

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																																										
PSEI OPEN: 7,274.69 HIGH: 7,274.69 LOW: 7,119.44 CLOSE: 7,122.63 2.88% VOL.: 0.623 B 30 DAYS TO DECEMBER 31, 2021 VAL(P): 5.384 B	DECEMBER 31, 2021 <table border="1"> <tr><th></th><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (NIKKEI 225) *</td><td>28,791.71</td><td>-115.17</td><td>-0.40</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>23,397.67</td><td>285.66</td><td>1.24</td></tr> <tr><td>TAIWAN (TAIEX) *</td><td>18,218.84</td><td>-29.44</td><td>-0.16</td></tr> <tr><td>THAILAND (SET INDEX) *</td><td>1,657.62</td><td>4.29</td><td>0.26</td></tr> <tr><td>S. KOREA (KSE COMPOSITE) *</td><td>2,977.65</td><td>-15.64</td><td>-0.52</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,123.68</td><td>-2.96</td><td>-0.09</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>7,444.60</td><td>-68.80</td><td>-0.92</td></tr> <tr><td>MALAYSIA (KLSE COMPOSITE)</td><td>1,567.53</td><td>23.92</td><td>1.55</td></tr> </table>		CLOSE	NET	%	JAPAN (NIKKEI 225) *	28,791.71	-115.17	-0.40	HONG KONG (HANG SENG)	23,397.67	285.66	1.24	TAIWAN (TAIEX) *	18,218.84	-29.44	-0.16	THAILAND (SET INDEX) *	1,657.62	4.29	0.26	S. KOREA (KSE COMPOSITE) *	2,977.65	-15.64	-0.52	SINGAPORE (STRAITS TIMES)	3,123.68	-2.96	-0.09	SYDNEY (ALL ORDINARIES)	7,444.60	-68.80	-0.92	MALAYSIA (KLSE COMPOSITE)	1,567.53	23.92	1.55	DECEMBER 31, 2021 <table border="1"> <tr><th></th><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>36,338.300</td><td>-59.780</td></tr> <tr><td>NASDAQ</td><td>15,644.971</td><td>-96.593</td></tr> <tr><td>S&P 500</td><td>4,766.180</td><td>-12.550</td></tr> <tr><td>FTSE 100</td><td>7,384.540</td><td>-18.470</td></tr> <tr><td>Euro Stoxx50</td><td>3,818.460</td><td>-5.930</td></tr> </table>		CLOSE	NET	Dow Jones	36,338.300	-59.780	NASDAQ	15,644.971	-96.593	S&P 500	4,766.180	-12.550	FTSE 100	7,384.540	-18.470	Euro Stoxx50	3,818.460	-5.930	FX OPEN P50.995 HIGH P50.920 LOW P51.000 CLOSE P50.999 W.AVE. P50.974 VOL. \$586.35 M SOURCE: BAP	DECEMBER 31, 2021 LATEST BID (0900GMT) <table border="1"> <tr><th></th><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>115.080</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.796</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>27.712</td></tr> <tr><td>THAILAND (BAHT)</td><td>33.230</td></tr> <tr><td>S. KOREA (WON)</td><td>1,187.960</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.349</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>14,250</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.164</td></tr> </table>		PREVIOUS	JAPAN (YEN)	115.080	HONG KONG (HK DOLLAR)	7.796	TAIWAN (NT DOLLAR)	27.712	THAILAND (BAHT)	33.230	S. KOREA (WON)	1,187.960	SINGAPORE (DOLLAR)	1.349	INDONESIA (RUPIAH)	14,250	MALAYSIA (RINGGIT)	4.164	DECEMBER 31, 2021 <table border="1"> <tr><th></th><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.3529</td><td>1.3453</td></tr> <tr><td>US\$/EURO</td><td>1.1368</td><td>1.1299</td></tr> <tr><td>\$/AUSTRALIAN DOLLAR</td><td>0.7260</td><td>0.7255</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.2634</td><td>1.2809</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.9122</td><td>0.9180</td></tr> </table>		CLOSE	PREVIOUS	US\$/UK POUND	1.3529	1.3453	US\$/EURO	1.1368	1.1299	\$/AUSTRALIAN DOLLAR	0.7260	0.7255	CANADA DOLLAR/US\$	1.2634	1.2809	SWISS FRANC/US\$	0.9122	0.9180	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$77.10/BBL 30 DAYS TO DECEMBER 31, 2021
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VOL. XXXV • ISSUE 115 **MONDAY • JANUARY 3, 2022 • www.bworldonline.com** S1/1-12 • 2 SECTIONS, 18 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • DECEMBER 31, 2021 (PSEI snapshot on S1/4; article on S2/2)

