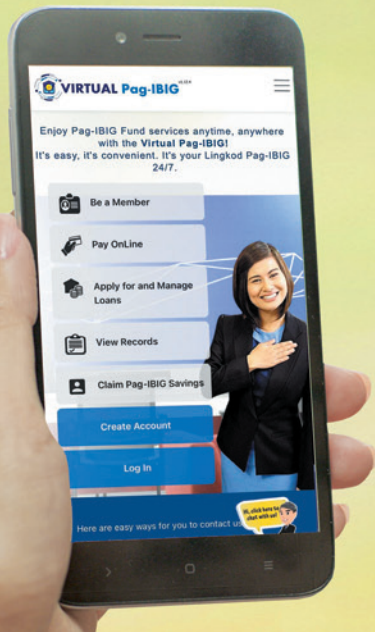


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BusinessWorld

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEi OPEN: 6,655.51 HIGH: 6,726.14 LOW: 6,641.16 CLOSE: 6,726.14 VOL: 0.917 B VAL(P): 5,960 B 80.62 PTS. 1.21% 30 DAYS TO MAY 27, 2022	MAY 27, 2022 JAPAN (NIKKEI 225) 26,781.68 ▲ 176.84 0.66 HONG KONG (HANG SENG) 20,697.36 ▲ 581.16 2.89 TAIWAN (WEIGHTED) 16,266.22 ▲ 297.39 1.86 THAILAND (SET INDEX) 1,638.75 ▲ 5.02 0.31 S.KOREA (KSE COMPOSITE) 2,638.05 ▲ 25.60 0.98 SINGAPORE (STRAITS TIMES) 3,230.55 ▲ 21.37 0.67 SYDNEY (ALL ORDINARIES) 7,182.70 ▲ 76.80 1.08 MALAYSIA (KLSE COMPOSITE) 1,546.76 ▲ 5.61 0.36	MAY 27, 2022 DOW JONES 33,212.960 ▲ 575.770 NASDAQ 12,131.131 ▲ 390.481 S&P 500 4,158.240 ▲ 100.400 FTSE 100 7,585.460 ▲ 20.540 EURO STOXX50 3,674.510 ▲ 46.730	FX OPEN P52.333 HIGH P52.235 LOW P52.350 CLOSE P52.320 W.AVE. P52.302 VOL. \$1,054.32M SOURCE: BAP 8.00 CTS 30 DAYS TO MAY 27, 2022	MAY 27, 2022 LATEST BID (0900GMT) PREVIOUS JAPAN (YEN) 127.110 126.750 HONG KONG (HK DOLLAR) 7.849 7.850 TAIWAN (NT DOLLAR) 29.303 29.420 THAILAND (BAHT) 34.110 34.200 S. KOREA (WON) 1,251.990 1,265.530 SINGAPORE (DOLLAR) 1.369 1.375 INDONESIA (RUPIAH) 14,575 14,630 MALAYSIA (RINGGIT) 4.377 4.396	MAY 27, 2022 US\$/UK POUND 1.2616 ▲ 1.2561 US\$/EURO 1.0727 ▲ 1.0682 \$/AUSTRALIAN DOLLAR 0.7160 ▲ 0.7086 CANADA DOLLAR/US\$ 1.2723 ▼ 1.2824 SWISS FRANC/US\$ 0.9570 ▼ 0.9599	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$112.35/BBL 30 DAYS TO MAY 27, 2022 \$3.44

VOL. XXXV • ISSUE 218 MONDAY • MAY 30, 2022 • www.bworldonline.com S1/1-12 • 3 SECTIONS, 24 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • MAY 27, 2022 (PSEi snapshot on S1/8; article on S2/2)

CNVRG	P26.500	SMPH	P37.800	MONDE	P16.680	ALI	P28.850	BDO	P127.300	TEL	P1,950.000	AC	P679.500	SPNEC	P1.850	JFC	P213.000	SM	P838.500
Value	P758,609,910	Value	P467,160,285	Value	P401,044,490	Value	P384,647,000	Value	P317,250,996	Value	P251,320,450	Value	P203,212,650	Value	P179,437,250	Value	P170,601,380	Value	P167,290,445
PO.450	▲ 1.727%	P1.100	▲ 2.997%	PO.220	▲ 1.337%	PO.800	▲ 2.852%	P4.100	▲ 3.328%	P6.000	▲ 0.309%	P19.000	▲ 2.877%	PO.060	▲ 3.352%	PO.000	— 0.000%	P3.500	▲ 0.419%

Diokno backs tax on digital services

Supply chain shortages weigh on PHL restaurants' operations

By **Revin Mikhael D. Ochave**
Reporter

OPERATIONS of some local restaurants are being hampered by global supply chain disruptions, which have caused shortages of some food items and driven prices higher.

