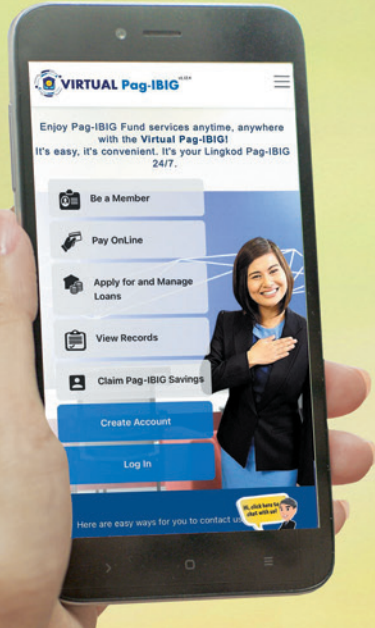


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STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																					
PSEi OPEN: 6,545.52 HIGH: 6,569.36 LOW: 6,379.17 CLOSE: 6,379.17 VOL: 0.996 B VAL(P): 10,767 B 153.13 pts. 2.34% 30 DAYS TO MAY 13, 2022	MAY 13, 2022 <table border="1"> <tr><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (NIKKEI 225)</td><td>26,427.65</td><td>▲ 678.93 2.64</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>19,898.77</td><td>▲ 518.43 2.68</td></tr> <tr><td>TAIWAN (WEIGHTED)</td><td>15,832.54</td><td>▲ 215.86 1.38</td></tr> <tr><td>THAILAND (SET INDEX)</td><td>1,584.38</td><td>▼ -0.14 -0.01</td></tr> <tr><td>S. KOREA (KSE COMPOSITE)</td><td>2,604.24</td><td>▲ 54.16 2.12</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,191.16</td><td>▲ 25.98 0.82</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>7,075.10</td><td>▲ 134.10 1.93</td></tr> <tr><td>MALAYSIA (KLSE COMPOSITE)</td><td>1,544.41</td><td>▲ 5.61 0.36</td></tr> </table>	CLOSE	NET	%	JAPAN (NIKKEI 225)	26,427.65	▲ 678.93 2.64	HONG KONG (HANG SENG)	19,898.77	▲ 518.43 2.68	TAIWAN (WEIGHTED)	15,832.54	▲ 215.86 1.38	THAILAND (SET INDEX)	1,584.38	▼ -0.14 -0.01	S. KOREA (KSE COMPOSITE)	2,604.24	▲ 54.16 2.12	SINGAPORE (STRAITS TIMES)	3,191.16	▲ 25.98 0.82	SYDNEY (ALL ORDINARIES)	7,075.10	▲ 134.10 1.93	MALAYSIA (KLSE COMPOSITE)	1,544.41	▲ 5.61 0.36	MAY 13, 2022 <table border="1"> <tr><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>32,196.660 ▲ 466.360</td></tr> <tr><td>NASDAQ</td><td>11,805.001 ▲ 434.039</td></tr> <tr><td>S&P 500</td><td>4,023.890 ▲ 93.810</td></tr> <tr><td>FTSE 100</td><td>7,418.150 ▲ 184.810</td></tr> <tr><td>Euro Stoxx50</td><td>3,605.060 ▲ 74.470</td></tr> </table>	CLOSE	NET	Dow Jones	32,196.660 ▲ 466.360	NASDAQ	11,805.001 ▲ 434.039	S&P 500	4,023.890 ▲ 93.810	FTSE 100	7,418.150 ▲ 184.810	Euro Stoxx50	3,605.060 ▲ 74.470	FX OPEN P52.430 HIGH P52.390 LOW P52.480 CLOSE P52.450 W.AVE. P52.434 VOL. \$978.40 M SOURCE: BAP 4.50 cys 30 DAYS TO MAY 13, 2022	MAY 13, 2022 <table border="1"> <tr><th>LATEST BID (0900GMT)</th><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>129.190 ▼ 128.590</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.850 — 7.850</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>29.782 ▲ 29.864</td></tr> <tr><td>THAILAND (BAHT)</td><td>34.700 ▲ 34.710</td></tr> <tr><td>S. KOREA (WON)</td><td>1,278.450 ▲ 1,290.080</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.393 ▲ 1.396</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>14,610 ▼ 14,595</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.396 ▼ 4.390</td></tr> </table>	LATEST BID (0900GMT)	PREVIOUS	JAPAN (YEN)	129.190 ▼ 128.590	HONG KONG (HK DOLLAR)	7.850 — 7.850	TAIWAN (NT DOLLAR)	29.782 ▲ 29.864	THAILAND (BAHT)	34.700 ▲ 34.710	S. KOREA (WON)	1,278.450 ▲ 1,290.080	SINGAPORE (DOLLAR)	1.393 ▲ 1.396	INDONESIA (RUPIAH)	14,610 ▼ 14,595	MALAYSIA (RINGGIT)	4.396 ▼ 4.390	MAY 13, 2022 <table border="1"> <tr><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.2261 ▲ 1.2171</td></tr> <tr><td>US\$/EURO</td><td>1.0411 ▼ 1.0425</td></tr> <tr><td>\$/AUSTRALIAN DOLLAR</td><td>0.6939 ▲ 0.6862</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.2908 ▼ 1.3044</td></tr> <tr><td>SWISS FRANC/US\$</td><td>1.0017 ▲ 0.9957</td></tr> </table>	CLOSE	PREVIOUS	US\$/UK POUND	1.2261 ▲ 1.2171	US\$/EURO	1.0411 ▼ 1.0425	\$/AUSTRALIAN DOLLAR	0.6939 ▲ 0.6862	CANADA DOLLAR/US\$	1.2908 ▼ 1.3044	SWISS FRANC/US\$	1.0017 ▲ 0.9957	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$106.65/BBL 112.00 107.60 103.20 98.80 94.40 90.00 \$3.81 30 DAYS TO MAY 13, 2022
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S1/1-12 • 2 SECTIONS, 24 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • MAY 13, 2022 (PSEi snapshot on S1/4; article on S2/2)

