

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEI OPEN: 7,322.38 HIGH: 7,404.61 LOW: 7,317.44 CLOSE: 7,404.61 VOL.: 1,006 B VAL(P): 7.843 B 93.60 PTS. 1.28% 30 DAYS TO MARCH 1, 2022	MARCH 1, 2022 JAPAN (NIKKEI 225) 26,844.72 ▲ 317.90 1.20 HONG KONG (HANG SENG) 22,761.71 ▲ 48.69 0.21 TAIWAN (TAIEX) 17,898.25 ▲ 246.07 1.39 THAILAND (SET INDEX) 1,695.15 ▲ 9.97 0.59 S. KOREA (KOSPI COMPOSITE) 2,699.18 ▲ 22.42 0.84 SINGAPORE (STRAITS TIMES) 3,278.46 ▲ 36.22 1.12 SYDNEY (ALL ORDINARIES) 7,096.50 ▲ 47.40 0.67 MALAYSIA (KLSE COMPOSITE) 1,596.44 ▼ -11.84 -0.74 <small>* Closing price as of February 28, 2022</small>	FEBRUARY 28, 2022 DOW JONES 33,892.600 ▼ -166.150 NASDAQ 13,751.40 ▲ 56.7750 S&P 500 4,373.940 ▼ -10.710 FTSE 100 7,458.25 ▼ -31.2100 EURO STOXX50 3,642.44 ▼ -18.800	FX OPEN P51.240 HIGH P51.210 LOW P51.295 CLOSE P51.230 W.AVE. P51.249 VOL. \$942.21 M SOURCE: BAP 4.00 CTSV 30 DAYS TO MARCH 1, 2022	MARCH 1, 2022 LATEST BID (0900GMT) JAPAN (YEN) 114.810 ▲ 115.560 HONG KONG (HK DOLLAR) 7.816 ▼ 7.814 TAIWAN (NT DOLLAR) 28.026 ▼ 28.023 THAILAND (BAHT) 32.540 ▲ 32.650 S. KOREA (WON) 1,198.040 ▲ 1,202.430 SINGAPORE (DOLLAR) 1.353 ▲ 1.359 INDONESIA (RUPIAH) 14,335 ▲ 14,365 MALAYSIA (RINGGIT) 4.191 ▲ 4.196	MARCH 1, 2022 US\$/UK POUND 1.3424 ▲ 1.3369 US\$/EURO 1.1222 ▲ 1.1171 \$/AUSTRALIAN DOLLAR 0.7275 ▲ 0.7200 CANADA DOLLAR/US\$ 1.2670 ▲ 1.2764 SWISS FRANC/US\$ 0.9151 ▼ 0.9244	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$96.79/BBL 30 DAYS TO FEBRUARY 28, 2022

VOL. XXXV • ISSUE 157 **WEDNESDAY • MARCH 2, 2022 • www.bworldonline.com** SI/1-10 • 2 SECTIONS, 14 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • MARCH 1, 2022 (PSEi snapshot on S1/2; article on S2/2)

SM	P947.000	ALI	P39.000	AC	P859.000	SMPH	P39.400	BDO	P132.600	ICT	P218.000	MBT	P58.000	MONDE	P15.700	NIKL	P8.000	BPI	P98.500
Value	P834,272,005	Value	P651,655,820	Value	P413,471,830	Value	P385,679,950	Value	P371,848,567	Value	P322,772,992	Value	P308,499,634	Value	P246,065,484	Value	P233,833,698	Value	P229,659,983
P55.000	▲ 6.166%	P0.000	— 0.000%	P9.000	▲ 1.059%	-P0.400	▼ -1.005%	P3.400	▲ 2.632%	P7.400	▲ 3.514%	P0.900	▲ 1.576%	-P0.820	▼ -4.964%	P0.290	▲ 3.761%	-P1.500	▼ -1.500%

Oil spike could drive up Q2 inflation

THE SUSTAINED INCREASE in oil prices is likely to drive inflation beyond the Philippine central bank's target in the second quarter, Bangko Sentral ng Pilipinas (BSP) Governor Benjamin E. Diokno said.