ALI	P36.700	TEL	P1,812.000	BDO	P120.700	MBT	P55.700	ICT	P200.000	SM	P943.000	GTAP	P540.000	SMPH	P33.900	MONDE	P16.200	RLC	P19.200
Value	P357,753,675	Value	P338,516,645	Value	P259,715,280	Value	P256,559,022	Value	P255,823,657	Value	P231,930,260	Value	P229,121,155	Value	P223,440,530	Value	P213,453,092	Value	P176,736,608
P1.050	▲ 2.945%	-P58.000	▼ -3.102%	-P6.300	▼ -4.961%	-P1.300	▼ -2.281%	-P5.000	▼ -2.439%	-P28.000	▼ -2.884%	-P15.000	▼ -2.703%	-P1.600	▼ -4.507%	P0.600	▲ 3.846%	P0.100	▲ 0.524%

Inflation likely slowed in Dec. — poll

By Luz Wendy T. Noble
Reporter

HEADLINE INFLATION probably slowed in December as fuel retailers reduced prices, although holiday demand and the impact of

Typhoon Odette may have caused a faster rise in food prices, according to analysts.

A *BusinessWorld* poll of 13 analysts yielded a median estimate of 3.9% for the December inflation, matching the midpoint of the 3.5% to 4.3% forecast given by the Bangko Sentral ng Pilipinas (BSP) last week.

If realized, inflation will be within the 2-4% target by the BSP. The median estimate is slower than the 4.2% in November but still quicker compared with the 3.5% in December 2020.

The Philippine Statistics Authority (PSA) will release the consumer price index (CPI)

data for December on Wednesday.

The December CPI will be the last one that will have 2012 as its base year. For the January report, the PSA will adopt 2018 as its base year, as part of the agency's move to rebase price indices every six years.

The oil price rollback is a crucial factor that may have tamed inflation last month, said University of Asia and the Pacific economist Victor A. Abola.

"The downside [risk to inflation] comes from the sharp fall in fuel prices, especially considering that local petroleum companies

adjust pump prices around two weeks after crude oil price movements in international markets," Mr. Abola said.