MONDE	P14.360	SMPH	P35.100	ALI	P27.500	CNVRG	P27.750	AC	P651.000	TEL	P1,930.000	BDO	P125.200	SM	P789.000	ACEN	P6.230	ICT	P206.000
Value	P1,148,346,984	Value	P1,133,452,930	Value	P1,128,974,000	Value	P997,598,250	Value	P599,057,340	Value	P515,025,520	Value	P462,465,434	Value	P390,231,090	Value	P360,074,976	Value	P326,173,788
	P0.760 ▲ 5.588%	P1.550 ▲ 4.620%		-P1.650 ▼ -5.660%		P1.250 ▲ 4.717%		-P42.000 ▼ -6.061%		P21.000 ▲ 1.100%		-P1.500 ▼ -1.184%		-P39.000 ▼ -4.710%		-P0.370 ▼ -5.606%		-P8.800 ▼ -4.097%	

Analysts divided on rate hike move

By Luz Wendy T. Noble Reporter

THE BANGKO SENTRAL ng Pilipinas (BSP) could still keep rates steady on Thursday as it waits for more proof of a robust economic recovery, although some analysts said a rate hike is likely after the strong first-quarter print.

A *BusinessWorld* poll of 17 analysts conducted last week showed they are divided on the BSP's next move, with nine betting rates will remain unchanged, while eight are expecting a 25-basis-point (bp) hike.

The Monetary Board will hold its third rate-setting meeting for the year on Thursday. The key policy rate has been at a record low 2% since November 2020, when the BSP cut rates by 25 bps.


Some analysts believe that interest rates will remain untouched on Thursday to buy more time for the BSP to sift through data and ascertain if economic recovery has become entrenched.

"We believe that the BSP will not change the policy rate during its May 19 Monetary Board meeting as it is too close to the recent elections and they would likely want to digest the first-quarter gross domestic product (GDP) data in more detail," Philippine National Bank economist Alvin Joseph A. Arogo said.


The Philippine economy expanded by 8.3% in the January to March period, a turnaround from the 3.8% contraction in the same period of 2021. The first-quarter GDP growth was faster than the 7.8% growth in the October to December period.


Despite the stronger-than-expected GDP growth in the first quarter, China Banking Corp. Chief Economist Domini S. Velasquez said there are still some economic indicators that showed some sectors have yet to recover from the pandemic.

Rate hike, S1/8




















FORECAST





FORECAST

ANALYSTS' EXPECTATIONS ON POLICY RATES (MAY 19)

