

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																				
PSEi OPEN: 7,225.22 HIGH: 7,293.52 LOW: 7,204.27 CLOSE: 7,293.52 VOL: 2,146 B VAL(P): 5,519 B 54.24 PTS. 0.74% 30 DAYS TO JANUARY 21, 2022	JANUARY 21, 2022 <table border="1"> <tr><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (Nikkei 225)</td><td>27,522.26</td><td>-250.67 -0.90</td></tr> <tr><td>HONG KONG (Hang Seng)</td><td>24,965.55</td><td>13.20 0.05</td></tr> <tr><td>TAIWAN (Weighted)</td><td>17,899.30</td><td>-318.98 -1.75</td></tr> <tr><td>THAILAND (SET Index)</td><td>1,652.73</td><td>-4.23 -0.26</td></tr> <tr><td>S. KOREA (KSE Composite)</td><td>2,834.29</td><td>-28.39 -0.99</td></tr> <tr><td>SINGAPORE (Straits Times)</td><td>3,294.86</td><td>0.04 0.00</td></tr> <tr><td>SYDNEY (All Ordinaries)</td><td>7,175.80</td><td>-166.60 -2.27</td></tr> <tr><td>MALAYSIA (KLC Composite)</td><td>1,527.06</td><td>-0.69 -0.05</td></tr> </table>	CLOSE	NET	%	JAPAN (Nikkei 225)	27,522.26	-250.67 -0.90	HONG KONG (Hang Seng)	24,965.55	13.20 0.05	TAIWAN (Weighted)	17,899.30	-318.98 -1.75	THAILAND (SET Index)	1,652.73	-4.23 -0.26	S. KOREA (KSE Composite)	2,834.29	-28.39 -0.99	SINGAPORE (Straits Times)	3,294.86	0.04 0.00	SYDNEY (All Ordinaries)	7,175.80	-166.60 -2.27	MALAYSIA (KLC Composite)	1,527.06	-0.69 -0.05	JANUARY 21, 2022 <table border="1"> <tr><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>34,265.370 ▼ -450.020</td></tr> <tr><td>NASDAQ</td><td>13,768.922 ▼ -385.098</td></tr> <tr><td>S&P 500</td><td>4,397.940 ▼ -84.790</td></tr> <tr><td>FTSE 100</td><td>7,494.130 ▼ -90.880</td></tr> <tr><td>Euro Stoxx50</td><td>3,781.980 ▼ -54.030</td></tr> </table>	CLOSE	NET	Dow Jones	34,265.370 ▼ -450.020	NASDAQ	13,768.922 ▼ -385.098	S&P 500	4,397.940 ▼ -84.790	FTSE 100	7,494.130 ▼ -90.880	Euro Stoxx50	3,781.980 ▼ -54.030	FX OPEN P51.420 HIGH P51.330 LOW P51.470 CLOSE P51.370 W.AVE. P51.423 VOL. \$993.20 M SOURCE: BAP 3.00 CTS 30 DAYS TO JANUARY 21, 2022	JANUARY 21, 2022 LATEST BID (0900GMT) <table border="1"> <tr><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>113.680 ▲ 114.190</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.786 ▲ 7.788</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>27.691 ▲ 27.611</td></tr> <tr><td>THAILAND (BAHT)</td><td>32.910 ▼ 32.870</td></tr> <tr><td>S. KOREA (WON)</td><td>1,192.510 ▼ 1,189.610</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.344 ▲ 1.346</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>14,335 ▲ 14,335</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.185 ▲ 4.187</td></tr> </table>	PREVIOUS	JAPAN (YEN)	113.680 ▲ 114.190	HONG KONG (HK DOLLAR)	7.786 ▲ 7.788	TAIWAN (NT DOLLAR)	27.691 ▲ 27.611	THAILAND (BAHT)	32.910 ▼ 32.870	S. KOREA (WON)	1,192.510 ▼ 1,189.610	SINGAPORE (DOLLAR)	1.344 ▲ 1.346	INDONESIA (RUPIAH)	14,335 ▲ 14,335	MALAYSIA (RINGGIT)	4.185 ▲ 4.187	JANUARY 21, 2022 <table border="1"> <tr><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.3554 ▼ 1.3634</td></tr> <tr><td>US\$/EURO</td><td>1.1340 ▼ 1.1348</td></tr> <tr><td>\$/AUSTRALIAN DOLLAR</td><td>0.7183 ▼ 0.7231</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.2581 ▼ 1.2489</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.9112 ▼ 0.9145</td></tr> </table>	CLOSE	PREVIOUS	US\$/UK POUND	1.3554 ▼ 1.3634	US\$/EURO	1.1340 ▼ 1.1348	\$/AUSTRALIAN DOLLAR	0.7183 ▼ 0.7231	CANADA DOLLAR/US\$	1.2581 ▼ 1.2489	SWISS FRANC/US\$	0.9112 ▼ 0.9145	DUBAI CRUDE OIL FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$85.10/BBL 30 DAYS TO JANUARY 21, 2022
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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JANUARY 21, 2022 (PSEi snapshot on S1/2; article on S2/2)