Eric Teng, president of the Restaurant Owners of the Philippines (RestoPH), said that food production here and abroad has been affected by supply chain disruptions worldwide.

"For example, there may be lower output in domestic rice production due to the lack of fertilizer today. The fertilizer, a lot of it also comes from Ukraine and Russia," he said in a mobile phone reply to *BusinessWorld* questions.

Mr. Teng said some restaurant operators have seen costs double due to these supply chain problems.

"It is a very difficult and challenging situation now for a restaurant operator," he added.

Some restaurants are also facing delays in the delivery of raw materials and produce used in their operations, Mr. Teng said, in addition to the surging fuel costs.

As a result, he said some restaurants have already increased prices, while others are still trying to absorb some of the rising costs.

"Inevitably, we have to pass on the price increase to the consumer. But restaurants don't want to raise their prices too much because they don't want to scare their guests," Mr. Teng said.

"It depends on the restaurant operator if they still have a stockpile and they can absorb some of the rising costs. But it is unfair to assume that those restaurants can maintain their low selling price for a long time given the increased costs that they have to suffer right now," he added.

Restaurants, S1/9

NTC expects more foreign satellite internet providers after Starlink's approval

By **Arjay L. Balinbin** Senior Reporter

THE NATIONAL Telecommunications Commission (NTC) expects more foreign satellite broadband providers to enter the Philippines after its approval of the registration of Starlink Internet Services Philippines, Inc., subsidiary of Elon Musk's Space Exploration Technologies Corp. (SpaceX).

"It's expected that the others will follow. First, the implementing rules for the amendments to the Public Service Act (PSA) are being prepared by the National Economic and Development Authority, so others are probably just waiting for the specific rules," NTC Deputy Commissioner Edgardo V. Cabarios told *BusinessWorld* in a phone interview on May 27.

Republic Act (RA) No. 11659, which President Rodrigo R. Duterte signed in March, amends the 85-year-old Commonwealth Act No. 146, or the PSA Act. It eases the restrictions on full foreign ownership of businesses in key sectors such as telecommunications, shipping, airlines, railways, and subways.

Mr. Cabarios said the amended PSA led to the formation of Starlink Internet Services Philippines, which received its certificate of registration as a value-added service provider (VAS) from the NTC on May 26.

"Many foreign companies, telcos, have expressed interest to enter the Philippine market," he said. "The Philippine market is a growing market, especially for broadband or internet access. Demand is huge. It is growing every day."

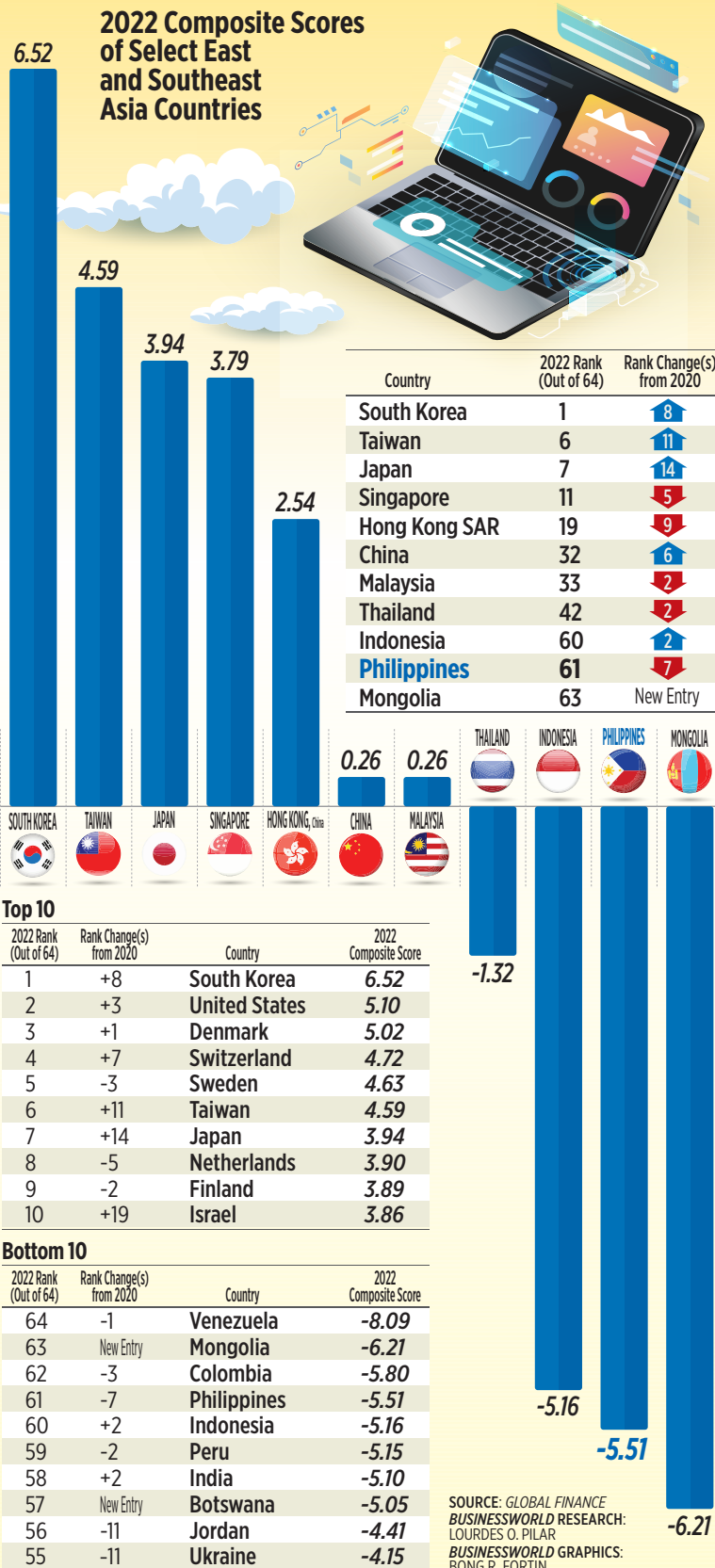
The NTC said in a statement on Friday last week that Starlink Internet Services Philippines will offer "high-speed low latency satellite internet service with download speed between 100 Mbps to 200 Mbps" to Filipinos.

