



BANK STATISTICS DEPARTMENT

# QUARTERLY Deposit Trends

## Domestic Deposit Liabilities

Q2 2017

Table 1. Deposit amount, level, and growth rate, end-June 2014 to end-June 2017

| Bank Type    | Deposit amount (in billion Php) |                |                |                 | Increase/(Decrease) |              |                |                | YOY growth rate |             |              |              |
|--------------|---------------------------------|----------------|----------------|-----------------|---------------------|--------------|----------------|----------------|-----------------|-------------|--------------|--------------|
|              | Jun-14                          | Jun-15         | Jun-16         | Jun-17          | Jun-14              | Jun-15       | Jun-16         | Jun-17         | Jun-14          | Jun-15      | Jun-16       | Jun-17       |
| <b>Total</b> | <b>7,887.2</b>                  | <b>8,585.4</b> | <b>9,638.1</b> | <b>11,003.0</b> | <b>1,544.0</b>      | <b>698.2</b> | <b>1,052.6</b> | <b>1,365.0</b> | <b>24.3%</b>    | <b>8.9%</b> | <b>12.3%</b> | <b>14.2%</b> |
| KBs          | 7,078.9                         | 7,707.4        | 8,665.9        | 9,907.2         | 1,443.0             | 628.5        | 958.4          | 1,241.4        | 25.6%           | 8.9%        | 12.4%        | 14.3%        |
| TBs          | 667.1                           | 742.8          | 823.6          | 933.9           | 95.9                | 75.7         | 80.7           | 110.3          | 16.8%           | 11.4%       | 10.9%        | 13.4%        |
| RBs          | 141.3                           | 135.2          | 148.6          | 161.9           | 5.1                 | (6.1)        | 13.5           | 13.3           | 3.8%            | -4.3%       | 10.0%        | 8.9%         |

Table 2. Deposit account, level, and growth rate, end-June 2014 to end-June 2017

| Bank Type    | Deposit account (in million) |             |             |             | Increase/(Decrease) |            |            |            | YOY growth rate |             |             |             |
|--------------|------------------------------|-------------|-------------|-------------|---------------------|------------|------------|------------|-----------------|-------------|-------------|-------------|
|              | Jun-14                       | Jun-15      | Jun-16      | Jun-17      | Jun-14              | Jun-15     | Jun-16     | Jun-17     | Jun-14          | Jun-15      | Jun-16      | Jun-17      |
| <b>Total</b> | <b>46.9</b>                  | <b>49.3</b> | <b>52.4</b> | <b>55.3</b> | <b>3.3</b>          | <b>2.4</b> | <b>3.1</b> | <b>2.9</b> | <b>7.7%</b>     | <b>5.1%</b> | <b>6.3%</b> | <b>5.6%</b> |
| KBs          | 35.6                         | 37.1        | 39.7        | 41.4        | 2.6                 | 1.5        | 2.5        | 1.7        | 8.0%            | 4.3%        | 6.8%        | 4.3%        |
| TBs          | 5.7                          | 6.1         | 6.2         | 6.6         | 0.5                 | 0.4        | 0.1        | 0.4        | 10.5%           | 7.0%        | 1.3%        | 7.1%        |
| RBs          | 5.6                          | 6.1         | 6.6         | 7.4         | 0.2                 | 0.5        | 0.5        | 0.8        | 2.9%            | 8.3%        | 8.2%        | 12.1%       |

### BY BANK TYPE

The total amount of domestic deposits<sup>1</sup> went up by Php1.4 trillion as of end-June 2017, representing an annual growth of 14.2% from Php9.6 trillion a year ago to Php11.0 trillion (**Table 1**). On a quarter-on-quarter basis, domestic deposits increased by 3.6% from Php10.6 trillion as of end-March 2017, equivalent to Php382.3 billion.

Year-on-year, all bank types registered a positive growth in domestic deposits. Commercial banks (KBs) registered the fastest expansion at 14.3%, followed by thrift banks (TBs) at 13.4% and rural banks (RBs) at 8.9%. KBs accounted for 90.0% of the industry domestic deposits while it was 8.5% for TBs and 1.5% for RBs (**Figure 1**).

Meanwhile, the total domestic deposit accounts increased by 2.9 million, or 5.6%, from the 52.4 million accounts as of end-June 2016, to reach 55.3 million as of end-June 2017 (**Table 2**). RBs posted the highest annual growth in deposit accounts at 12.1%, followed by TBs and KBs at 7.1% and 4.3%, respectively.

