

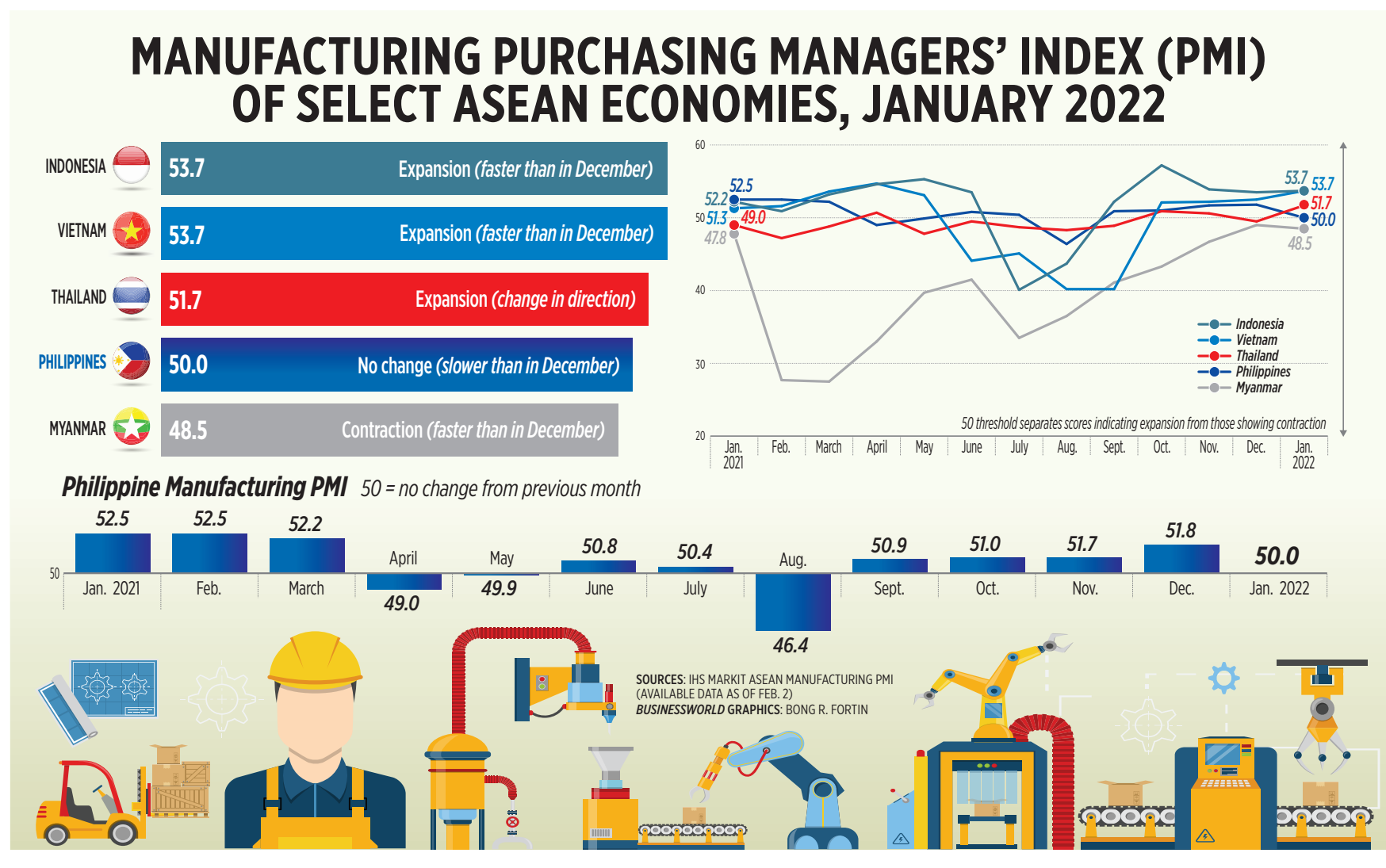
STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																				
PSEi OPEN: 7,380.14 HIGH: 7,517.50 LOW: 7,380.14 CLOSE: 7,458.99 97.34 PTS. 1.32% VOL.: 1.526 B 30 DAYS TO FEBRUARY 2, 2022 VAL(P): 7.841 B	FEBRUARY 2, 2022 <table border="1"> <tr><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (Nikkei 225)</td><td>▲ 27,533.60</td><td>▲ 455.12 1.68</td></tr> <tr><td>HONG KONG (Hang Seng)</td><td>▲ 23,802.26</td><td>▲ 252.18 1.07</td></tr> <tr><td>TAIWAN (Weighted)</td><td>▲ 17,674.40</td><td>▲ -26.72 -0.15</td></tr> <tr><td>THAILAND (SET Index)</td><td>▲ 1,669.34</td><td>▲ -7.59 -0.46</td></tr> <tr><td>S. KOREA (KSE Composite)</td><td>▲ 2,663.34</td><td>▲ 48.85 1.87</td></tr> <tr><td>SINGAPORE (Straits Times)</td><td>▲ 3,249.59</td><td>▲ 3.26 0.10</td></tr> <tr><td>SYDNEY (All Ordinaries)</td><td>▲ 7,087.70</td><td>▲ 81.70 1.17</td></tr> <tr><td>MALAYSIA (KLC Composite)</td><td>▲ 1,512.27</td><td>▲ -7.75 -0.51</td></tr> </table>	CLOSE	NET	%	JAPAN (Nikkei 225)	▲ 27,533.60	▲ 455.12 1.68	HONG KONG (Hang Seng)	▲ 23,802.26	▲ 252.18 1.07	TAIWAN (Weighted)	▲ 17,674.40	▲ -26.72 -0.15	THAILAND (SET Index)	▲ 1,669.34	▲ -7.59 -0.46	S. KOREA (KSE Composite)	▲ 2,663.34	▲ 48.85 1.87	SINGAPORE (Straits Times)	▲ 3,249.59	▲ 3.26 0.10	SYDNEY (All Ordinaries)	▲ 7,087.70	▲ 81.70 1.17	MALAYSIA (KLC Composite)	▲ 1,512.27	▲ -7.75 -0.51	FEBRUARY 1, 2022 <table border="1"> <tr><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>▲ 35,405.240 ▲ 273.380</td></tr> <tr><td>NASDAQ</td><td>▲ 14,346.00 ▲ 106.1200</td></tr> <tr><td>S&P 500</td><td>▲ 4,546.540 ▲ 30.990</td></tr> <tr><td>FTSE 100</td><td>▲ 7,535.78 ▲ 71.4100</td></tr> <tr><td>Euro Stoxx50</td><td>▲ 3,798.87 ▲ 51.350</td></tr> </table>	CLOSE	NET	Dow Jones	▲ 35,405.240 ▲ 273.380	NASDAQ	▲ 14,346.00 ▲ 106.1200	S&P 500	▲ 4,546.540 ▲ 30.990	FTSE 100	▲ 7,535.78 ▲ 71.4100	Euro