



Business World

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEi CLOSE: 6,832.08 HIGH: 6,832.08 LOW: 6,774.68 CLOSE: 6,774.68 VOL.: 2.167 B VAL(P): 35,715 B 47.64 pts. 0.69% 30 DAYS TO MAY 31, 2022	MAY 31, 2022 JAPAN (NIKKEI 225) 27,279.80 ▼ -89.63 -0.33 HONG KONG (HANG SENG) 21,415.20 ▲ 291.27 1.38 TAIWAN (WEIGHTED) 16,807.77 ▲ 197.15 1.19 THAILAND (SET INDEX) 1,659.21 ▲ 5.60 0.34 S.KOREA (KSE COMPOSITE) 2,685.90 ▲ 16.24 0.61 SINGAPORE (STRAITS TIMES) 3,248.48 ▲ 9.56 0.30 SYDNEY (ALL ORDINARIES) 7,211.20 ▼ -75.40 -1.03 MALAYSIA (KLSE COMPOSITE) 1,570.10 ▲ 27.08 1.75	MAY 30, 2022 Dow Jones 33,212.960 ▲ 575.770 NASDAQ 12,131.131 ▲ 390.481 S&P 500 4,158.240 ▲ 100.400 FTSE 100 7,600.060 ▲ 14.600 Euro Stoxx50 3,687.240 ▲ 12.730	FX OPEN P52.400 HIGH P52.370 LOW P52.435 CLOSE P52.370 W.AVE. P52.412 VOL. \$925.62M SOURCE: BAP 6.00 cts 30 DAYS TO MAY 31, 2022	MAY 31, 2022 LATEST BID (0900GMT) JAPAN (YEN) 127.910 ▼ 127.270 HONG KONG (HK DOLLAR) 7.848 ▼ 7.848 TAIWAN (NT DOLLAR) 28.994 ▼ 28.918 THAILAND (BAHT) 34.200 ▼ 34.070 S. KOREA (WON) 1,238.230 ▼ 1,236.550 SINGAPORE (DOLLAR) 1.370 ▼ 1.366 INDONESIA (RUPIAH) 14,580 ▼ 14,557 MALAYSIA (RINGGIT) 4.378 ▼ 4.364	MAY 31, 2022 US\$/UK POUND 1.2611 ▼ 1.2640 US\$/EURO 1.0735 ▼ 1.0765 \$/AUSTRALIAN DOLLAR 0.7188 ▼ 0.7189 CANADA DOLLAR/US\$ 1.2672 ▼ 1.2684 SWISS FRANC/US\$ 0.9582 ▲ 0.9571	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$113.80/Barrel \$1.45 30 DAYS TO MAY 30, 2022

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S1/1-10 • 2 SECTIONS, 14 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • MAY 31, 2022 (PSEi snapshot on S1/4; article on S2/2)

Symbol	Last Price	% Change	Symbol	Last Price	% Change	Symbol	Last Price	% Change	Symbol	Last Price	% Change	Symbol	Last Price	% Change
CNVRG	P26.500	▲	SMPH	P36.900	▼	ALI	P29.600	—	MONDE	P14.800	▼	AC	P697.000	▼
BDO	P133.400	▲	GLO	P2,428.000	▼	TEL	P1,900.000	▼	BPI	P98.850	▲	AEV	P53.000	▲

BSP sees inflation above 5% in May

PHILIPPINES 72ND MOST COMPLICIT IN 2022 FINANCIAL SECRECY LIST

The Philippines dropped 12 spots to 72nd out of 141 jurisdictions in the Tax Justice Network's 2022 edition of the biennial Financial Secrecy Index (FSI). The FSI ranks jurisdictions most complicit in helping individuals to hide their finances from the rule of law. The index looks for the world's largest suppliers of financial secrecy and sheds light on the laws that governments can change to reduce their contribution to financial secrecy. The Philippines got the second lowest FSI value* among its peers in East and Southeast Asia region, only ahead of Brunei. It had a secrecy score** of 67.1, and accounted for 0.02% of the global market*** for offshore financial services.

