



# **Chronology of Events of the CBC in 2009**

## Chronology of Events of the CBC in 2009

| Date    | Events  |
|---------|---|
| Jan. 7  | The Bank's Executive Directors' Meeting lowered the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral by 50 basis points to 1.5 percent, 1.875 percent and 3.75 percent, respectively, effective January 8, 2009.                          |
| Jan. 9  | The Bank lowered the remunerative rates on banks' B reserve accounts with the Bank. Reserves from demand deposits received 0.2 percent interest, while those from time deposits received 0.921 percent.   |
| Jan. 17 | The Bank amended <i>the Directions for the Central Bank of the Republic of China (Taiwan) to Regulate the Acceptance of Re-Deposits from Banks</i> . The Bank, if deemed necessary, may accept foreign currency re-deposits from banks, effective January 19, 2009.                                   |
| Jan. 23 | The Bank revised the rule of interest payment on <i>the 921 Earthquake Victim Emergency Home Reconstruction Loans</i> . The 2 percent fixed annual interest rate on such loans became linked to the one-year postal savings floating rate when the latter rate fell below 2 percent, effective today. |
| Feb. 9  | The Bank asked banks that borrowers of <i>the 921 Earthquake Victim Emergency Home Reconstruction Loans</i> facing financial difficulty may negotiate with banks to defer their principal payments or extend the loan term up to 30 years.  |
| Feb. 18 | The Bank's Executive Directors' Meeting lowered the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral by 25 basis points to 1.25 percent, 1.625 percent and 3.5 percent, respectively, effective February 19, 2009.                        |
| Feb. 20 | The Bank lowered the remunerative rates on banks' B reserve accounts with the Bank. Reserves from demand deposits received 0.173 percent interest, while those from time deposits received 0.771 percent.   |
| Mar. 20 | The Bank launched the central government bond buyback mechanism to allow the Ministry of Finance more flexibility in managing public finances and enhance the liquidity of the bond market, effective on March 23, 2009.  |
| Mar. 26 | The Board decided to leave the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral unchanged at 1.25%, 1.625% and 3.50%, respectively, effective from March 27, 2009.  |
| May 25  | The Bank allowed authorized banks to accept applications for foreign  |

| Date     | Events  |
|----------|---|
|          | exchange remittances by employment agencies on behalf of foreign workers with prior verification of work permits and related documents, effective on June 1, 2009.  |
| Jun. 15  | The Bank amended <i>the Regulations Governing Foreign Exchange Business of Banking Enterprises</i> , effective on June 17. Financial institutions engaged in foreign securities investment through money trusts shall comply with the FSC's regulations.  |
| Jun. 24  | The Bank promulgated <i>the Regulations Governing the Saving and Audit of Stored Fund Reserves of Electronic Stored Value Card issued by Non-bank Institutions</i> , effective today.   |
| Jun. 25  | The Board decided to leave the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral unchanged at 1.25%, 1.625%, and 3.50%, respectively.  |
| Jun. 29  | In line with the FSC's adoption of a negative list management for outward remittances to the Mainland Area, the Bank amended the related guideline demanding banking enterprises to verify the documents needed before conducting such transactions, effective on June 30, 2009.  |
| Jul. 1   | To enhance financial institutions' liquidity management, the Bank set the reference value of "NT dollar maturity gap within thirty days as a percentage of total assets". The lowest reference value is -5% for banks and the Agricultural Bank of Taiwan, -10% for industrial banks, and -15% for the Export-Import Bank of ROC.             |
| Aug. 17  | The Bank amended remittance regulations to exempt foreign donations for Typhoon Morakot from the declarers' annual accumulated amounts of foreign exchange settlements.   |
| Sep. 10  | In response to the needs of collateral title transfers in the derivatives market and the amendment to <i>the Civil Code</i> on pledge agreements, the Bank introduced collateral title transfer services and pledge transfer on defaults in <i>the Central Government Securities Settlement System (CGSS)</i> , effective September 14, 2009. |
| Sept. 24 | The Board decided to leave the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral unchanged at 1.25%, 1.625%, and 3.50%, respectively.  |
| Oct. 8   | The full coverage program for all deposit accounts at insured institutions was  |

| Date    | Events  |
|---------|---|
|         | extended to December 31, 2010.  |
| Oct. 12 | The Bank lowered the remunerative rates on banks' B reserve accounts with the Bank. Reserves from demand deposits received 0.165 percent interest, while those from time deposits received 0.767 percent.   |
| Dec. 3  | The Bank amended <i>the Regulations Governing the Audit and Adjustment of Deposit and Other Liability Reserves of Financial Institutions</i> . The principal portion of proceeds derived from the sale of structured products shall be reclassified as "other debts" with required reserves, effective January 1, 2010.         |
| Dec. 11 | <p>The Bank's Board Meeting decided to keep the discount rate, the rate on accommodations with collateral, and the rate on accommodations without collateral unchanged at 1.25%, 1.625%, and 3.50%, respectively.</p> <p>The Board also decided to set the target zone of M2 growth for 2010 at 2.5 percent to 6.5 percent.</p> |
| Dec. 31 | In line with the amendment to <i>the Income Tax Act</i> regarding structured products, the Bank amended <i>the Directions for Auditing Liquidity of Financial Institutions</i> , effective January 1, 2010.   |