Stoxx50	▲ 3,798.87 ▲ 51.350	FX OPEN P51.050 HIGH P50.990 LOW P51.180 CLOSE P51.045 W.AVE. P51.102 VOL. \$1,187.16 M SOURCE: BAP	FEBRUARY 2, 2022 LATEST BID (0900GMT) <table border="1"> <tr><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>▲ 114.530 ▲ 114.750</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>▲ 7.794 ▲ 7.796</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>▲ 27.785 ▲ 27.776</td></tr> <tr><td>THAILAND (BAHT)</td><td>▲ 33.190 ▲ 33.200</td></tr> <tr><td>S. KOREA (WON)</td><td>▲ 1,201.920 ▲ 1,202.440</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>▲ 1.348 ▲ 1.349</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>▲ 14,355 ▲ 14,380</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>▲ 4.184 ▲ 4.184</td></tr> </table>	PREVIOUS	JAPAN (YEN)	▲ 114.530 ▲ 114.750	HONG KONG (HK DOLLAR)	▲ 7.794 ▲ 7.796	TAIWAN (NT DOLLAR)	▲ 27.785 ▲ 27.776	THAILAND (BAHT)	▲ 33.190 ▲ 33.200	S. KOREA (WON)	▲ 1,201.920 ▲ 1,202.440	SINGAPORE (DOLLAR)	▲ 1.348 ▲ 1.349	INDONESIA (RUPIAH)	▲ 14,355 ▲ 14,380	MALAYSIA (RINGGIT)	▲ 4.184 ▲ 4.184	FEBRUARY 2, 2022 <table border="1"> <tr><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>▲ 1.3528 ▲ 1.3487</td></tr> <tr><td>US\$/EURO</td><td>▲ 1.1281 ▲ 1.1261</td></tr> <tr><td>\$/AUSTRALIAN DOLLAR</td><td>▲ 0.7130 ▲ 0.7088</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>▲ 1.2693 ▲ 1.2665</td></tr> <tr><td>SWISS FRANC/US\$</td><td>▲ 0.9214 ▲ 0.9225</td></tr> </table>	CLOSE	PREVIOUS	US\$/UK POUND	▲ 1.3528 ▲ 1.3487	US\$/EURO	▲ 1.1281 ▲ 1.1261	\$/AUSTRALIAN DOLLAR	▲ 0.7130 ▲ 0.7088	CANADA DOLLAR/US\$	▲ 1.2693 ▲ 1.2665	SWISS FRANC/US\$	▲ 0.9214 ▲ 0.9225	FEBRUARY 2, 2022 90.00 84.40 78.80 73.20 67.60 62.00 \$88.37/BBL 30 DAYS TO JANUARY 31, 2022
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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • FEBRUARY 2, 2022 (PSEi snapshot on S1/2; article on S2/2)