SPNEC	P1.730	MBT	P57.300	ALI	P34.650	ICT	P199.900	SMPH	P34.700	MONDE	P16.500	JGS	P62.000	SM	P959.000	CNVRG	P31.000	JFC	P230.400
Value	P400,388,290	Value	P335,626,787	Value	P299,953,570	Value	P280,408,763	Value	P257,892,705	Value	P216,991,922	Value	P138,006,258	Value	P135,376,350	Value	P130,605,895	Value	P117,580,042
P0.130	▲ 8.125%	-P0.900	▼ -1.546%	P0.550	▲ 1.613%	-P0.300	▼ -0.150%	P0.900	▲ 2.663%	P0.260	▲ 1.601%	P1.900	▲ 3.161%	P1.000	▲ 0.104%	-P0.300	▼ -0.958%	P1.400	▲ 0.611%

GDP growth moderated in Q4 — poll

THE PHILIPPINES' gross domestic product (GDP) growth is expected to have moderated in the fourth quarter of 2021, even as the more relaxed quarantine restrictions spurred economic activity.

A *BusinessWorld* poll of 18 economists yielded a GDP growth median estimate of 6.5% for the fourth quarter, and 5.3% for full-year 2021.

The fourth-quarter growth forecast is a tad slower than the 7.1%

uptick in the third quarter and the 12% growth in the second quarter. However, it is a turnaround from the 8.3% decline seen during the October to December period in 2020.

Should the full-year estimate be realized, this would be

a turnaround from the record 9.6% contraction in 2020, but lower than the 6.1% growth in 2019.

