

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
7510 PSEI OPEN: 7,355.87 HIGH: 7,383.90 LOW: 7,179.63 CLOSE: 7,212.23 VOL: 2.816 B 151.98 PTS. 2.06% 30 DAYS TO FEBRUARY 24, 2022 VAL(P): 9.938 B	FEBRUARY 24, 2022 JAPAN (Nikkei 225) 25,970.82 ▼ -478.79 -1.81 HONG KONG (Hang Seng) 22,901.56 ▼ -758.72 -3.21 TAIWAN (Weighted) 17,594.55 ▼ -461.18 -2.55 THAILAND (SET Index) 1,663.06 ▼ -33.39 -1.97 S. KOREA (Kospi Composite) 2,648.80 ▼ -70.73 -2.60 SINGAPORE (STREITS TIMES) 3,276.06 ▼ -116.94 -3.45 SYDNEY (All Ordinaries) 6,990.60 ▼ -215.10 -2.99 MALAYSIA (KLC Composite) 1,573.89 ▼ -12.25 -0.77	FEBRUARY 23, 2022 Dow Jones 33,131,760 ▼ -464,850 NASDAQ 13,037,49 ▼ -344,029 S&P 500 4,225,500 ▼ -79,260 FTSE 100 7,498.18 ▲ 3,9700 Euro Stoxx50 3,660.17 ▼ -7,000	FX OPEN P51.180 HIGH P51.170 LOW P51.440 CLOSE P51.340 W.AVE. P51.291 VOL. \$1,160.10 M 24.00 cts SOURCE: BAP	FEBRUARY 24, 2022 LATEST BID (0900GMT) JAPAN (YEN) 114,730 ▲ HONG KONG (HK DOLLAR) 7,807 ▼ 7,804 TAIWAN (NT DOLLAR) 27,991 ▼ 27,870 THAILAND (BAHT) 32,510 ▼ 32,260 S. KOREA (WON) 1,203,100 ▼ 1,190,390 SINGAPORE (DOLLAR) 1,352 ▼ 1,344 INDONESIA (RUPIAH) 14,380 ▼ 14,335 MALAYSIA (RINGGIT) 4,199 ▼ 4,184	FEBRUARY 24, 2022 CLOSE PREVIOUS US\$/UK POUND 1.3447 ▼ 1.3599 US\$/EURO 1.1236 ▼ 1.1341 \$/AUSTRALIAN DOLLAR 0.7184 ▼ 0.7261 CANADA DOLLAR/US\$ 1.2810 ▼ 1.2706 SWISS FRANC/US\$ 0.9210 ▼ 0.9212	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$93.60/BBL \$2.36 30 DAYS TO FEBRUARY 23, 2022

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • FEBRUARY 24, 2022 (PSEi snapshot on S1/2; article on S2/2)

MBT	P59.500	ICT	P210.000	BDO	P130.100	SMMPH	P38.000	SM	P871.000	ALI	P37.200	CREIT	P2.700	MONDE	P14.800	DITO	P6.140	GLO	P2,698.000
Value	P683,123,853	Value	P678,434,146	Value	P638,636,152	Value	P436,028,645	Value	P422,899,580	Value	P313,847,970	Value	P312,327,830	Value	P298,034,812	Value	P296,996,621	Value	P240,831,820
	-P0.350 ▼		-P6.000 ▼		-P4.700 ▼		-P1.000 ▼		-P9.000 ▼		-P1.000 ▼		-P0.140 ▼		-P1.000 ▼		-P0.460 ▼		-P4.000 ▼
	-0.585%		-2.778%		-3.487%		-2.564%		-1.023%		-2.618%		-4.930%		-6.329%		-6.970%		-0.148%

As crude surges to over \$100 a barrel

DBCC closely monitoring oil prices

By Luz Wendy T. Noble Reporter
and Jenina P. Ibañez Senior Reporter

GOVERNMENT ECONOMIC managers are keeping a close eye on oil price hikes as Brent crude surged over \$100 for the first time since 2014 on Thursday after Russia's attack on Ukraine, offering assistance to sectors affected most by the crisis.

