



Bangko Sentral ng Pilipinas

PRESS RELEASE

Date: 15 October 2009

OF Remittances Grow 2.8% in August; First Eight Months Level Reaches US\$11.3 Billion

Remittances from overseas Filipinos (OFs) coursed through banks amounted to US\$1.4 billion in August 2009, posting a year-on-year expansion of 2.8 percent. The steady remittance flows registered during the first eight months summed up to US\$11.3 billion, representing a year-on-year growth of 3.7 percent. Remittances from sea-based and land-based workers grew by 4.7 percent and 3.5 percent, respectively.

Remittances from Filipino workers overseas continued to underpin the resilience of the economy, remaining a stable source of foreign exchange for the country. Remittance flows were supported by the steady deployment of Filipino workers abroad, combined with the increased access of overseas Filipinos and their beneficiaries to formal remittance channels through the establishment of more remittance centers and tie-ups abroad. "As recent developments point to improving global economic conditions, a more favorable outlook for remittances through end-2009 is anticipated," BSP Governor Amando M. Tetangco, Jr. said. Providing optimism for the steady flow of remittances in the months ahead are the employment agreements forged between the Philippines and host countries such as Qatar, Saudi Arabia, Canada, Australia, Japan, South Korea and Taiwan and the impending major U.S. military base expansion in Guam starting next year. Moreover, in the recently concluded 4th Joint Labor Council conference between the Philippines and Taiwan, labor authorities from the two countries have agreed to extend their memorandum of understanding on the Special Hiring Program for Taiwan (SHPT) beyond March 2010.

Governor Tetangco also pointed out that the commercial banks' continuing aggressive efforts to build up their network of remittance business partners worldwide resulted in the capture of a larger share of the global remittance market. The country's state-owned banks have also started to strengthen their correspondent relationships with remittance companies abroad.

For the period January-August 2009, the major sources of remittances were the U.S., Canada, Saudi Arabia, U.K., Japan, Singapore, United Arab Emirates, Italy, and Germany.

View table: http://www.bsp.gov.ph/publications/tables/2009_10/news-10152009a1.htm

End