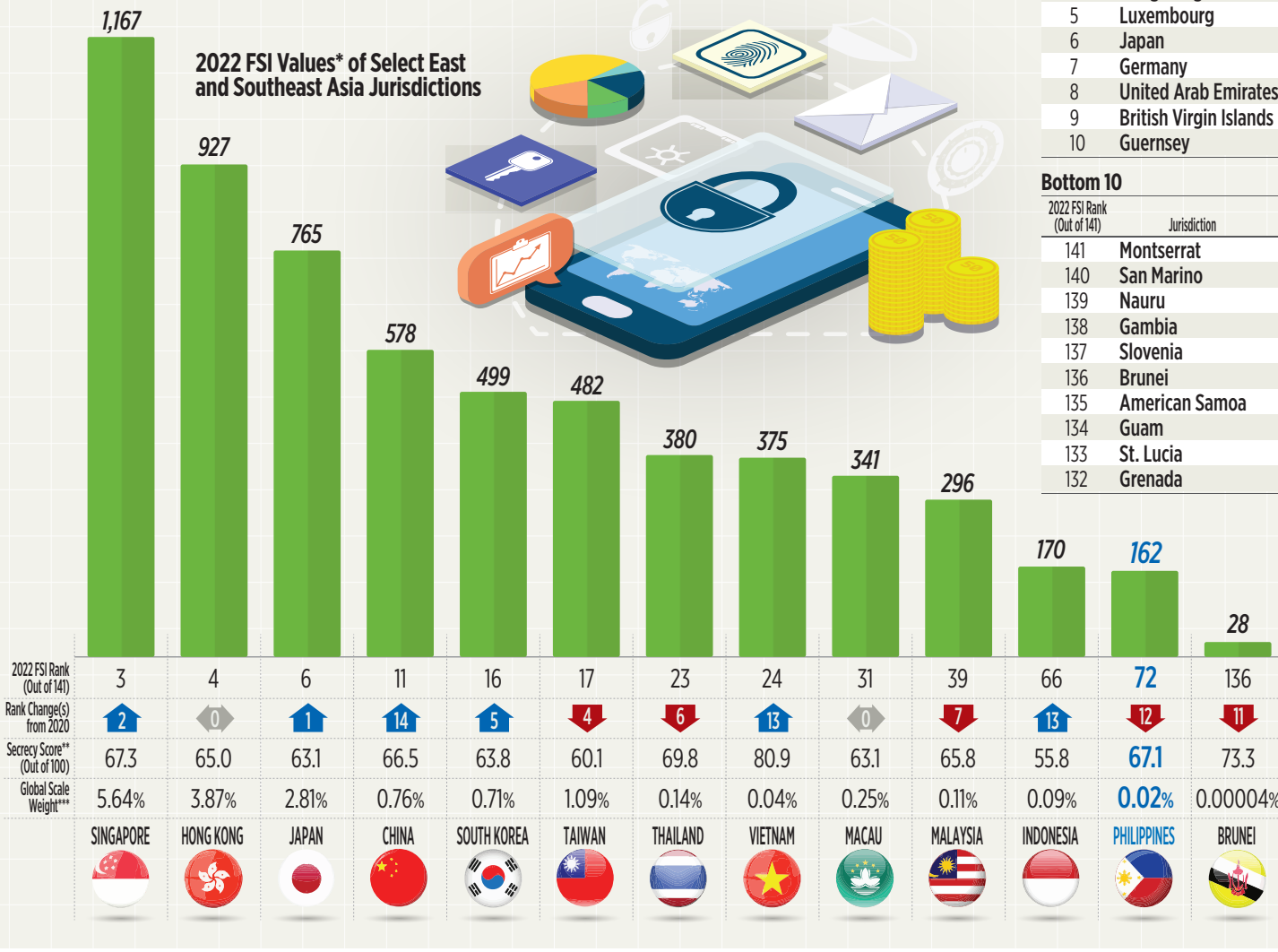
Top 10

2022 FSI Rank (Out of 141)	Jurisdiction	Rank Change(s) from 2020	FSI Value*	Secrecy Score** (Out of 100)	Global Scale Weight***
1	United States	+1	1,951	67.4	25.78%
2	Switzerland	+1	1,167	70.1	3.91%
3	Singapore	+2	1,167	67.3	5.64%
4	Hong Kong	0	927	65.0	3.87%
5	Luxembourg	+1	804	55.0	11.32%
6	Japan	+1	765	63.1	2.81%
7	Germany	+7	681	56.7	5.21%
8	United Arab Emirates	+2	648	79.2	0.22%
9	British Virgin Islands	0	621	70.7	0.55%
10	Guernsey	+1	610	70.7	0.52%