The country's five largest banks in terms of assets, accounted for more than half of the total do-

Figure 1. Deposit amount distribution by bank type

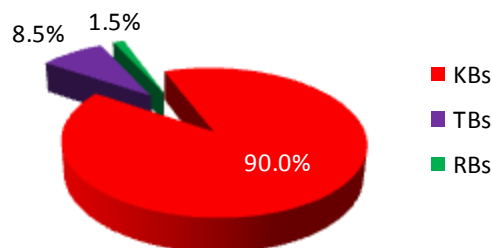


Figure 2. Deposit amount share of Top 5 banks by asset size

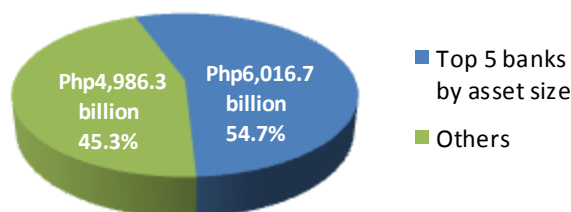
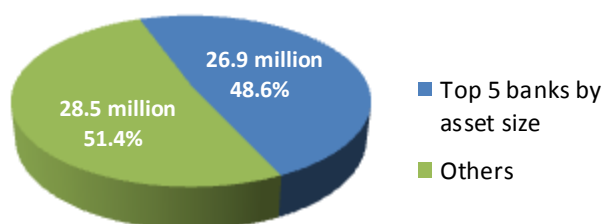


Figure 3. Deposit account share of Top 5 banks by asset size



mestic deposit amount and accounts in the Philippine banking system (PBS), aggregating Php6.0 trillion (**Figure 2**) and 26.9 million (**Figure 3**), respectively.

BY TYPE OF DEPOSITS

Savings and time deposits were the main sources of bank funds, which jointly accounted for 75.6% of the total domestic deposits, as of end-June 2017 (Figure 4). Nearly half of the domestic deposits, equivalent to Php5.3 trillion, were savings deposits. Time deposits reached Php3.0 trillion, accounting for 27.4% of the total domestic deposits.

Combined demand and NOW<sup>2</sup> deposits totaled Php2.5 trillion while long-term negotiable certificates of deposits (LTNCD) reached Php148.1 billion. Together, these deposit types accounted for 24.4% of the total domestic deposits.

In terms of growth rates, time deposits (TD) and LTNCD expanded the fastest on an annual basis at the rate of 17.7%, followed by demand deposits (DD) and NOW accounts at 16.1%. Savings deposits grew by 11.3%.

BY TYPE OF DEPOSITORS

Individuals, private corporations, and government were the largest groups of domestic depositors in the PBS (Table 3). Together, their aggregate domestic deposits totaled Php10.3 trillion or 93.9% of the total domestic deposits (Figure 6).

The fastest growth in domestic deposit amount, however, was posted by trust department at a rate of 46.3%, followed by banks at 42.7%, then non-residents, government, individuals and private corporations at 24.3%, 14.3%, 13.4%, and 11.3%, respectively.