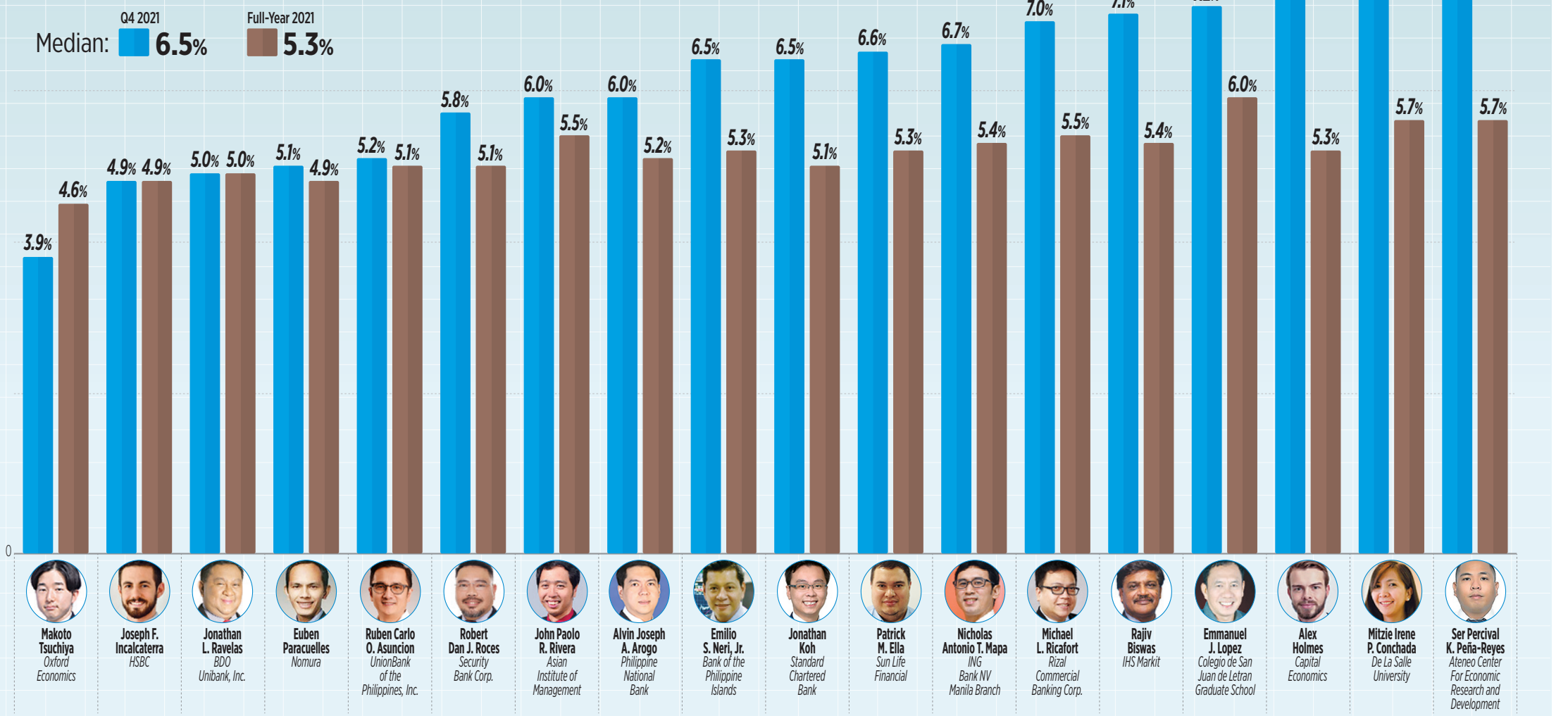
It would also fall within the government's forecast range of 5-5.5%.

The poll's 5.3% growth median estimate for 2021 compares with the International Monetary Fund's 3.2% forecast, Asian Development Bank's 5.1%, and matches the World Bank's 5.3%.

Fitch Solutions and Moody's Investors Service gave growth estimates of 4.5% and 4.8%, respectively, while ASEAN+3 Macroeconomic Research Office penciled in a 4.3% growth.

GDP, S1/5

Q4 AND FULL-YEAR 2021 GDP GROWTH ESTIMATES



BUSINESSWORLD GRAPHICS: BONG R. FORTIN

Retailers still optimistic despite Omicron threat

By **Revin Mikhael D. Ochave**
Reporter

LOCAL RETAILERS remain optimistic for the industry's recovery this year despite new variants of the coronavirus disease 2019 (COVID-19) posing a threat to the economy.

Roberto S. Claudio, Philippine Retailers Association (PRA) vice-chairman, said the group expects sales projections to remain positive as long as the strictest form of lockdown is not implemented to curb the COVID-19 infections.

"So long as there will no longer be major lockdowns that will be imposed by the government and the fact that people are seeing less consequences on the Omicron variant, fed up with the quarantine and are now going out to shop, eat and travel, our projections will remain positive in 2022 starting in the second quarter," Mr. Claudio said in an e-mail interview last week.

Metro Manila is under Alert Level 3 until Jan. 31 due to a spike in COVID-19 cases, believed to be caused by the more infectious Omicron variant.

"Early 2022 with the Alert Level 3 and Omicron variant, (the retail) in-

dustry sales in January have dropped almost 50% from average 2021 levels. We expect this to linger for the rest of the first quarter of 2022. We are expecting a rebound (for) the rest of the year. No setback is anticipated. Retail industry is re-engineering and innovating to address the changing consumer environment," Mr. Claudio said.