Despite the heightened global uncertainty, Mr. Diokno said the BSP has the policy space to support economic output, which is expected to go back to pre-pandemic levels in the second half.

"Prices are fairly stable. Our forecast is that we will be within the target range in the first quarter. And then maybe in the second quarter, it will be a little bit because of this oil prices, but it will go down again in the third and the fourth quarter," he told ABS-CBN News Channel on Tuesday.

The BSP said February inflation likely settled at 2.8% to 3.6%, while a poll of 15 analysts by *BusinessWorld* yielded a median estimate of 3.3%.

If realized, inflation could be faster than 3% in January but still within the 2-4% target of the BSP. Philippine Statistics Authority will report February inflation data on Friday.

The BSP last month raised its inflation forecast for 2022 to 3.7% from 3.4% due to higher global oil and nonoil prices.

Oil prices have climbed in recent months due to persistent supply issues and geopolitical tensions. Last week, Brent crude exceeded \$100 a barrel for the first time since 2014 after Russia invaded Ukraine.

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

Mr. Diokno said they were closely monitoring developments in the Russia-Ukraine conflict and its impact on the Philippine economy. He noted both countries' investments in the Association of Southeast Asian Nations (ASEAN) region are minimal, but said the conflict is affecting domestic oil prices.

"This is going to be hard for oil-importing countries like the Philippines," he said.

Oil spike, S1/8

2021 budget deficit falls below ceiling

By Jenina P. Ibañez
Senior Reporter

THE GOVERNMENT fell short of its budget deficit ceiling in 2021, as it generated better-than-expected revenues but missed its spending target, data from the Bureau of the Treasury (BTr) showed.

This brought the full-year deficit to P1.7 trillion, up by 21.87% from the previous year but missing the P1.9-trillion ceiling by 10%.

The 2021 deficit is equal to 8.61% of gross domestic product (GDP), lower than the programmed 9.3% but higher than 7.65% in 2020.

In December alone, the fiscal gap ballooned to a record P338 billion, up by 11.7% from last year's P302.6 billion as revenues contracted by 3%.

Government spending rose by 5.21% year on year to P569.3 billion in December.

Primary payments — or total expenditures minus interest pay-

ments — grew by 5.08% to P542 billion. Interest payments increased by 7.87% to P27.3 billion during the month.

Revenues in December reached P231.3 billion, down by 3.03% from a year earlier.

Accounting for over 96.6% of the total, tax revenues rose by 6.73% to P223.4 billion.

Tax collections from the Bureau of Internal Revenue (BIR) slipped by 0.63% to P162.3 billion, while revenues generated by the Bureau of Customs (BoC) reached P60.3 billion, or 32.9% higher than last year. Other tax collecting offices posted P800 million in revenue, up by 28.53% from a year earlier.

Nontax revenues from the Bureau of the Treasury reached P4.7 billion, down by 43.41%.

The government runs on a budget deficit when it spends more than it makes to fund programs that support economic growth. It borrows from foreign and local sources to plug the gap.

Deficit, S1/8

HOW DO FILIPINAS FARE IN TERMS OF LEGAL GENDER EQUALITY?

The World Bank's Women, Business and the Law (WBL) index assesses the laws and regulations that affect women's economic participation across 190 economies. In the eighth edition of the index, the Philippines' score remains unchanged at 78.8 out of 100. However, this is higher than the East Asia and the Pacific and global average scores of 71.9 and 76.5, respectively.

(Read related story "No change in country's gender equality score in past year, says WB" on S1/4)

SELECT EAST ASIA AND THE PACIFIC ECONOMIES

Women, Business and the Law (WBL) 2022 Index Score (0-100)

Economy	Score (out of 100)
HONG KONG (China)	91.9
TAIWAN (China)	91.3
LAOS	88.1
TIMOR-LESTE	86.3
MONGOLIA	85.0
VIETNAM	85.0
SOUTH KOREA	85.0
SINGAPORE	82.5
CAMBODIA	81.3
PHILIPPINES	78.8
JAPAN	78.8
THAILAND	78.1
CHINA	75.6
INDONESIA	64.4
MYANMAR	58.8
BRUNEI	53.1
MALAYSIA	50.0

