P25 IN METRO MANILA, PHILIPPINES

BusinessWorld

STOCK MARKET

PSEi — 30 DAYS TO APRIL 21, 2022

OPEN:	7,145.50
HIGH:	7,156.85
LOW:	7,050.62
CLOSE:	7,061.49
VOL.:	0.895 B
VAL(P):	6.042 B

▼ 80.93 PTS. 1.13%

ASIAN MARKETS — APRIL 21, 2022

	CLOSE		NET	%
Japan (Nikkei 225)	27,553.06	▲	335.21	1.23
Hong Kong (Hang Seng)	20,682.22	▼	-262.45	-1.25
Taiwan (Weighted)	17,127.95	▼	-20.93	-0.12
Thailand (SET Index)	1,690.15	▲	9.80	0.58
S.Korea (Kse Composite)	2,728.21	▲	9.52	0.35
Singapore (Straits Times)	3,349.18	▲	13.86	0.42
Sydney (All Ordinaries)	7,592.80	▲	23.60	0.31
Malaysia (Klse Composite)	1,598.32	▲	4.57	0.29

WORLD MARKETS — APRIL 20, 2022

	CLOSE		NET
Dow Jones	35,160.790	▲	249.590
NASDAQ	13,453.065	▼	-166.592
S&P 500	4,459.450	▼	-2.760
FTSE 100	7,629.220	▲	27.940
Euro Stoxx50	3,770.860	▲	26.510

PESO-DOLLAR RATES

FX — 30 DAYS TO APRIL 21, 2022

OPEN	P52.400
HIGH	P52.350
LOW	P52.450
CLOSE	P52.365
W.AVE.	P52.395
VOL.	$1,344.60 M

▲ 12.50 CTVS

SOURCE : BAP

ASIAN MONIES-US$ RATE — APRIL 21, 2022

	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	128.130	▲	128.270
Hong Kong (HK dollar)	7.844	▼	7.843
Taiwan (NT dollar)	29.166	▲	29.245
Thailand (baht)	33.840	▼	33.760
S. Korea (won)	1,235.720	▼	1235.600
Singapore (dollar)	1.361	▲	1.365
Indonesia (rupiah)	14,343	▲	14355
Malaysia (ringgit)	4.289	▼	4.279

WORLD CURRENCIES — APRIL 21, 2022

	CLOSE		PREVIOUS
US$/UK pound	1.3059	▲	1.3025
US$/Euro	1.0920	▲	1.0836
$/Aust dollar	0.7446	▲	0.7431
Canada dollar/US$	1.2470	▼	1.2552
Swiss Franc/US$	0.9482	—	0.9482

DUBAI CRUDE OIL

FUTURES PRICE ON NEAREST MONTH OF DELIVERY

$105.54/BBL ▼ $3.11

30 DAYS TO APRIL 20, 2022

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • APRIL 21, 2022 (PSEi snapshot on *S1/4*; article on *S2/2*)

		Value			
BPI	P100.000	P496,449,199	P0.200	▲	0.200%
BDO	P135.000	P423,679,789	P2.500	▲	1.887%
SM	P865.000	P369,090,850	-P12.000	▼	-1.368%
AC	P780.000	P344,774,925	P2.000	▲	0.257%
SMPH	P37.000	P270,592,615	-P1.200	▼	-3.141%
URC	P113.500	P257,183,046	-P3.400	▼	-2.908%
ICT	P222.200	P249,921,102	-P8.800	▼	-3.810%
ALI	P35.000	P221,892,885	-P0.600	▼	-1.685%
CNVRG	P30.550	P215,043,795	P0.550	▲	1.833%
ACEN	P8.450	P192,303,881	-P0.150	▼	-1.744%

PHL needs to grow over 6% to cut debt

THE Philippine economy needs to grow above six percent annually in the next five to six years to reduce the country's debt, Finance Secretary Carlos G. Dominguez III said on Thursday.

"The biggest challenge for the next administration is really to grow out of the debt that we incurred during the pandemic, which was natural because our revenues went down due to the lockdowns and we increased expenditures," he told Bloomberg Television. "The next administration would have to design policies and stick to very strict fiscal discipline to grow out of this debt problem."

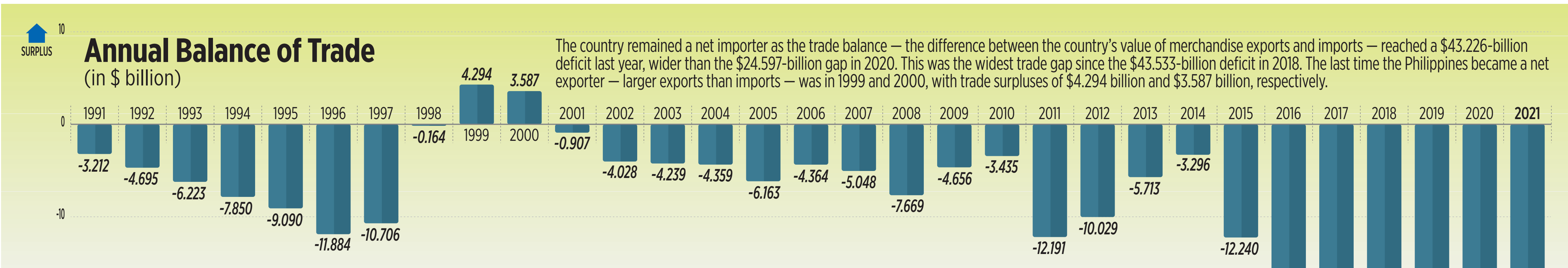
The national election will be held on May 9, with the new administration taking over in July.