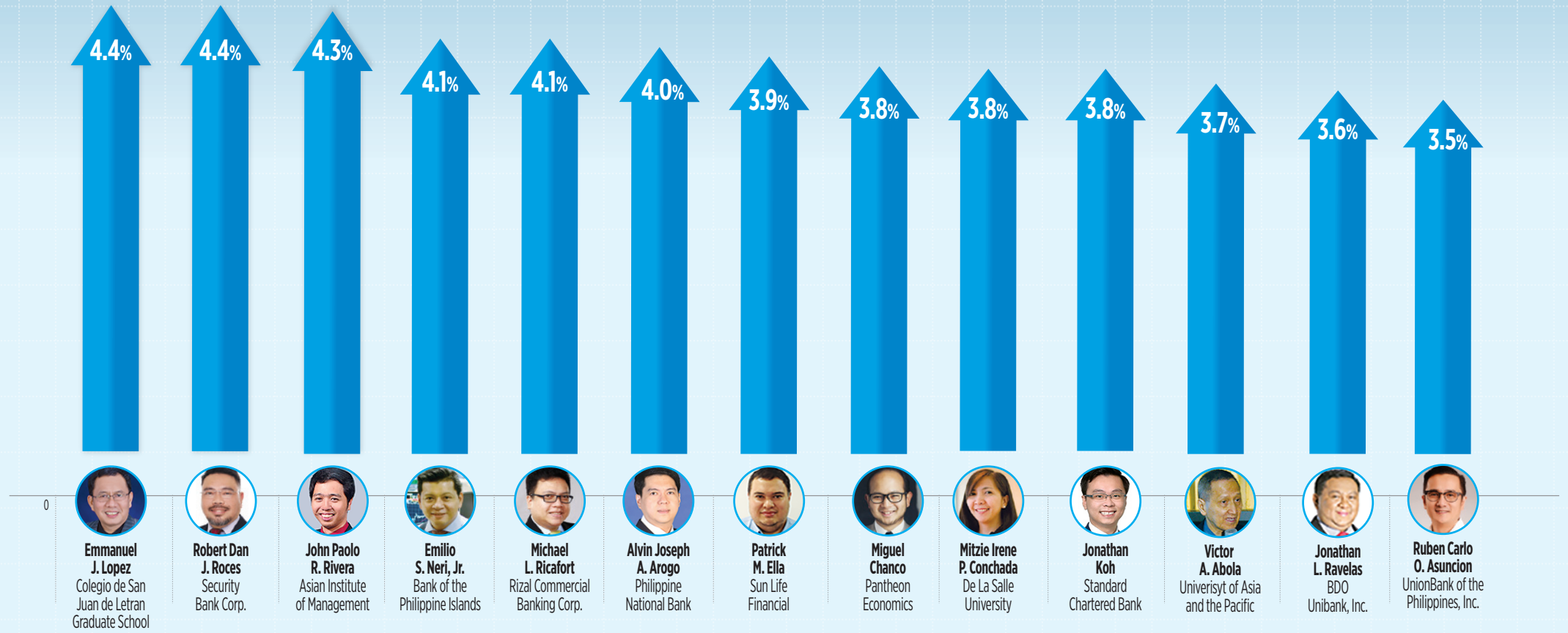
Data from the Department of Energy (DoE) showed that gasoline, diesel, and kerosene prices decreased by about P0.50, P1.40, Inflation, S1/5

ANALYSTS' DECEMBER 2021 INFLATION RATE ESTIMATES (Median: 3.9%)

Bangko Sentral ng Pilipinas (BSP) December 2021 Forecast Range: **3.5% - 4.3%**

BSP 2021 Inflation Forecast: **4.4%**

BSP 2021 Inflation Target Range: **2.0% - 4.0%**



Omicron threatens Philippine mall revival

By Keren Concepcion G. Valmonte
Reporter

DELIGHT CALIBJO ENTE reluctantly brought her five children to the Ayala Malls Solenad in December after their constant nagging, weeks after the government allowed minors out amid a coronavirus pandemic.

"They were really happy," she said in a Facebook Messenger chat last month. "They were asking us to buy all the toys they saw and they didn't want to go home."

Foot traffic at Ayala Malls rose to as much as 60% of pre-pandemic levels after the quarantine in most areas of the country was lowered to Level 2 amid decreasing coronavirus infections. The rate reached as much as 70% on weekends.

"We're really seeing an increase in foot traffic," Ayala Land, Inc. President and Chief Executive Officer Bernard Vincent O. Dy told a recent webinar.



That was before President Rodrigo R. Duterte raised the lockdown level to No. 3 again in Manila, the capital and nearby cities after an infection surge during the holiday. It will start today (Jan. 3) until Jan. 15.

Mall revival and the rest of the Philippine economy is threatened by the spike if it leads to stricter quarantines again especially in the capital region.

The Philippines reported 4,600 coronavirus infections on Jan. 2 — the highest in over two months — probably spurred by the highly mutated Omicron variant. At least 14 Omicron cases have been detected locally.

Infections would probably multiply in the coming days and exceed past surge levels, according to the OCTA Research Group from the University of the Philippines.

