

OFW remittances up 5.3% to \$8.317 billion as of May

Written by Administrator
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MANILA — Money sent home by overseas Filipino workers (OFWs) went up by 5.3 percent to \$8.317 billion in the first five months of the year from a year ago level, the Bangko Sentral ng Pilipinas (BSP) reported.

BSP Governor Amando M. Tetangco Jr. (pictured here) said cash remittances coursed through banks during the five-month period reached \$8.317 billion with fund transfers from land-based workers rising by 2.8 percent to \$6.4 billion while those from sea-based workers growing 14.6 percent to \$1.9 billion.

Personal remittances, on the other hand, amounted to \$9.260 billion during the five-month period, up 5.5 percent from a year ago level.

The BSP last month started releasing two set of figures for OFW remittances: Cash remittances are those coursed through banks, while personal remittances could either be cash or in kind and included personal and household-to-household transfers among OFWs and their families here.

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For May alone, personal remittances amounted to \$1.973 billion, up 5.1 percent from the previous year's \$1.875 billion.

The May growth rate is the slowest since the 4.7-percent expansion recorded in March 2011.

Cash remittances were also up by 5.1 percent in May to \$1.774 billion.

The monthly expansion of cash remittances was also the slowest since the 4.1 percent posted in March 2011.

The BSP has set a five percent growth target for OFW remittances this year.

Tetangco said the rise in both cash and personal remittances were due to continued "strong global demand for professional and skilled Filipino workers" despite the current financial turmoil overseas.

"Another contributory factor to the favorable trend in remittances is the continued expansion of banks' remittances network abroad through additional partnerships with foreign banks, money transfer operators and other remittance agents," Tetangco explained.

Major sources of cash remittances were the United States, which accounts for 28.9 percent of the total, followed by Canada (10.1 percent), Saudi Arabia (7.6 percent), the United Arab Emirates (3.9 percent), Japan (3.4 percent), the United Kingdom (3.2 percent) and Singapore (3.1 percent).

In 2011, OFW cash remittances grew by 7.2 percent to \$20.117 billion.