarter, the savings banks slackened to a 2.4 per cent growth during the second quarter only to accelerate to 4.1 per cent during the third quarter, and to 6.3 per cent during the fourth quarter. Family SB, the third largest in point of assets, recorded a 154.1 per cent increase from the end of 1972. With the exception of Union SB whose assets declined by 4.3 per cent from the same period, the other savings banks recorded increases ranging from 5 per cent to 30 per cent.

The growth of deposits followed more or less the same pattern as that of assets. From 6.9 per cent during the first quarter, the rate dropped to 4.7 per cent during the second quarter and rose to 8.2 per cent during the third quarter. During the fourth quarter, however, the rate was lowest at 3.8 per cent. Among the top five banks, Family SB registered an increase of 85.5 per cent from 1972. Two relatively small banks also posted more than 100 per cent increases — Acme SB and San Antonio SB.

In loans, the savings banks registered an increasing rate of decline beginning in the second quarter. From 1.8 per cent the rate of decrease went up to 9.0 per cent in the third quarter until it reached 10.4 per cent in the fourth quarter. Five banks reduced their loan portfolios by a total of ₱51.0 million.

Capital accounts, which totalled ₱96.2 million in the fourth quarter of 1972, increased by an average of ₱5.1 million for each quarter. From the third quarter, capital funds rose by 10.7 per cent, the biggest so far attained during the year (see table 15).

Ranking of Savings Banks

In point of assets, Monte de Piedad and Savings Bank, formerly occupying the No. 3 post up to the end of the third quarter, was displaced from this position by Family SB by the end of the fourth quarter. Monte de Piedad's assets increased by only 7.9 per cent from 1972 compared to Family's which increased by more than 154 per cent. Otherwise, there were no other changes in the order of rankings of the banks all throughout the four-quarter period of 1973. The five top banks were ranked as follows: Banco Filipino SMB, 1st; Philippine SB, 2nd; Family SB, 3rd; Monte de Piedad & SB, 4th; and Home SB, 5th. They accounted for 96.6 per cent (or ₱969.2 million) of total assets of the savings banking system, which compared with 96.2 per cent (or ₱773.9 million) in 1972.

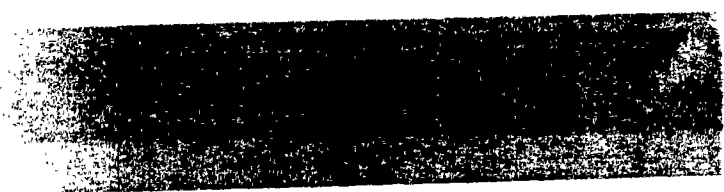
In deposits, Acme SB moved up from 9th position in the third quarter to 8th position in the fourth quarter, the rank it held in the first two quarters of 1973. Acme's deposit liabilities as of the end of the fourth quarter amounted to ₱3.1 million and exceeded the third quarter level by 19.2 per cent and the 1972 level by 121.4 per cent. San Antonio SB with ₱0.8 million in deposits moved down from 7th in the third quarter to 9th in the fourth quarter, although this was higher than its rank in the previous quarters. Bank of Calape likewise moved down to 10th place during the last two quarters after holding on to 9th.

Based on loan portfolios, Family SB was No. 5 and Home SB was No. 4 in 1972; their positions were reversed in 1973. An increase of 46.7 per cent in the portfolios of Family SB was the reason for this change. Home SB's loan portfolio decreased by 11.9 per cent. Union SB and Acme SB also exchanged places during the period, to 8th and 7th, respectively. From the third quarter, Family SB and Union SB upped their ranks by one slot, from 5th to 4th and from 9th to 8th, respectively. On the other hand, Home SB and San Antonio SB were demoted one rank to 5th and 9th (see table 16).

The number of deposit accounts of savings banks was lower in 1973 than it was in 1972. Deposit accounts numbered 2,404,220 in 1973, as against 2,493,144 the previous year. Three banks led by the Philippine Savings Banks reported decreases in this account by a total of 404,734. On the other hand, Banco Filipino SMB and Family SB increased the number of their deposit accounts by 182,409 and 99,046, respectively.

On a quarterly basis, the growth trend was as follows: first quarter, negative 1.6 per cent; second quarter, negative 3.7 per cent; third quarter, negative 0.82 per cent; and fourth quarter, 2.6 per cent.

Table 17 presents data regarding this growth.




The development banks gave out more loans in 1973 than in 1972. Loan holdings of banks totalling ₦3,684.5 million exceeded the previous year's total by 13.2 per cent. Investments, however, declined to a level of ₦780.6 million from ₦790.2 million, or by 1.2 per cent. The DBP's loans amounted to ₦3,507.3 million, while its investments totalled ₦765.0 million.

The build-up in the capital structure of the banks boosted total assets to ₦5,195.6 million in December 1973 from ₦4,605.2 million in December 1972. There was an increase in the capitalization of the DBP by almost 260.0 per cent, from ₦533.9 million to ₦1,922.0 million. The private development banks' capital funds increased to ₦70.0 million from ₦66.7 million, or by ₦3.3 million.

Another source of growth of assets was deposits which surged up to ₦785.5 million in 1973 from the previous year's ₦536.2 million. The bulk of deposits (83.7 per cent), however, was accounted for by the DBP (see table 18).

For the quarterly balances of selected accounts, refer to table 20.



During the year, the development banks' net earnings reached ₦81.0 million after grossing ₦407.4 million. The DBP's gross earnings for the period totalled ₦386.9 million or almost 95 per cent of the total.

The system's operating expenses increased by only ₦34.2 million or 12.2 per cent to ₦316.0 million, of which DBP's share amounted to ₦299.0 million. The relatively small gains in operating expenses due to reductions in salaries and wages as well as in bonuses and overtime pay by 6.9 per cent and 48.9 per cent, respectively, partly accounted for the profitable operations of the development banking system. The other factors were traceable to increases in interest on investment securities and in other operating earnings by 72.7 per cent and 364.1 per cent, respectively (see table 19).

Rankings As To Selected Accounts

In assets, Second Bulacan DB now occupied the No. 1 berth vacated by Cavite City DB which moved down to No. 2. Second Bulacan posted a 28.4 per cent growth in assets from December 1972 compared to Cavite City's 13.0 per cent. Agro-Industrial DB also shifted its position upwards, from No. 4 to No. 3. Moved to one rung lower were: Pasay City DB, from No. 3 to No. 4; DB of Rizal, from No. 8 to No. 9; Quezon City DB, from No. 9 to No. 10; and Lipa City DB, from No. 10 to No. 11. Laguna DB, Second Laguna DB and Quezon DB were steady at No. 5, No. 6, and No. 7, respectively. Bulacan DB entered the "top ten" from No. 12 to No. 9 after posting a 65.1 per cent growth in its assets.

The top ten development banks in deposits garnered ₱91.2 million or 71.2 per cent out of ₱128.0 million recorded for the entire private development banking system in 1973. This was a slight improvement over that of 1972 when the top ten banks accounted for 70.2 per cent out of total deposits of ₱63.5 million. Second Bulacan DB headed the top ten with deposit liabilities of ₱15.9 million. Cavite City DB dropped behind with ₱13.6 million.

The topnotchers in loans were Second Bulacan DB, Cavite City DB, Pasay City DB, Second Laguna DB, Agro-Industrial DB, Quezon DB, DB of Rizal, Quezon City DB, and Bulacan DB. They extended a total of ₱105.6 million or 59.6 per cent of total loans of ₱177.1 million. The changes from 1972 rankings were (moving upwards): Second Bulacan DB, from No. 2 to No. 1; Agro-Industrial DB, from No. 7 to No. 6; Laguna, from No. 6 to No. 5; and Bulacan DB, from No. 11 to No. 10. Moving downwards: Quezon DB, from No. 5 to No. 7; Lipa City DB, from No. 10 to No. 11; Pasay City DB, Second Laguna DB, DB of Rizal, and Quezon City DB retained their respective ranks of 1972 (see table 21).

Quarterly Growth of the Number of Deposit Accounts of Development Banks

Table 22 depicts the growth in the number of deposit accounts of development banks, as follows: first quarter, 262,120; second quarter, 275,663; third quarter, 296,488; and fourth quarter, 317,964. An increase of 84,308 in this account was recorded from December 1972 to the same period in 1973.

The DBP's deposit accounts numbering 24,475 in 1973 were greater by 1,680 than those in 1972; similarly, the private banks' deposit accounts of 275,199 were higher by 64,338 than 1972's level.

Savings and Loan Associations

Statement of Condition

Thirty-five stock savings and loan associations posted a record growth in deposits of 55.5 per cent from December 31, 1972, raising total assets of these associations to ₱146.0 million on December 31, 1973.

Deposits of ₱100.6 million were channeled mostly to loans which totalled ₱99.6 million, or 42.3 per cent more than those of 1972.

Capital accounts increased by ₱6.2 million from ₱30.6 million to ₱36.8 million during the same period. About 64 per cent of this increase constituted additions to the SLAs' paid-up capital stocks (see table 24).

Earnings and Expenses

Interest on loans amounting to ₱11.1 million constituted the bulk of the income of the SLA industry which totalled ₱17.3 million during the year 1973.

The SLAs' operating expenses for the same period was comparatively high at ₱15.6 million, so that the industry earned only ₱1.7 million in terms of net operating profit (see table 25).

Quarterly Balances of Selected Accounts

There was variation in the rate of growth of assets of SLA's from quarter to quarter. The gain from the fourth quarter of 1972 to the first quarter of 1973 was 9.5 per cent; from the first quarter to the second quarter it was 4.1 per cent; from the second quarter to the third quarter the increase was a high 17.7 per cent; at fourth quarter's end, the growth slowed down to 7.1 per cent. Eleven SLA's posted growth rates ranging from 51.5 per cent to 101.6 per cent from 1972, while one SLA posted a negative rate of growth of 3.3 per cent.

Total deposits at year-end 1972 were ₱64.7 million, rising to ₱72.4 million in the first quarter of 1973, and to ₱74.8 million in the second quarter. By the third quarter, deposits had reached ₱92.6 million, or a gain of 23.8 per cent (₱17.8 million) from the second quarter. The level registered at the end of the fourth quarter which was ₱100.6 million represented an increase of 8.5 per cent from the third quarter and 55.5 per cent from the fourth quarter of 1972. The biggest gains in deposits were achieved by the following associations: Orient SLA (by 224.5 per cent), Integrated SLA (by 186.9 per cent), Bicol SLA (by 175.3 per cent), Homeowners SLA (by 167.4 per cent), First Iligan SLA (by 108.2 per cent), Perpetual SLA (by 96.2 per cent), Lipa Public SLA (by 87.2 per cent), Tarlac SLA (by 78.1 per cent), Bulacan SLA (by 73.7 per cent), and Guagua SLA (by 71.2 per cent). Seven other SLA's had growth rates above 50 per cent.

Loans granted by the 35 SLA's in 1973 almost reached the ₱100-million mark, which compared with ₱70.0 million the previous year. First Pampanga SLA, Tarlac SLA, Royal SLA, Life SLA and Cebu City SLA, which had among them a total of ₱35.8 million, accounted for 36.00 per cent of total loans granted by the entire SLA's (see table 26).

Quarterly Growth of the Number of Deposit Accounts of Savings & Loan Associations

The number of deposit accounts of stock savings and loan associations showed a progressive trend: in the first quarter, it was 355,547; in the second quarter, 384,930; in the third quarter, 426,979; and in the fourth quarter, 480,139. Between 1972 and 1973, the number of deposit accounts grew at the average quarterly rate of 11.1 per cent. This trend mirrored the relatively brisk pace of growth of deposits of the savings and loan associations during the same period (see table 28).

Rankings As To Selected Accounts

Royal SLA has consistently been leading in assets since 1972. Its assets rose from ₱10.1 million in 1972 to ₱16.6 million in 1973. First Pampanga SLA went up from No. 3 to No. 2, which it held up to fourth quarter's end. First Pampanga assets totalled ₱11.6 million during the period. The 3rd, 4th, and 5th berths were occupied by Tarlac SLA, Cebu City SLA and Life SLA, respectively, with aggregate assets amounting to ₱25.1 million.

In deposits, Tarlac SLA and Secured SLA rose by one rank, to No. 3 and No. 7, respectively. Royal, First Pampanga and Cebu City stood in their respective positions in 1st, 2nd and 5th places. Incidentally, Royal and First Pampanga also had the largest number of deposit accounts among the savings and loan associations. The most striking change, however, in point of deposits was that displayed by Homeowners SLA and Perpetual SLA. Homeowners was catapulted from No. 22 to No. 9 following a rise in its deposits by 166.7 per cent. Perpetual likewise leaped from No. 16 to No. 10 due to a 93.8 per cent bulge in deposits.

The biggest lender in 1973 was First Pampanga, with more than 8 per cent of total loans. First Pampanga rose from No. 2 in 1972. Next in order of rank was Tarlac SLA with 7.9 per cent of the loans in 1973; it has a slightly smaller share in 1972. Royal with ₱7.5 million was No. 3; Cebu City with ₱6.3 million was No. 4; and Life with ₱6.1 million was No. 5.

In 1973, the top five associations accounted for 28.8 per cent of the total capital funds of the associations, whereas in 1972 they accounted for 27.00 per cent. In order of rank these associations were: Royal, Cebu City, First Pampanga, Daily, and Nation. They were also tops in 1972 although in different order of rankings (see table 27).

Quarterly Growth of the Number of Rural Banks

Additional outlets for credit to farmers and small businessmen in rural communities were provided in 1973 with the establishment of 37 new rural banks in strategic areas all over the Philippines. This brought the total number of rural banks to 628, distributed as follows: Luzon, 415; Visayas, 131; and Mindanao, 82.

Of the new banks opened, seven (7) were located in Northern Luzon, four (4) in Central Luzon, five (5) in Southern Luzon, two (2) in the Bicol Region, four (4) in Eastern Visayas, five (5) in Western Visayas, another five (5) in Northern Mindanao, and still another five (5) in Southern Mindanao.

Table 29 shows the quarterly growth of rural banks from 1972 and 1973.

Rural Banks

Statement of Condition

Total resources of the rural banking system – 628 rural banks all over the country – for the first time exceeded the billion mark when these reached ₱1,382.6 million at the end of 1973, a significant advance of 40.8 per cent from the previous year's ₱982.2 million.

The main factor that contributed to the rise in resources was the increase in loan investments by 37.2 per cent (or ₱286.0 million) from ₱769.8 million to ₱1,055.8 million. Topping all categories of loans were agricultural loans which totalled ₱825.2 million (up 44.0 per cent), or approximately 78.2 per cent of net loan investments of the rural banking system. Other assets registered a similar rate of growth of 37.2 per cent as loan investments.

Liabilities of the system reached ₱1,059.9 million due to increase in deposits by 36.1 per cent from ₱322.5 million to ₱439.0 million. Special savings deposits registered the biggest gain of ₱33.7 million or 481.4 per cent while special time deposits grew by 65.9 per cent to ₱161.1 million.

Overall networth expanded by 12.1 per cent to ₱322.7 million. Over 68 per cent of this amount comprised the capital stocks of the rural banks (see table 30).

Income and Expenses

The 628 rural banks in 1973 reported net income of ₱24.2 million, up from ₱22.2 million in 1972.

Gross income amounted to ₱101.3 million, which compared favorably with ₱84.0 million the previous year. Of the incremental change in income of ₱17.3 million, interest on loans accounted for ₱11.7 million or 67.6 per cent.

Expenses proportionately rose from ₱61.8 million to ₱77.1 million, or an increase of ₱15.3 million. Salaries and interest on deposit liabilities amounting to ₱21.5 million and ₱28.2 million, respectively, were the biggest expense components accounting for more than 64 per cent of total expenses (see table 31).

PART IV
STATISTICS ON BANKS

Table 1. NUMBER OF BANKING OFFICES
Classified According to Type of Bank
1972 and 1973

	Home Offices		Branches ¹		Sub- Branches		Agencies ²		Extension Offices		Sub- Offices ³		Overseas Branches, etc. ⁴		Total	
	1973	1972	1973	1972	1973	1972	1973	1972	1973	1972	1973	1972	1973	1972	1973	1972
Commercial Banks	39	39	565	540	22	23	45	44	90	90	57	—	7	6	825	742
Savings & Mortgage Banks	10	11	40	31	—	—	—	—	12	12	—	—	—	—	62	54
Development Banks	32	32	41	37	—	—	27	4	28	23	—	—	—	—	128	96
Rural Banks	628	591	—	—	—	—	—	—	—	—	—	—	—	—	628	591
Stock Savings & Loan Assns.	35	35	—	—	—	—	—	—	—	—	—	—	—	—	35	35
TOTALS	744	708	546	608	22	23	72	48	130	125	57	—	7	6	1,678	1,518

Note:

¹Includes three overseas branches: PNB-New York, Equitable-Hongkong and Metropolitan-Taipeh.

²Includes two PNB overseas agencies in Honolulu and San Francisco.

³PCIB's Money Shops and Traders' "Tellers Facilities".

⁴Includes PNB's representative offices in Hamburg, Hongkong, Tokyo, London, Singapore and Djakarta and Metropolitan's office in Taipei.

SOURCES OF BASIC DATA: Department of Commercial and Savings Banks; Department of Rural and Savings & Loan Associations, CBP.

Table 2. STATEMENT OF CONDITION OF THE PHILIPPINE BANKING SYSTEM*
As of December 31, 1973
(With Comparative Figures for December 31, 1972)
(Thousand Pesos)

ASSETS	1973	1972	Increase (Decrease)
Cash	556,997	381,073	175,924
Checks and other cash items	886,073	335,801	550,272
Due from Central Bank of the Philippines	1,923,910	1,567,950	355,960
Due from other banks here and abroad	2,240,734	1,006,786	1,233,948
Loan portfolio (Net)	21,506,166	16,740,434	4,765,732
Investments in bonds and other securities	5,529,732	2,952,212	2,587,520
Due from head offices, branches and agencies here and abroad	164,721	133,426	31,295
Bank premises, furniture and equipment	607,923	494,362	113,561
Other property owned or acquired	507,379	436,494	70,885
Other assets	2,045,363	1,177,373	867,990
Total Assets	<u>35,978,997</u>	<u>25,225,911</u>	<u>10,753,086</u>
LIABILITIES & CAPITAL ACCOUNTS			
LIABILITIES			
Deposits	17,476,495	12,512,055	4,964,440
Due to head offices, branches and agencies here and abroad	758,703	583,427	175,276
Cashiers', managers' and certified checks	343,017	254,052	88,965
Outstanding acceptances executed by or for account of banks	470,379	445,172	25,207
Bills payable	8,382,293	5,941,779	2,440,514
Marginal deposits on letters of credit	1,933,960	1,042,108	891,852
Other liabilities	1,496,647	1,675,844	(179,197)
Unearned income and other deferred credits	231,554	182,642	48,912
Total Liabilities	<u>31,093,048</u>	<u>22,637,079</u>	<u>8,455,969</u>
CAPITAL ACCOUNTS			
Capital stock	3,893,470	1,673,934	2,219,536
Assigned capital	201,950	1,000	200,950
Surplus	465,863	653,818	(187,955)
Surplus reserves	108,328	111,436	(3,108)
Undivided profits	216,338	148,644	67,694
Total Capital Accounts	<u>4,885,949</u>	<u>2,588,832</u>	<u>2,297,117</u>
TOTAL LIABILITIES & CAPITAL ACCOUNTS	<u>35,978,997</u>	<u>25,225,911</u>	<u>10,753,086</u>

*Excludes rural banks.

NOTE: Discrepancies between items and totals are due to rounding of figures.

Table 3. STATEMENT OF CONDITION OF THE PHILIPPINE BANKING SYSTEM*
BY QUARTERS

(Million Pesos)

ASSETS	CHANGES									
	Dec. 31, 1972	March 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973	Dec. '72- Mar. '73	Mar. '73- June '73	June '73- Sept. '73	Sept '73- Dec. '73	Dec. '72- Dec. '73
Cash	381	368	458	539	557	(13)	90	81	18	176
Checks and other cash items	336	324	389	494	886	(12)	65	105	392	550
Due from Central Bank of the Philippines	1,568	1,755	1,686	1,720	1,924	187	(69)	34	204	356
Due from other banks here & abroad	1,007	1,338	1,689	1,943	2,241	331	351	254	298	1,234
Loan portfolio (Net)	16,741	17,090	18,126	19,510	21,506	349	1,036	1,384	1,996	4,765
Investments in bonds and other securities	2,952	3,538	3,938	4,881	5,540	586	400	943	659	2,588
Due from head offices, branches and agencies here & abroad	133	97	152	224	165	(36)	55	72	(59)	32
Bank premises, furniture and equipment	494	518	550	566	608	24	32	16	42	114
Other property owned or acquired	437	458	473	497	507	21	15	24	10	70
Other assets	1,177	1,343	1,519	1,557	2,045	166	176	38	488	868
Total Assets	25,226	26,829	28,980	31,931	35,979	1,603	2,151	2,951	4,048	10,753
LIABILITIES AND CAPITAL ACCOUNTS										
LIABILITIES										
Deposits	12,512	13,480	14,442	15,978	17,476	968	962	1,536	1,498	4,964
Due to head offices, branches and agencies here & abroad	583	387	413	379	759	(196)	26	(34)	380	176
Cashiers', managers' & certified checks	254	307	258	236	343	53	(49)	(22)	107	89
Outstanding acceptances executed by or for account of banks	445	278	291	349	470	(167)	13	58	121	25
Bills payable	5,942	6,571	6,548	7,271	8,382	629	(23)	723	1,111	2,440
Marginal deposits on letters of credit	1,042	1,048	1,226	1,501	1,934	6	178	275	433	892
Other Liabilities	1,676	1,830	1,457	1,503	1,497	154	(373)	46	(6)	(179)
Unearned income and other deferred credits	183	196	210	213	232	13	14	3	19	49
Total Liabilities	22,637	24,097	24,845	27,430	31,093	1,460	748	2,585	3,663	8,456
CAPITAL ACCOUNTS										
Capital stock	1,674	2,021	3,371	3,686	3,894	347	1,350	315	208	2,220
Assigned capital	1	1	1	1	202	-	-	-	201	201
Surplus	654	477	502	436	466	(177)	25	(66)	30	(188)
Surplus reserves	111	86	104	151	108	(25)	18	47	(43)	(3)
Undivided profits	149	147	157	227	216	(2)	10	70	(11)	67
Total Capital Accounts	2,589	2,732	4,135	4,501	4,886	143	1,403	366	385	2,297
TOTAL LIABILITIES & CAPITAL ACCOUNTS	25,226	26,829	28,980	31,931	35,979	1,603	2,151	2,951	4,048	10,753

*Excludes rural banks.