Bottom 10

2022 FSI Rank (Out of 141)	Jurisdiction	Rank Change(s) from 2020	FSI Value*	Secrecy Score** (Out of 100)	Global Scale Weight***
141	Montserrat	-11	5	73.8	0.000002%
140	San Marino	-11	12	60.4	0.00002%
139	Nauru	-8	13	59.1	0.00003%
138	Gambia	-14	21	72.7	0.00002%
137	Slovenia	-9	25	35.9	0.02%
136	Brunei	-11	28	73.3	0.00004%
135	American Samoa	New entry	30	69.3	0.0001%
134	Guam	New entry	32	70.3	0.0001%
133	St. Lucia	-1	33	72.2	0.0001%
132	Grenada	-6	36	65.9	0.0002%

NOTES:
 The 2020 edition of FSI ranked 133 jurisdictions.
 *The FSI value is calculated by multiplying the cube of the secrecy score with the cube root of the global scale weight. The final result is divided by 100 for presentational clarity.
 **Secrecy scores are scaled through 0-100, where 0 is full transparency and 100 is full secrecy.
 ***The global scale weight represents a jurisdiction's share in global financial services exports. It indicates the volume of financial activity conducted in the country by non-residents.



ADB approves another \$250-M loan for PHL

THE Asian Development Bank (ADB) approved a \$250-million loan to help the Philippines' efforts in climate change adaptation and mitigation.
 "This is ADB's first climate action policy-based loan. It will support the Philippines develop, deliver, and finance a holistic approach to address climate change by transitioning to low-carbon pathways, strengthening the ability of vulnerable sectors to adapt to climate change, and increasing conservation of land and marine resources," ADB Vice-President for East Asia, Southeast Asia, and the Pacific Ahmed M. Saeed said in a statement.
 The Philippines is considered one of the countries that are most at risk from the climate crisis. An average of 20 typhoons hit the Philippines every year, bringing strong winds and heavy rain that cause flooding and damage to infrastructure. The archipelagic country is also facing threats from rising sea levels.
 The ADB noted the Philippines is fourth in the Global Climate Risk Index, which ranked countries most affected by extreme weather from 2000 to 2019.
 "We have a climate emergency... The Philippines has adopted important climate actions and goals that will help address these threats and challenges and guide a green and resilient recovery after the COVID-19 pandemic," Mr. Saeed said.

The ADB said the Climate Change Action Program is expected to boost the Philippines' efforts to achieve its commitments under the Paris Agreement, and to assist vulnerable sectors in the transition to a climate-resilient and low-carbon economy.
 "The new program targets policy reforms and will help the Philippine government build planning, financing, and institutional systems to scale up climate action. It will support reforms to enhance the resilience of farming and fishing communities to the increasing impacts of climate change and reduce greenhouse gas emissions through the deployment of renewable energy, energy efficiency, and sustainable transport," the multilateral lender said.
 The program was prepared in tandem with the Agence Française de Développement, which also provides \$172 million to the Philippine government.
 According to the ADB, policy-based loans transfer the loan amount to a government's general budget. The funds are only released when the borrower completes policy reforms or actions that have been agreed with ADB.
 On Monday, the ADB announced it approved a \$400-million policy-based loan to help the Philippines further deepen its capital markets. — **CRAG**