Global Average: 76.5
East Asia and the Pacific Average: 71.9

Philippines' Profile (2022)

Overall Score: 78.8

Indicator	Score (out of 100)
Mobility	75
Workplace	100
Pay	100
Marriage	60
Parenthood	60
Entrepreneurship	100
Assets	60
Pension	75

NOTES:
- In the survey, 35 questions were scored across eight indicators, with each indicator representing a different phase of a woman's life. These indicator-level scores were obtained by calculating the unweighted average of the questions within that indicator and scaling the result to 100. Overall scores were then calculated by taking the average of each indicator, with 100 representing the highest possible score.
- The eight indicators covered in the WBL are as follows:
1. **Mobility** - constraints on freedom of movement
2. **Workplace** - laws affecting women's decision to work
3. **Pay** - laws and regulations affecting women's pay
4. **Marriage** - legal constraints related to marriage
5. **Parenthood** - laws affecting women's work after having children
6. **Entrepreneurship** - constraints on women's starting and running businesses
7. **Assets** - gender differences in property and inheritance
8. **Pension** - laws affecting the size of a woman's pension
- The index covers reforms that occurred between Oct. 2, 2020 and Oct. 1, 2021.
SOURCE: WORLD BANK'S WOMEN, BUSINESS AND THE LAW 2022
BUSINESSWORLD RESEARCH: ANA OLIVIA A. TIRONA
BUSINESSWORLD GRAPHICS: BONG R. FORTIN

Philippines' manufacturing PMI highest in over 3 years

MANUFACTURING ACTIVITY in the Philippines rebounded to its highest level in over three years in February, as demand and production picked up amid the further easing of mobility restrictions.

The IHS Markit Philippine Manufacturing Purchasing Managers' Index (PMI) jumped to 52.8 in February, from 50 in January. This was the highest PMI reading since the 53.2 posted in December 2018.

A reading above 50 indicates an improvement in conditions for the manufacturing sector versus the previous month, and below the threshold means the opposite.

"February data revealed a return to growth for the Philippine manufacturing sector with the PMI rising to the highest in over three years. There were many key takeaways from the latest data but central

to the improvement were solid expansions in both output and new orders," Shreya Patel, an economist at IHS Markit, said in the report released on Tuesday.

She attributed the strong growth to looser restrictions in February.

Metro Manila and nearby provinces were under a more relaxed Alert Level 2 in February, as the Omicron-driven surge in coronavirus infections subsided.

Manufacturing companies' output and new orders increased, IHS Markit said. Production grew at the quickest pace in more than three years, as restrictions eased and more raw materials were widely available, it added.

New orders went up as companies enjoyed improved domestic demand. Exports also

expanded in February, ending four straight months of contraction.

IHS Markit noted a sharp rise in purchasing activity among manufacturers who are anticipating greater demand in the next few months.

However, Ms. Patel flagged concerns over high prices and employment levels at manufacturing companies.

"Inflationary pressures were historically elevated which forced firms to push through hikes in selling charges," she said. The higher prices of energy, raw materials, fuel and transport fueled a sharp rise in costs during the month.

Employment levels also continued to drop, with the latest decline the quickest in five months.

PMI, S1/8

Gov't raises P458 billion from latest RTB offering

THE GOVERNMENT raised P457.8 billion via its offer of five-year retail Treasury bonds (RTBs) that ended on Monday.

The Bureau of the Treasury (BTr) said P457.4 billion of the total amount raised was fresh funds or "new money." The remaining P259.5 million was from the bond exchange program. It was the 27th issuance of RTBs, and the first this year.

"By our funding activities in the domestic space, we are shielding our debt portfolio from volatility in the global financial markets, all

while taking advantage of the commitment of the Bangko Sentral ng Pilipinas of supporting the country's economic recovery," National Treasurer Rosalia V. de Leon said in a statement on Tuesday.

The bond offer was launched on Feb. 15, with the Treasury raising an initial P120.764 billion from the rate-setting auction.

The retail Treasury bonds fetched a coupon rate of 4.875%, with settlement on March 4. The maturity date is March 4, 2027.

RTB, S1/8