**Less than ₱500,000.00.

Table 4. EARNINGS & EXPENSES OF THE PHILIPPINE BANKING SYSTEM*
For the Year Ended December 31, 1973
(With Comparative Figures for December 31, 1972)

(Thousand Pesos)

	<u>1 9 7 3</u>	<u>1 9 7 2</u>	<u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>Per Cent</u>
Current Operating Earnings:				
Interest and discount on loans & advances	1,759,225	1,385,944	373,281	26.93
Interest on investment securities	270,273	183,524	86,749	47.27
Commissions, fees, service and collection charges	273,239	230,943	42,296	18.31
Foreign exchange profits	240,372	185,400	54,972	29.65
Trust Department earnings	23,697	25,449	(1,752)	(6.88)
Other current operating earnings	239,539	129,339	110,200	85.20
Total Current Operating Earnings	2,806,345	2,140,599	665,746	31.10
Deduct: Current Operating Expenses				
Salaries and wages	229,000	209,839	19,161	9.13
Bonuses and overtime pay	58,802	57,361	1,441	2.51
Allowances	79,469	66,655	12,814	19.22
Interest on deposits	621,547	476,414	145,133	30.46
Interest and discount on money borrowed	673,368	460,689	212,679	47.31
Taxes (other than income tax)	124,526	86,497	38,029	55.53
Foreign exchange losses	10,570	5,312	5,258	98.98
Depreciation on bank premises, furniture and equipment	46,787	41,176	5,611	13.63
Other current operating expenses	364,072	318,793	45,279	14.20
Total Current Operating Expenses	2,208,141	1,722,736	485,405	28.18
Net Current Operating Earnings (Losses)	598,204	417,863	180,341	43.16
Add: Recoveries, Reductions in Valuation Reserves and Profits	17,301	12,399	4,902	39.54
Total	615,505	430,262	185,243	43.05
Deduct: Losses, Charge-Offs and Additions to Valuation Reserves	37,179	32,296	4,883	15.12
Net Earnings (Losses) Before Income Tax	578,326	396,966	180,360	45.32
Provision for Income Tax	124,654	109,518	15,136	13.82
Net Earnings (Losses) After Income Tax	453,672	288,448	165,224	57.28

*Excludes rural banks and savings and loan associations.

Table 5. QUARTERLY GROWTH OF DEPOSIT LIABILITIES
OF THE PHILIPPINE BANKING SYSTEM*

(Million Pesos)

	CHANGES									
	Dec. 31, 1972	March 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973	Dec. '72- Mar. '73	Mar. '73- June '73	June '73- Sept '73	Sept '73- Dec '73	Dec. '72- Dec '73
Commercial Banks	11,260	12,163	13,083	14,321	15,771	903	920	1,238	1,450	4,511
Savings & Mortgage Banks	651	696	729	789	819	45	33	60	30	168
Development Banks	536	549	555	775	786	13	6	220	11	250
Savings & Loan Associations (Stock)	65	72	75	93	101	7	3	18	8	36
TOTAL	<u>12,512</u>	<u>13,480</u>	<u>14,442</u>	<u>15,978</u>	<u>17,477</u>	<u>968</u>	<u>962</u>	<u>1,536</u>	<u>1,499</u>	<u>4,965</u>

*Excludes rural banks.

Table 6. QUARTERLY GROWTH OF AND CHANGES IN THE NUMBER OF DEPOSIT ACCOUNTS
OF THE BANKING SYSTEM*

	CHANGES									
	Dec. 31, 1972	March 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973	Dec. '72- Mar. '73	Mar. '73- June '73	Jun '73- Sept. '73	Sept. '73- Dec '73	Dec. '72- Dec. '73
Commercial Banks	3,848,654 ¹	4,036,571	4,239,931	4,584,193	5,067,569	187,917	203,360	344,262	235,003	1,218,915
Savings & Mortgage Banks	2,493,144	2,453,181	2,362,824	2,343,376	2,404,220	(39,963)	(90,357)	(19,448)	60,844	(88,294)
Development Banks	233,656 ²	264,120	275,663	296,488	317,964	30,464	11,543	20,825	3,186	84,308
Savings & Loan Associations	315,499 ³	355,547	384,930	426,979	480,139	40,048	29,383	42,049	53,160	164,640
TOTALS	<u>6,890,953</u>	<u>7,109,419</u>	<u>7,263,348</u>	<u>7,651,036</u>	<u>8,269,892</u>	<u>218,466</u>	<u>153,929</u>	<u>387,688</u>	<u>352,193</u>	<u>1,378,939</u>

*Excludes rural banks.

¹For 38 out of 39 commercial banks.

²For 30 out of 32 development banks including the DBP.

³For 31 out of 35 SLA's.

Table 7. QUARTERLY GROWTH OF AND CHANGES IN THE NUMBER OF COMMERCIAL OFFICES
1972 - 1973

	CHANGES									
	Dec. 31, 1972	March 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973	Dec. '72- Mar. '73	Mar. '73- June '73	Jun. '73- Sept. '73	Sept. '73 Dec. '73	Dec. '72- Dec. '73
Head Offices	39	39	39	39	39	—	—	—	—	—
Branches ¹	540	545	554	556	565	5	9	2	9	25
Sub-Branches	23	23	22	22	22	—	(1)	—	—	(1)
Agencies ²	44	44	45	46	45	—	1	1	(1)	1
Extension Offices	90	90	91	91	90	—	1	—	(1)	—
Sub-Offices ³	—	—	4	32	57	—	4	28	25	57
Representative Offices ⁴	6	6	6	7	7	—	—	1	—	1
TOTALS	742	747	761	793	825	5	14	32*	32	83

¹Includes three overseas branches: PNB-New York, Equitable BC-Hongkong, & Metropolitan Bank-Taipeh.

²Includes two PNB overseas agencies in Honolulu and San Francisco.

³PCIB's Money Stores and Trader's CB Tellers Facilities fall under this category.

⁴PNB-Hamburg, Hongkong, Tokyo, London, Singapore and Djakarta.

SOURCE OF BASIC DATA: Department of Commercial and Savings Banks, CBP.

Table 8. STATEMENT OF CONDITION OF COMMERCIAL BANKS
BY QUARTERS

(Thousand Pesos)

ASSETS	Dec. 31, 1972	March 31, 1973	June 30, 1973	Sept 30, 1973	Dec. 31, 1973
Cash	351,781	341,522	423,881	506,050	518,589
Checks and other cash items	325,138	310,955	378,423	480,393	864,590
Due from Central Bank of the Philippines	1,519,962	1,705,071	1,624,916	1,684,097	1,893,834
Due from other banks here and abroad	884,698	1,202,025	1,591,061	1,773,418	2,098,836
Loan portfolio (Net)	12,894,384	13,138,054	14,038,146	15,367,109	17,223,865
Investments in bonds and other securities	2,021,551	2,611,936	3,037,142	3,765,304	4,424,591
Due from head offices, branches and agencies here and abroad	133,426	96,687	151,838	224,298	164,721
Bank premises, furniture and equipment	406,192	422,074	452,126	466,205	499,553
Other property owned or acquired	251,116	259,423	266,215	286,197	288,170
Other assets	926,138	1,066,675	1,198,352	1,192,802	1,656,804
Total Assets	19,714,386	21,154,449	23,162,100	25,745,873	29,633,553
LIABILITIES & CAPITAL ACCOUNTS					
LIABILITIES					
Deposits	11,259,758	12,162,865	13,082,810	14,321,135	15,771,285
Due to head offices, branches and agencies here and abroad	583,247	386,960	412,630	379,430	758,703
Cashiers', managers' and certified checks	254,024	306,792	258,146	236,024	342,990
Outstanding acceptances executed by or for account of banks	445,172	278,562	290,617	348,948	470,379
Bills payable	3,004,915	3,608,817	4,369,078	5,130,317	6,124,079
Marginal deposits on letters of credit	1,042,108	1,048,049	1,226,645	1,501,264	1,933,960
Other liabilities	1,140,279	1,246,074	1,310,425	1,303,613	1,323,841
Unearned income and other deferred credits	124,261	135,544	144,952	145,793	163,516
Total Liabilities	17,853,944	19,173,663	21,095,303	23,366,524	26,888,753
CAPITAL ACCOUNTS					
Capital stock	1,112,859	1,442,219	1,494,366	1,796,339	2,001,957
Assigned capital	1,000	1,000	1,000	1,250	201,950
Surplus	522,935	348,429	345,624	279,418	304,588
Surplus reserves	95,088	67,768	84,473*	132,033	85,177
Undivided profits	128,560	121,369	141,334	170,309	151,128
Total Capital Accounts	1,860,442	1,980,785	2,066,797	2,379,349	2,744,800
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	19,714,386	21,154,448	23,162,100	25,745,873	29,633,553

*Includes revaluation reserves.

Table 9. CONSOLIDATED EARNINGS AND EXPENSES OF COMMERCIAL BANKS
For the Year Ended December 31, 1973
(With Comparative Figures for the Year Ended December 31, 1972)

(Thousand Pesos)

	<u>1 9 7 3</u>	<u>1 9 7 2</u>	<u>Increase (Decrease)</u> <u>Amount</u>	<u>Per Cent</u>
A. Current Operating Earnings				
Interest and discount on loans and advances	1,447,603	1,115,176	332,427	29.81
Interest on investment securities	224,102	150,275	73,827	49.13
Commissions, fees, service and collection charges	225,338	172,992	52,346	30.26
Foreign exchange profits	233,055	179,631	53,424	29.74
Trust Department earnings	23,653	25,449	(1,796)	(7.06)
Other current operating earnings	149,091	105,072	44,019	41.89
Total Current Operating Earnings	<u>2,302,842</u>	<u>1,748,595</u>	<u>554,247</u>	<u>31.70</u>
B. Deduct: Current Operating Expenses				
Salaries and wages	186,958	165,825	21,133	12.74
Bonuses and overtime pay	52,827	48,739	4,088	8.39
Allowances	73,483	61,288	12,195	19.90
Interest on deposits	537,041	408,022	129,019	31.62
Interest and discount on money borrowed	473,100	276,125	196,975	71.34
Taxes (other than income taxes)	118,374	81,992	36,382	44.37
Foreign exchange losses	364	447	(83)	(18.57)
Depreciation on banks premises, furniture and equipment	39,868	34,072	5,796	17.01
Other operating expenses	<u>326,094</u>	<u>286,037</u>	<u>40,057</u>	<u>14.00</u>
Total Current Operating Expenses	<u>1,808,109</u>	<u>1,362,547</u>	<u>445,562</u>	<u>32.70</u>
C. Net Current Operating Earnings (Losses)	<u>494,733</u>	<u>386,048</u>	<u>108,685</u>	<u>28.15</u>
D. Add: Recoveries, Reductions in Valuation Reserves and Profits	15,046	7,558	7,488	99.07
E. Total	<u>509,779</u>	<u>393,606</u>	<u>116,173</u>	<u>29.52</u>
F. Deduct: Losses, Charge-offs and Additions to Valuation Reserves	35,986	30,239	5,747	19.00
G. Net Earnings (Losses) Before Income Tax	<u>473,793</u>	<u>363,367</u>	<u>110,426</u>	<u>30.39</u>
H. Provision for Income Tax	113,677	104,721	8,956	8.55
I. Net Earnings (Losses) After Income Tax	<u>360,116</u>	<u>258,646</u>	<u>101,470</u>	<u>39.23</u>

Table 10. QUARTERLY BALANCES OF SELECTED ACCOUNTS OF COMMERCIAL BANKS

(Thousand Pesos)

	ASSETS					DEPOSITS				
	1972	1973				1972	1973			
	December	March	June	September	December	December	March	June	September	December
1 Associated Banking Corporation	128,857	129,946	136,656	145,726	188,087	46,629	46,321	53,005	58,972	73,154
2 Bank of America, NT & SA	505,261	534,567	577,126	563,676	630,086	222,830	275,473	270,970	304,815	273,346
3. Bank of Asia	194,132	199,567	221,746	277,073	373,726	86,172	104,168	106,957	110,552	128,212
4. Bank of the Philippine Islands	688,158	765,434	761,399	814,161	809,118	478,141	519,520	533,475	572,291	586,024
5. Chartered Bank, The	164,666	227,589	279,360	236,914	344,047	72,649	99,729	126,272	114,316	114,442
6. China Banking Corporation	821,928	959,064	986,704	1,041,849	1,122,134	497,696	469,256	462,385	496,813	491,059
7. Citizens Bank & Trust Co.	158,428	148,865	171,051	190,698	194,979	48,811	54,494	61,259	76,015	77,885
8. Commercial Bank & Trust Co. of the Phil	438,276	459,612	562,353	672,328	715,886	235,382	278,848	304,547	337,506	350,502
9 Consolidated Bank & Trust Corp., The	680,688	736,302	778,367	870,587	1,005,940	492,353	534,470	552,549	605,185	666,776
10 Continental Bank	144,029	188,098	313,293	345,372	455,038	83,553	75,234	100,969	113,405	151,389
11. Equitable Banking Corp	736,546	756,869	790,961	875,276	1,022,354	507,741	507,911	521,895	554,045	636,338
12. Far East Bank & Trust Co.	469,191	497,406	635,714	680,843	861,095	301,488	324,741	420,426	474,021	475,032
13. Feati Bank & Trust Co.	134,067	137,954	165,154	196,889	228,397	60,286	62,099	63,380	103,626	105,147
14. Filipinas Bank & Trust Co.	120,126	124,934	134,060	151,594	158,233	49,720	47,601	56,014	65,877	63,851
15. First Insular Bank of Cebu	191,358	204,291	222,997	252,404	264,361	139,029	148,527	157,862	177,185	191,081
16. First National City Bank	2,005,875	2,170,998	2,026,190	2,090,391	2,558,110	955,288	1,004,716	1,014,169	990,830	937,285
17. First United Bank	167,351	180,123	183,195	213,222	228,581	85,205	106,163	119,505	146,330	143,211
18. General Bank & Trust Co	315,686	387,525	427,684	504,213	670,504	158,046	155,614	164,932	216,246	237,904
19 Hongkong & Shanghai Banking Corp.	321,752	258,166	310,299	398,074	385,283	73,754	89,287	98,004	103,676	100,658
20. Manila Banking Corporation, The	436,102	682,687	683,048	789,387	969,111	237,456	242,592	226,337	356,760	434,833
21. Manufacturers Bank & Trust Co	139,062	135,918	133,730	145,226	164,717	68,698	64,158	65,149	78,259	89,945
22 Merchants Banking Corp. of the Phil.	157,213	186,132	233,094	279,018	269,498	95,692	123,654	143,763	174,097	157,314
23 Metropolitan Bank & Trust Co.	475,377	600,097	695,865	786,060	883,020	259,386	347,792	366,216	433,485	473,236
24 Pacific Banking Corporation	559,256	600,195	651,198	730,590	801,908	365,131	380,841	409,751	439,431	472,075
25. Peoples Bank & Trust Co.	340,447	359,387	387,641	437,666	453,065	270,225	280,683	289,162	315,127	327,868
26. Philippine Banking Corporation, The	373,501	381,516	461,373	589,993	690,830	176,885	178,284	213,271	273,379	275,661
27. Philippine Bank of Commerce, The	366,217	395,062	402,574	429,134	440,447	202,790	207,301	217,766	233,878	249,700
28. Philippine Bank of Communications	340,343	375,166	414,489	468,407	501,851	144,247	148,215	149,608	169,501	162,522
29 Philippine Commercial & Industrial Bank	802,467	964,542	1,065,562	1,114,677	1,307,755	380,760	466,092	532,222	502,315	586,644
30. Philippine National Bank	4,637,588	4,652,238	5,309,828	6,169,569	7,348,174	2,843,474	3,208,094	3,613,606	3,904,563	4,825,907
31 Philippine Trust Co.	134,605	151,951	173,553	170,261	173,447	78,686	77,213	91,758	90,476	91,132
32 Philippine Veterans Bank	381,797	333,421	347,502	339,721	363,024	215,647	196,633	208,979	214,181	224,677
33 Producers Bank of the Philippines	65,631	94,579	162,963	186,549	211,911	15,486	15,899	23,821	32,093	27,790
34 Progressive Commercial Bank	69,236	63,321	60,174	76,066	75,257	29,184	26,947	28,111	30,575	35,187
35. Prudential Bank	512,488	525,736	561,003	650,445	700,195	379,249	388,034	414,096	480,629	478,791
36. Republic Bank	281,370	275,692	272,503	284,717	272,906	150,899	147,728	151,400	159,085	159,943
37 Rizal Commercial Banking Corp.	740,043	802,430	909,471	986,767	1,153,268	511,398	513,896	488,628	535,037	611,544
38. Security Bank & Trust Co.	392,746	385,148	424,014	163,136	500,702	207,330	212,160	222,367	242,404	244,020
39. Traders Commercial Bank, The	122,522	121,920	128,206	127,224	136,508	32,362	32,477	33,224	34,153	39,200
TOTALS	19,714,386	21,154,448	23,162,100	25,745,873	29,633,553	11,259,758	12,162,865	13,077,810	14,321,135	15,771,285

- Nil

*Assigned capital

Table 10. QUARTERLY BALANCES OF SELECTED ACCOUNTS OF COMMERCIAL BANKS

(Thousand Pesos)

	LOAN PORTFOLIO					INVESTMENTS				
	1972	1973				1972	1973			
	December	March	June	September	December	December	March	June	September	December
1. Associated Banking Corporation	97,324	99,190	98,188	104,899	116,295	3,776	6,776	3,776	3,776	5,776
2. Bank of America, NT & SA	400,304	383,074	417,538	359,710	462,645	33,500	37,500	39,500	42,500	59,500
3. Bank of Asia	139,006	153,147	164,655	202,685	259,598	23,433	10,703	17,263	31,811	56,834
4. Bank of the Philippine Islands	447,324	477,798	480,005	482,818	493,355	57,651	107,654	88,618	91,912	138,430
5. Chartered Bank, The	134,635	181,422	202,975	178,923	181,809	14,256	14,256	14,763	16,263	21,663
6. China Banking Corporation	587,712	569,927	562,709	596,139	669,312	96,038	129,025	108,019	156,644	126,031
7. Citizens Bank & Trust Co.	98,386	92,283	93,137	111,305	111,007	11,730	11,710	23,210	25,879	26,725
8. Commercial Bank & Trust Co. of the Phil	293,539	303,692	368,973	438,989	477,028	42,065	44,208	47,277	79,660	67,817
9. Consolidated Bank & Trust Corp.	394,492	405,983	432,509	446,733	521,591	70,165	112,513	107,065	105,002	110,061
10. Continental Bank	91,371	119,256	168,703	181,265	224,610	10,032	30,102	86,095	98,316	119,968
11. Equitable Banking Corp.	500,715	527,152	532,730	591,341	700,007	89,008	91,890	89,506	98,539	112,580
12. Far East Bank & Trust Co	263,614	289,499	335,857	333,714	349,493	49,083	46,756	98,186	127,738	261,624
13. Feati Bank & Trust Co	90,715	90,963	96,653	123,467	118,313	12,794	13,503	26,503	27,466	57,280
14. Filipinas Bank & Trust Co.	83,946	91,143	86,959	99,187	110,877	1,594	1,044	4,334	13,419	6,909
15. First Insular Bank of Cebu	140,394	143,388	159,015	175,920	152,085	14,776	19,260	25,170	27,840	40,780
16. First National City Bank	1,265,981	1,403,478	1,414,892	1,500,704	1,689,023	59,930	149,014	85,255	93,488	125,318
17. First United Bank	102,850	112,087	112,931	119,304	119,362	17,086	20,632	23,078	25,935	29,834
18. General Bank & Trust Co	216,554	282,726	322,965	360,673	464,705	23,612	28,180	31,268	48,988	81,617
19. Hongkong & Shanghai Banking Corp	284,182	216,987	261,463	317,123	312,273	16,378	17,882	18,882	20,900	30,400
20. Manila Banking Corp., The	295,032	430,346	439,556	476,870	585,269	40,978	160,241	137,850	152,480	192,098
21. Manufacturers Bank & Trust Co	95,278	89,486	90,078	94,892	96,947	1,654	1,154	674	644	644
22. Merchants Banking Corp. of the Phil	104,139	112,350	137,717	166,144	149,021	6,978	7,978	19,972	22,773	24,173
23. Metropolitan Bank & Trust Co.	241,024	320,180	373,100	450,336	454,957	91,324	121,088	146,387	119,221	140,398
24. Pacific Banking Corp.	393,209	414,357	423,201	471,714	531,478	55,877	65,912	67,252	93,953	82,079
25. Peoples Bank & Trust Co	207,879	222,868	242,843	271,208	272,038	30,445	46,415	57,018	76,440	62,961
26. Phil. Banking Corp., The	281,331	288,670	308,213	380,065	479,978	18,824	20,419	50,213	78,508	88,533
27. Phil. Bank of Commerce, The	189,421	241,303	246,856	260,180	276,142	95,109	75,495	81,407	82,685	80,315
28. Phil. Bank of Communications	263,003	294,908	305,573	348,719	367,536	14,022	14,022	16,882	24,882	25,382
29. Phil. Commercial & Industrial Bank	573,910	659,210	702,912	736,884	847,961	29,013	35,492	50,287	118,322	92,012
30. Philippine National Bank	2,976,114	2,504,593	2,661,321	3,101,725	3,711,454	661,683	753,191	961,561	1,277,546	1,511,167
31. Philippine Trust Co.	108,214	105,806	104,229	99,977	97,465	13,320	31,934	42,667	50,203	52,170
32. Philippine Veterans Bank	217,192	167,716	177,792	182,459	174,345	83,847	85,355	91,596	87,733	102,307
33. Producers Bank of the Phil	48,718	71,473	119,569	133,028	138,082	2,750	9,350	29,518	33,018	40,647
34. Progressive Commercial Bank	47,855	43,181	42,125	53,869	43,042	—	—	—	—	1,000
35. Prudential Bank	336,525	329,901	335,230	366,234	379,942	53,393	63,386	83,291	98,670	117,602
36. Republic Bank	158,118	155,541	154,736	144,670	141,121	8,795	8,795	6,135	6,135	6,135
37. Rizal Commercial Banking Corp.	412,762	435,093	552,088	569,157	597,548	111,742	173,126	184,738	237,968	235,963
38. Security Bank & Trust Co	249,654	248,011	246,865	276,165	282,996	52,995	44,080	69,981	67,132	78,552
39. Traders Commercial Bank, The	61,912	59,866	61,285	57,914	63,155	1,895	1,895	1,945	1,315	1,315
TOTALS	12,894,384	13,138,054	14,038,146	15,367,109	17,223,865	2,021,551	2,611,936	3,037,142	3,765,304	4,424,591

Table 10 (Cont'd.)