The Philippines borrowed P1.3 trillion and received grants worth P2.7 billion to fund its pandemic response, including coronavirus vaccines.

The Department of Finance (DoF) has said it would take 40 years to pay off these pandemic-related loans and grants.

"Some of our debt has a 40-year term, so we assumed debt at very, very favorable terms, in terms of tenor as well as interest rates," Mr. Dominguez said.

Debt, S1/3



2021 trade deficit widest in 3 years

By Bernadette Therese M. Gadon *Researcher*

THE Philippines' trade deficit further widened to a three-year high in 2021 as imports continued to outpace exports amid a coronavirus pandemic, latest data from the Philippine Statistics Authority (PSA) showed.

Final results of the PSA's international trade data showed the value of outbound shipment of goods jumped by an annual 14.5% to $74.653 billion last year, a turnaround from the 8.1% drop in 2020.

This was the fastest since the 19.7% increase in exports in 2017.

Imports likewise surged by a record 31.3% year on year to $117.879 billion from $89.812 billion. Last year's import growth was a turnaround from the 19.5% decline in 2020.

Last year's import growth surpassed the 30% full-year target set by the Development Budget Coordination Committee — the inter-agency body that sets the government's macroeconomic assumptions and targets. Exports, meanwhile, missed the 16% goal.

Both exports and imports were at record levels last year, according to the PSA data dating back to 1991.

The country remained a net importer as the trade balance — the difference between merchandise exports and imports — reached a $43.226-billion deficit last year, wider than the $24.597-billion gap in 2020.

This was the widest trade gap since the $43.533-billion deficit in 2018.

The last time the Philippines became a net exporter was in 1999 and 2000 with trade surpluses of $4.294 billion and $3.587 billion, respectively.

Deficit, S1/3

Mask donation

Singapore's Temasek Foundation (TF) partners with LT Group, Inc. (LTG) for the donation of eight million masks to help in the coronavirus response of various local government units in the Philippines. The photo shows TF Chief Executive Officer Ng Boon Heong (right) and LTG President Michael G. Tan (left) during the ceremonial signing of the deed of donation. The event was witnessed by Philippine Ambassador to Singapore Joseph M. Yap and TF Senior Director Gerard Yeo.

Food prices to continue rising on Russian war — MUFG

THE Russia-Ukraine war may drive food prices even higher in Asian countries, including the Philippines, according to MUFG Global Markets Research.

In a note on Monday, MUFG said the war in Ukraine might add 2.5-3.5 percentage points to the level of Asia's food inflation. This assumes food commodity prices increase by 15%.

MUFG noted that the Philippines is one of the Asian economies with relatively faster food price increases from July 2020 to January 2022, the same period when the Food and Agriculture Organization (FAO) of the United Nations recorded a food price index of 45%.

MUFG estimates food prices in the Philippines rose by 8.2% from July 2020 to January 2022.

In February and March, the FAO food price index rose by 17%, amid worries over supply disruptions and shortages since the Russia invaded Ukraine on Feb. 24.

With the war's end still nowhere in sight, MUFG said food inflation might quicken in the next few months.

"We do expect a higher degree of pass-through, due to recovery in domestic demand in Southeast Asian countries as these countries' coronavirus disease 2019 (COVID-19) restrictions are being lifted, Asian countries are to further digest the 45% wheat price hike in February and March and an additional 15% wheat and food commodity price increase," MUFG said.

Philippine inflation quickened to a six-month high of 4% in March, reflecting the impact of the war on fuel prices. Food inflation accelerated to 2.6% from 1.2% in February.

MUFG said Asian economies would likely adopt alternative food procurement strategies amid the war, noting food culture in the region could tame the impact of rising wheat prices.

"The fact that rice is an important staple for most of Asian countries and rice price is low can also help cushion some supply stress. We don't see a food crisis given what is happening," it said.

ING Bank N.V. Manila Senior Economist Nicholas Antonio T. Mapa said food production in the Philippines might be affected by the spike in the cost of wheat and fertilizer.

"The country imports wheat from Ukraine and Russia. More expensive wheat costs have already filtered through to inflation for flour bread and other bakery products," he said in an e-mail.

"Russia is also a supplier of components for fertilizer and the conflict will push input costs for farming even higher," he added.

Global supply chain disruptions caused by the war will drive food inflation higher, Asian Institute of Management economist John Paolo R. Rivera said.

"This uncertainty directly and indirectly puts pressure on food prices due to supply constraints," he said in a Viber message.

"Policy directives must be able to ensure that we take advantage of domestic supply, farmer produce should be patronized, as well as alternative sources such as from neighboring countries," he added.

This year, the faster rise in food, transport and utility costs could drive both headline and core inflation beyond the Bangko Sentral ng Pilipinas' (BSP) 2-4% target, Mr. Mapa said.

Prices, S1/3