

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEi OPEN: 7,084.78 HIGH: 7,112.19 LOW: 7,044.84 CLOSE: 7,112.19 VOL: 14,966 B VAL(P): 8,179 B 12.61 PTS. 0.17% 30 DAYS TO MARCH 11, 2022	MARCH 11, 2022 JAPAN (Nikkei 225) 25,162.78 ▼ -527.62 -2.05 HONG KONG (Hang Seng) 20,553.79 ▼ -336.47 -1.61 TAIWAN (Weighted) 17,264.74 ▼ -168.46 -0.97 THAILAND (SET Index) 1,658.01 ▲ 10.93 0.66 S. KOREA (KSE Composite) 2,661.28 ▲ -19.04 -0.71 SINGAPORE (Straits Times) 3,249.66 ▲ 8.93 0.28 SYDNEY (All Ordinaries) 7,063.60 ▲ -67.20 -0.94 MALAYSIA (KLC Composite) 1,568.22 ▼ -12.31 -0.78	MARCH 11, 2022 Dow Jones 32,944.190 ▼ -229.880 NASDAQ 12,843.808 ▼ -286.154 S&P 500 4,204.310 ▼ -55.210 FTSE 100 7,155.640 ▲ 56.550 Euro Stoxx50 3,491.130 ▲ 23.930	FX OPEN P52.250 HIGH P52.210 LOW P52.340 CLOSE P52.290 W.AVE. P52.268 VOL. \$1,099.8 M SOURCE : BAP 50.90 51.35 51.80 52.25 52.70 53.15 13.50 CTVS 30 DAYS TO MARCH 11, 2022	MARCH 11, 2022 LATEST BID (0900GMT) JAPAN (YEN) 117.280 ▼ 115.960 HONG KONG (HK DOLLAR) 7.829 ▼ 7.820 TAIWAN (NT DOLLAR) 28.402 ▼ 28.316 THAILAND (BAHT) 33.300 ▼ 33.100 S. KOREA (WON) 1,237.080 ▼ 1,226.740 SINGAPORE (DOLLAR) 1.364 ▼ 1.359 INDONESIA (RUPIAH) 14,300 ▼ 14,275 MALAYSIA (RINGGIT) 4.192 ▼ 4.186	MARCH 11, 2022 US\$/UK POUND 1.3036 ▼ 1.3158 US\$/EURO 1.0909 ▼ 1.1041 \$/AUSTRALIAN DOLLAR 0.7290 ▼ 0.7333 CANADA DOLLAR/US\$ 1.2743 ▼ 1.2822 SWISS FRANC/US\$ 0.9346 ▲ 0.9268	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$110.50/BBL 130.00 120.00 110.00 100.00 90.00 80.00 \$4.79 30 DAYS TO MARCH 11, 2022

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • MARCH 11, 2022 (PSEi snapshot on S1/4; article on S2/2)

ICT	TEL	SMPH	URC	AC	BPI	ALI	SM	MBT	JFC
P226,000	P1,830,000	P38,000	P107,700	P800,500	P97,000	P36,850	P909,000	P55,500	P230,000
Value P417,180,018	Value P355,831,750	Value P347,972,055	Value P314,150,953	Value P254,689,400	Value P254,428,926	Value P249,847,930	Value P245,148,955	Value P200,975,042	Value P183,186,804
-P7,000 ▼ -3.004%	-P15,000 ▼ -0.813%	P0.500 ▲ 1.333%	-P3,200 ▼ -2.885%	-P29,500 ▼ -3.554%	P2,000 ▲ 2.105%	P0.150 ▲ 0.409%	P1,000 ▲ 0.110%	P0.450 ▲ 0.817%	-P9,800 ▼ -4.087%

High inflation puts GDP target at risk

Debt service bill hits P1.2 trillion in 2021

THE NATIONAL Government's debt service bill jumped by a fourth to P1.2 trillion in 2021 as amortization payments climbed, data from the Bureau of the Treasury (BTr) showed.