	CAPITAL ACCOUNTS				
	1972	1973			
	December	March	June	September	December
1. Associated Banking Corporation	21,753	21,991	22,325	22,262	30,559
2. Bank of America, NT & SA	—	—	—	—	—
3. Bank of Asia	22,185	24,695	26,444	32,952	33,627
4. Bank of the Philippine Islands	100,723	105,065	107,895	109,894	113,621
5. Chartered Bank, The	—	—	—	—	100,950
6. Chuna Banking Corporation	113,152	116,127	120,252	129,090	131,418
7. Citizens Bank & Trust Co.	25,375	25,800	26,255	27,085	27,089
8. Commercial Bank & Trust Co. of the Phil.	54,459	55,389	69,679	72,519	76,546
9. Consolidated Bank & Trust Corp.	59,184	62,916	65,073	69,615	76,687
10. Continental Bank	25,682	27,325	28,903	40,180	41,891
11. Equitable Banking Corp.	81,866	86,630	91,326	97,681	103,511
12. Far East Bank and Trust Co.	44,622	46,821	49,865	52,223	101,618
13. Feati Bank & Trust Co.	23,170	23,224	23,589	23,959	30,852
14. Filipinas Bank & Trust Co.	21,385	21,457	21,438	21,702	21,999
15. First Insular Bank of Cebu	21,406	22,120	22,979	24,236	25,500
16. First National City Bank	—	—	—	—	100,000
17. First United Bank	23,621	24,456	23,636	24,332	25,381
18. General Bank & Trust Co.	31,541	32,267	34,214	36,138	44,917
19. Hongkong & Shanghai Banking Corp.	1,000*	1,000*	1,000*	1,000*	1,000*
20. Manila Banking Corp., The	45,100	46,515	50,798	59,524	64,588
21. Manufacturers Bank & Trust Co.	23,559	23,269	21,296	22,046	23,124
22. Merchants Banking Corp. of the Phil.	25,827	26,606	27,502	28,492	29,347
23. Metropolitan Bank & Trust Co.	35,234	37,134	42,565	52,077	56,571
24. Pacific Banking Corp.	55,668	56,781	59,507	61,687	67,987
25. Peoples Bank & Trust Co.	30,570	31,969	33,530	34,453	36,049
26. Phil. Banking Corp., The	41,473	43,131	45,413	58,904	63,294
27. Phil. Bank of Commerce, The	33,336	34,090	35,053	36,729	36,716
28. Phil. Bank of Communications	44,253	45,240	45,856	46,303	49,183
29. Phil. Commercial & Industrial Bank	76,595	80,320	83,160	89,769	94,820
30. Philippine National Bank	432,189	517,115	533,200	741,648	747,869
31. Philippine Trust Co.	27,511	27,841	28,603	29,313	31,238
32. Philippine Veterans Bank	69,978	64,428	62,944	64,265	65,032
33. Producers Bank of the Phil.	13,083	14,016	21,944	23,719	39,139
34. Progressive Commercial Bank	23,011	22,901	23,155	23,812	23,977
35. Prudential Bank	50,558	51,877	54,383	57,628	60,522
36. Republic Bank	42,479	39,237	35,035	33,195	31,655
37. Rizal Commercial Banking Corp.	49,557	51,123	56,501	58,077	60,115
38. Security Bank & Trust Co.	46,765	47,240	48,701	50,250	53,027
39. Traders Commercial Bank, The	22,572	22,669	22,779	22,590	22,661
TOTALS	1,860,442	1,980,785	2,066,798	2,379,349	2,744,800

—Nil.

*Assigned capital.

Table 11. RANKINGS OF COMMERCIAL BANKS AS TO SELECTED ACCOUNTS
BY QUARTERS

	ASSETS					DEPOSITS					LOAN PORTFOLIO				
	Dec. 31, 1972	Mar. 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973	Dec. 31, 1972	Mar. 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973	Dec. 31, 1972	Mar. 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973
Philippine National Bank	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
First National City Bank	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
China Banking Corporation	3	4	4	4	5	5	7	8	10	8	3	4	4	4	5
Phil. Commercial & Industrial Bank	4	3	3	3	3	8	8	5	7	6	4	3	3	3	3
Rizal Commercial Banking Corporation	5	5	5	5	4	3	5	7	6	5	7	7	5	6	6
Equitable Banking Corporation	6	7	6	6	6	4	6	6	5	4	5	5	6	5	4
Bank of the Philippine Islands	7	6	8	8	11	7	4	4	4	7	6	6	7	7	10
Consolidated Bank	8	8	7	7	7	6	3	3	3	3	9	10	9	11	9
Pacific Banking Corp.	9	10	11	11	12	10	10	11	11	12	10	9	10	9	8
Prudential Bank and Trust Co.	10	13	15	14	14	9	9	10	8	9	11	12	15	14	16
Bank of America	11	12	13	16	17	16	15	15	16	17	8	11	11	16	14
Metropolitan Bank & Trust Co.	12	11	9	10	9	13	11	12	12	11	19	13	12	10	15
Far East Bank & Trust Co.	13	14	12	12	10	11	12	9	9	10	16	16	14	18	18
Commercial Bank & Trust Co.	14	15	14	13	13	15	14	13	14	14	13	14	13	12	12
Manila Banking Corp.	15	9	10	9	8	14	16	16	13	13	12	8	8	8	7
Security Bank & Trust Co.	16	18	18	19	13	18	17	18	18	19	18	19	20	20	20
Philippine Veterans Bank	17	22	22	24	25	17	19	19	21	21	20	24	24	24	26
Philippine Banking Corp.	18	19	16	15	15	20	20	20	17	16	15	17	17	13	11
Philippine Bank of Commerce	19	16	20	21	22	19	18	17	19	18	23	20	21	22	21
Peoples Bank & Trust Co.	20	21	21	20	21	12	13	14	15	15	22	21	22	21	22
Philippine Bank of Communications	21	20	19	18	18	23	23	24	24	23	17	15	18	17	17
Hongkong & Shanghai Banking Corp.	22	24	24	22	23	30	29	30	30	31	14	22	19	19	19
General Bank & Trust Co.	23	17	17	17	16	21	21	21	20	20	21	18	16	15	13
Republic Bank	24	23	26	25	27	22	24	23	25	24	24	25	28	29	29
Bank of Asia	25	27	29	27	24	26	27	28	29	28	26	26	26	23	23
First Insular Bank of Cebu	26	26	28	28	29	24	22	22	22	22	25	27	27	27	27
First United Bank	27	30	30	30	30	27	26	27	26	27	30	30	31	32	31
Chartered Bank, The	28	25	25	29	26	31	28	26	27	29	27	23	23	26	24
Citizens Bank & Trust Co.	29	32	32	32	33	35	34	34	34	34	31	33	35	33	34
Merchants Banking Corp.	30	29	27	26	28	25	25	25	23	25	29	29	29	28	28
Continental Bank	31	28	23	23	20	28	31	29	28	26	34	28	25	25	25
Manufacturers Bank & Trust Co.	32	34	37	37	36	32	32	32	33	33	33	36	36	37	37
Philippine Trust Co.	33	31	31	34	35	29	30	31	32	32	28	31	32	35	36
Feati Bank & Trust Co.	34	33	33	31	31	33	33	33	31	30	35	35	34	31	32
Associated Banking Corp.	35	35	35	36	34	36	36	36	36	35	32	32	33	34	33
Traders Commercial Bank	36	37	38	38	38	37	37	37	37	37	37	38	38	38	38
Filipinas Bank & Trust Co.	37	36	36	35	37	34	35	35	35	36	36	34	37	36	35
Progressive Commercial Bank	38	39	39	39	39	38	38	38	39	38	39	39	39	39	39
Producers Bank of the Philippines	39	38	34	33	32	39	39	39	38	39	38	37	30	30	30

Table 11 (Cont'd.)

	INVESTMENTS				CAPITAL ACCOUNTS							NO OF DEPOSIT ACCOUNTS			
	Dec. 31, 1972	Mar 31, 1973	June 30, 1973	Sept 30, 1973	Dec 31, 1973	Dec 31, 1972	Mar 31, 1973	June 30, 1973	Sept. 30, 1973	Dec 31, 1973	Dec. 31, 1972	Mar 31, 1973	June 30, 1973	Sept 30, 1973	Dec 31, 1973
Philippine National Bank	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
First National City Bank	9	4	2	13	8	—	—	—	—	7	10	11	15	16	16
China Banking Corporation	3	5	7	3	7	2	2	2	2	2	24	27	27	27	27
Phil. Commercial & Industrial Bank	19	19	3	7	14	5	5	5	5	8	3	3	3	3	3
Rizal Commercial Banking Corporation	2	2	4	2	3	11	11	10	12	16	22	22	23	22	21
Equitable Banking Corporation	6	9	11	10	11	4	4	4	4	4	18	21	21	23	23
Bank of the Philippine Islands	10	8	12	14	6	3	3	3	3	3	*	5	4	5	5
Consolidated Bank	8	7	8	8	12	7	7	7	7	9	15	17	16	15	15
Pacific Banking Corporation	11	12	17	12	16	8	8	9	9	11	17	18	19	19	20
Prudential Bank and Trust Co.	12	13	14	9	10	10	10	11	13	15	4	4	5	6	6
Bank of America	17	18	22	23	22	—	—	—	—	—	29	30	31	33	32
Metropolitan Bank & Trust Co.	5	6	5	6	5	18	18	17	15	17	19	19	18	18	19
Far East Bank & Trust Co	14	14	9	5	2	14	13	13	14	5	14	14	14	14	14
Commercial Bank & Trust Co	15	16	20	17	20	9	9	6	6	10	8	9	9	9	9
Manila Banking Corp	16	3	6	4	4	13	14	12	10	13	5	6	6	4	4
Security Bank & Trust Co.	13	17	16	20	19	12	12	14	16	18	16	16	17	17	17
Philippine Veterans Bank	7	10	10	15	13	6	6	8	8	12	11	12	11	11	12
Philippine Banking Corporation	22	24	19	18	15	17	16	15	11	14	12	13	12	12	13
Philippine Bank of Commerce	4	11	15	16	18	19	19	18	19	23	9	10	10	10	11
Peoples Bank & Trust Co	18	15	18	19	21	21	21	21	21	24	6	7	7	7	7
Philippine Bank of Communications	27	28	32	30	31	15	15	15	17	19	33	35	34	35	35
Hongkong & Shanghai Banking Corp	24	26	30	32	29	36	36	35	36	38	32	33	33	31	30
General Bank & Trust Co	20	22	23	22	17	20	20	20	20	20	13	15	13	13	10
Republic Bank	32	33	34	35	35	16	17	19	22	26	2	2	2	2	2
Bank of Asia	21	31	31	25	24	31	26	25	23	25	35	36	36	36	33
First Insular Bank of Cebu	25	25	26	26	26	33	32	29	28	32	7	8	8	8	8
First United Bank	23	23	28	28	28	26	27	27	27	33	26	25	25	25	25
Chartered Bank, The	26	27	33	33	33	—	—	—	—	6	34	34	35	34	34
Citizens Bank & Trust Co.	30	30	27	29	30	25	25	26	26	31	23	24	24	20	18
Merchants Banking Corp.	33	34	29	31	32	23	24	24	25	30	27	28	28	28	28
Continental Bank	31	21	13	11	9	24	23	22	18	21	20	20	20	21	22
Manufacturers Bank & Trust Co.	37	37	38	38	39	27	28	34	34	35	21	23	22	24	24
Philippine Trust Co.	28	20	21	21	25	22	22	23	24	27	31	31	30	30	29
Feat Bank & Trust Co.	29	29	25	27	23	28	29	28	20	28	26	26	26	26	26
Associated Banking Corp	34	35	36	36	36	32	33	31	33	29	37	38	38	37	37
Traders Commercial Bank	36	36	37	37	37	30	31	30	32	36	28	29	29	29	36
Filipinas Bank & Trust Co.	38	38	35	34	34	34	34	33	35	37	36	37	37	38	38
Progressive Commercial Bank	—	—	—	—	38	29	30	29	30	34	30	32	32	32	31
Producers Bank of the Philippines	35	32	24	24	27	35	35	32	31	22	38	39	39	39	39

Table 12. QUARTERLY GROWTH OF THE NUMBER OF DEPOSIT ACCOUNTS
OF COMMERCIAL BANKS

	Dec. 31, 1972	March 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973
1. Associated Banking Corp.	10,864	11,239	11,622	12,901	13,942
2. Bank of America, NT & SA	30,832	30,550	29,048	27,909	26,863
3. Bank of Asia	22,694	23,740	24,254	25,288	26,804
4. Bank of the Philippine Islands	*	172,431	184,188	183,244	193,566
5. Chartered Bank, The	24,821	25,437	25,202	25,520	26,070
6. China Banking Corporation	39,749	35,881	36,813	37,457	38,028
7. Citizens Bank & Trust Co.	41,925	41,904	42,507	60,521	74,863
8. Commercial Bank & Trust Co. of the Philippines	105,429	109,371	114,780	121,259	130,321
9. Consolidated Bank & Trust Corp., The	69,119	68,924	75,523	82,183	90,122
10. Continental Bank	48,941	53,412	55,459	57,226	54,807
11. Equitable Banking Corp.	51,934	51,394	50,782	51,135	52,156
12. Far East Bank & Trust Co.	72,703	77,662	81,571	87,259	94,301
13. Feati Bank & Trust Co.	37,350	37,970	38,254	40,590	47,310
14. Filipinas Bank & Trust Co.	11,097	11,768	12,108	12,495	13,433
15. First Insular Bank of Cebu	116,022	111,596	124,380	130,858	138,777
16. First National City Bank	87,966	88,058	79,033	79,033	79,787
17. First United Bank	36,639	38,970	40,855	44,644	49,534
18. General Bank & Trust Co.	73,665	76,612	83,514	93,133	112,284
19. Hongkong & Shanghai Banking Corp., The	26,392	27,553	28,470	29,254	30,509
20. Manila Banking Corporation, The	144,794	149,875	158,076	197,328	247,187
21. Manufacturers Bank & Trust Co.	44,852	45,650	47,027	47,027	50,790
22. Merchants Banking Corp. of the Phil.	33,549	35,325	35,296	37,139	33,988
23. Metropolitan Bank & Trust Co.	51,533	54,740	59,708	65,190	73,615
24. Pacific Banking Corporation	57,841	59,390	58,658	63,105	70,639
25. Peoples Bank & Trust Co.	135,392	138,223	143,865	152,893	159,023
26. Philippine Banking Corp., The	80,601	84,616	87,979	94,421	99,534
27. Philippine Bank of Commerce, The	98,408	101,005	104,331	106,749	108,914
28. Philippine Bank of Communications	25,278	25,407	25,660	25,504	25,546
29. Philippine Commercial & Industrial Bank	257,494	269,552	281,737	304,443	354,065
30. Philippine National Bank	1,162,678	1,137,496	1,248,048	1,398,333	1,643,318
31. Philippine Trust Company	27,636	30,015	29,739	29,793	30,919
32. Philippine Veterans Bank	85,165	86,922	90,431	96,897	102,480
33. Producers Bank of the Philippines	2,373	2,514	2,680	2,879	3,012
34. Progressive Commercial Bank	28,189	28,336	28,697	29,146	29,774
35. Prudential Bank	171,973	173,474	174,899	180,728	186,432
36. Republic Bank	389,615	369,256	375,493	388,802	400,044
37. Rizal Commercial Banking Corp.	42,694	47,753	43,965	52,552	55,806
38. Security Bank & Trust Co.	68,122	69,088	70,056	72,489	75,604
39. Traders Commercial Bank	32,325	33,462	35,223	36,866	23,402
TOTALS	3,848,654	4,036,571	4,239,931	4,584,193	5,067,569

*Data not available.

Table 13. STATEMENT OF CONDITION OF SAVINGS AND MORTGAGE BANKS
BY QUARTERS

(Thousand Pesos)

ASSETS	Dec. 31, 1972	March 31, 1973	June 30, 1973	Sept. 30, 1973	Dec 31, 1973
C a s h	20,646	17,686	22,843	21,872	26,352
Checks and other cash items	7,654	4,980	4,747	7,619	10,322
Due from Central Bank of the Philippines	4,384	3,717	6,434	9,622	5,574
Due from other banks here and abroad	36,106	48,873	29,989	61,944	55,640
Loan portfolio (Net)	522,363	505,042	495,876	451,418	498,186
Investments in bonds and other securities	132,557	222,261	260,096	304,857	321,106
Due from head offices, branches and agencies here and abroad	—	—	—	—	—
Bank premises, furniture and equipment	27,611	34,012	34,040	34,286	38,138
Other property owned or acquired	22,382	17,551	17,152	16,154	14,976
Other assets	31,032	31,016	35,553	36,455	33,556
Total Assets	804,735	885,138	906,730	944,227	1,003,850
LIABILITIES & CAPITAL ACCOUNTS					
LIABILITIES					
Deposits	651,474	696,174	728,913	789,000	819,091
Due to head offices, branches and agencies here and abroad	—	—	—	—	—
Cashiers', managers' and certified checks	—	—	—	—	—
Outstanding acceptances executed by or for account of banks	—	—	—	—	—
Bill payable	32,175	56,840	36,956	15,101	44,551
Marginal deposits on letters of credit	—	—	—	—	—
Other liabilities	11,290	18,566	21,463	19,048	15,500
Unearned income and other deferred credits	12,629	12,177	16,086	15,753	13,083
Total Liabilities	707,568	783,757	803,418	838,902	892,225
CAPITAL ACCOUNTS					
Capital stock	72,272	75,859	76,890	80,450	80,480
Assigned capital	—	—	—	—	—
Surplus	13,593	11,596	11,021	12,030	14,645
Surplus reserves	4,239	5,591	5,524	5,005	5,899
Undivided profits	7,063	8,335	9,877	7,840	10,601
Total Capital Accounts	97,167	101,381	103,312	105,325	111,625
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	804,735	885,138	906,730	944,227	1,003,850

Table 14. CONSOLIDATED EARNINGS AND EXPENSES OF SAVINGS AND MORTGAGE BANKS
For the Year Ended December 31, 1973
(With Comparative Figures for December 31, 1972)

(Thousand Pesos)

	1973	1972	Increase (Decrease)	
			Amount	Per Cent
A. Current Operating Earnings				
Interest and discount on loans and advances	60,617	61,190	(573)	(0.9)
Interest on investment securities	20,563	18,421	2,142	11.6
Commissions, fees, service and collection charges	4,047	3,069	978	31.9
Foreign exchange profits	113	10	103	1,030.0
Trust Department earnings	44	—	44	—
Other current operating earnings	10,751	7,095	3,656	51.5
Total Current Operating Earnings	96,135	89,785	6,350	7.1
B. Deduct: Current Operating Expenses				
Salaries and wages	8,000	7,445	555	7.4
Bonuses and overtime pay	2,555	1,931	624	32.3
Allowances	2,377	1,883	494	26.2
Interest on deposits	44,268	41,656	2,612	6.3
Interest and discount on money borrowed	2,543	3,547	(1,004)	(28.3)
Taxes (other than income taxes)	4,646	4,284	362	8.4
Foreign exchange losses	68	6	62	1,033.3
Depreciation on bank premises, furniture and equipment	3,632	3,739	(107)	(2.86)
Other current operating expenses	15,977	13,987	1,990	14.2
Total Current Operating Expenses	84,066	78,478	5,588	7.1
C. Net Current Operating Earnings (Losses)	12,069	11,307	762	6.7
D. Add: Recoveries, Reductions in Valuation Reserves and Profits	1,039	373	666	178.6
E. Total	13,108	11,680	1,428	12.2
F. Deduct: Losses, Charge-offs and Additions to Valuation Reserves	16	19	(3)	(15.8)
G. Net Earnings (Losses) Before Income Tax	13,092	11,661	1,431	12.3
H. Provisions for Income Tax	537	731	(194)	26.5
I. Net Earnings (Losses) After Income Tax	12,555	10,930	1,625	14.9