"We would like to thank the NTC for issuing Starlink's VAS license 30 minutes after we submitted our application with complete requirements. This shows the government's seriousness in addressing the connectivity needs of our countrymen in unserved and underserved areas. This will also prepare us in the event of natural disasters and calamities," Bien Marquez of Quisumbing Torres, SpaceX's counsel, was quoted as saying in the NTC statement.

Starlink, S1/5

PHILIPPINES LAGS IN NATIONAL TECHNOLOGICAL STRENGTH LIST

The Philippines fell by seven notches to 61st out of 64 in the 2022 edition of most technologically advanced countries ranking by international magazine *Global Finance*. The report ranks a country's technological strength across four metrics: internet users as a percentage of a country's population; LTE users as a percentage of the population; IMD World Competitiveness Center's Digital Competitiveness Score; and share of a country's research and development spending to its economic output. Among 11 East and Southeast Asia countries included in the report, the Philippines ranked second lowest, ahead only of Mongolia (63rd).



INCOMING Finance Secretary Benjamin E. Diokno is eyeing the imposition of taxes on digital transactions and streaming services such as Netflix and Spotify.

Mr. Diokno, who is currently the governor of the Bangko Sentral ng Pilipinas (BSP), said in a GMA News interview that most digital transactions are not being taxed properly.

"Right now, if these [streaming services] can evade taxes, why not tax it?... And who can afford Netflix? It's not the poor. So, they (consumers) can afford it," he said.

"Many transactions are digital. Those can slip by, not paying the proper amount of taxes, compared to, for example, buying from a store. That's unfair. And who can use those kinds of (digital) transactions more? Those with cellphones, the rich."

A 12% value-added tax (VAT) on digital service providers is part of the tax reforms proposed by outgoing Finance Secretary Carlos G. Dominguez III as part of a fiscal consolidation plan. The VAT would be on advertisement services, digital services and supply of other electronic and online services.

Digital services, S1/5

PHL sees investment opportunities as world turns greener

THE PHILIPPINES is counting on the world's shift to green technology and the pandemic-induced demand for data centers to boost investments in its mining industry, a top official said.

The end of a ban on new mining permits also positions the sector to attract funds for a shift toward processing instead of simply exporting ores, said Trade Undersecretary Perry Rodolfo, who also leads the Board of Investments (BoI). The BoI separately aims to win about P1 trillion (\$20 billion) in investment commitments from home and abroad this year, up by 50% from 2021.

"The Philippines is blessed when it comes to very critical minerals that are needed by everyone as we shift towards a more digitalized and greener world," Mr. Rodolfo said in an interview on Friday, commenting on the demand for nickel, copper and cobalt. "The next key thing is to really make sure that they are processed here and we add value prior to exporting them."

Investment, S1/9

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