ALI	P37.000	BDO	P139.700	SM	P965.000	ICT	P200.200	AC	P878.000	MONDE	P16.560
Value	P658,425,710	Value	P620,629,625	Value	P371,077,805	Value	P351,420,986	Value	P339,562,960	Value	P311,426,975
P1.00	▲ 3.064%	P4.700	▲ 3.481%	P1.00	▲ 3.134%	P2.500	▲ 2.548%	P0.100	▲ 4.505%	P2.800	▲ 2.612%

Manufacturing growth loses steam



By Jenina P. Ibañez Senior Reporter

PHILIPPINE MANUFACTURING GROWTH lost steam in January, as the impact of Typhoon Odette and the surge in coronavirus disease 2019 (COVID-19) infections hampered demand and production, IHS Markit said on Wednesday.

The IHS Markit Philippines Manufacturing Purchasing Managers' Index (PMI) reading slipped to 50 in January, from 51.8 in December 2021, ending four straight months of growth.

A reading of 50 indicates no changes in manufacturing conditions, while a reading above signals improvement and anything below suggests the opposite.

"The latest PMI data revealed an unfortunate start to the year for the Philippine manufacturing sector, with the surge in case numbers and Typhoon Odette hitting large parts of the nation," said Shreya Patel, an economist at IHS Markit.

"Anecdotal evidence suggested both factors weighed heavily on both domestic and international demand as well as firms' ability to produce goods. Material shortages and delivery delays were also prominent, continuing pressure on vendor performance."

Typhoon Odette struck the central and southern parts of the Philippines in December, causing billions in damage to both agriculture and infrastructure.

Manufacturing, S1/8

Lost income from coronavirus pandemic may be recovered by 4th quarter of 2023 – FSCC

THE PHILIPPINE ECONOMY is expected to continue to rebound, but it may take until the fourth quarter of 2023 to recover lost incomes from the coronavirus pandemic, the Financial Stability Coordination Council (FSCC) said.

FSCC Chairman and Bangko Sentral ng Pilipinas (BSP) Governor Benjamin E. Diokno said the 5.6% gross domestic product (GDP) growth in 2021 reflects a "solid turnaround" from the previous year's record contraction.

"Our economy progressed strongly last year. We are pleased to see how regulators and economic agents came together to help achieve, and even exceed, growth expectations. We welcome these gains, recognizing that there will always be improvements we can pursue, while maintaining a watchful eye over changing market conditions," he said during the virtual launch of the FSCC's second semester 2021 Financial Stability Report on Wednesday.

In its report, the FSCC said there are concerns over some "speed bumps" this year.

"There are still costs from the pandemic and recouping these (at the aggregate) will depend on future gross

domestic product (GDP) growth rates. Assuming a 5% real growth for 2021 and 7% thereafter, the point of recovering lost incomes takes us to the fourth quarter of 2023," the FSCC said, adding it assumes there are no more "complications" with the coronavirus disease 2019 (COVID-19).

Economic managers expect GDP to grow by 7-9% this year and in 2023.

The FSCC identified several issues that need to be addressed to sustain the economy's recovery, namely public infrastructure, supply bottlenecks, social inequity, and climate change.

"While handling COVID-19's myriad of health-related challenges is complicated — from capacity limitations to vaccines to communication — it is a mistake to think of COVID-19 as a black swan event. COVID-19 is a materialized systemic risk because of its contagion effects, and we need to think about these butterfly effects," it said.

The FSCC said damage from the pandemic was mostly felt by nonfinancial corporations and vulnerable households.

As inflation remained elevated, the FSCC noted lower income groups were disproportionately affected, with prices

of essential items like food and non-alcoholic beverages, clothing, and fuel increasing at a faster pace.

"What one will find is that socioeconomic inequities have been widened by COVID-19, driven by more adverse effects on those in the informal market and/or economically less fortunate. This socioeconomic impact will have lasting effects," the FSCC said.