Table 15. QUARTERLY BALANCES OF SELECTED ACCOUNTS OF SAVINGS & MORTGAGE BANKS

(Thousand Pesos)

	ASSETS					DEPOSITS					LOAN PORTFOLIO				
	1973					1973					1973				
	December	March	June	September	December	December	March	June	September	December	December	March	June	September	December
1 Acme SB	5,196	5,332	6,309	6,325	6,704	1,406	1,604	2,602	2,596	3,063	3,699	3,581	3,686	4,209	4,339
2 Banco Filipino S & MB	414,734	441,907	459,156	467,851	487,382	340,617	367,208	381,663	410,932	425,131	288,217	261,592	280,783	235,524	241,799
3 Bank of Calape	1,006	1,031	1,072	1,121	1,178	471	489	527	590	635	832	926	913	928	1,039
4 Family SB	45,083	72,787	73,958	78,483	114,587	33,127	40,098	46,065	54,198	61,372	12,228	17,451	15,303	17,745	17,920
5 Home SB	34,265	35,423	36,078	38,218	37,870	23,513	25,572	26,696	29,843	30,770	20,222	19,773	19,428	19,600	17,788
6 Monte de Piedad & SB	91,594	92,423	94,124	98,819	98,810	77,234	77,558	79,568	84,412	84,340	77,659	76,719	76,126	78,111	78,254
7 Philippine SB	188,215	210,991	210,392	226,278	230,473	162,660	170,752	178,626	191,734	199,622	103,033	109,125	85,198	81,512	122,888
8 San Antonio SB	3,807	3,708	3,680	3,805	4,025	397	434	417	572	796	3,402	3,277	3,061	3,012	3,086
9 Savings Bank of Manila	11,629	12,125	12,820	14,258	14,038	8,781	9,106	9,404	10,368	9,833	8,423	8,399	8,237	7,974	7,869
10 Union SB	9,206	9,411	9,141	9,069	8,783	3,268	3,353	3,345	3,755	3,529	4,648	4,199	3,141	2,803	3,203
TOTALS	804,735	885,138	906,730	944,227	1,003,850	651,474	696,174	728,913	789,000	819,091	522,363	505,042	495,876	451,418	498,185

	INVESTMENTS					CAPITAL ACCOUNTS				
	1973					1973				
	December	March	June	September	December	December	March	June	September	December
1 Acme SB	100	300	300	700	700	3,738	3,807	3,720	3,669	3,584
2 Banco Filipino S & MB	67,479	111,523	122,773	146,541	161,505	35,504	35,761	36,516	38,270	43,553
3 Bank of Calape	9	9	9	9	9	515	531	515	523	536
4 Family SB	26,314	45,984	47,620	46,800	84,550	7,312	10,948	11,530	11,716	11,975
5 Home SB	4,289	4,934	5,414	5,634	7,344	6,012	5,836	5,773	5,814	6,047
6 Monte de Piedad & SB	7,346	9,052	8,802	9,234	10,402	13,008	13,308	13,559	13,456	13,665
7 Philippine SB	22,660	44,520	68,139	87,681	47,826	21,040	20,989	21,386	21,589	21,959
8 San Antonio SB	—	—	—	173	200	3,002	3,057	3,090	3,036	3,010
9 Savings Bank of Manila	1,560	2,239	2,889	4,435	4,070	2,640	2,687	2,721	2,732	2,809
10 Union SB	2,800	3,700	4,150	3,650	4,500	4,396	4,457	4,502	4,520	4,517
TOTALS	132,557	222,261	260,096	304,857	321,106	96,167	101,381	103,312	105,325	111,645

— Nil

Table 16. RANKINGS OF SAVINGS AND MORTGAGE BANKS AS TO SELECTED ACCOUNTS
BY QUARTERS

	ASSETS					DEPOSITS					LOAN PORTFOLIO				
	Dec. 31, 1972	Mar. 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973	Dec. 31, 1972	Mar. 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973	Dec. 31, 1972	Mar. 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973
Banco Filipino Savings & Mortgage Bank	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Philippine Savings Bank	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Monte de Piedad & Savings Bank	3	3	3	3	4	3	3	3	3	3	3	3	3	3	3
Family Savings Bank	4	4	4	4	3	4	4	4	4	4	5	5	5	5	5
Home Savings Bank	5	5	5	5	5	5	5	5	5	5	4	4	4	4	5
Savings Bank of Manila	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Union Savings Bank	7	7	7	7	7	7	7	7	8	7	7	7	8	9	8
Acme Savings Bank	8	8	8	8	8	8	8	8	9	8	8	8	7	7	7
San Antonio Savings Bank	9	9	9	9	9	10	10	10	7	9	9	9	9	8	9
Bank of Calape	10	10	10	10	10	9	9	9	10	10	10	10	10	10	10

	INVESTMENTS					CAPITAL ACCOUNTS					NO. OF DEPOSIT ACCOUNTS				
	Dec. 31, 1972	Mar. 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973	Dec. 31, 1972	Mar. 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973	Dec. 31, 1972	Mar. 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973
Banco Filipino Savings & Mortgage Bank	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Philippine Savings Bank	3	3	2	2	3	2	2	2	2	2	2	2	2	2	2
Monte de Piedad & Savings Bank	4	4	4	4	4	5	3	3	3	3	3	6	6	5	6
Family Savings Bank	2	2	3	3	2	3	4	4	4	4	4	4	4	4	4
Home Savings Bank	5	5	5	5	5	4	5	5	5	5	5	3	3	3	3
Savings Bank of Manila	7	7	7	6	7	6	9	9	9	9	9	5	5	6	5
Union Savings Bank	6	6	6	7	6	8	6	6	6	6	6	8	8	8	8
Acme Savings Bank	8	8	8	8	8	7	7	7	7	7	7	7	7	7	7
San Antonio Savings Bank	—	—	—	9	9	9	8	8	8	8	8	9	9	9	9
Bank of Calape	9	9	10	10	10	10	10	10	7	10	10	10	10	10	10

Table 17. QUARTERLY GROWTH OF THE NUMBER OF DEPOSIT ACCOUNTS
OF SAVINGS AND MORTGAGE BANKS

	Dec. 31, 1972	March 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973
1. Acme Savings Bank	26,262	27,884	29,311	30,881	32,137
2. Banco Filipino Savings & Mortgage Bank	1,065,004	1,108,409	1,141,994	1,196,532	1,247,413
3. Bank of Calape	1,429	1,462	1,553	1,649	1,757
4. Family Savings Bank	101,031	119,360	137,513	164,504	200,077
5. Home Savings Bank	165,194	171,167	175,317	183,249	189,222
6. Monte de Piedad & Savings Bank	53,035	53,296	53,462	54,467	55,677
7. Philippine Savings Bank	959,405	858,493	727,286	623,941	600,903
8. San Antonio Savings Bank	12,767	13,653	14,038	9,280	9,971
9. Savings Bank of Manila	90,213	80,294	62,894	58,950	46,777
10. Union Savings Bank	18,804	19,163	19,456	19,923	20,286
TOTALS	2,493,144	2,453,181	2,362,824	2,343,376	2,404,220

Table 18. STATEMENT OF CONDITION OF DEVELOPMENT BANKS*
BY QUARTERS

(Thousand Pesos)

ASSETS	Dec. 31, 1972**	March 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973
Cash	6,758	7,025	8,107	8,530	9,043
Checks and other cash items	1,925	6,307	3,690	4,733	9,697
Due from Central Bank of the Philippines	42,955	45,136	54,119	25,085	23,393
Due from other banks here and abroad	81,093	82,159	63,439	98,582	79,470
Loan portfolio (Net)	3,253,722	3,370,641	3,512,810	3,599,946	3,684,498
Investments in bonds and other securities	790,200	694,820	630,858	800,685	780,604
Due from head offices, branches and agencies here and abroad	—	—	3	—	—
Bank premises, furniture and equipment	58,529	59,647	60,940	62,527	66,549
Other property owned or acquired	162,366	182,466	188,874	193,650	203,183
Other assets	207,672	230,684	271,667	312,152	339,208
Total Assets	<u>4,605,220</u>	<u>4,678,885</u>	<u>4,794,507</u>	<u>5,105,890</u>	<u>5,195,644</u>
LIABILITIES & CAPITAL ACCOUNTS					
LIABILITIES					
Deposits	536,150	548,929	554,593	774,860	785,541
Due to head offices, branches and agencies here and abroad	—	387	—	—	—
Cashiers', managers' and certified checks	28	231	37	76	27
Outstanding acceptances by or for account of banks	—	—	—	—	—
Bills payable	2,903,600	2,904,128	2,141,155	2,124,850	2,212,353
Other liabilities	522,062	561,837	124,163	177,934	154,540
Unearned income and other deferred credits	42,748	44,506	44,562	45,649	50,478
Total Liabilities	<u>4,004,588</u>	<u>4,060,018</u>	<u>2,864,510</u>	<u>3,123,369</u>	<u>3,202,939</u>
CAPITAL ACCOUNTS					
Capital stock	459,370	471,670	1,766,984	1,775,491	1,777,605
Surplus	117,215	118,001	145,346	145,136	146,416
Surplus reserves	12,049	12,502	12,689	13,901	15,166
Undivided profits	11,998	16,694	4,978	47,993	53,518
Total Capital Accounts	<u>600,632</u>	<u>618,867</u>	<u>1,929,997</u>	<u>1,982,521</u>	<u>1,992,705</u>
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	<u>4,605,220</u>	<u>4,678,885</u>	<u>4,794,507</u>	<u>5,105,890</u>	<u>5,195,644</u>

*Includes the Development Bank of the Philippines.

**Excludes the Davao DB which did not submit financial statements for December 31, 1972

Table 19. CONSOLIDATED EARNINGS AND EXPENSES OF DEVELOPMENT BANKS*
For the Year Ended December 31, 1973
(With Comparative Figures for December 31, 1972)

(Thousand Pesos)

	1973**	1972	Increase (Decrease)	
			Amount	Per Cent
A. Current Operating Earnings				
Interest and discount on loans and advances	251,005	209,578	41,427	19.8
Interest on investment securities	25,608	14,828	10,780	72.7
Commissions, fees, service and collection charges	43,854	54,882	(11,028)	20.1
Foreign exchange profits	7,204	5,759	1,445	25.1
Trust Department earnings	—	—	—	—
Other current operating earnings	79,697	17,172	62,525	364.1
Total Current Operating Earnings	407,368	302,219	105,149	34.8
B. Deduct: Current Operating Expenses				
Salaries and wages	34,042	36,569	(2,527)	(6.9)
Bonuses and overtime pay	3,420	6,691	(3,271)	(48.9)
Allowances	3,609	3,484	125	3.6
Interest on deposits	40,238	26,736	13,502	50.5
Interest and discount on money borrowed	197,725	181,017	16,708	9.2
Taxes (other than income taxes)	1,506	221	1,285	581.4
Foreign exchange losses	10,138	4,859	5,279	108.6
Depreciation on bank premises, furniture and equipment	3,287	3,365	(78)	2.3
Other current operating expenses	22,001	18,769	3,232	17.2
Total Current Operating Expenses	315,966	281,711	34,255	12.2
C. Net Current Operating Earnings (Losses)	91,402	20,508	70,894	345.7
D. Add: Recoveries, Reductions in Valuation Reserves and Profits	1,216	4,468	(3,252)	(72.8)
E. Total	92,618	24,976	67,642	270.8
F. Deduct: Losses, Charge-offs and Additions to Valuation Reserves	1,177	2,038	(861)	(42.2)
G. Net Earnings (Losses) Before Income Tax	91,441	22,938	68,503	298.6
H. Provisions for Income Tax	10,440	4,066	6,374	156.8
I. Net Earnings (Losses) After Income Tax	81,001	18,872	62,129	329.2

*Includes the DBP.

**Excludes Second Bulacan DB and Second Pampanga DB which did not submit financial statements.

Table 20. QUARTERLY BALANCES OF SELECTED ACCOUNTS OF DEVELOPMENT BANKS

(Thousand Pesos)

	ASSETS					DEPOSITS					LOAN PORTFOLIOS				
	1972	1973				1972	1973				1972	1973			
	December	March	June	September	December	December	March	June	September	December	December	March	June	September	December
1 Agro-Industrial DB	12,175	12,575	12,361	17,232	17,753	6,269	6,692	7,748	12,493	12,939	8,689	8,826	8,778	9,001	9,466
2 Albay DB	1,227	1,654	1,735	1,770	2,008	235	289	370	412	429	1,028	1,243	1,389	1,528	1,716
3 Bacolod City DB	5,932	5,898	5,659	5,643	5,844	2,134	2,190	2,107	2,144	2,305	4,661	4,309	4,383	4,448	4,425
4 Baguio-Mt. Province DB	1,606	1,651	1,950	2,110	2,145	114	138	234	254	324	1,286	1,530	1,735	1,869	2,003
5 Banco Cebuano	4,621	4,457	4,503	4,537	6,032	2,158	2,131	2,155	2,148	3,338	3,629	3,382	3,131	3,260	3,835
6 Banco Bisaya	3,578	3,694	3,761	3,833	3,779	2,146	2,276	2,420	2,570	2,546	3,073	3,175	3,264	3,023	2,791
7 Batangas DB	3,337	3,839	4,132	4,178	3,856	1,216	1,731	1,974	1,998	1,661	2,856	2,765	2,546	2,650	2,937
8 Batangas Capitol DB	2,363	2,386	2,512	2,530	2,541	463	551	656	738	732	1,853	1,942	1,986	2,054	2,150
9 Bulacan DB	6,867	7,785	9,441	11,190	11,338	4,269	5,089	6,751	8,452	8,081	5,447	5,801	5,811	6,336	7,208
10 Cabanatuan City DB	2,145	2,198	2,266	2,289	2,337	405	451	508	503	528	1,817	1,823	1,830	1,888	1,953
11 Capitol City DB	6,674	6,873	6,807	7,292	8,054	3,952	3,982	3,887	4,263	4,921	4,872	4,895	4,353	4,322	4,782
12 Cavite City DB	16,601	17,166	17,731	18,828	18,756	10,894	11,587	12,278	13,481	13,624	13,332	13,505	13,741	13,703	13,671
13 Danao City DB	3,719	3,899	4,122	4,616	4,893	1,151	1,332	1,343	1,713	1,808	3,218	3,321	3,532	4,461	3,974
14 Davao City DB	*	5,645	5,914	6,433	7,039	*	2,021	2,197	2,646	3,145	*	4,317	4,503	3,638	5,000
15 DB of Ilocos Sur	1,250	1,252	1,345	1,431	1,430	169	178	252	229	228	797	994	988	962	1,101
16 DB of Rizal	10,084	9,973	10,177	10,638	10,592	2,102	1,907	2,110	2,583	2,754	7,935	7,684	7,567	7,865	8,066
17 Iloilo City DB	5,123	5,879	6,643	5,959	6,402	1,332	1,778	2,526	2,100	2,552	4,473	4,664	5,110	5,368	5,659
18 La Union DB	3,114	3,066	3,252	3,323	3,172	1,030	964	1,150	1,277	1,117	2,311	2,240	2,378	2,357	2,453
19 Laguna DB	11,318	12,000	13,919	13,448	14,272	5,584	6,405	8,214	7,879	8,416	8,749	8,762	8,944	9,494	10,208
20 Lipa City DB	7,776	7,731	7,829	8,149	8,196	1,166	1,192	1,236	1,542	1,730	7,000	6,970	6,767	6,695	6,881
21 Pangasinan DB	1,510	1,635	1,709	1,661	1,628	193	307	239	214	231	1,347	1,348	1,291	1,402	1,398
22 Pasay City DB	12,741	13,485	14,244	15,018	15,434	5,441	5,742	6,258	6,699	6,740	10,651	11,039	11,755	12,470	13,179
23 Quezon DB	10,899	11,034	10,879	11,105	11,475	5,243	5,379	5,241	5,736	6,408	9,037	8,977	8,626	8,679	9,167
24 Quezon City DB	9,304	9,583	9,666	10,203	10,160	2,787	3,065	3,204	3,689	3,789	7,674	7,640	7,625	7,548	7,758
25 San Pablo City DB	2,246	2,341	2,294	2,398	2,456	845	837	852	929	965	1,775	1,822	1,832	1,839	1,856
26 Second Bulacan DB	15,519	16,433	16,878	19,230	19,928	10,784	11,902	12,470	15,035	15,861	12,460	12,375	12,591	13,518	15,208
27 Second Laguna DB	10,946	11,860	13,281	12,782	13,416	7,495	8,213	8,588	9,301	9,992	9,535	10,364	10,654	10,999	11,672
28 Second Pampanga DB	5,933	5,963	5,732	5,527	5,686	2,798	2,760	2,549	2,398	2,393	4,762	4,809	4,811	4,922	4,740
29 Tarlac DB	1,664	1,661	1,586	1,575	1,576	254	254	245	238	248	1,082	997	1,014	986	934
30 Third Rizal DB	7,335	7,297	7,180	7,192	7,183	4,269	4,313	4,205	4,226	3,959	5,378	5,364	5,137	5,006	4,933
31 Zambales DB	6,514	7,168	7,482	7,360	7,420	3,536	4,060	4,161	4,355	4,187	8,849	5,678	6,092	6,040	6,025
32 DBP	4,411,099	4,470,804	4,577,517	4,876,411	4,958,843	445,716	449,213	446,465	652,616	657,590	3,098,146	3,208,080	3,348,646	3,431,615	3,507,349
TOTALS	4,605,220	4,678,885	4,794,507	5,105,891	5,195,644	536,150	548,929	554,593	774,861	785,541	3,253,722	3,370,641	3,512,810	3,599,946	3,684,498

Nil

*Data not available

Table 20. QUARTERLY BALANCES OF SELECTED ACCOUNTS OF DEVELOPMENT BANKS

(Thousand Pesos)

	INVESTMENTS					CAPITAL ACCOUNTS				
	1972					1973				
	December	March	June	September	December	December	March	June	September	December
1. Agro-Industrial DB	330	370	450	4,502	4,100	3,419	3,050	2,950	2,985	2,907
2. Albay DB	—	—	—	—	—	979	987	1,005	1,016	1,023
3. Bacolod City DB	116	116	116	116	116	2,761	2,829	2,794	2,624	2,687
4. Baguio-Mt. Province DB	10	10	10	10	10	1,024	1,040	1,056	1,052	1,056
5. Banco Cebuano	100	100	100	100	150	1,490	1,506	1,423	1,420	1,509
6. Banco Bisaya	—	—	—	99	399	1,010	1,022	1,010	1,017	1,022
7. Batangas DB	20	20	20	20	20	2,098	2,097	2,148	2,176	2,191
8. Batangas Capital DB	20	20	20	40	40	1,025	1,030	1,040	1,037	1,053
9. Bulacan DB	200	200	350	500	2,829	1,047	1,135	1,232	1,262	1,378
10. Cabanatuan City DB	7	7	7	7	7	1,656	1,657	1,646	1,664	1,632
11. Capitol City DB	760	810	1,214	1,626	1,928	1,682	1,650	1,625	1,625	1,637
12. Cavite City DB	200	200	200	200	200	3,339	3,327	3,365	3,367	3,363
13. Danao City DB	60	60	60	100	100	1,519	1,565	1,569	1,634	1,629
14. Davao City DB	*	235	235	235	235	*	2,362	2,255	2,470	2,693
15. DB of Ilocos Sur	—	—	—	—	—	1,028	1,031	1,048	1,067	1,067
16. DB of Rizal	220	220	220	220	220	4,983	5,005	5,100	5,108	5,162
17. Iloilo City DB	100	100	100	200	100	3,010	3,121	3,174	3,037	3,076
18. La Union DB	325	325	325	325	325	1,396	1,404	1,424	1,347	1,347
19. Laguna DB	380	950	1,100	650	650	3,326	3,359	3,452	3,556	3,581
20. Lipa City DB	80	80	80	80	80	5,054	4,953	4,972	4,990	4,934
21. Pangasinan DB	—	—	—	—	—	981	989	1,001	1,024	1,023
22. Pasay City DB	680	719	745	810	810	4,649	4,798	4,898	4,971	5,055
23. Quezon DB	80	80	80	80	80	2,669	2,699	2,613	2,624	2,620
24. Quezon City DB	70	70	120	270	270	4,203	4,184	4,233	4,192	4,233
25. San Pablo City DB	104	96	47	146	147	1,165	1,237	1,212	1,245	1,278
26. Second Bulacan DB	713	1,513	1,633	2,833	1,763	2,701	2,724	2,725	2,797	2,819
27. Second Laguna DB	530	550	550	600	690	1,698	1,819	2,886	1,809	1,825
28. Second Pampanga DB	130	130	130	130	130	2,075	2,105	2,125	2,120	2,106
29. Tarlac DB	25	25	25	25	25	1,155	1,158	1,143	1,137	1,127
30. Third Rizal DB	—	—	—	—	—	1,224	1,116	993	943	1,149
31. Zambales DB	220	220	220	222	222	2,332	2,410	2,567	2,441	2,471
32. DBP	784,720	687,594	622,701	786,639	764,958	533,934	549,498	1,859,313	1,912,763	1,922,052
TOTALS	790,200	694,820	630,858	800,685	780,604	600,632	618,867	1,929,996	1,982,520	1,992,705

— Nil

*Data not available.