 Ruben Carlo O. Asuncion UnionBank of the Philippines, Inc.	 Emmanuel J. Lopez Colegio de San Juan de Letran	 Nicholas Antonio T. Mapa ING Bank N.V. Manila Branch	 Alvin Joseph A. Arogo Philippine National Bank	 Ser Percival K. Peña-Reyes Ateneo de Manila University	 John Paolo R. Rivera Asian Institute of Management	 Makoto Tsuchiya Oxford Economics	
 Sanjay Mathur ANZ Research	 Emilio S. Neri, Jr. Bank of the Philippine Islands	 Sophia Ng MUFU Global Markets Research	 Domini S. Velasquez China Banking Corp.	 Miguel Chanco Pantheon Macroeconomics	 Nalin Chutchoitham Citibank N.A	 Patrick M. Ella Sun Life Financial	
 Jonathan L. Ravelas BDO Unibank, Inc.	 Robert Dan J. Roces Security Bank Corp.	 Michael L. Ricafort Rizal Commercial Banking Corp.	CURRENT POLICY SETTINGS Overnight Deposit Rate 1.5% Overnight Reverse Repurchase Rate 2.0% Overnight Lending Rate 2.5%				

BUSINESSWORLD GRAPHICS: BONG R. FORTIN

Debt service payments plunge in March

THE NATIONAL GOVERNMENT paid P67.39 billion in debt in March, plummeting from a year ago, due to huge amortization payments made during that period, the Bureau of the Treasury (BTr) reported.

Data from the BTr showed the March debt service bill declined by 75% from P268.41 billion in March 2021, and increased by 121% from P30.42 billion seen in February 2022.

Of the total debt service bill for March, 82% went to interest payments, and the rest to actual principal repayments.

Interest payment rose by 16.5% to P55.5 billion in March from P47.67 billion in the same month a year ago.

Of the amount, interest on local borrowings jumped by 20% year on year to P47.4 billion, while interest on foreign obligations dipped by 2% to P8.22 billion.

Domestic interest payments consisted of P28.68 billion in fixed-rate Treasury bonds, P16.95 billion in retail Treasury bonds, and P1.60 billion in Treasury bills.

Meanwhile, principal payments for March slumped by 95% to P11.84 billion from P220.74 billion a year ago.

Payments to foreign obligations made up the bulk at P7.53 billion, representing 63.5% of the total, while payments for domestic debt reached P4.31 billion.

For the first quarter, the National Government's debt service bill stood at P313.65 billion, falling by 40% from P521.50 billion a year ago.

Principal repayments made up roughly half of the total debt service bill at P164.32 billion in the first three months of 2022. This was 58% lower than the P395.65 billion in the first quarter of 2021.

Meanwhile, total interest payments for the first quarter reached P149.32 billion, declining by nearly 16% from the same period last year.

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.

The Philippines logged a debt-to-gross domestic product (GDP) ratio of 63.5% as of the first quarter. This is higher than the 60% debt-to-GDP ratio considered manageable by multilateral lenders for developing economies.

This year, the government expects the economy to grow by 7-9%. Philippine GDP expanded by a faster-than-expected 8.3% in the first quarter.

Fitch Ratings earlier this year affirmed the Philippines' debt rating at "BBB," the second-lowest investment grade, with a negative outlook. — **Tobias Jared Tomas**

MSMEs may struggle to raise wages

By Tobias Jared Tomas

MICRO, SMALL AND MEDIUM enterprises (MSMEs) may face difficulty in complying with the recently approved wage hikes in Metro Manila and Western Visayas as many businesses have yet to fully recover from the pandemic, industry groups said.

Analysts, on the other hand, said the wage hike may cause faster inflation.

"My concern is many MSMEs are having challenges with the present legislated wage, this increase will add burden to their precarious financial condition," Philippine Chamber of Commerce and Industry (PCCI) President George T. Barcelon said via Viber.

He said this may lead more MSMEs to trim their workforce and raise prices of goods and services.

Many MSMEs, who represent 99% of enterprises in the Philippines, are still struggling to recover from the pandemic.

The Department of Labor and Employment on Saturday approved a P33 increase for the

daily minimum wage in Metro Manila and by P55 to P110 for the Western Visayas Region.

The wage hike in Metro Manila will bring the new minimum wage in the capital region to P570 and P533 for workers in non-agricultural and agricultural sectors, respectively. It is expected to cover around one million minimum wage earners.

Meanwhile, P55 and P110 increases in Western Visayas bring the daily minimum wage in the region to P450 for businesses employing more than 10 workers, and P420 for establishments employing 10 or less workers.

Employers Confederation of the Philippines (ECoP) President Sergio R. Ortiz-Luis, Jr. said in a phone call that he hoped micro industries, which are businesses made up of less than 10 employees, would be exempt from the wage hike.

"Many businesses are not opening because of the expected wage increase," Mr. Ortiz-Luis, Jr. said in mixed Filipino and English. "Larger companies might be able to afford it (wage increase), but micro companies might not."

Management Association of the Philippines (MAP) President Alfredo E. Pascual said he recognizes the need to raise the minimum wage as prices

Wages, S1/8



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