The BTr said the government's debt payments rose by 25% from P962.5 billion the previous year. Last year's total was just under the P1.28-trillion debt service budget for 2021.

In December alone, the debt service bill stood at P69.9 billion, down by 5% from the same month in 2020.

Amortization payments accounted for 60.9% of the total debt service bill in December, after slipping by 11.9% to P42.66 billion.

Principal payments to foreign creditors that month amounted to P6.3 billion, while those to domestic lenders totaled P36.36 billion.

Meanwhile, interest payments in December grew by 7.9% to P27.33 billion.

Broken down, interest paid on domestic debt reached a total of P24.18 billion, up by 2.4% year on year.

These payments consisted of P12.79 billion in retail Treasury bonds, P9.2 billion in fixed-rate Treasury bonds, and P1.07 billion in Treasury bills.

On the other hand, interest paid on external debt surged by 82.6% year on year to P3.14 billion.

The government borrows from foreign and local sources to plug its budget deficit as it spends more than it makes to support programs that will stimulate economic growth.

As for the full-year 2021, amortization payments made up 64.3% of the total debt service bill, while the rest went to settle interests.

Amortization payments in the period jumped by 33.1% to P774.73 billion.

Broken down, principal payments made to external sources reached P237.19 billion, up by 67.4% year on year. Those made to domestic lenders rose by 22% to P537.54 billion.

On the other hand, interest payments as of the end of last year increased by 12.9% to P429.43 billion.

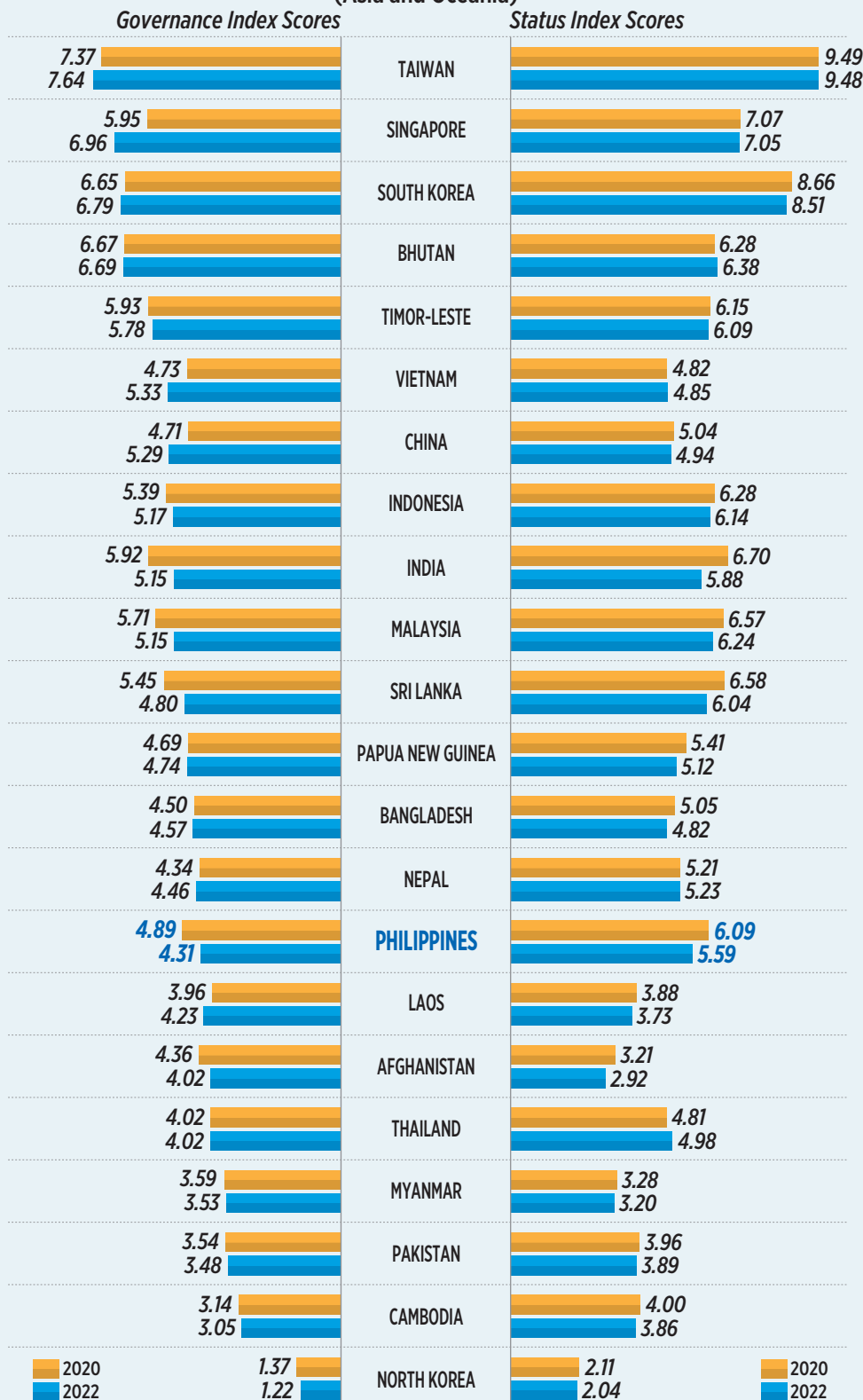
Interest paid to domestic debt in 2021 hit P333.34 billion, jumping by 19.5% year on year. In contrast, interest payments on external debt slipped by 5.2% to P96.1 billion.