Table 21. RANKINGS OF PRIVATE DEVELOPMENT BANKS AS TO SELECTED ACCOUNTS
BY QUARTERS

	ASSETS					DEPOSITS					LOAN PORTFOLIO				
	Dec. 31, 1972	Mar. 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973	Dec. 31, 1972	Mar. 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973	Dec. 31, 1972	Mar. 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973
Cavite DB	1	1	1	2	2	1	2	2	2	2	1	1	1	1	2
Second Bulacan DB	2	2	2	1	1	2	1	1	1	1	2	2	2	2	1
Pasay City DB	3	3	3	4	4	6	6	7	7	7	3	3	3	3	3
Agro-Industrial DB	4	4	6	3	3	4	4	5	3	3	7	6	6	6	6
Laguna DB	5	5	4	5	5	5	5	4	6	5	6	7	5	5	5
Second Laguna DB	6	6	5	6	6	3	3	3	4	4	4	4	4	4	4
Quezon DB	7	7	7	8	7	7	7	8	8	8	5	5	7	7	7
DB of Rizal	8	8	8	9	9	16	18	18	14	15	8	8	9	8	8
Quezon City DB	9	9	9	10	10	12	12	12	12	12	9	9	8	9	9
Lipa City DB	10	11	11	11	11	19	22	22	22	21	10	10	10	10	11
Third Rizal DB	11	12	13	14	14	8	9	9	11	11	12	13	13	14	15
Bulacan DB	12	10	10	7	8	8	8	6	5	6	11	11	12	11	10
Capitol City DB	13	14	14	13	12	9	11	11	10	9	13	14	18	18	16
Zambales DB	14	13	12	12	13	10	10	10	9	10	14	12	11	12	12
Second Pampanga DB	15	15	17	18	19	11	13	13	16	18	15	15	15	15	17
Bacolod City DB	16	16	18	17	18	15	15	19	18	19	16	18	17	17	18
Iloilo City DB	17	17	15	16	16	17	19	14	19	16	17	16	14	13	13
Banco Cebuano	18	19	19	20	17	13	16	17	17	13	18	19	21	20	20
Danao City DB	19	20	21	19	20	20	21	21	21	20	19	20	19	16	19
Banco Bisaya	20	22	22	22	22	14	14	15	15	17	20	21	20	21	22
Batangas DB	21	21	20	21	21	18	20	20	20	22	21	22	22	22	21
La Union DB	22	23	23	23	23	21	23	23	23	23	22	23	23	23	23
Batangas Capitol DB	23	24	24	24	24	23	25	25	25	25	23	24	24	24	24
San Pablo City DB	24	25	25	25	25	22	24	24	24	24	25	26	25	27	27
Cabanatuan City DB	25	26	26	26	26	24	26	26	26	26	24	25	26	25	26
Tarlac DB	26	27	30	30	30	25	29	29	29	29	28	30	30	30	31
Baguio-Mt. Province DB	27	29	27	27	27	29	31	31	28	28	27	27	27	26	25
Pangasinan DB	28	30	29	29	29	27	27	30	31	30	26	28	29	29	29
DB of Ilocos Sur	29	31	31	31	31	28	30	28	30	31	30	31	31	31	30
Albay DB	30	28	28	28	28	30	28	27	27	27	29	29	28	28	28
Davao City DB	*	18	16	15	15	*	17	16	13	14	*	17	16	19	14

*Data not available.

Table 21. PATRIOTISMS OF PRIVATE DEVELOPMENT BANKS AS TO SELECTED ACCOUNTS

	INVESTMENTS					CAPITAL ACCOUNTS					NO. OF DEPOSIT ACCOUNTS				
	Dec. 31, 1972	Mar. 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973	Dec. 31, 1972	Mar. 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973	Dec. 31, 1972	Mar. 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973
... DB	2	10	11	13	14	6	6	6	6	6	1	1	1	1	2
... Bulacan DB	2	1	1	2	4	10	10	11	9	9	3	3	4	*	5
... City DB	3	4	4	4	5	3	3	3	3	2	*	12	12	11	12
... Agro-Industrial DB	6	6	6	1	1	5	8	8	8	8	7	7	7	7	10
... Laguna DB	5	2	3	5	7	7	5	5	5	5	6	6	6	5	6
... Second Laguna DB	4	5	5	6	6	15	16	9	15	16	2	2	2	2	1
... Quezon DB	11	15	16	19	20	11	11	12	10	12	4	5	5	6	7
... DB of Rizal	8	9	10	12	13	2	1	1	1	1	14	16	16	15	16
... Quezon City DB	15	16	13	9	10	4	4	4	4	4	13	15	15	14	15
... Upa City DB	14	15	16	20	20	1	2	2	2	3	16	19	19	18	19
... Third Rizal DB	-	-	-	-	-	21	25	31	30	24	23	25	26	24	26
... Bulacan DB	9	10	7	7	2	24	24	22	21	21	5	4	3	3	3
... Capitol City DB	1	3	2	3	3	16	18	18	18	17	11	10	10	4	4
... Tambales DB	8	9	10	11	12	12	12	13	12	13	9	9	9	9	8
... Second Pampanga DB	10	11	12	15	17	14	14	16	14	15	12	14	14	13	14
... Oscod City DB	11	12	14	16	18	9	9	10	10	11	16	18	18	17	18
... Dailo City DB	13	13	15	17	19	8	7	7	7	7	20	22	24	19	20
... Banco Celibano	13	13	15	17	15	19	20	21	19	20	10	11	11	10	11
... City DB	16	17	17	17	19	18	19	19	17	19	24	27	27	26	28
... DB	-	-	-	19	8	28	29	28	28	30	8	8	8	8	9
... DB	15	19	20	23	23	13	15	15	13	14	19	21	21	20	22
... DB	7	7	8	8	9	20	21	20	20	22	21	26	25	23	25
... Batangas Capitol DB	18	20	20	21	21	24	28	27	26	28	15	17	17	16	17
... San Pablo City DB	12	14	18	14	16	22	22	23	22	23	25	29	29	28	30
... Cabanatuan City DB	20	22	22	25	25	17	17	17	16	18	18	20	20	*	21
... Iarlag DB	17	18	19	22	22	23	23	24	23	25	21	23	23	21	23
... Baguio-Mt. Province	19	21	21	24	24	27	26	25	25	27	27	28	28	25	27
... Pangasinan DB	-	-	-	-	-	29	30	30	27	29	22	24	24	22	24
... DB of Hues (Luzon) DB	-	-	-	-	-	25	27	26	24	26	28	31	31	29	31
... Alboy DB	-	-	-	-	-	30	31	29	29	29	27	30	30	27	29
... Davao City DB	*	8	9	10	11	1	13	14	11	10	*	13	13	12	13

* Data not available

Table 22. QUARTERLY GROWTH OF THE NUMBER OF DEPOSIT ACCOUNTS OF DEVELOPMENT BANKS

	Dec. 31, 1972	March 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973
1. Agro-Industrial DB	14,856	15,045	14,963	15,220	15,334
2. Albay DB	598	644	684	730	755
3. Bacolod City DB	2,760	3,282	3,347	3,404	3,509
4. Baguio-Mt. Province DB	654	783	864	972	1,061
5. Banco Visaya - Dev. Bank of the South	12,882	13,631	14,204	14,960	15,556
6. Banco Cebuano - Cebu City Dev. Bank	10,258	10,586	10,722	11,448	11,881
7. Batangas DB	1,567	1,569	1,585	1,641	1,644
8. Batangas Capitol DB	3,050	3,391	3,592	3,756	4,096
9. Bulacan DB	16,127	17,763	21,703	23,320	26,009
10. Cabanatuan City DB	2,105	2,081	2,177	2,177	2,135
11. Capitol City DB	10,139	10,823	11,604	21,808	23,316
12. Cavite DB	24,143	25,611	26,359	27,525	28,657
13. Danao City DB	891	918	933	947	1,052
14. Davao City DB	*	9,097	9,356	9,683	10,139
15. Development Bank of Ilocos Sur	337	327	330	331	333
16. Development Bank of Rizal	4,396	4,420	4,464	4,922	5,317
17. Iloilo City DB	1,442	1,503	1,570	1,767	2,658
18. La Union DB	1,131	1,164	1,194	1,238	1,271
19. Laguna DB	15,221	16,541	17,299	18,132	19,112
20. Lipa City DB	2,409	2,443	2,468	2,508	2,521
21. Pangasinan DB	1,196	1,236	1,259	1,290	1,367
22. Pasay City DB	*	9,307	9,512	10,466	11,007
23. Quezon DB	16,380	16,950	17,110	17,829	18,294
24. Quezon City DB	5,141	5,193	5,235	5,509	5,987
25. San Pablo City DB	703	700	708	717	720
26. Second Bulacan DB	16,931	17,813	18,306	18,806	19,179
27. Second Laguna DB	22,966	24,256	25,120	26,347	27,791
28. Second Pampanga DB	8,162	8,483	8,580	8,619	8,862
29. Tarlac DB	1,296	1,357	1,396	1,418	1,438
30. Third Rizal DB	1,186	1,185	1,162	1,175	1,151
31. Zambales DB	11,933	12,852	13,596	14,505	15,920
32. Development Bank of the Philippines	22,795	23,164	23,290	23,318	24,277
TOTALS	233,656	264,120	275,663	296,488	311,964

*Data not available.

Table 23. NUMBER AND GEOGRAPHICAL DISTRIBUTION OF STOCK SAVINGS & LOAN ASSOCIATIONS

Year	Total	Greater Manila Area	Northern Luzon	Central Luzon	Southern Luzon	Bicol Region	Western Visayas	Eastern Visayas	Southern Mindanao	Subtotal Mindanao
1972	35	17	-	1	1	1	-	2	1	1
1973	35	17	-	1	1	-	-	2	1	1

SOURCE: F. Dela Cruz, Department of Rural Banks and Savings and Loan Associations, 1973.

Table 24. STATEMENT OF CONDITION OF STOCK SAVINGS AND LOAN ASSOCIATIONS
BY QUARTERS

(Thousand Pesos)

ASSETS	Dec 31, 1972	March 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973
Cash on hand	1,888	1,759	2,548	2,752	3,013
Checks and other cash items	1,084	1,709	1,329	1,553	1,464
Due from banks	4,889	4,831	5,469	8,600	6,788
Loans, discounts and advances	69,965	75,614	78,848	91,859	99,617
Investments in securities	7,904	8,819	9,966	9,992	13,431
Other investments	10,329	11,811	8,850	12,402	9,118
Due from Central Bank of the Philippines	649	733	759	980	1,109
Accounts receivables	309	359	480	458	524
Deferred charges	605	619	751	917	929
Building or office premises (Net)	389	603	847	1,404	1,097
Leasehold improvements (Net)	416	584	531	665	929
Furniture, fixture and equipment (Net)	1,641	1,978	1,998	2,299	2,586
Assets acquired in settlement of loans	630	699	859	987	1,050
Other assets	872	1,127	2,541	1,433	4,295*
Total Assets	101,570	111,246	115,777	136,301	145,950
LIABILITIES AND NETWORK					
LIABILITIES					
Deposits	64,673	72,402	74,857	92,658	100,578
Borrowings	1,089	1,110	1,120	1,225	1,310
Accounts payable	562	782	637	674	684
Accrued expenses	415	514	236	347	674
Unearned interest and discounts	2,725	3,403	3,698	4,630	4,452
Other deferred credits	279	50	42	33	25
Other liabilities	1,236	1,266	1,680	1,065	1,408**
Total Liabilities	70,979	79,527	82,271	100,632	109,131
NETWORK					
Paid-up capital stock	29,433	31,256	32,839	34,630	33,428
Withdrawable share reserves	153	178	177	97	2,084
Surplus	75	49	(13)	(53)	214
Surplus reserves	(157)	(31)	2	204	2
Reserves for probable losses	64	—	—	—	—
Undivided profits	1,023	267	501	790	1,091
Total Network	30,591	31,719	33,506	35,668	36,819
TOTAL LIABILITIES AND NETWORK	101,570	111,246	115,777	136,301	145,950

NOTE Items will not add exactly to totals because of rounding.

*Includes due from branches.

**Includes due to branches

Table 25. CONSOLIDATED STATEMENT OF EARNINGS AND EXPENSES
OF STOCK SAVINGS AND LOAN ASSOCIATIONS
December 31, 1973

(Thousand Pesos)

GROSS INCOME

Interest on:	
Agricultural loans	873
Industrial loans	145
Commercial loans	3,962
Real estate loans	3,386
Consumption loans	2,757
Interest on bank deposits	354
Interest/dividends on investments	2,874
Fees and other charges	1,098
Other earnings	1,878
Total	<u>17,327</u>

OPERATING EXPENSES

Salaries	3,763
Per diems, allowances, etc.	961
Meeting and election expenses	20
Interest on deposit liabilities	5,056
Interest on borrowings	182
Taxes	254
Organization expenses	91
Stationery and supplies	526
Bond/insurance premiums	262
Postage, telephone and telegraph	109
Rent	706
Light and water	270
Depreciation	661
Other operating expenses	2,750
Total	<u>15,611</u>

NET OPERATING PROFIT

1,716

SOURCE OF BASIC DATA: Department of Rural Banks and Savings & Loan Associations, CBP.

Table 26, QUARTERLY BALANCES OF SELECTED ACCOUNTS OF STOCK SAVINGS & LOAN ASSOCIATIONS

(Thousand Pesos)

	ASSETS					DEPOSITS					LOANS AND DISCOUNTS				
	1972	1973				1972	1973				1972	1973			
	December	March	June	September	December	December	March	June	September	December	December	March	June	September	December
1 Bahintawak SLA	2,061	2,202	2,256	2,370	2,277	942	1,080	1,132	1,254	1,146	1,829	1,643	1,728	1,631	2,046
2 Beneficial SLA	926	934	998	1,029	1,095	323	338	396	437	497	629	612	624	755	824
3 Bicol SLA	966	1,100	1,208**	1,734	1,906	300	308	407**	671	826	659	720	818**	1,153	1,219
4 Bulacan SLA	1,533	1,636	1,904**	2,241	2,322	1,027	1,124	1,369**	1,707	1,784	404	435	599**	539	667
5 Capital SLA	*	2,203	2,289	2,261	2,338	*	1,099	1,110	1,113	1,109	—	1,700	1,661	1,649	1,676
6 Cebu City SLA	7,377	7,587	7,809	8,098	8,771	4,038	4,334	4,563	4,759	5,111	5,606	5,650	6,152	6,170	6,313
7 Central SLA	2,384	2,527	2,634	2,757	2,909	1,347	1,492	1,524	1,619	1,734	1,669	1,873	2,054	2,054	2,232
8 Daily SLA	4,022	4,285	4,097	4,059	4,407	2,006	2,161	1,958	1,880	2,202	3,406	3,832	3,474	3,459	3,505
9 Davao SLA	3,794	3,937	3,889	4,359	5,008***	2,570	2,545	2,620	3,285	3,857***	3,036	3,058	2,907	3,231	3,940***
10 Domestic SLA	*	1,657	1,969**	2,638	2,969***	*	791	1,070**	1,664	1,962***	—	1,177	1,417**	1,937	2,342***
11 First Cavite SLA	3,530	3,605	3,765	4,159	4,350	2,499	2,546	2,708	3,093	3,308	1,982	1,908	1,939	1,883	1,649
12 First Iigan SLA	1,403	1,494	1,508	1,918	2,829	754	858	904	1,068	1,570	652	747	795	910	1,251
13 First Malabon SLA	1,271	1,449	1,489	1,423	1,443	363	436	482	507	526	1,148	1,214	1,187	1,187	1,222
14 First Pampanga SLA	7,022	7,827	8,337	10,003	11,613	5,330	5,914	6,042	7,394	8,792	5,185	6,134	7,063	8,357	8,006
15 First SLA	2,970	3,056	3,147	3,115	3,243	1,927	2,016	2,079	2,064	2,161	2,111	2,014	2,228	2,374	2,241
16 First Zambales SLA	2,954	3,257	3,370	3,548	3,465	2,037	2,312	2,400	2,551	2,462	1,912	2,137	2,385	2,667	2,866
17 Guagua SLA	2,981	3,226	3,440**	4,498	4,809	2,120	2,352	2,520**	3,351	3,630	2,560	2,664	3,094**	3,666	3,943
18 Homeowners SLA	2,522	2,925	3,242	4,007	4,758	1,207	1,544	1,923	2,550	3,228	1,822	1,912	2,171	2,553	3,121
19 Integrated SLA	2,023	2,126	2,146	3,403	3,756	911	1,052	1,061	2,276	2,614	1,069	1,144	1,284	1,742	2,073
20 Lemery SLA	1,965	2,107	2,264**	2,592	2,706	875	971	1,028**	1,340	1,394	1,271	1,535	1,723**	1,786	2,097
21 Life SLA	6,650	6,678	6,732	6,911	7,000	5,243	5,361	5,437	5,580	5,663	6,076	5,939	5,876	6,144	6,143
22 Lipa Public SLA	2,359	2,565	2,722**	3,302	3,525	1,247	1,403	1,567**	2,123	2,334	1,956	2,051	2,76**	2,261	2,773
23 Mankina Life SLA	2,744	2,703	2,637	2,656	2,654	2,089	2,072	2,035	2,055	2,075	2,396	2,350	2,302	2,294	2,329
24 Mercantile SLA	2,234	2,302	2,486	2,706	3,118	1,801	1,918	2,081	2,317	2,678	1,836	1,750	1,847	1,920	2,157
25 Nafion SLA	3,309	2,312	3,612	3,790	4,149	1,430	1,443	1,752	1,859	2,191	1,257	1,228	1,569	1,973	2,290
26 Nueva Ecija SLA	1,071	1,172	1,250	1,304	1,292	502	600	711	770	768	680	641	578	642	681
27 Orient SLA	841	848	866	1,055	1,384	245	257	286	456	795	624	577	606	700	804
28 Pasay City SLA	1,896	1,886	1,932	2,089	2,312	849	811	843	980	1,200	1,457	1,487	1,509	1,666	1,712
29 Perpetual SLA	2,400	2,647	3,112	3,667	4,052	1,596	1,825	2,254	2,745	3,131	2,055	2,108	2,379	3,045	3,319
30 Pioneer SLA	2,369	2,408	2,717	2,620	2,507	1,250	1,288	1,538	1,484	1,529	1,495	1,575	1,797	1,791	1,668
31 Royal SLA	10,068	11,859	12,937	16,872	16,581	8,324	9,753	10,605	13,766	13,274	3,310	3,781	4,825	5,721	7,497
32 Secured SLA	3,551	3,874	3,857	4,758	4,970	2,262	2,551	2,402	3,206	3,362	2,005	1,948	2,297	2,726	3,046
33 Tarlac SLA	5,609	5,698	3,657	8,457	9,295	4,125	4,367	2,343	6,666	6,348	4,625	4,924	2,535	7,248	7,855
34 Taytay SLA	2,208	2,242	2,465	2,687	2,995	1,449	1,451	1,603	1,857	2,167	1,424	1,445	1,542	1,468	1,530
35 Unity SLA	2,563	2,908	3,025	3,210	31,142	1,685	2,029	2,103	2,211	2,148	1,819	1,697	1,705	2,197	2,569
TOTALS	101,570	111,246	115,777	136,301	145,950	64,673	72,402	74,857	92,658	100,578	69,965	75,614	78,848	91,859	99,617

NOTE: Items will not add exactly to totals because of rounding

*Data not available

**As of May 31, 1973

***As of November 30, 1973.

Table 26. QUARTERLY BALANCES OF SELECTED ACCOUNTS OF STOCK SAVINGS & LOAN ASSOCIATIONS

(Thousand Pesos)

	INVESTMENTS IN SECURITIES					NETWORTH				
	1972	1973				1972	1973			
	December	March	June	September	December	December	March	June	September	December
1. Balintawak SLA	30	50	50	50	50	1,031	1,033	1,037	1,037	1,042
2. Beneficial SLA	14	39	18	48	28	551	548	546	546	548
3. Bicol SLA	125	157	99**	131	139	607	732	739**	986	1,019
4. Bulacan SLA	40	50	998**	1,250	1,173	500	498	500**	506	501
5. Capital SLA	*	56	56	56	56	*	798	785	766	733
6. Cebu City SLA	460	560	210	460	1,030	1,986	1,871	1,926	1,978	2,241
7. Central SLA	48	—	48	48	—	932	867	897	906	978
8. Daily SLA	107	107	107	102	102	1,736	1,790	1,816	1,874	1,907
9. Davao SLA	119	109	60	114	135	731	874	900	910	932***
10. Domestic SLA	*	44	47**	87	97***	*	767	783**	820	829***
11. First Cavite SLA	937	1,086	1,405	320	1,630	882	918	935	953	940
12. First Iligan SLA	50	50	346	576	50	548	513	498	726	790
13. First Malabon SLA	22	125	129	30	25	862	864	867	871	873
14. First Pampanga SLA	1,076	1,068	504	464	1,540	1,315	1,374	1,459	1,674	2,149
15. First SLA	337	528	525	237	445	983	975	982	979	999
16. First Zambales SLA	96	116	116	119	224	768	774	779	776	793
17. Guagua SLA	110	110	120**	170	200	787	786	802**	1,060	1,060
18. Homeowners SLA	85	85	85	357	250	1,136	1,190	1,185	1,293	1,305
19. Integrated SLA	548	673	553	690	970	1,020	1,015	1,024	1,030	1,036
20. Lemery SLA	400	50	400**	540	70	1,044	1,049	1,132**	1,141	1,172
21. Life SLA	130	230	250	250	250	1,249	1,260	1,246	1,243	1,257
22. Lipa Public SLA	57	59	59**	55	59	985	1,042	1,056	1,072	1,047
23. Marikina Life SLA	110	110	100	100	100	585	574	553	543	530
24. Mercantile SLA	230	180	103	261	289	378	347	358	340	391
25. Nation SLA	303	400	80	89	192	1,840	824	1,818	1,836	1,846
26. Nueva Ecija SLA	268	28	345	35	37	527	532	511	502	506
27. Orient SLA	145	78	153	23	43	562	567	555	552	540
28. Pasay City SLA	42	42	41	46	58	540	445	450	443	444
29. Perpetual SLA	—	86	107	136	156	758	758	766	768	761
30. Pioneer SLA	239	64	64	64	59	905	910	911	909	926
31. Royal SLA	420	546	716	1,001	1,320	1,385	1,574	1,698	2,565	2,618
32. Secured SLA	612	1,114	1,108	989	1,346	1,113	1,111	1,164	1,185	1,224
33. Tarlac SLA	195	210	113	322	350	984	1,028	1,238	1,280	1,267
34. Taytay SLA	472	517	759	680	851	672	720	776	764	774
35. Unity SLA	77	92	92	92	107	779	790	813	831	839
TOTALS	7,904	8,819	9,966	9,992	13,431	30,591	31,719	33,506	35,668	36,819