"It's better that they stay at home because it's still not safe for them to go out, especially in crowded places," Ms. Ente said before the latest government lockdown announcement. *Mall, S1/5*

PHL financial transactions subjected to more scrutiny since 'gray list' inclusion, says gov't

SOME PHILIPPINE-RELATED financial transactions have been subjected to tighter scrutiny even though no countermeasures have been required after the Financial Action Task Force (FATF) put the country under its "gray list."

This prompted the government to call on financial institutions to apply only commensurate measures as the Philippines is not a "high risk" to financial crimes and is only classified as "jurisdiction under increased

monitoring" by the Paris-based "dirty money" watchdog.

"The Philippine government has been receiving reports that Philippine-related transactions have been subjected to more scrutiny, or worse, de-risking," the National Anti-Money Laundering/Countering the Financing of Terrorism Coordinating Committee (NACC) said in an advisory posted on the Anti-Money Laundering Council (AMLC) website.

De-risking happens when financial institutions terminate or restrict business relationships to avoid risks to financial crimes they associate with parties or clients.

"This is not in line and inconsistent with FATF's expectations on the application of risk-based approach, which is central to the effective implementation of the FATF standards," the NACC said.

Disproportionate application of measures against gray-listed

countries included requiring financial institutions to apply specific elements of enhanced due diligence; limiting business relationships or financial transactions with the identified jurisdictions or persons in that country; and requiring financial institutions to review or even terminate correspondent relationship in the country concerned.

The FATF included the Philippines in its gray list in June 2021. *'Gray list,' S1/5*

Bank lending rises in Nov. as firms turn optimistic

BANK LENDING grew for a fourth straight month in November, as firms became more bullish on the Philippine economy's recovery.

Outstanding loans issued by big banks increased by 4% year on year to P9.349 trillion in November, based on preliminary data released by the Bangko Sentral ng Pilipinas (BSP) on Friday evening.

The pace of growth is quicker than the 3.5% expansion in October and marked the fourth straight month of annual growth in lending. It was also the fastest rate since the 4.7% in August 2020.

Inclusive of reverse repurchase agreements, credit growth stood at 3.9%. Outstanding loans by big banks rose by 0.3% month on month.

"The BSP sees enough scope to continue providing appropriate policy support in order to sustain the recovery in credit activity," BSP Governor Benjamin E. Diokno said in a statement.

The central bank has kept rates at record lows for the whole of 2021, after slashing rates by a total of 200 basis points in 2020 to support the economy amid the coronavirus pandemic.

Despite the low interest rates, bank lending declined on an annual basis from December 2020 to July 2021 as borrowers and banks became risk averse during the crisis. This also reflected the impact lag of monetary easing.

Borrowings for production activities jumped by 5.3% in November, from

4.9% in October. This was mainly driven by expansion in loans for real estate activities (8%), information and communication (27.2%), financial and insurance activities (9%), manufacturing (6.7%), and transportation and storage (11.4%).

"Outstanding loans of universal and commercial banks continue to gain traction amid businesses' optimistic economic outlook due to the easing of coronavirus disease 2019 (COVID-19) restrictions and the continued rollout of vaccines," Mr. Diokno.

For Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort, some likely took advantage of the borrowing conditions ahead of the monetary policy tightening in the United States.

"Faster loan growth was also due to the fact that some borrowers rushed financing requirements in preparation for the widely expected US Federal Reserve decision to accelerate tapering," Mr. Ricafort said.

On the other hand, there was decline in outstanding loans to other sectors such as agriculture, forestry and fishing (-8.3%), mining and quarrying (-16%), and producing activities of households for own use (-23.8%).

Meanwhile, BSP data showed that outstanding loans for retail borrowers continued to fall by 7.1% in November, although easing from the 7.4% contraction in the prior month.

Bank lending, S1/5



CORPORATE NEWS
Virus, polls, policies seen to sway market in 2022 *S1/4*

OPINION
The Marcos family and Lucio Tan *S1/7*

THE NATION
COVID numbers may top past surges, says OCTA *S1/12*



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