Figure 4. Deposit amount by type of deposits, end-June 2017

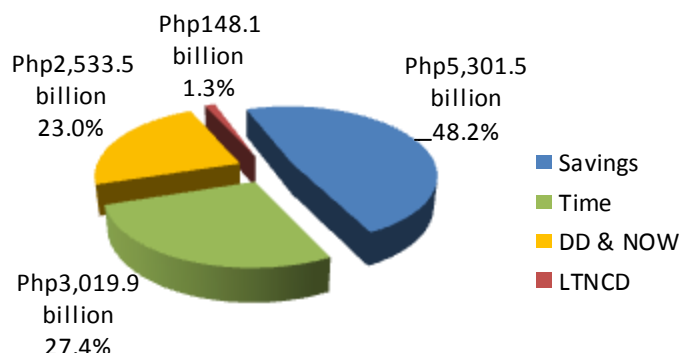


Figure 5. Deposit amount trend, by type of deposits, end-June 2016-2017

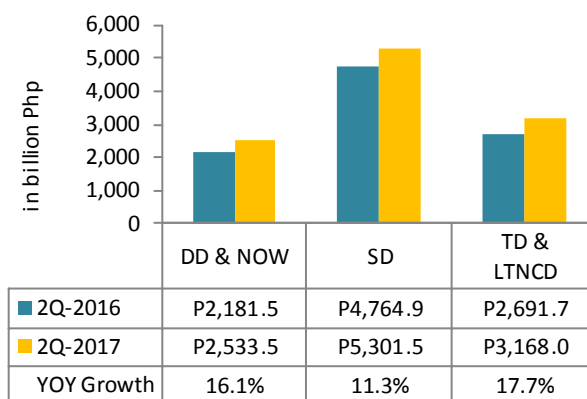


Figure 6. Deposit amount by type of depositor, end-June 2017

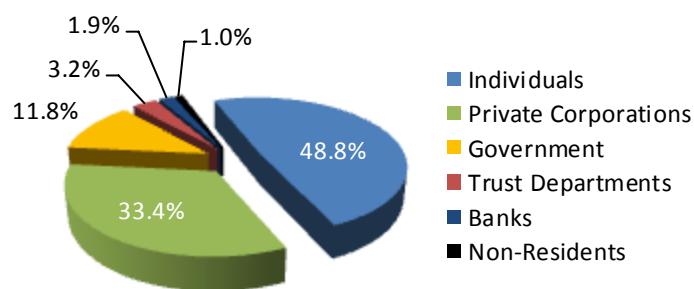


Table 3. Deposit amount and growth, by type of depositor, end-June 2016– June 2017

| Depositor            | Deposit amount (in billion Php) |                 | Share to total |               | Growth       |
|----------------------|---------------------------------|-----------------|----------------|---------------|--------------|
|                      | Jun-2016                        | Jun-2017        | Jun-2016       | Jun-2017      |              |
| <b>TOTAL</b>         | <b>9,638.1</b>                  | <b>11,003.0</b> | <b>100.0%</b>  | <b>100.0%</b> | <b>14.2%</b> |
| Individuals          | 4,731.7                         | 5,367.0         | 49.1%          | 48.8%         | 13.4%        |
| Private Corporations | 3,298.5                         | 3,670.3         | 34.2%          | 33.4%         | 11.3%        |
| Government           | 1,132.2                         | 1,293.9         | 11.7%          | 11.8%         | 14.3%        |
| Trust Departments    | 241.2                           | 353.0           | 2.5%           | 3.2%          | 46.3%        |
| Banks                | 149.2                           | 212.9           | 1.5%           | 1.9%          | 42.7%        |
| Non-Residents        | 85.3                            | 105.9           | 0.9%           | 1.0%          | 24.3%        |

<sup>2</sup> Trust Department shall refer to the department, office, unit, group, division or any aggruppation which carries out the trust and other fiduciary business of a bank while Non-Residents refers to individuals or institutional units that have a center of economic interest outside the economic territory of the Philippines (Manual of Regulations for Banks Sec.X403-n: Financial Reporting Package for Banks updated as of 31 January 2013).

### BY TYPE OF CURRENCY

Peso accounts comprised 82.9% of the total domestic deposits, reaching Php9.1 trillion as of end-June 2017, 14.0% higher than the Php8.0-trillion level as of end-June 2016 (**Table 4**). Meanwhile, foreign currency deposits, which comprised 17.1% of total domestic deposits, grew by 15.1% to reach Php1.9 trillion as of end-June 2017.

Table 4. Deposit amount, by type of currency

| Currency                | Amount (in billion Php) |                 | Growth rate  |
|-------------------------|-------------------------|-----------------|--------------|
|                         | Jun-2016                | Jun-2017        |              |
| <b>TOTAL</b>            | <b>9,638.1</b>          | <b>11,003.0</b> | <b>14.2%</b> |
| Peso Accounts           | 8,005.6                 | 9,123.7         | 14.0%        |
| FCDU/EFCDU <sup>3</sup> | 1,632.5                 | 1,879.3         | 15.1%        |