Table 27. RANKINGS OF SAVINGS AND LOAN ASSOCIATIONS AS TO SELECTED ACCOUNTS
BY QUARTERS

	ASSETS					DEPOSITS					LOAN & DISCOUNTS				
	Dec. 31, 1972	Mar. 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973	Dec. 31, 1973	Mar. 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973	Dec. 31, 1972	Mar. 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973
Royal SLA	1	1	1	1	1	1	1	1	1	1	6	6	4	5	3
Cebu City SLA	2	3	3	4	4	5	5	4	5	5	2	3	2	3	4
First Pampanga SLA	3	2	2	2	2	2	2	2	2	2	3	1	1	1	1
Life SLA	4	4	4	5	5	3	3	3	4	4	1	2	3	4	5
Tarlac SLA	5	5	9	3	3	4	4	10	3	3	4	4	8	2	2
Daily SLA	6	6	5	10	9	12	11	16	19	15	5	5	5	7	7
Davao SLA	7	7	6	8	*	6	8	6	7	*	7	7	7	8	*
Secured SLA	8	8	7	6	6	8	6	9	8	7	12	14	12	10	8
First Cavite SLA	9	9	8	9	10	7	7	5	9	8	13	16	17	21	25
Nation SLA	10	20	10	12	11	18	20	18	20	16	25	26	24	18	15
Guagua SLA	11	11	11	7	7	9	9	7	6	6	8	8	6	6	6
First SLA	12	12	14	18	16	13	14	14	17	18	10	13	13	14	16
First Zambales SLA	13	10	12	14	15	11	10	8	11	13	15	10	9	11	11
Marikina Life SLA	14	15	19	22	23	10	12	15	18	20	9	9	11	15	14
Unity SLA	15	14	16	17	17	15	13	12	15	19	19	20	22	16	13
Homeowners SLA	16	13	13	11	8	22	17	17	12	9	18	15	15	13	10
Perpetual SLA	17	16	15	13	12	16	16	11	10	10	11	11	10	9	8
Central SLA	18	18	20	19	20	19	18	22	24	22	20	17	16	17	18
Pioneer SLA	19	19	18	24	24	20	22	21	25	24	21	22	19	22	24
Lipa Public SLA	20	17	17	16	14	21	21	20	16	14	14	12	14	12	12
Mercantile SLA	21	21	21	20	18	14	15	13	13	11	16	18	18	20	17
Taytay SLA	22	22	22	21	19	17	19	19	21	17	23	25	25	28	26
Balintawak SLA	20	24	25	26	28	24	25	24	27	27	17	21	23	27	21
Integrated SLA	24	25	26	15	13	25	26	27	14	12	27	29	28	24	20
Lemery SLA	25	26	24	25	22	26	27	28	26	25	24	23	21	23	19
Pasay City	26	27	28	29	27	27	29	30	30	26	22	24	26	25	23
Bulacan SLA	27	29	29	28	26	23	23	23	22	21	33	35	34	35	33
First Iligan SLA	28	30	30	30	21	28	28	29	29	23	30	30	31	31	29
First Malabon SLA	29	31	31	32	30	30	32	32	33	32	26	28	29	29	27
Nueva Ecija SLA	30	32	32	33	32	29	31	31	31	31	28	32	35	34	32
Bicol SLA	31	33	33	31	29	32	34	33	32	29	29	31	30	30	28
Beneficial SLA	32	34	34	35	33	31	33	34	35	33	31	33	32	32	30
Orient SLA	33	35	35	34	31	33	35	35	34	30	32	34	33	33	31
Capital SLA	*	23	23	27	25	*	24	25	28	28	*	19	23	26	22
Domestic SLA*	*	28	27	23	*	*	30	26	23	*	*	27	27	19	*

*Data not available

SOURCE OF BASIC DATA: Statements of Condition of SLA's.

Table 27. RANKINGS OF SAVINGS AND LOAN ASSOCIATIONS AS TO SELECTED ACCOUNTS

	INVESTMENTS					CAPITAL ACCOUNTS					NO. OF DEPOSIT ACCOUNTS				
	Dec. 31, 1972	Mar. 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973	Dec. 31, 1972	Mar. 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973	Dec. 31, 1972	Mar. 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973
Royal SLA	7	6	5	2	4	4	3	4	1	1	2	2	2	1	1
Cebu City SLA	6	5	13	9	6	1	1	1	2	2	3	3	4	4	4
First Pampanga SLA	1	3	8	8	2	5	4	5	5	3	5	4	3	3	3
Life SLA	15	10	12	14	12	6	5	6	8	8	6	6	7	7	9
Tarlac SLA	13	11	18	11	10	13	11	7	7	7	7	11	6	6	7
Daily SLA	19	18	19	21	19	3	2	3	3	4	*	22	23	24	24
Davao SLA	17	17	27	20	-	23	16	17	18	*	1	1	1	2	2
Secured SLA	3	1	2	3	3	8	7	9	9	9	10	8	10	8	8
First Cavite SLA	2	2	1	12	1	17	14	15	17	18	19	21	22	22	23
Nation SLA	10	9	25	24	15	2	19	2	4	5	20	20	21	21	22
Guagua SLA	18	16	16	16	14	19	22	21	12	11	24	26	26	23	17
First SLA	9	7	7	15	9	14	13	14	16	16	9	10	11	13	14
First Zambales SLA	20	15	17	19	13	21	23	24	24	22	17	19	17	17	18
Marikina Life SLA	18	16	21	22	20	26	28	29	31	29	4	5	5	5	5
Unity SLA	22	19	23	23	18	20	21	20	22	21	22	25	24	25	26
Homeowners SLA	21	21	24	10	12	7	6	8	6	6	12	12	12	12	13
Perpetual SLA	-	20	19	17	16	22	25	26	25	25	18	18	15	15	16
Central SLA	25	-	31	30	*	15	17	18	20	17	16	17	18	18	20
Pioneer SLA	12	23	26	26	22	16	15	16	19	19	14	15	19	20	21
Lipe Public SLA	23	24	28	28	22	12	9	11	11	12	25	29	29	30	30
Mercantile SLA	13	12	20	13	11	33	35	35	35	33	13	13	13	11	10
Taytay SLA	5	8	4	5	8	24	27	25	27	24	26	28	28	26	25
Balintawak SLA	28	26	30	29	25	10	10	12	13	13	23	27	27	27	27
Integrated SLA	4	4	6	4	7	11	12	13	14	14	29	32	32	33	33
Lemery SLA	8	26	9	7	21	9	8	10	10	10	31	35	35	35	34
Pasay City SLA	26	29	33	31	23	32	34	34	34	32	8	7	9	10	11
Bulacan SLA	27	27	3	1	5	31	33	32	32	31	21	23	20	19	19
First Iligan SLA	24	26	10	6	25	29	32	33	28	23	11	9	8	9	6
First Malabon SLA	29	14	15	33	29	18	18	19	21	20	27	30	30	29	23
Nueva Ecija SLA	11	31	11	32	27	30	31	31	31	30	*	14	14	14	15
Bicol SLA	16	13	22	18	17	25	26	27	15	15	15	16	16	16	12
Beneficial SLA	30	30	34	30	28	28	30	30	30	27	28	31	31	31	32
Orient SLA	14	22	14	34	26	27	29	28	29	28	30	33	33	32	31
Capital SLA	*	25	29	27	24	*	20	22	26	26	*	24	25	28	28
Domestic SLA	*	28	32	25	*	*	24	23	23	*	*	34	34	34	-

*Data not available.

Table 28. QUARTERLY GROWTH OF THE NUMBER OF DEPOSIT ACCOUNTS
OF SAVINGS & LOAN ASSOCIATIONS

	Dec. 31, 1972	March 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973
1. Balintawak SLA	5,069	5,037	5,439	5,753	6,110
2. Beneficial SLA	3,147	3,572	4,031	4,467	4,721
3. Bicol SLA	7,670	8,114	8,690 ²	10,69	13,265
4. Bulacan SLA	5,293	5,917	7,588	8,479	9,352
5. Capital SLA	1	5,556	5,617	5,695	5,758
6. Cebu City SLA	25,041	25,537	25,897	26,528	28,672
7. Central SLA	7,449	7,857	8,230	8,492	8,756
8. Daily SLA	1	5,691	6,067	6,522	6,945
9. Davao SLA	28,666	32,009	33,734	36,393	39,630
10. Domestic SLA	1	1,761	2,217	2,885	4,200 ⁴
11. First SLA	11,835	11,919	12,014	12,161	12,524
12. First Cavite SLA	5,718	5,996	6,227	6,459	7,859
13. First Iligan SLA	10,484	12,350	13,890	15,642	24,430
14. First Malabon SLA	3,413	3,879	4,294	4,731	5,145
15. First Pampanga SLA	23,133	25,109	27,070	29,336	33,897
16. First Zambales SLA	7,143	7,676	8,356	9,059	9,592
17. Guagua SLA	4,752	5,208	5,500	6,767	10,516
18. Homeowners SLA	10,340	11,197	11,898	12,761	13,245
19. Integrated SLA	2,730	2,855	3,106	3,518	3,642
20. Lemery SLA	1,119	1,502	1,648	2,123	3,020
21. Life SLA	17,207	16,905	17,305	17,970	18,291
22. Lipa Public SLA	4,068	4,196	4,360	4,645	5,090
23. Marikina Life SLA	23,274	24,001	24,801	25,865	26,623
24. Mercantile SLA	10,139	10,512	11,372	13,237	14,339
25. Nation SLA	5,666	6,367	7,103	7,735	8,167
26. Nueva Ecija SLA	1	9,058	9,319	11,305	12,235
27. Orient SLA	2,445	2,494	3,142	4,167	4,971
28. Pasay City SLA	12,886	13,019	13,307	13,694	14,310
29. Perpetual SLA	6,874	7,710	8,762	10,655	11,923
30. Pioneer SLA	8,111	8,162	8,168	8,147	8,184
31. Royal SLA	25,950	30,017	33,018	39,796	48,115
32. Secured SLA	11,487	12,947	12,947 ³	17,594	20,495
33. Tarlac SLA	15,225	11,215	18,846	20,897	23,029
34. Taytay SLA	3,954	4,672	5,253	5,896	6,779
35. Unity SLA	5,211	5,530	5,714	6,010	6,309
TOTALS	315,499	355,547	384,930	426,979	480,139

¹Data not available.

²As of May 31, 1973.

³As of March 31, 1973.

⁴As of November 30, 1973.

Table 29. QUARTERLY GROWTH OF AND CHANGES IN THE NUMBER OF
RURAL BANKS BY REGION

	CHANGES									
	1972					1973				
	Dec.	Mar.	June	Sept.	Dec.	Dec. '72 Mar. '73	Mar. '73 June '73	June '73 Sept. '73	Sept. '73 Dec. '73	Dec. '73
Luzon	397	399	403	408	415	2	4	5	7	18
Visayas	122	123	128	129	131	1	5	1	2	9 *
Mindanao	72	74	78	80	82	2	4	2	2	10
TOTALS	591	596	609	617	628	5	13	8	11	37

SOURCE OF BASIC DATA: Department of Rural Banks and Savings & Loan Associations, CBP.

Table 30. COMPARATIVE STATEMENT OF CONDITION OF RURAL BANKS
December 31, 1973 and December 31, 1972

(Million Pesos)

	December 31, 1973	December 31, 1972	Increase (Decrease)	
			Amount	Per Cent
* RESOURCES				
<u>Loan Investments</u>				
Agricultural loans	825.2	573.0	252.2	44.01%
Commercial loans	32.6	24.6	8.0	32.52
Industrial loans	12.9	12.9	—	—
Commodity loans	0.2	2.2	(2.0)	(90.91)
Other loans and advances	6.7	10.6	(3.9)	(36.79)
Past due loans	174.5	143.2	31.3	21.86
Loans in litigation	18.3	16.2	2.1	12.96
Total	1,070.4	782.7	287.7	36.76
Less: Reserve for Bad Debts	14.6	12.9	1.7	13.18
Net Loan Investments	1,055.8	769.8	286.0	37.15
<u>Cash & Due from Banks</u>				
Cash on hand	32.9	22.8	10.1	44.30
Checks and other cash items	5.6	4.2	1.4	33.33
Due from Central Bank of the Philippines	15.3	11.0	4.3	39.09
Due from other banks	137.4	75.6	61.8	81.75
Total	191.2	113.6	77.6	68.31
<u>Other Assets</u>				
Investment in bonds	32.8	26.0	6.8	26.15
Preferred stock redemption fund securities	17.8	9.7	8.1	83.50
Bank premises (Net)	15.8	14.3	1.5	10.49
Furniture & fixtures	6.5	5.4	1.1	20.37
Transportation equipment	3.4	2.5	0.9	36.00
Stationery & supplies	1.6	0.8	0.8	100.00
Leasehold improvements	1.0	0.7	0.3	42.86
Assets acquired in settlement of loans	35.1	28.4	6.7	23.59
Accounts receivable	5.3	4.8	0.5	10.42
Other assets	16.3	6.2	10.1	161.29
Total	135.6	98.8	36.8	37.25
TOTAL RESOURCES	1,382.6	982.2	400.4	40.76

<u>LIABILITIES AND NETWORTH</u>	December 31,	December 31,	<u>Increase (Decrease)</u>	
	1 9 7 3	1 9 7 2	Amount	Per Cent
<u>Liabilities</u>				
Deposit liabilities	439.0	322.5	116.5	36.12
Special savings deposits	40.7	7.0	33.7	481.43
Special time deposits	161.1	97.1	64.0	65.91
Due to banks	2.6	2.6	—	—
Cashier's checks	0.4	1.4	(1.0)	(71.43)
Bills payable	326.2	194.6	131.6	67.62
Loans payable	58.9	39.9	19.0	47.62
Unearned interest and discounts	22.3	20.8	1.5	7.21
Other liabilities	8.7	8.4	0.3	3.57
Total	<u>1,059.9</u>	<u>694.3</u>	<u>365.6</u>	<u>52.66</u>
<u>Networth</u>				
Capital stock — common	131.0	120.3	10.7	8.89
Capital stock — preferred	89.7	76.7	13.0	16.95
Surplus	26.4	22.4	4.0	17.86
Undivided profits	25.8	22.3	3.5	15.70
Reserve for retirement of preferred shares	47.2	43.6	3.6	8.26
Reserve for contingencies	2.6	2.6	—	—
Total	<u>322.7</u>	<u>287.9</u>	<u>34.8</u>	<u>12.09</u>
TOTAL LIABILITIES AND NETWORTH	<u><u>1,382.6</u></u>	<u><u>982.2</u></u>	<u><u>400.4</u></u>	<u><u>40.76</u></u>

SOURCE OF BASIC DATA: Department of Rural Banks and Savings & Loan Associations, CBP.

Table 31. CONSOLIDATED STATEMENT OF INCOME AND EXPENSES OF RURAL BANKS
December 31, 1973 and December 31, 1972

(Million Pesos)

	December 31, 1973	December 31, 1972	Increase (Decrease)	
			Amount	Per Cent
<u>INCOME</u>				
Interest on loans:				
Agricultural loans	74.1	67.2	6.9	10.27
Commercial loans	3.7	3.2	0.5	15.62
Industrial loans	1.7	1.5	0.2	13.33
ACA-guaranteed commodity loans	—	0.2	(0.2)	(100.00)
Other loans and advances	5.5	1.2	4.3	358.33
Interest on bond investments	2.9	1.6	1.3	81.25
Commission	0.4	0.5	(0.1)	(20.00)
Other earnings	13.0	8.6	4.4	51.16
Total Earnings	101.3	84.0	17.3	20.60
<u>EXPENSES</u>				
Salaries	21.5	18.5	3.0	16.22
Interest on:				
Deposit liabilities	17.8	15.8	2.0	12.66
Special savings and time deposits	4.1	2.1	2.0	95.24
Bills and loans payable	6.3	4.4	1.9	43.18
Depreciation	3.3	2.2	1.1	50.00
Traveling expenses	2.1	2.0	0.1	5.00
Stationery and supplies	2.4	1.2	1.2	100.00
Rent	0.9	0.7	0.2	28.57
Light and water	0.5	0.4	0.1	25.00
Guarantee fee: AGLF	—	0.3	(0.3)	100.00
Bad debts expenses	0.1	0.2	(0.1)	(50.00)
Other expenses	18.1	14.0	4.1	29.28
Total Expenses	77.1	61.8	15.3	24.76
NET INCOME	24.2	22.2	2.0	9.01

SOURCE OF BASIC DATA: Department of Rural Banks and Savings & Loan Associations, CBP.

APPENDIX

LIST OF MEMBER BANKS

Philippine Deposit Insurance Corporation
LIST OF MEMBER BANKS
As of December 31, 1973

<i>Name of Bank</i>	<i>Date Opened</i>	<i>Location of Head Office</i>
COMMERCIAL BANKS		
1. Associated Banking Corporation	Feb. 8, 1965	ABC Bldg., 252 Escolta, Manila
2. Bank of America, NT & SA	April 15, 1947	Doña Narcisa Bldg., 8751 Paseo de Roxas, Makati, Rizal
3. Bank of Asia	Oct. 16, 1963	Roxas Blvd., corner Padre Faura St., Manila
4. Bank of the Philippine Islands	March 11, 1946 ¹	150 Plaza Cervantes, corner Juan Luna St., Manila
5. Chartered Bank, The	July 23, 1945 ¹	7901 Makati Ave., Makati, Rizal
6. China Banking Corporation	July 23, 1945 ¹	Dasmariñas corner Juan Luna St., Mla.
7. Citizens Bank & Trust Co.	Oct. 4, 1962	411 Rosario St., Binondo, Manila ²
8. Commercial Bank & Trust Co. of the Philippines	Sept. 20, 1954	CBTC Bldg., Ayala Ave., Makati, Rizal
9. Consolidated Bank & Trust Corporation, The	July 22, 1963	Solidbank Bldg., Dasmariñas corner Binondo, Manila
10. Continental Bank	April 17, 1963	434 Rosario St., Binondo, Manila
11. Equitable Banking Corporation	Sept. 27, 1950	EBC Bldg., 262-268 Juan Luna St., Mla.
12. Far East Bank & Trust Co.	April 4, 1960	Far East Bank Bldg., Intramuros, Mla.
13. Feati Bank & Trust Co.	Nov. 7, 1961	Digna Bldg., Dasmariñas corner David St., Manila
14. Filipinas Bank & Trust Co.	Oct. 5, 1964	Ground Floor, Makati Stock Exchange Bldg., Ayala Ave., Makati, Rizal
15. First Insular Bank of Cebu	Jan. 23, 1961	Corner P. Burgos and M. C. Briones Sts., Cebu City
16. First National City Bank	June 28, 1945 ¹	Ayala Bldg., Juan Luna, Manila
17. First United Bank	May 16, 1963	Samanillo Bldg., Escolta, Manila
18. General Bank & Trust Company	Sept. 11, 1963	560 Rosario St., Binondo, Manila
19. Hongkong & Shanghai Banking Corporation, The	Aug. 6, 1945 ¹	PAL Bldg., Ayala Ave., Makati, Rizal
20. Manila Banking Corporation	Jan. 23, 1961	Manila Bank Bldg., Ayala Ave., Makati, Rizal
21. Manufacturers Bank & Trust Co.	Aug. 30, 1957	Manufacturers Bank Bldg., Plaza Sta. Cruz, Manila
22. Merchants Banking Corporation of the Philippines	Sept. 3, 1963	313 Buendia Ave., Makati, Rizal
23. Metropolitan Bank & Trust Co.	Sept. 5, 1962	Metrobank Bldg., Ayala Ave., Makati, Rizal
24. Pacific Banking Corporation	June 24, 1955	460 Rosario St., Binondo, Manila
25. Peoples Bank & Trust Co.	March 11, 1946 ¹	Muelle del Banco Nacional, corner T. Pinpin St., Manila
26. Philippine Banking Corporation, The	Sept. 2, 1957	Anda Circle, Port Area, Manila
27. Philippine Bank of Commerce, The	March 11, 1946 ¹	6756 Ayala Ave., Makati, Rizal
28. Philippine Bank of Communications	July 27, 1945 ¹	214-216 Juan Luna St., Binondo, Mla.
29. Philippine Commercial and Industrial Bank	Feb. 8, 1960	Antonio Bldg., corner T. M. Kalaw and Nebraska Sts., Ermita, Manila
30. Philippine National Bank	July 23, 1945 ¹	PNB Bldg., Escolta, Manila
31. Philippine Trust Company	March 11, 1946 ¹	Plaza Gortí, Sta. Cruz, Manila
32. Philippine Veterans Bank	June 1, 1964	Bonifacio Drive, Port Area, Manila
33. Producers' Bank of the Phil.	July 6, 1971	Corner Amang Rodriguez Avenue and E Jacinto St., Marikina, Rizal
34. Progressive Commercial Bank	July 1, 1964	870 Aurora Blvd., Cubao, Quezon City
35. Prudential Bank	July 3, 1952	Prubank Bldg., Ayala Ave., Makati, Rizal
36. Republic Bank	Jan. 1, 1961	227 Escolta, Manila

¹Re-opened

²The former head office at 666 T. M. Kalaw, Ermita was converted into a branch.