"The Development Budget Coordination Committee (DBCC) is closely monitoring the factors affecting the oil prices in the country," the interagency group said in a statement on Thursday.

The Bangko Sentral ng Pilipinas (BSP) in its latest assessment said Dubai crude oil would average \$83.3 per barrel this year, but would slow down to \$79 by the end of 2022.

The fuel subsidy budget can only be released when the average Dubai crude

oil price based on the Mean of Platts Singapore reaches or exceeds \$80 per barrel for three consecutive months.

Brent crude on Thursday exceeded \$100 a barrel for the first time since 2014 after Russia invaded Ukraine, Reuters reported. It rose by 6.5% to \$103.78 a barrel, or the highest since August 2014.

US West Texas Intermediate crude futures increased by 6% to \$97.58 a barrel.

Despite the surge in crude futures, BSP Governor Benjamin E. Diokno said the central bank is keeping its oil price projections for now.

"As far as the oil price is concerned, our threshold is \$95 per barrel, there will be no change in our forecast," he said at an online briefing.

"But it has to be a sustained increase over \$95 to make a significant change in our forecast. But as you know, we adjust our forecast based on the most recent data," he added.

As the Philippines is an oil importing country, higher oil prices have caused the peso to weaken in recent days. On Thursday, the peso weakened by 24 centavos to P51.34 per dollar.

"I know that many people are getting nervous because of the Russia-Ukraine incident, and of course, the rising oil prices. We don't know yet [as] the situation is...fast-moving, very fluid," Mr. Diokno said.

The DBCC on Thursday said the government is preparing to release P2.5 billion for the Transportation department's fuel subsidy program for over 377,000 qualified PUV drivers. It also noted the Department of Agriculture (DA) has a P500-million budget to provide fuel discounts for farmers and fisherfolk.

Latest data from the Department of Energy showed gasoline, diesel and kerosene have increased by P8.75, P10.85, and P9.55 per liter, respectively, since the start of 2022.

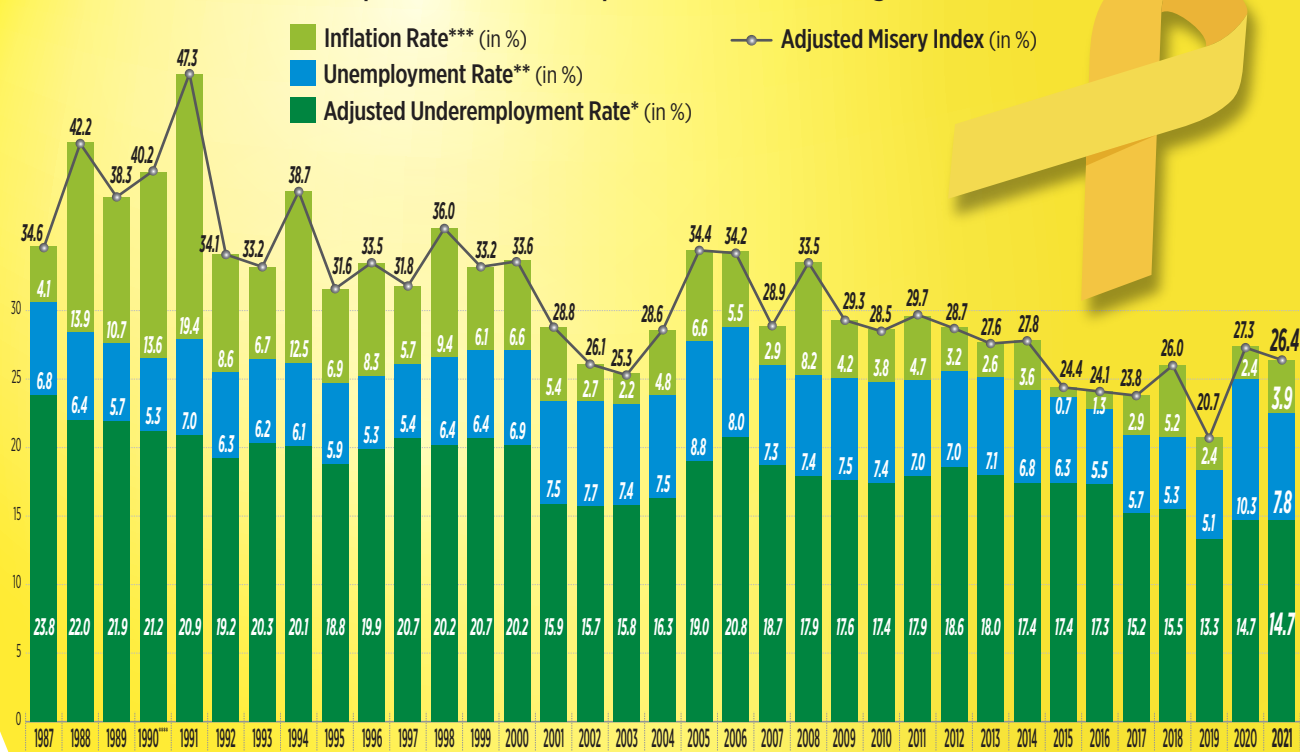
"The DBCC remains committed to taking decisive action to ensure the unhampered supply of goods and services despite the rising oil prices amid the pandemic. These will support our full recovery and sustained growth in 2022 and beyond," it added.

