

OFFICIAL STATEMENT
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PDS GROUP ACTIVATES PDSCLEAR

The Philippine Dealing System (PDS), the country's fully-integrated bond market, formally activated on July 15, 2013 the much-anticipated "PDSClear", its quicker and more resilient clearing system. PDS proudly launched the new PDSClear to replace its previous system, the expanded Delivery versus Payment system, allowing users a new customer experience through a simple yet comprehensive platform. It is a secure web-based securities and payments clearing system with multi-asset and multi-currency capabilities and can link to multiple settlement locations for both cash and securities. PDSClear will do away with the inconveniences of its predecessor system with its user-friendly web-based system that can accommodate extensive user concurrency without running the risk of systemic disruptions.

"We at the PDS Group simply want the best for our market community by providing them with a marketplace anchored on the best that technology has to offer. Our inward focus this year is hoped to bring greater efficiency to the market, and we are committed to providing our members with the tools they need to realize this objective. We were pleased to see the market come together and embrace this infrastructure upgrade. PDSClear is just one of the components of our infrastructure program and we will be unfolding more of these infrastructure strengthening initiatives over the course of the year," remarked PDS Group Managing Director Cesar B. Crisol.

"It's all systems go for this brand-new and fully backed up clearing system. Our back-office community of users will experience a faster, more convenient and robust system, with enhanced navigation facilities, streamlined authorization functions and improved monitoring tools," said Caesar Parlade, managing director of the PDS Group. He thanked all market participants for their cooperation during the series of training and mock sessions held by the PDS since the start of the year to perfect the system.

Vicente B. Castillo, President and CEO of the PDS Group, expressed satisfaction over the upgrading of the clearing system for bond trades. He said, "The launch of PDSClear brings us closer to meeting global infrastructure standards and we embrace the opportunities of this new technology with open arms. The gains we as a market can achieve with resiliency and scalability allows us to have a platform that will grow in parallel with our markets."

Monday's launch was just the first phase in modernizing the infrastructure for seamless consummation of all bond trades. The second phase of the modernization process will integrate, among other things, the Foreign Exchange-Straight through Processing system, or FX-STP for the clearing of foreign currency trades into PDSClear and provide a tremendous opportunity to enhance liquidity management for the PDS members with the new system's multilateral netting capability.

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