<i>Name of Bank</i>	<i>Date Opened</i>	<i>Location of Head Office</i>
37. Rizal Commercial Banking Corp.	Jan 2, 1963	YRC Bldg., 219 Buendia Avenue, Makati, Rizal
38. Security Bank & Trust Co.	June 18, 1951	371, Escolta, Manila
39. Traders Commercial Bank, The	June 18, 1963	Chronicle Bldg., Intramuros, Mla.
<u>SAVINGS & MORTGAGE BANKS</u>		
1. Acme Savings Bank	Jan 26, 1968	Nestor de Castro Bldg., 1679 C. M. Recto Avenue, Manila
2. Banco Filipino Savings & Mortgage Bank	July 9, 1964	Plaza Cervantes, Binondo, Manila
3. Bank of Calape	March 26, 1951	Calape, Bohol
4. Family Savings Bank	March 20, 1970	92-98 C. Palanca, Sr. St., Sta. Cruz, Manila
5. Home Savings Bank	May 3, 1968	Cor. Victoria & Muralla Sts., Intramuros, Manila
6. Monte de Piedad & Savings Bank	Sept. 8, 1947 ¹	Plaza Sta. Cruz, Manila
7. Philippine Savings Bank	Sept. 26, 1960	Picache Bldg., Plaza Miranda, Quiapo, Manila
8. San Antonio Savings Bank	Nov. 5, 1968	F. B. Harrison, Parañaque, Rizal
9. Savings Bank of Manila	Oct. 23, 1962	453 Santos Bldg., Plaza Sta. Cruz, Manila
10. Union Savings Bank	August 21, 1968	San Luis Bldg., T. M. Kalaw St., Corner M. Orosa St., Ermita, Manila
<u>DEVELOPMENT BANKS</u>		
1. Agro-Industrial Development Bank	July 5, 1960	Guagua, Pampanga
2. Albay Development Bank	Sept. 22, 1971	Eden Bldg., J. Rizal St., Legaspi City
3. Bacolod City Development Bank	Nov. 2, 1964	Bacolod City
4. Banco Bisaya – Dev. Bank of the South	Dec. 28, 1963	T. Paulin Bldg., Colon St., Cebu City
5. Banco-Cebuano-Cebu City Dev. Bank	Jan. 16, 1962	355 Juan Luna St., Cebu City
6. Baguio-Mt. Province Dev. Bank	Nov. 24, 1971	Hilltop, Market Site, Baguio City
7. Batangas Developmen Bank	Oct. 6, 1961	Balayan, Batangas
8. Batangas Capitol Dev. Bank	Sept. 22, 1969	Corner D. Silang & M. H. de Jesus Sts., Batangas City
9. Bulacan Development Bank	May 16, 1961	San Miguel, Bulacan
10. Cabanatuan City Dev. Bank	Oct. 2, 1961	Cabanatuan City
11. Capitol City Dev. Bank (Second Quezon City Dev. Bank)	Jan. 7, 1963	878-E Aurora Blvd., Cubao, Quezon City
12. Cavite Development Bank	Oct. 14, 1963	Corner P. Burgos & Romualdo Sts., Cavite City
13. Danao City Development Bank	June 22, 1967	Danao City
14. Davao City Development Bank	Jan. 25, 1965	A. Pichon St., Davao City
15. Development Bank of Ilocos Sur	Feb. 3, 1969	Vigan, Ilocos Sur
16. Development Bank of the Phil.	Oct. 29, 1946	DBP Bldg., Corner Makati and Buendia Avenues, Makati, Rizal
17. Iloilo City Development Bank	Nov. 2, 1962	Iloilo City
18. Laguna Development Bank, Inc.	May 9, 1961	Paciano Rizal (Bo. Mayapa), Calamba, Laguna
19. La Union Development Bank	Jan. 15, 1965	Belmar Bldg., San Fernando, La Union
20. Lipa City Development Bank	Sept. 21, 1959	65 T. Kalaw St., Lipa City
21. Pangasinan Dev. Bank	Dec. 15, 1968	Fernandez Bldg , Perez Blvd., Dagupan City
22. Pasay City Dev. Bank	July 18, 1960	Corner Taft Ave. & Primero de Mayo St., Pasay City
23. Quezon City Dev. Bank	Oct. 24, 1960	424 Quezon Blvd. Ext., Quezon City
24. Quezon Development Bank	March 11, 1961	Lucena City
25. San Pablo City Dev. Bank	Feb. 1, 1962	San Pablo City
26. Second Bulacan Dev. Bank	Feb. 22, 1962	Banga, Meycauayan, Bulacan
27. Second Laguna Dev. Bank	June 25, 1963	Biñan, Laguna
28. Second Pampanga Dev. Bank, The	June 20, 1961	San Fernando, Pampanga
29. Development Bank of Rizal	Jan 30, 1961	414 Samson Road, Caloocan City

¹Re-opened.

<i>Name of Bank</i>	<i>Date Opened</i>	<i>Location of Head Office</i>
30. Tarlac Development Bank	Nov. 29, 1962	Tarlac, Tarlac
31. Third Rizal Dev. Bank	May 16, 1961	Madrigal Bldg., Ayala Avenue, Makati, Rizal
32. Zambales Development Bank	Oct. 21, 1968	Magsaysay Drive, Olongapo City
<i>SAVINGS & LOAN ASSOCIATIONS</i>		
1. Balintawak SLA	May 18, 1970	1331 E. de los Santos Ave., Balintawak, Quezon City
2. Beneficial SLA	April 15, 1968	Corner Legarda & M. de los Santos Sts., Sampaloc, Manila
3. Bicol SLA	Sept. 23, 1967	Naga City
4. Bulacan SLA	Oct. 30, 1968	MacArthur Highway, Malolos, Bulacan
5. Capital SLA	March 14, 1968	528 Ronquillo St., Sta. Cruz, Mla.
6. Cebu City SLA	Jan. 24, 1966	Aboitiz Bldg., Juan Luna St., Cebu City
7. Central SLA	April 5, 1968	Dumaguete City
8. Davao SLA	Sept. 6, 1967	Davao Savings Bldg., C. M. Recto Ave., Corner A. Bonifacio St., Davao City
9. Domestic SLA	Sept. 9, 1972	Lucena City
10. Daily SLA	April 27, 1970	866-870 Folgueras St., Tondo, Mla.
11. First SLA	July 1, 1965	514 C. M. Recto Ave., Manila
12. First Cavite SLA	July 28, 1969	Imus Cavite
13. First Iligan SLA	April 27, 1970	Quezon Ave., Iligan City
14. First Malabon SLA	March 30, 1970	Malabon, Rizal
15. First Pampanga SLA	April 1, 1968	Ocampo Bldg., Mabini St., Angeles City
16. First Zambales SLA	June 21, 1971	3 Arthur St., West Bajacabajac, Olongapo City
17. Guagua SLA	March 23, 1970	Guagua, Pampanga
18. Homeowners SLA	March 19, 1970	49 Tomas Morato Ave., Quezon City
19. Integrated SLA	Sept. 1, 1971	Herran St., Corner Pasaje de Eduque, Paco, Manila
20. Lemery SLA	Jan. 15, 1972	Lemery, Batangas
21. Life SLA	Jan. 29, 1968	872-P Aurora Blvd., Cubao, Quezon City
22. Lipa Public SLA	Nov. 21, 1966	C. M. Recto Ave., Lipa City
23. Marikina Life SLA	Dec. 26, 1968	Marikina, Rizal
24. Mercantile SLA	March 11, 1967	1551 Bambang St., Sta. Cruz, Mla.
25. Nation SLA	Sept. 16, 1968	1898-1900 C. M. Recto Ave., Mla.
26. Nueva Ecija SLA	April 15, 1968	Liwag Bldg., Burgos Ave., Cabanatuan City
27. Orient SLA	June 18, 1968	2517 Rizal Ave., Manila
28. Pasay City SLA	April 20, 1968	2308 Taft Ave., Pasay City
29. Perpetual SLA	Jan. 30, 1970	247 Quirino Ave., Baclaran, Parañaque, Rizal
30. Pioneer SLA	Nov. 15, 1966	215 Buendia Ave., Makati, Rizal
31. Royal SLA	Feb. 8, 1971	Burgos St., Cavite City
32. Secured SLA	Jan. 19, 1971	Cagayan de Oro City
33. Tarlac SLA	Feb. 25, 1968	Rizal Ave., Tarlac, Tarlac
34. Taytay SLA	July 31, 1971	Rizal Ave., Taytay, Rizal
35. Unity SLA	Jan. 4, 1968	V. Tiomico St., corner Gen. Hizon Ave., San Fernando, Pampanga

RURAL BANKS*

NORTHERN LUZON

1. *ABRA*

- a) Rural Bank of Bangued, Inc.

2. *CAGAYAN*

- a) Rural Bank of Faire, Inc.
- b) Rural Bank of Tuguegarao, Inc.
- c) Rural Bank of Ballesteros, Inc.
- d) Lal-lo Rural Bank, Inc.
- e) Rural Bank of Solana, Inc.
- f) Rural Bank of Aparri, Inc.
- g) Rural Bank of Sanchez Mira, Inc.
- h) Rural Bank of Amulung, Inc.
- i) Rural Bank of Camalaniugan, Inc.

3. *ILOCOS NORTE*

- a) Laoag Rural Bank, Inc.
- b) Rural Bank of Batac, Inc.
- c) Rural Bank of Sarrat, Inc.
- d) Rural Bank of Pinili, Inc.
- e) Rural Bank of Badoc, Inc.
- f) Community Rural Bank of Curnimao, Inc.
- g) Community Rural Bank of Bacarra, Inc.
- h) Community Rural Bank of Solsona, Inc.
- i) Community Rural Bank of Pasuquin, Inc.

4. *ILOCOS SUR*

- a) Candon Rural Bank, Inc.
- b) Rural Bank of Cabugao, Inc.
- c) Rural Bank of Santa Maria, Inc.
- d) Rural Bank of Tagudin, Inc.

5. *ISABELA*

- a) Rural Bank of Santiago, Inc.
- b) Rural Bank of Ilagan, Inc.
- c) Rural Bank of San Mateo, Inc.
- d) Rural Bank of Cabatuan, Inc.
- e) Rural Bank of Cauayan, Inc.
- f) Rural Bank of Echague, Inc.
- g) Rural Bank of Ramon, Inc.
- h) Rural Bank of Roxas, Inc.
- i) Rural Bank of Cordon, Inc.
- j) Rural Bank of Mallig, Inc.
- k) Rural Bank of San Agustin, Inc.
- l) Rural Bank of Jones, Inc.
- m) Rural Bank of Alicia, Inc.
- n) Rural Bank of Aurora, Inc.
- o) Rural Bank of Tumauini, Inc.
- p) Rural Bank of Burgos, Inc.

6. *LA UNION*

- a) Rang-ay Rural Bank, Inc.
- b) Bannawag Rural Bank, Inc.
- c) Rural Bank of Agoo, Inc.
- d) Rural Bank of Bacnotan, Inc.
- e) Rural Bank of Bauang, Inc.
- f) Rural Bank of Naguilian, Inc.
- g) Rural Bank of Bangar, Inc.
- h) Rural Bank of Rosario, Inc.
- i) Rural Bank of San Juan, Inc.
- j) Rural Bank of Aringay, Inc.
- k) Rural Bank of Caba, Inc.
- l) Rural Bank of Luna, Inc.

- m) Community Rural Bank of San Gabriel, Inc.
- n) Rural Bank of Sto. Tomas, Inc.

7. *BENGUET*

- a) Rural Bank of Baguio, Inc.
- b) Rural Bank of La Trinidad, Inc.

8. *KALINGA-APAYAO*

- a) Rural Bank of Tabuk, Inc.

9. *NUEVA VIZCAYA*

- a) Rural Bank of Bayombong, Inc.
- b) Rural Bank of Aritao, Inc.
- c) Rural Bank of Bagabag, Inc.
- d) Rural Bank of Bambang, Inc.
- e) Rural Bank of Solano, Inc.
- f) Rural Bank of Villaverde, Inc.

CENTRAL LUZON

10. *BATAAN*

- a) Balanga Rural Bank, Inc.
- b) Orani Rural Bank, Inc.
- c) Rural Bank of Dinalupihan, Inc.
- d) Rural Bank of Orion, Inc.
- e) Rural Bank of Abucay, Inc.
- f) Rural Bank of Pilar, Inc.
- g) Rural Bank of Hermosa, Inc.
- h) Rural Bank of Limay, Inc.
- i) Rural Bank of Mariveles, Inc.
- j) Rural Bank of Samal, Inc.

11. *BULACAN*

- a) Rural Bank of Valenzuela, Inc.
- b) Rural Bank of Bocaue, Inc.
- c) Rural Bank of Del Pilar, Inc.
- d) Baliuag Rural Bank, Inc.
- e) Maycauayan, Rural Bank, Inc.
- f) Obando Rural Bank, Inc.
- g) Rural Bank of Malolos, Inc.
- h) Hagonoy Rural Bank, Inc.
- i) Sta. Maria Rural Bank, Inc.
- j) Rural Bank of Plaridel, Inc.
- k) Rural Bank of Pulilan, Inc.
- l) Rural Bank of San Miguel, Inc.
- m) Rural Bank of Marlaio, Inc.
- n) Rural Bank of Bustos, Inc.
- o) Rural Bank of Calumpit, Inc.
- p) Rural Bank of San Ildefonso, Inc.
- q) Rural Bank of Balagtas, (Bigaa), Inc.
- r) Rural Bank of Guiguinto, Inc.
- s) Rural Bank of San Jose del Monte, Inc.
- t) Rural Bank of Angat, Inc.
- u) Rural Bank of Norzagaray, Inc.
- v) Rural Bank of San Rafael, Inc.
- w) Rural Bank of Pandi, Inc.
- x) Community RB of Paombong, Inc.

12. *NUEVA ECIJA*

- a) Muñoz Rural Bank, Inc.
- b) San Jose Rural Bank, Inc.
- c) Rural Bank of Talavera, Inc.
- d) Cuyapo Rural Bank, Inc.
- e) Cabiao Rural Bank, Inc.
- f) Guimba Rural Bank, Inc.
- g) Rizal Rural Bank, Inc.

- h) Cabanatuan City Rural Bank, Inc.
- i) Rural Bank of San Leonardo, Inc.
- j) Rural Bank of Gapan, Inc.
- k) Rural Bank of Bongabon, Inc.
- l) Rural Bank of Jaen, Inc.
- m) Rural Bank of Lupao, Inc.
- n) Rural Bank of Gen. Tinio, Inc.
- o) Rural Bank of Sta. Rosa, Inc.
- p) Rural Bank of San Antonio, Inc.
- q) Rural Bank of Zaragoza, Inc.
- r) Rural Bank of Licab, Inc.
- s) Rural Bank of Gen. Natividad, Inc.
- t) Rural Bank of Talugtug, Inc.
- u) Rural Bank of Laur, Inc.
- v) Rural Bank of Llanera, Inc.
- w) Rural Bank of Peñaranda, Inc.
- x) Rural Bank of Quezon, Inc.
- y) Rural Bank of Aliaga, Inc.
- z) Rural Bank of Sto. Domingo, Inc.
- z-1) Rural Bank of San Isidro, Inc.

13. PAMPANGA

- a) Rural Bank of Angeles, Inc.
- b) Guagua Rural Bank, Inc.
- c) Rural Bank of Magalang, Inc.
- d) Rural Bank of Apalit, Inc.
- e) Candaba Rural Bank, Inc.
- f) San Fernando Rural Bank, Inc.
- g) Masantol Rural Bank, Inc.
- h) Rural Bank of Arayat, Inc.
- i) Rural Bank of Sto Tomas, Inc.
- j) Rural Bank of Mexico, Inc.
- k) Rural Bank of Bacolor, Inc.
- l) Rural Bank of Macabebe, Inc.
- m) Rural Bank of Floridablanca, Inc.
- n) Rural Bank of Sta. Rita, Inc.
- o) Rural Bank of Mabalacat, Inc.
- p) Rural Bank of Lubao, Inc.
- q) Rural Bank of Minalin, Inc.
- r) Rural Bank of Sta. Ana, Inc.
- s) Rural Bank of Sexmoan, Inc.
- t) Rural Bank of Porac, Inc.
- u) Rural Bank of San Luis, Inc.

14. PANGASINAN

- a) Kaluyagan Rural Bank, Inc.
- b) Tayug Rural Bank, Inc.
- c) Manaoag Rural Bank, Inc.
- d) Dagupan City Rural Bank, Inc.
- e) Urdaneta Rural Bank, Inc.
- g) Rural Bank of Alaminos, Inc.
- h) ECLGA Rural Bank, Inc.
- i) Bani Rural Bank, Inc.
- j) Rural Bank of Burgos, Inc.
- k) Rural Bank of Rosales, Inc.
- l) Rural Bank Labrador, Inc.
- m) Rural Bank of Mangaldan, Inc.
- n) Rural Bank of Mangatarem, Inc.
- o) Rural Bank of Malasiqui, Inc.
- p) Rural Bank of Binmaley, Inc.
- q) Rural Bank of Pozorrubio, Inc.
- r) Rural Bank of San Quintin, Inc.
- s) Rural Bank of Bugallon, Inc.
- t) Rural Bank of Calasiao, Inc.
- u) Rural Bank of Binalonan, Inc.
- v) Rural Bank Bolinao, Inc.
- w) Rural Bank of Villasis, Inc.

- x) Rural Bank of Asingan, Inc.
- y) Rural Bank of Mabini, Inc.
- z) Rural Bank of Natividad, Inc.
- z-1) Rural Bank of Sual, Inc.
- z-2) Rural Bank of San Fabian, Inc.
- z-3) Rural Bank of Sison, Inc.
- z-4) Rural Bank of Sta. Barbara, Inc.
- z-5) Rural Bank of Aguilar, Inc.
- z-6) Rural Bank of San Jacinto, Inc.
- z-7) Rural Bank of Bautista, Inc.
- z-8) Rural Bank of San Manuel, Inc.
- z-9) Rural Bank of Alcala, Inc.
- z-10) Rural Bank of Mapandan, Inc.
- z-11) Urduja Rural Bank of Tayug, Inc.
- z-12) Rural Bank of Umingan, Inc.

15. TARLAC

- a) Concepcion Rural Bank, Inc.
- b) Camiling Rural Bank, Inc.
- c) Rural Bank of Tarlac, Inc.
- d) Rural Bank of Victoria, Inc.
- e) Rural Bank of Paniqui, Inc.
- f) Rural Bank of Gerona, Inc.
- g) Rural Bank of Capas, Inc.
- h) Rural Bank of La Paz, Inc.
- i) Rural Bank of Sta. Ignacia, Inc.
- j) Rural Bank of Moncada, Inc.
- k) Rural Bank of Pura, Inc.
- l) Rural Bank of Bamban, Inc.
- m) Rural Bank of San Manuel, Inc.
- n) Rural Bank of Anao, Inc.
- o) Rural Bank of Ramos, Inc.
- p) Rural Bank of Mayantoc, Inc.
- q) Rural Bank of San Clemente, Inc.

16. ZAMBALES

- a) Subic Rural Bank, Inc.
- b) Rural Bank of San Narciso, Inc.
- c) Rural Bank of San Marcelino, Inc.
- d) Rural Bank of Olongapo, Inc.
- e) Rural Bank of Masinloc, Inc.
- f) Rural Bank of Botolan, Inc.
- g) Rural Bank of Sta. Cruz, Inc.
- h) Rural Bank of San Antonio, Inc.
- i) Rural Bank of Iba, Inc.
- j) Rural Bank of Palauig, Inc.
- k) Community Rural Bank of San Felipe, Inc.
- l) Rural Bank of Cabangan, Inc.

SOUTHERN LUZON

17. BATANGAS

- a) Farmer's Rural Bank, Inc.
- b) Bauan Rural Bank, Inc.
- c) Rural Bank of Balayan, Inc.
- d) Malarayat Rural Bank, Inc.
- e) Bolbok Rural Bank, Inc.
- f) Rural Bank of Batangas, Inc.
- g) Rural Bank of Lemery, Inc.
- h) Rural Bank of Nasugbu, Inc.
- i) Ibaan Rural Bank, Inc.
- j) Rural Bank of San Jose, Inc.
- k) Rural Bank of Alitagtag, Inc.
- l) Rural Bank of Rosario, Inc.
- m) Rural Bank of Calaca, Inc.
- n) Rural Bank of Sto. Tomas, Inc.
- o) Rural Bank Tuy, Inc.

- p) Rural Bank of Lobo, Inc.
- q) Rural Bank of Cuenca, Inc.
- r) Rural Bank of Padre Garcia, Inc.
- s) Rural Bank of Taal, Inc.
- t) Rural Bank of San Nicolas, Inc.
- u) Rural Bank of Malvar, Inc.
- v) Rural Bank of Agoncillo, Inc.
- w) Rural Bank of Mabini, Inc.
- x) Rural Bank of Calatagan, Inc.
- y) Rural Bank of San Luis, Inc.
- z) Rural Bank of Taysan, Inc.
- z-1) Rural Bank of Tanauan, Inc.
- z-2) Rural Bank of Talisay, Inc.