Figure 7. Deposit account, by size

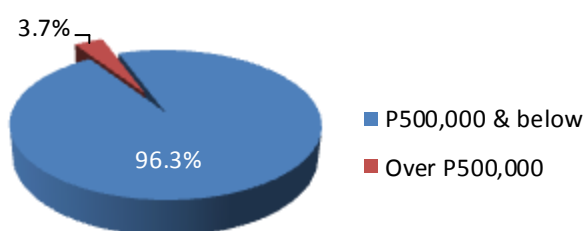
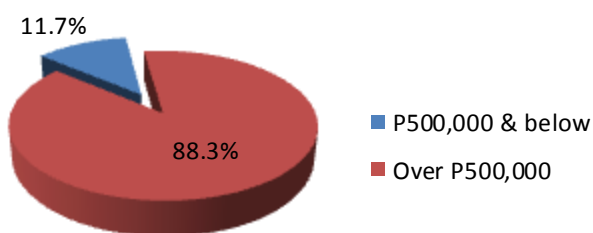


Figure 8. Deposit amount, by size



### BY SIZE OF ACCOUNTS AND RISK EXPOSURES

Fully insured deposit accounts, or deposit accounts with balances within PDIC's maximum deposit insurance coverage (MDIC) of Php500,000, comprised 96.3% of the total domestic deposit accounts (**Figure 7**) and represented 11.7% of the total domestic deposit amount (**Figure 8**). The amount of fully insured deposit accounts totaled Php1.3 trillion, up by 6.5% from the previous year.

Meanwhile, domestic deposit accounts with balance of more than Php500,000 accounted for 88.3% of the total domestic deposit amount but made up for only 3.7% of the total domestic deposit accounts. These deposit accounts are partially insured, which means that their estimated insured deposits are only up to the MDIC. The partially insured deposit amount reached Php1.0 trillion as of end-June 2017, representing an annual growth of 10.4%.

The estimated risk exposure to banks of the PDIC amounted to Php2.3 trillion—the sum of fully insured and partially insured deposits—in end-June 2017, 8.2% higher than its level as of end-June 2016 (**Table 5**). The estimated risk exposure represented 21.1% of the total domestic deposits.

### ENDNOTES

- <sup>1</sup> Domestic Deposit Liabilities exclude deposits in overseas branches of Philippine Banks.
- <sup>2</sup> Negotiable Order of Withdrawal (NOW) Accounts refers to the interest-bearing savings deposit which are withdrawable by means of NOW (Source: Financial Reporting Package for Banks updated as of 31 July 2015).
- <sup>3</sup> FCDU/EFCDU - Foreign Currency Deposit Unit/Expanded FCDU

Table 5. Deposit amount, by size of accounts and risk exposure

| Deposit size            | Jun-2016    |               |                |               | Jun-2017    |               |                 |               | Growth rate |              |
|-------------------------|-------------|---------------|----------------|---------------|-------------|---------------|-----------------|---------------|-------------|--------------|
|                         | Account     | % to Total    | Amount         | % to Total    | Account     | % to Total    | Amount          | % to Total    | Account     | Amount       |
| P500,000 & below        | 50.5        | 96.4%         | 1,211.8        | 12.6%         | 53.3        | 96.3%         | 1,290.0         | 11.7%         | 5.4%        | 6.5%         |
| Over P500,000           | 1.9         | 3.6%          | 8,426.3        | 87.4%         | 2.1         | 3.7%          | 9,713.0         | 88.3%         | 10.4%       | 15.3%        |
| <b>Total deposits</b>   | <b>52.4</b> | <b>100.0%</b> | <b>9,638.1</b> | <b>100.0%</b> | <b>55.3</b> | <b>100.0%</b> | <b>11,003.0</b> | <b>100.0%</b> | <b>5.6%</b> | <b>14.2%</b> |
| Fully insured           | 50.5        | 96.4%         | 1,211.8        | 12.6%         | 53.3        | 96.3%         | 1,290.0         | 11.7%         | 5.4%        | 6.5%         |
| Partially insured       | 1.9         | 3.6%          | 930.4          | 9.7%          | 2.1         | 3.7%          | 1,027.3         | 9.3%          | 10.4%       | 10.4%        |
| <b>Insured deposits</b> | <b>52.4</b> | <b>100.0%</b> | <b>2,142.2</b> | <b>22.2%</b>  | <b>55.3</b> | <b>100.0%</b> | <b>2,317.3</b>  | <b>21.1%</b>  | <b>5.6%</b> | <b>8.2%</b>  |

Note: Account in million, Amount in billion Php; **Fully Insured Deposits** is the total deposit amount of accounts with balances of P500,000 and below; **Partially Insured Deposits** is the total deposit amount of the estimated insured portion (up to the P500,000) of accounts with balances that are higher than the MDIC.

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