In a statement sent to *BusinessWorld*, Energy Secretary Alfonso G. Cusi said the Philippines does not directly import oil from Russia or Ukraine, but imports finished products from China, South Korea and Japan, which get crude from Russia.

Oil, S1/10

ARE FILIPINOS BETTER OFF SINCE 'PEOPLE POWER'?

To commemorate the 36th EDSA People Power Anniversary, *BusinessWorld* Research tracked the improvement (or lack thereof) in the lives of Filipinos by way of a "misery" index. Formulated by the late American economist Arthur Okun in the 1970s, the index is the sum of an economy's unemployment and inflation rates. The higher an economy's misery index is, the worse its economic situation. This infographic shows an adjusted misery index for the Philippines from 1987 to 2021 by including the underemployment rate* to account for job quality in measuring well-being. The results of this adjusted misery index provide the same interpretation as that of the original version.



BUSINESSWORLD B-SIDE



Spotting online fraud, stopping it in its tracks

THERE'S going to be a lot of opportunity for online fraud during e-commerce transactions.

"Merchants are so focused on growing as quickly as possible, that they forget to put the right fraud tool," said James L. Melon, country manager of fraud prevention services company Vesta. "The need is [only] realized when they get exposed from fraud attacks. Merchants make up for this by selling more volume, but it's like pouring more water into a leaky bucket."

In this B-Side episode, Mr. Melon tells *BusinessWorld* reporter Patricia B. Mirasol about reputational risks and red flags that online merchants should watch out for.

>>> https://bit.ly/BSide_Fraud

Urban poor facing more disaster risk

THE GROWING NUMBER of poor in the Philippines is facing more disaster and climate risks, emphasizing a need for targeted social interventions at the city level, a consultant's report for the Asian Development Bank (ADB) said.

Kristoffer B. Berse, public administration and governance professor at the University of the Philippines, said in a report on advancing inclusive urban development that social protection, health, and education interventions must be localized to address deprivation and disasters.

"Such would require a closer investigation of the actual condition of certain cities, starting with those that have relatively high poverty incidence, poor social protection, and multiple exposure to natural hazards, as discussed previously," he said in the report dated Feb. 23.

The report showed that the urban poor are vulnerable to

rain-induced landslides, floods, and liquefaction — an earthquake risk that could damage properties.

