



*Bank deposit mo, protektado!*

## **NEWS/PRESS RELEASE**

PR-028-21

**Date of Release:** April 21, 2021

**FOR IMMEDIATE RELEASE**

### **PDIC: Bank deposits nearly reach P15-T mark during pandemic year**

*96.7% of deposit accounts fully insured*

Deposits in the Philippine banking system grew by 9% or PhP1.2 trillion, reaching PhP14.9 trillion as of end-December 2020 despite the pandemic, highlighting the propensity of Filipinos to save and to be financially prepared during difficult times.

The sustained growth in deposits indicates that more savers are benefitting from the protection provided by state deposit insurer Philippine Deposit Insurance Corporation (PDIC) up to the maximum deposit insurance coverage (MDIC) of PhP500,000 per depositor per bank.

Latest data released by the PDIC showed that total deposits grew by 9.0% to PhP14.9 trillion as of end-December 2020 from PhP13.6 trillion as of end-December 2019. The number of deposit accounts likewise increased by 8.7% to 80.1 million from 73.7 million deposit accounts in the same period last year.

The boost in deposits also mirrored the expansion of fully insured deposit accounts by 8.8% to 77.4 million from 71.2 million year-on-year. This represents 96.7% of the total fully insured deposit accounts. In terms of amount, PhP1.7 trillion total deposits is fully covered by deposit insurance, an expansion of 8.6% from the PhP1.6 trillion level posted in the same period in 2019.

Further, data as of December 2020 showed that deposits with balances above PhP500,000 grew by 9.0% to PhP13.1 trillion from PhP12.0 trillion in December 2019. Total number of accounts reached 2.7 million by year-end 2020 vis-à-vis 2.5 million at the close of 2019.

In spite of the pandemic, most deposit types registered increases both in terms of accounts and amount. Savings deposits and demand/NOW deposits increased by 16.2% and 20.8%, respectively, or to PhP7.2 trillion and PhP4.1 trillion. Savings deposits and demand/NOW deposits jointly accounted for the bulk of total domestic deposits at 75.9%.

Depositors' preference for liquidity in these uncertain times, through accounts that will allow them to withdraw cash immediately, is clearly manifested in the negative growth of 11.8% in time deposits and Long-Term Negotiable Certificates of Deposit (LTNCDs) to PhP3.6 trillion in end-December 2020 from the previously recorded PhP4.1 trillion in end-December 2019. Combined, time deposits and LTNCDs summed to PhP3.6 trillion and accounted for 24.1% of total deposits.

*"The pandemic underscored the important role banks play in enabling access to essential financial services. The deposit growth is also an indication of improved depositor confidence in the banking system,"* PDIC President and CEO Roberto B. Tan said.

The PDIC is an active member of the Financial Sector Forum composed of Philippine financial regulators and staunchly encourages saving in banks. It strongly advocates financial literacy and financial inclusion as its corporate social responsibility programs consistent with its mandate to protect depositors and promote financial stability.

\* \* \* \* \*

*The Philippine Deposit Insurance Corporation (PDIC) was established on June 22, 1963 by Republic Act 3591 to provide depositor protection and help maintain stability in the financial system by providing deposit insurance. Effective June 1, 2009, the maximum deposit insurance coverage is PhP500,000 per depositor. All deposit accounts by a depositor in a closed bank maintained in the same right and capacity shall be added together. A joint account shall be insured separately from any individually-owned deposit account.*

*PDIC news/press releases and other information are available at the website, [www.pdic.gov.ph](http://www.pdic.gov.ph).*

*Corporate Communications Dept.  
Tel: (02) 8841-4636 to 39  
Trunkline: (02) 8841-4000  
Website: [www.pdic.gov.ph](http://www.pdic.gov.ph)  
Email: [ccd@pdic.gov.ph](mailto:ccd@pdic.gov.ph)  
Facebook: [www.facebook.com/OfficialPDIC](https://www.facebook.com/OfficialPDIC)  
Twitter: [@OfficialPDIC](https://twitter.com/OfficialPDIC)*