The government's borrowings reached P2.58 trillion in 2021, declining by 5.9% year on year. — **J.P. Ibañez**

PHILIPPINES SLIPS IN STATE AND GOVERNANCE INDEX

The Bertelsmann Stiftung's Transformation Index (BTI) evaluates a country's quality of democracy, economic development, and political governance on a scale of 1-10, with 10 being the highest. The BTI sums up the results of this comprehensive study of transformation processes and political management into two indices: the Status and the Governance indices. This biennial evaluation allows one to consider observed trends and identify outcomes of transformation strategies. In the latest edition of the BTI, the Philippines ranked 60th in the Status Index and 87th in the Governance Index out of 137 economies. Compared to the 22 economies in the Asia and Oceania region, the country placed 10th in the Status Index and 15th in the Governance Index. Based on the report, the Asia and Oceania region was the first to be affected by the coronavirus pandemic which had severe impact on economies and societies in South Asia.

Bertelsmann Stiftung's Transformation Index (BTI) 2022 (Asia and Oceania)



NOTES: -With a codebook, country experts assess the extent to which a total of 17 criteria have been met by each of the 137 countries. -The Status Index (with its two analytic dimensions: political and economic transformation) identifies where each of the economies stand on its path toward democracy under the rule of law and a social market economy. -The Governance Index assesses the quality of political leadership with which transformation processes are steered.

SOURCE: BERTELSMANN STIFTUNG'S TRANSFORMATION INDEX (BTI-PROJECT.ORG) BUSINESSWORLD RESEARCH: ABIGAIL MARIE P. YRAOLA BUSINESSWORLD GRAPHICS: BONG R. FORTIN

By Luz Wendy T. Noble
Reporter

THE PHILIPPINES may find it more challenging to reach the government's 7-9% economic growth target this year, as household consumption will likely take a hit from higher inflation caused by a prolonged Russia-Ukraine war, an analyst said.

The Philippine economy will probably only grow within the 5% range due to geopolitical developments that have dented recovery prospects, ING Bank N.V. Manila Senior Economist Nicholas Antonio T. Mapa said.

"Although we don't expect growth to slow to a pace more akin to stagflation, we do know that the 7-9% growth aspiration will be a tall order," Mr. Mapa said in an e-mail.

Finance Secretary Carlos G. Dominguez III last week said he does not expect the Russia-Ukraine crisis to "last very long," adding the Philippine economy will only be affected because oil and food prices will continue to rise.