It also warned the continued disruption in education will have an adverse impact on the labor force and economy, with future workers likely not to be fully prepared for the demands of an increasingly digital world.

"The combined effect of lost learning opportunities, and uncertainty in job and financial security may affect the local economy even after the country exits from the pandemic," it said.

The Philippines is among the last countries to bring back face-to-face learning for students.

Also, the FSCC said climate change is a pressing concern that could affect financial stability, noting the Philippines faces severe weather occurrence like typhoons and floods every year.

Income, S1/8

Rising food, fuel prices likely drove inflation in January, says BSP

JANUARY INFLATION may have been driven by higher prices of fuel and food staples, although this could have been offset by lower electricity costs, the Bangko Sentral ng Pilipinas (BSP) said.

The central bank did not give its monthly inflation range for January, as the Philippine Statistics Authority (PSA) shifts to the 2018-based consumer price index (CPI).

"The BSP will not publish its forecast range for the month while waiting for the official release of historical series for the 2018-based CPI by the PSA. This will allow the BSP to re-estimate its inflation models used in monetary policy analysis and macroeconomic forecasting," the central bank said in a statement.

National Statistician Claire Dennis S. Mapa has said the rebasing was done to reflect changing Filipino household consumer patterns and the shift to e-commerce. He said the food index will still have the largest weight for the rebased CPI.

The BSP identified several factors that could have affected inflation in January.

"Price monitoring for January 2022 indicate that inflation could be driven by higher fuel prices, upticks in the prices of rice, meat, fruits, and vegetables due to weather disturbances along with the annual adjustment in the excise taxes on alcoholic beverages and tobacco," the BSP said.

Farm damage from Typhoon Odette in December reached P13.3 billion, according to the Department of Agriculture. Analysts have said it takes a month before the impact of weather disturbances is reflected in price increases.

Under the Republic Act 10351 or Sin Tax Reform law, excise taxes on alcoholic beverages and tobacco products are increased 4% every year.

Starting Jan. 1, excise taxes on cigarettes rose to P55 from P50 per pack. Excise taxes for alcoholic beverages went up by P2-P6 per liter, depending on the classification.

On the other hand, the BSP said lower rates for areas serviced by the Manila Electric Co. (Meralco) may have eased inflation in January.

Meralco said rates for a typical household declined by 0.0746 per kilowatt-hour (kWh) to P9.7027/kWh in January from the P9.7773/kWh in December.

Inflation in December eased to 3.6%, falling within the 2-4% BSP target for the first time last year since the 4% in July.

However, inflation for the whole of 2021 stood at 4.5%, beyond the target and much faster than the 2.6% in 2020.

A BusinessWorld poll of 16 analysts held last week yielded a median estimate of 3%. Analysts said favorable base effect could offset the rising oil and food prices and could slow inflation to within target for the second straight month.

"Looking ahead, the BSP will remain watchful of economic and financial developments to ensure the delivery of its primary mandate of price stability conducive to a balanced and sustainable economic growth," the BSP said.

For 2022, the central bank expects inflation to ease to 3.4%.

The January inflation data will be released on Friday. — **Luz Wendy T. Noble**

Customs beats Jan. collection target by 12%

THE BUREAU of Customs (BoC) collected P58.16 billion in January, beating its target by 11.58% as international trade rebounded.

This was also 23% higher than the P47.27 billion the BoC collected in the same month in 2021.

The BoC in its preliminary report said that 14 out of 17 collection districts hit their targets last month as they ramped up efforts to go after illegal imports.

Revenue collections also improved because of "compliance by traders to customs laws, the gradual improvement of importation volume, and the govern-

ment's effort in ensuring unhampered movement of goods domestically and internationally," the bureau said in a news release on Wednesday.

Among BoC collection districts, the ports of San Fernando, Port of Manila, Manila International Container Port, Batangas, Legaspi, Iloilo, Cebu, Surigao, Zamboanga, Davao, Subic, Clark, Aparri and Limay hit their targets.

It has set itself an internal target to collect nearly P700 billion this year, after being assigned to collect P679 billion by its supervising agencies.

The BoC collected P645.77 billion in 2021, 20% higher than the P537-billion collection in 2020 and 4.7% above the target.

Last year's collection already exceeded the P630.31 billion generated in 2019 as international trade rebounded after the economic downturn.

Imports had declined in 2020 due to the disruption of business activity and internal movement restrictions among the Philippines' trading partners, the World Bank said in a recent report. — **Jenina P. Ibañez**