18. CAVITE

- a) Imus Rural Bank, Inc.
- b) Rural Bank of Bacoor, Inc.
- c) Rural Bank of Naic, Inc.
- d) Rural Bank of Cavite, Inc.
- e) Rural Bank of Silang, Inc.
- f) Rural Bank of Kawit, Inc.
- g) Rural Bank of General Trias, Inc.
- h) Rural Bank of Dasmariñas, Inc.
- i) Rural Bank of Mendez, Inc.
- j) Rural Bank of Alfonso, Inc.
- k) Rural Bank of Tagaytay, Inc.
- l) Rural Bank of Maragondon, Inc.
- m) Rural Bank of Indang, Inc.
- n) Rural Bank of Salinas, Inc.
- o) Rural Bank of Amadeo, Inc.
- p) Rural Bank of General Aguinaldo, Inc.
- q) Rural Bank of Magallanes, Inc.
- r) Rural Bank of Tanza, Inc.

19. LAGUNA

- a) Rural Bank of Canlubang Planters, Inc.
- b) Rural Bank of Lilio, Inc.
- c) Rural Bank of San Pablo, Inc.
- d) Biñan Rural Bank, Inc.
- e) Rural Bank of Siniloan, Inc.
- f) Rural Bank of Sta. Cruz, Inc.
- g) Rural Bank of Calauan, Inc.
- h) Rural Bank of Alaminos, Inc.
- i) Los Baños Rural Bank, Inc.
- j) Rural Bank of Cabuyao, Inc.
- k) Rural Bank Nagcarlan, Inc.
- l) Rural Bank of San Pedro, Inc.
- m) Rural Bank of Pila, Inc.
- n) Rural Bank of Rizal, Inc.
- o) Rural Bank of Majayjay, Inc.
- p) Rural Bank of Bay, Inc.
- q) Rural Bank of Sta. Rosa, Inc.
- r) Rural Bank of Pagsanjan, Inc.
- s) Rural Bank of Paete, Inc.
- t) Rural Bank of Sta. Maria, Inc.
- u) Rural Bank of Victoria, Inc.
- v) Rural Bank of Luisiana, Inc.
- w) Rural Bank of Lumban, Inc.
- x) Rural Bank of Pangil, Inc.
- y) Rural Bank Magdalena, Inc.
- z) Rural Bank of Pakil, Inc.

20. SUB-PROVINCE OF AURORA

- a) Rural Bank of Aurora, Inc.

21. QUEZON

- a) Tiaong Rural Bank, Inc.

- b) Rural Bank of Lucena, Inc.
- c) Rural Bank of Candelaria, Inc.
- d) Catanauan Rural Bank, Inc.
- e) Rural Bank of Atimonan, Inc.
- f) Rural Bank of Gumaca, Inc.
- g) Rural Bank of Sariaya, Inc.
- h) Rural Bank of Calauag, Inc.
- i) Rural Bank of Baler, Inc.
- j) Rural Bank of Infanta, Inc.
- k) Rural Bank of Lopez, Inc.
- l) Rural Bank of Tayabas, Inc.
- m) Rural Bank of Tagkawayan, Inc.
- n) Rural Bank of Pagbilao, Inc.
- o) Rural Bank of Mauban, Inc.
- p) Rural Bank of Unisan, Inc.
- q) Rural Bank of San Antonio, Inc.
- r) Rural Bank of Pitogo, Inc.
- s) Rural Bank of Dolores, Inc.
- t) Rural Bank of Macalelon, Inc.
- u) Rural Bank of Lucban, Inc.
- v) Rural Bank of Polilio, Inc.
- w) Rural Bank of Mulanay, Inc.
- (x) Rural Bank of Guinayangan, Inc.
- y) Rural Bank of Alabat, Inc.
- z) Rural Bank of San Narciso, Inc.

22. RIZAL

- a) Rodriguez Rural Bank, Inc.
- b) Mandaluyong Rural Bank, Inc.
- c) Rural Bank of Katipunan, Inc.
- d) Marikina Valley Rural Bank, Inc.
- e) Rural Bank of San Juan, Inc.
- f) Rural Bank of Caloocan, Inc.
- g) Tanay Rural Bank, Inc.
- h) Pasay Rural Bank, Inc.
- i) Rural Bank of Malabon, Inc.
- j) Rural Bank of Makati, Inc.
- k) Rural Bank of Navotas, Inc.
- l) Rural Bank of Taytay, Inc.
- m) Rural Bank of Parañaque, Inc.
- n) Capitol Rural Bank of Quezon City, Inc.
- o) Baclaran, Rural Bank, Inc.
- p) San Francisco del Monte Rural Bank, Inc.
- q) Rural Bank of San Mateo, Inc.
- r) Rural Bank of Pateros, Inc.
- s) Rural Bank of Grace Park, Inc.
- t) Binangonan Rural Bank, Inc.
- u) Rural Bank of Antipolo, Inc.
- v) Rural Bank of Morong, Inc.
- w) Rural Bank of Montalban, Inc.
- x) Community Rural Bank of Pasay City, Inc.
- y) Rural Bank of Cainta, Inc.
- z) Rural Bank of Pililia, Inc.
- z-1) Rural Bank of Tagig, Inc.
- z-2) Rural Bank of Angono, Inc.
- z-3) Rural Bank of Cardona, Inc.
- z-4) Rural Bank of Las Piñas, Inc.
- z-5) Rural Bank of Muntinglupa, Inc.
- z-6) Rural Bank of Teresa, Inc.
- z-7) Second Rural Bank of Makati, Inc.
- z-8) Rural Bank of Jala-Jala
- z-9) Rural Bank of Zapote (Las Piñas), Inc.

23. MARINDUQUE

- a) Rural Bank of Santa Cruz, Inc.
- b) Rural Bank of Boac, Inc.
- c) Rural Bank of Mogpog, Inc.
- d) Rural Bank of Gasan, Inc.

24. *OCCIDENTAL MINDORO*

- a) Tamaraw Rural Bank, Inc.
- b) Rural Bank of Mamburao, Inc.
- c) Rural Bank of Sablayan, Inc.
- d) Rural Bank of Magsaysay, Inc.
- e) Rural Bank of Rizal, Inc.
- f) Rural Bank of Lubang, Inc.

25. *ORIENTAL MINDORO*

- a) Rural Bank of Pinamalayan, Inc.
- b) Rural Bank of Calapan, Inc.
- c) Rural Bank of Naujan, Inc.
- d) Rural Bank of Victoria, Inc.
- e) Rural Bank of Roxas, Inc.
- f) Rural Bank of Gloria, Inc.
- g) Rural Bank of Socorro, Inc.
- h) Rural Bank of San Teodoro, Inc.
- i) Rural Bank of Pola, Inc.
- j) Rural Bank of Bongabon, Inc.
- k) Rural Bank of Baco, Inc.
- l) Rural Bank of Puerto Calera, Inc.
- m) Rural Bank of Mansalay, Inc.
- n) Community Rural Bank of Bulalacao, Inc.

26. *PALAWAN*

- a) Rural Bank of Puerto Princesa, Inc.
- b) Rural Bank of Brooke's Point, Inc.
- c) Rural Bank of Coron, Inc.

BICOL REGION

27. *ALBAY*

- a) Rural Bank of Legaspi, Inc.
- b) Rural Bank of Daraga, Inc.
- c) Rural Bank of Oas, Inc.
- d) Tabaco Rural Bank, Inc.
- e) Rural Bank of Ligao, Inc.
- f) Rural Bank of Guinobatan, Inc.
- g) Rural Bank of Libon, Inc.
- h) Rural Bank of Polangui, Inc.
- i) Rural Bank of Pio Duran, Inc.
- j) Rural Bank of Camalig, Inc.
- k) Rural Bank of Bacacay, Inc.
- l) Rural Bank of Malilipot, Inc.
- m) Rural Bank of Jovellar, Inc.
- n) Rural Bank of Tiwi, Inc.
- o) Rural Bank of Santiago de Libon (Albay), Inc.

28. *CAMARINES NORTE*

- a) Rural Bank of Daet, Inc.
- b) Rural Bank of Labo, Inc.
- c) Rural Bank of Talisay, Inc.
- d) Rural Bank of Mercedes, Inc.
- e) Rural Bank of Jose Panganiban, Inc.

29. *CAMARINES SUR*

- a) Rural Bank of Rinconada, Inc.
- b) Rural Bank of Nueva Caceres, Inc.
- c) Rural Bank of Goa, Inc.
- d) Rural Bank of Libmanan, Inc.
- e) Rural Bank of Calabanga, Inc.
- f) Rural Bank of Pasacao, Inc.
- g) Rural Bank of Nabua, Inc.
- h) Rural Bank of Pili, Inc.
- i) Rural Bank of Tigaon, Inc.
- j) Rural Bank of Buh, Inc.

- k) Rural Bank of Milaor, Inc.
- l) Rural Bank of Sipocot, Inc.
- m) Rural Bank of Bato, Inc.
- n) Rural of Baao, Inc.

30. *CATANDUANES*

- a) Rural Bank of Virac, Inc.

31. *SORSOGON*

- a) Sorsogon Rural Bank, Inc.
- b) Rural Bank of Bulan, Inc.
- c) Rural Bank of Pilar, Inc.
- d) Rural Bank of Gubat, Inc.
- e) Rural Bank of Donsol, Inc.
- f) Rural Bank of Irosin, Inc.
- g) Rural Bank of Castilla, Inc.
- h) Rural Bank of Bacon, Inc.

EASTERN VISAYAS

32. *BOHOL*

- a) Rural Bank of Tagbilaran, Inc.
- b) Rural Bank of Trinidad, Inc.
- c) Rural Bank of Loay, Inc.
- d) Rural Bank of Baclayon, Inc.

33. *CEBU*

- a) Cebu City Rural Bank, Inc.
- b) Lapu-Lapu Rural Bank, Inc.
- c) Rural Bank of Bantayan, Inc.
- d) Sugbuanon Rural Bank, Inc.
- e) Rural Bank of Mandawe, Inc.
- f) Rural Bank of Talisay, Inc.
- g) Rural Bank of Minglanilla, Inc.
- h) Rural Bank of Toledo City, Inc.
- i) Rural Bank of Liloan, Inc.
- j) Rural Bank of Compostela, Inc.
- k) Rural Bank of San Fernando, Inc.
- l) Rural Bank of Argao, Inc.
- m) Rural Bank of Barili, Inc.
- n) Rural Bank of Bogo, Inc.
- o) Rural Bank of Consolacion, Inc.
- p) Community Rural Bank of Dalaguete, Inc.
- q) Rural Bank of Cordova, Inc.
- r) Rural Bank of Naga, Inc.
- s) Rural Bank of Carmen, Inc.
- t) Community Rural Bank of Medellin, Inc.
- u) Community Rural Bank of Balamban, Inc.
- v) Rural Bank of Tuburan, Inc.
- w) Rural Bank of Mactan (Lapu-Lapu City), Inc.
- x) Rural Bank of Sibongan (Cebu), Inc.

34. *LEYTE*

- a) Rural Bank of Burauen, Inc.
- b) Rural Bank of Ormoc, Inc.
- c) Rural Bank of Baybay, Inc.
- d) Rural Bank of Matag-ob, Inc.
- e) Rural Bank of Hilongos, Inc.
- f) Rural Bank of Abuyog, Inc.
- g) Rural Bank of Tacloban City, Inc.
- h) Rural Bank of Palompon, Inc.
- i) Rural Bank of Villaba, Inc.

35. *SOUTHERN LEYTE*

- a) Rural Bank of Malitbog, Inc.

36. *NEGROS ORIENTAL*

- a) Rural Bank of Tanjay, Inc.
- b) Dumaguete Rural Bank, Inc.
- c) Rural Bank of Bayawan, Inc.
- d) Rural Bank of Bais, Inc.
- e) Rural Bank of Guihulngan, Inc.
- f) Rural Bank of Canlaon City, Inc.
- g) Rural Bank of Sibulan, Inc.
- h) Rural Bank of Sta. Catalina, Inc.

37. *WESTERN SAMAR*

- a) Rural Bank of Calbayog City, Inc.

38. *EASTERN SAMAR*

- a) Rural Bank of Borongan, Inc.

39. *NORTHERN SAMAR*

- a) Rural Bank of Catubig, Inc.
- b) Rural Bank of Allen, Inc.

40. *MASBATE*

- a) Rural Bank of San Jacinto, Inc.
- b) Masbate Rural Bank, Inc.

WESTERN VISAYAS

41. *NEGROS OCCIDENTAL*

- a) Rural Bank of Bacolod City, Inc.
- b) Rural Bank of La Carlota, Inc.
- c) Rural Bank of Ma-ao, Inc.
- d) Rural Bank of Cadiz, Inc.
- e) Rural Bank of Kabankalan, Inc.
- f) Talisay Rural Bank, Inc.
- g) Rural Bank of Victorias, Inc.
- h) Rural Bank of Silay, Inc.
- i) Rural Bank of Hinigaran, Inc.
- j) Rural Bank of Sagay, Inc.
- k) Rural Bank of Binalbagan, Inc.
- l) Rural Bank of San Carlos City, Inc.
- m) Rural Bank of La Castellana, Inc.
- n) Rural Bank of Escalante, Inc.
- o) Rural Bank of Pulupandan, Inc.
- p) Rural Bank of Murcia, Inc.
- q) Rural Bank of Manapla, Inc.
- r) Rural Bank of Marayo, Inc.
- s) Rural Bank of Himamaylan, Inc.
- t) Rural Bank of Magalona, Inc.
- u) Rural Bank of San Enrique, Inc.
- v) Rural Bank of Magallon (Moises Padilla, Negros Occidental), Inc.

42. *ILOILO*

- a) Rural Bank of Iloilo City, Inc.
- b) Janiuay Rural Bank, Inc.
- c) Rural Bank of Pototan, Inc.
- d) Rural Bank of Sta. Barbara, Inc.
- e) Rural Bank of Passi, Inc.
- f) Rural Bank of Sara, Inc.
- g) Rural Bank of Barotac Nuevo, Inc.
- h) Rural Bank of Calinog, Inc.
- i) Rural Bank of Dumangas, Inc.
- j) Rural Bank of Oton, Inc.
- k) Rural Bank of Cabatuan, Inc.
- l) Rural Bank of Estancia, Inc.
- m) Rural Bank of Zarraga, Inc.
- n) Rural Bank of Leganes, Inc.
- o) Rural Bank of Pavia, Inc.

- p) Rural Bank of Dueñas, Inc.
- q) Rural Bank of Miag-ao, Inc.
- r) Rural Bank of Barotac Viejo, Inc.
- s) Rural Bank of Maasin, Inc.
- t) Rural Bank of Guimbal, Inc.
- u) Rural Bank of San Miguel, Inc.
- v) Rural Bank of Ajuy, Inc.
- w) Rural Bank of New Lucena, Inc.
- x) Rural Bank of Tigbauan, Inc.
- y) Rural Bank of San Joaquin, Inc.
- z) Community Rural Bank of Dingle, Inc.

43. *SUB-PROVINCE OF GUIMARAS (ILOILO)*

- a) Rural Bank of Jordan, Inc.
- b) Rural Bank of Buenavista, Inc.

44. *CAPIZ*

- a) President Roxas Rural Bank, Inc.
- b) Rural Bank of Mamburao, Inc.
- c) Rural Bank of Roxas City, Inc.
- d) Rural Bank of Panay, Inc.
- e) Rural Bank of Panitan, Inc.
- f) Rural Bank of Dumarao, Inc.
- g) Rural Bank of Dumalag, Inc.
- h) Rural Bank of Dao, Inc.
- i) Rural Bank of Pilar, Inc.
- j) Rural Bank of Pontevedra, Inc.
- k) Rural Bank of Ivisan, Inc.
- l) Rural Bank of Cuartero, Inc.
- m) Rural Bank of Tapaz, Inc.

45. *AKLAN*

- a) Kalibo Rural Bank, Inc.
- b) Rural Bank of Ibajay, Inc.
- c) Rural Bank of New Washington, Inc.
- d) Rural Bank of Banga, Inc.
- e) Rural Bank of Malinao, Inc.
- f) Rural Bank of Lezo, Inc.
- g) Rural Bank of Makato, Inc.
- h) Rural Bank of Altavas, Inc.
- i) Rural Bank of Balete, Inc.
- j) Rural Bank of Nabas, Inc.

46. *ANTIQUE*

- a) Rural Bank of San Jose, Inc.
- b) Rural Bank of Culasi, Inc.
- c) Rural Bank of Sibalom, Inc.

47. *ROMBLON*

- a) Rural Bank of Odiongan, Inc.
- b) Rural Bank of Looc, Inc.
- c) Community Rural Bank of Romblon, Inc.

NORTHERN MINDANAO

48. *AGUSAN DEL NORTE*

- a) Butuan City Rural Bank, Inc.
- b) Rural Bank of Cabadbaran, Inc.

49. *AGUSAN DEL SUR*

- a) Rural Bank of Talacogon, Inc.
- b) Rural Bank of Bayugan, Inc.

50. *BUKIDNON*

- a) Malaybalay Rural Bank, Inc.
- b) Rural Bank of Maramag, Inc.
- c) Rural Bank of Don Carlos, Inc.

51. *LANAO DEL NORTE*
 - a) Rural Bank of Iligan City, Inc.
 - b) Rural Bank of Kapatagan Valley, Inc.
 - c) Rural Bank of Kolambugan, Inc.
 - d) Rural Bank of Maigo, Inc.
 - c) Rural Bank of Padada, Inc.
 - d) Rural Bank of Malalag, Inc.
 - e) Rural Bank of Hagonoy, Inc.
 - f) Rural Bank of Magsaysay, Inc.
52. *LANAO DEL SUR*
 - a) Rural Bank of Lumba-Bayabao, Inc.
 - b) Rural Bank of Malabang, Inc.
 - c) Rural Bank Poona-Bayabao, Inc.
 - d) Rural Bank of Tamparan, Inc.
 - e) Rural Bank of Masiu, Inc.
 - f) Rural Bank of Taraka, Inc.
 - g) Rural Bank of Ditsaan-Ramain, Inc.
53. *MISAMIS OCCIDENTAL*
 - a) Rural Bank of Ozamis City, Inc.
 - b) Rural Bank of Tangub, Inc.
 - c) Rural Bank of Oroquieta, Inc.
 - d) Rural Bank of Jimenez, Inc.
 - e) Rural Bank of Clarin, Inc.
54. *MISAMIS ORIENTAL*
 - a) Rural Bank of Gingoog, Inc.
 - b) Rural Bank of Talisayan, Inc.
 - c) Cagayan de Oro Rural Bank, Inc.
 - d) Rural Bank of Manticao, Inc.
 - e) Rural Bank of Balingasag, Inc.
 - f) Rural Bank of Salay, Inc.
 - g) Rural Bank of Opol, Inc.
 - h) Rural Bank of Jasaan, Inc.
 - i) Rural Bank of Tagoloan, Inc.
 - j) Rural Bank of Medina, Inc.
 - k) Community Rural Bank of Claveria, Inc.
55. *SURIGAO DEL NORTE*
 - a) Surigao Rural Bank, Inc.
 - b) Rural Bank of Mainit (Surigao del Norte), Inc.
56. *SURIGAO DEL SUR*
 - a) Rural Bank of Lianga, Inc.
 - b) Rural Bank of Bislig, Inc.
 - c) Rural Bank of Cagwait, Inc.
 - d) Rural Bank of Tago, Inc.
 - e) Rural Bank of Tandag, Inc.
 - f) Rural Bank of Lanuza, Inc.
57. *ZAMBOANGA DEL NORTE*
 - a) Rural Bank of Dipolog, Inc.
- SOUTHERN MINDANAO*
58. *DAVAO DEL SUR*
 - a) Rural Bank of Davao City, Inc.
 - b) Rural Bank of Digos, Inc.
59. *DAVAO DEL NORTE*
 - a) Rural Bank of Tagum, Inc.
 - b) Rural Bank of Mabini, Inc.
 - c) Rural Bank of Panabo, Inc.
 - d) Rural Bank of Nabunturan, Inc.
 - e) Rural Bank of Sto. Tomas, Inc.
 - f) Rural Bank of Cuambog (Mabini, Davao del Norte), Inc.
60. *DAVAO ORIENTAL*
 - a) Rural Bank of Mati, Inc.
 - b) Rural Bank of Lupon, Inc.
 - c) Rural Bank of Banay-Banay, Inc.
 - d) Rural Bank of San Isidro, Inc.
61. *NORTH COTABATO*
 - a) Rural Bank of Cotabato, Inc.
 - b) Rural Bank of Kalamansig, Inc.
62. *MAGUINDANAO*
 - a) Rural Bank of Kidapawan, Inc.
 - b) Rural Bank of Midsayap, Inc.
 - c) Rural Bank of M'lang, Inc.
 - d) Rural Bank of Kabacan, Inc.
 - e) Rural Bank of Libungan, Inc.
63. *SULTAN KUDARAT*
 - a) Rural Bank of Tacurong, Inc.
 - b) Rural Bank of Isulan, Inc.
 - c) Rural Bank of Sultan sa Barongis, Inc.
64. *SOUTH COTABATO*
 - a) Rural Bank of Sarangani, Inc.
 - b) Rural Bank of Koronadal, Inc.
 - c) Rural Bank of Polomolok, Inc.
 - d) Rural Bank of Noralala, Inc.
65. *ZAMBOANGA DEL SUR*
 - a) Rural Bank of Basilan City, Inc.
 - b) Zamboanga City Rural Bank, Inc.
 - c) Molave Rural Bank, Inc.
 - d) Rural Bank of Pagadian, Inc.
 - e) Rural Bank of Ipil, Inc.
 - f) Rural Bank of Malangas, Inc.
 - g) Rural Bank of Buug, Inc.
 - h) Rural Bank of Titay, Inc.
66. *SULU*
 - a) Rural Bank of Jolo, Inc.

*Complete List.

SOURCE OF BASIC DATA: Department of Commercial and Savings Banks;
Department of Rural Banks and Savings & Loan Associations. CBP.