Prior to Russia's invasion of Ukraine, the International Monetary Fund, World Bank and the Asian Development Bank estimated Philippine gross domestic product (GDP) will grow by 6.3%, 5.3%, and 6%, respectively, this year.

Credit raters Fitch Ratings, Moody's Investors Service, and S&P Global Ratings projected Philippine GDP to expand by 6.9%, 7%, and 7.4%, respectively, which are near or at the low end of the government target.

Mr. Mapa said higher inflation is "all but a given which will cap consumption even during an election year."

Household spending, which accounts for about 70% of the economy, usually gets a boost during an election year. It grew by 4.2% in 2021 following the 7.9% decline in 2020.

Crude oil prices have soared since Russia's invasion of Ukraine.

Latest data from the Department of Energy showed the prices of gasoline, diesel, and kerosene have increased by P13.25, P17.50, and P11.40 per liter since the year started. This week, gas prices are expected to surge by P11.80-P12 per liter, diesel by P6.90-P7.20 per liter, and kerosene by P9.70-P9.80 per liter.

At the same time, the gradual relaxation of pandemic restrictions could help to boost growth but could also cause faster price increases, Asian Institute of Management economist John Paolo R. Rivera said in a Viber message.

"Our inflation figures are not yet reflecting the oil price surge but can manifest shortly when other industries and sectors feel the change in prices and when the wage spiral kicks in," Mr. Rivera said.

Target, S1/9

BUSINESSWORLD B-SIDE

Strengthening the healthcare system

THE DAYS of zero-COVID policies are long past, and learning to live with the coronavirus will require major adjustments to how things were done in the first years of the pandemic. "Coping with it, living with it, adjusting our policies and the way we live with the COVID threat (is) a matter of reducing risk," said Dr. Regina P. Berba, head of infection control at the Philippine General Hospital (PGH).



In this B-Side episode — the first of two parts on the future of healthcare — Dr. Berba speaks with *BusinessWorld* reporter Brontë H. Lacsamana about a wide range of topics, including how to take care of the medical frontliners who are taking care of us, how civic spaces have to transform themselves just as hospitals have, and how the universal healthcare law can expand access to quality and affordable health services if implemented properly.



>>> http://bit.ly/BSide_Healthcare

State clinics barely fill healthcare void in the Philippines

By Patricia B. Mirasol Reporter

MARIAN T. RIVAS, 59, went to a nearby state health center in the village of Talon Singko in Las Piñas City near the Philippine capital to get free amlodipine for her hypertension. She went home after being told that the generic drug was out of stock.

"Usually, medicines are out of stock," she said in a Facebook Messenger chat in Filipino. "And most of the time, there's no doctor. It's usually

the health worker that you have to deal with."

It has been particularly difficult for poor people on maintenance drugs during a coronavirus pandemic, when visits to the local health center are limited.

Primary care, which focuses on prevention rather than cure, is supposed to provide wider coverage and prevent social disparities in healthcare, apart from reducing the financial burden on the public health system.

But health advocates complain that people are unaware of its benefits and

government health centers are few and far between, not to mention the lack of funds to run them properly.

"There are no oxygen tanks at the local health center," Becky S. Barrios, who heads a civic group that helps the Manobo tribe of Agusan del Sur in southern Philippines, said in an e-mailed reply to questions. "Medicines are incomplete. Losartan and other hypertensive drugs are usually out of stock."

Primary healthcare, which should address 80% of a person's health needs, is unlikely to succeed in a country that struggles to allot sufficient budget for

its citizens' health, she said. "Local villages lack the facilities to treat people," she added, noting that there's only one midwife for every barrio.

Indigenous people have also been hesitant to visit health centers for fear of being declared coronavirus positive in an antigen test, Ms. Barrios said.

Half of Filipinos don't have access to a nearby primary care facility — one that patients can reach in 30 minutes, according to the Department of Health (DoH). The Philippines had 216,841 community health workers, based on government data from 2010.

Clinics, S1/5

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