Steven T. Cua, Philippine Amalgamated Supermarkets Association (Pagasa) president, said in a mobile phone message that supermarket operators remain optimistic about the sales outlook.

Retailers, S1/9

BSP must prepare to act if rise in inflation becomes 'more entrenched' — IMF

By **Luz Wendy T. Noble** Reporter

THE BANGKO SENTRAL ng Pilipinas (BSP) is likely to remain accommodative this year, but it should be prepared to act against "more entrenched" inflation or a possible capital outflow in case of faster tightening by the US Federal Reserve, according to the International Monetary Fund (IMF).

The manageable inflation outlook and continued "slack" in the economy makes an accommodative monetary stance appropriate for 2022, said IMF Representative to the Philippines Ragnar Gudmundsson.

While the December inflation print is an "encouraging" sign, he warned the BSP to look for signs that may warrant the need for monetary policy tightening.

Inflation in December eased to 3.6%, its lowest in 12 months but the full-year inflation of 4.5% still exceeded the central bank's 2-4% target band.

The central bank expects inflation to ease to within the target at 3.4% and 3.2% for 2022 and 2023, respectively.

"The BSP should stand ready to tighten monetary policy if the rise in inflation observed last year becomes more entrenched as a result of higher commodity prices and supply-chain disruptions,

or if the faster-than-expected US Fed tightening leads to capital outflows and a depreciation of the currency," Mr. Gudmundsson said in an e-mail.

Investors are now expecting the Fed to hike interest rates three times this year, starting as early as March, according to a Reuters poll last week.

The BSP kept rates steady at its Dec. 17 meeting, vowing to maintain monetary policy support amid the threat from the Omicron variant.

BSP Governor Benjamin E. Diokno has said they would want to see four to six quarters of steady economic growth before making any policy adjustments. He said they may consider a reduction in reserve requirements of banks if there is still need to provide more support to the economy.

"It's worth emphasizing that maintaining a flexible exchange rate provides an effective first line of defense against external shocks. Another important consideration will be to monitor surveys of private sector inflation expectations to ensure that they don't de-anchor," Mr. Gudmundsson said.

Asked whether the peso could hit P52 per dollar, Mr. Diokno last week said the peso will continue to be market driven and supported by a prudent fiscal position and ample exchange buffers.

Inflation, S1/9

Business groups press bicam committee to adopt 'most liberal provisions' of PSA bill

VARIOUS business groups and foreign chambers are pressing the Bicameral Conference Committee to adopt the "most liberal provisions" of a measure amending the Public Service Act (PSA), which they said would help the Philippines attract much-needed foreign investments as it recovers from the pandemic.

At the same time, foreign chambers and other local groups ramped up the pressure on the Senate to immediately give its concurrence to the ratification of the Regional Comprehensive Economic Partnership (RCEP).

This as Congress only has two weeks to go before it goes on a break on Feb. 4 for the election campaign.

In a statement, 22 business groups and foreign chambers said the amendment to the PSA is one of the "most important" reforms for the Philippine economy and is "essential to restoring and eventually exceeding pre-pandemic rates of economic growth."

"This will improve the reputation of the Philippines as an economy that welcomes foreign investment, and annual FDI (foreign direct investment) inflow levels should increase to levels well above Malaysia and Thailand and may even begin to approach Vietnam," they said.

Business groups that signed the statement include the American Chamber of Commerce of

the Philippines, British Chamber of Commerce of the Philippines, European Chamber of Commerce of the Philippines, Financial Executives Institute of the Philippines, Management Association of the Philippines, and the Makati Business Club.

The Bicameral Conference Committee is currently consolidating the House and Senate versions of the bill amending the PSA. The measure seeks to allow 100% foreign ownership in telecommunications, air carriers, domestic shipping, railways and subways, and canals and irrigation. The Constitution currently limits foreign ownership in sectors defined as public utilities to 40%.

PSA bill, S1/9



OPINION
Income inequality, a social timebomb S1/6

THE ECONOMY
Growth in 2021 agriculture output ruled out due to storm damage S1/8

THE NATION
Analysts praise Robredo, Lacson TV performance S1/12



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