Mr. Berse said that some cities need more aid than others, including those that have a bigger percentage of urban poor that need social assistance.

"However, there are also cities who may have a lower share of urban poor, but are in a more challenging situation due to their high exposure to certain natural hazards and other sectoral limitations," he said.

These areas, he said, would need social protection that are linked with disaster risk reduction.

Mr. Berse recommended that the public health insurance system be promoted as social protection in areas vulnerable to disaster.

Cities with large numbers of workers in agri-fisheries should also be targeted for more disaster

risk protection, while public health facilities should be built in areas with more poverty and higher hazard risks.

Asian Institute of Management economist John Paolo R. Rivera said that interventions should be preventive instead of reactive. Resources also need to be available so that plans are done seamlessly, he said in a Viber message.

"(It) has to be systemic in such a way that unintended consequences of such interventions are mitigated," Mr. Rivera added. This means housing, for example, should be accompanied by job opportunities.

Mr. Berse added that city-level data is limited, which would mean that challenges experienced by the poor outside main city centers remain unassessed. — **Jenina P. Ibañez**

SOURCE: PHILIPPINE STATISTICS AUTHORITY
BUSINESSWORLD RESEARCH;
BERNADETTE THERESE M. GADON and MARK T. AMOGUIS
BUSINESSWORLD GRAPHICS:
BONG R. FORTIN

THE PHILIPPINE ECONOMY will likely grow at a faster pace than expected this year even as it remains vulnerable to pandemic-related disruptions, GlobalSource Partners, Inc. said.

The New York-based market research firm said the country's gross domestic product (GDP) will expand by 6% in 2022, higher than its previous 5.5% forecast.

"Considering expanding vaccination coverage and increased chances of less severe illness from COVID-19 (coronavirus disease 2019) infections in light of the experience with the Omicron variant, we are factoring in greater willingness among individuals to resume more normal activities and among health authorities to relax restrictions, although likely still in a one-step-forward-half-step-back fashion," it said.

The projection is lower than the government's 7-9% target.

Obstacles to economic growth such as weak labor markets and a reduced fiscal and monetary policy space along with supply chain disruptions remain, GlobalSource Partners said.

Economic growth could be supported by higher confidence that COVID-19 is becoming more endemic, which would push tourism and education recovery.

Risks to growth include more variants of the virus, along with geopolitical factors like the crisis in Ukraine.

The Philippine economy expanded by 7.7% in the fourth quarter last year for a full-year 2021 expansion of 5.6%. This

reverses the 9.6% contraction in 2020, but is still lower than the pre-pandemic 6.1% expansion in 2019.

While GlobalSource expects 5.5% growth in 2023, this could be raised later this year with more information on how the next administration will address its budget constraints and create jobs.

As for political continuity after the elections, the research firm said Vice-President Maria Leonor "Leni" G. Robredo would likely take "an antagonistic stance."

"After all, she has openly criticized the Duterte administration and is the clear opposition candidate," GlobalSource said.

But the firm also said that policy continuity under Ferdinand "Bongbong" R. Marcos, Jr. could be questionable as well, noting that his proposals are similar to his late father and dictator Ferdinand Sr., which damaged government finances in the long term.

"These include the use of price stabilization mechanisms for politically sensitive goods such as rice and oil that were sound on paper but were in practice vulnerable to politicization and rent seeking and led to larger and larger public sector deficits," the firm said.

"At a time when markets are eager to learn how the next government proposes to reduce the pandemic-induced jump in its debt ratio, one could understand why analysts would find such budget draining proposals unsettling."

Mr. Marcos continued to lead in several opinion polls ahead of the May 9 polls. — **Jenina P. Ibañez**

WHAT'S INSIDE

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A NEWSPAPER IS A PUBLIC TRUST



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PHL economy seen to grow by 6% this year but still vulnerable to pandemic disruptions