Bank lending jumps 10% in April, fastest in 2 years

BANK lending jumped by 10% in April, reflecting the rebound in economic activity as restrictions were eased alongside the steady decline in coronavirus disease 2019 (COVID-19) cases.
 This was the fastest growth in bank lending in 23 months, or since the 11.2% in May 2020.
 Preliminary data from the Bangko Sentral ng Pilipinas (BSP) showed outstanding loans of big banks expanded by 10.1% to P9.9 trillion in April from P8.99 trillion in the same month of 2021.
 The growth in bank lending was faster than the 8.9% seen in March.
 On a month-on-month seasonally adjusted basis, bank lending net of

reverse repurchase (RRP) placements with the BSP inched up 0.9%.
 Inclusive of RRP placements with the BSP, bank lending was 9.8% up in April.
 "Credit conditions continue to improve as economic activity rebounds amid a manageable domestic COVID-19 caseload," the BSP said in a statement.
 Borrowings for production activities jumped by 10.3% to P8.74 trillion in April, fueled by double-digit expansion in loans for real estate (18.7%), manufacturing (12.4%), and information and communication (26.9%).
 Consumer loans also rose by 6.7% to P879.39 billion, a faster pace than the 3.6% seen in March.

Credit card loans expanded by 16% in April, while salary-based general purpose consumption loans went up 2.2%. Motor vehicle loans dropped 3.1%.
 "A steady improvement in overall credit activity and stable financial market conditions have allowed the BSP to continue rolling back its pandemic-induced liquidity interventions," the central bank said.
 The BSP said it will keep a close watch on "evolving credit and liquidity conditions to ensure that appropriate level of liquidity is available to nurture the momentum of economic recovery, while containing inflation pressures."
 The continued expansion of bank lending in April likely reflected some

borrowers' rush to secure financing in view of the increase in long-term interest rates locally and globally amid elevated inflation, Rizal Commercial Banking Corp. Chief Economist Michael L. Ricalfort said in an e-mail.
 The central bank is likely to raise its key interest rate by another 25 basis points (bps) at its next policy meeting in June.
 The BSP delivered its first interest rate hike since November 2018 when it raised its benchmark interest rates by 25 bps on May 19 as it tries to temper rising inflationary pressures.
 The Monetary Board will have its next policy review on June 23. — **Lending, S1/5**

Tax reform laws added P229 billion in revenues in 2021

THE implementation of tax reform laws generated P228.6 billion in additional revenues for the government in 2021, exceeding the target by 14%, the Department of Finance (DoF) said on Tuesday.
 In a report to Finance Secretary Carlos G. Dominguez III, the DoF Domestic Finance Group said the implementation of the Tax Reform for Acceleration and Inclusion (TRAIN) law, the Tax Amnesty Act, and the sin tax reform laws helped boost the tax take.
 DoF Undersecretary Valery Joy A. Brion said revenues from TRAIN reached P171.1 billion in 2021, surpassing the target by 8.3%.

She said the sin tax laws, which raised excise tax on cigarettes, heated tobacco products, vapor products and alcoholic beverages, contributed P52.9 billion to last year's revenues. This exceeded the target by 22.7%.
 The Tax Amnesty Act, on the other hand, generated additional revenues of P4.6 billion last year.
 The DoF said the implementation of these laws, which are part of President Rodrigo R. Duterte's Comprehensive Tax Reform Program (CTRP), helped generate P576 billion in additional revenues from 2018 to 2021.

Mr. Dominguez said the tax reform laws plus the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act makes Mr. Duterte's CTRP nearly 90% complete.
 From 2018 to 2021, TRAIN contributed P476.1 billion in additional revenues, while sin tax reforms and tax amnesty added P85 billion and P14.6 billion, respectively.
 Mr. Dominguez said the tax reform packages helped the Duterte administration hike infrastructure spending to above 5% of gross domestic product, and increase allocations for healthcare and pandemic response programs.

Security Bank Chief Economist, Robert Dan J. Rocas said that the revenue uptake for the said period could have been higher if not for the pandemic.
 "But given this, closely tied into the collection is the economic reopening, with higher revenues a function of looser mobility curbs, which in turn is a function of better health outcomes," Mr. Rocas added in an e-mail.
 ING Bank N.V. Manila Senior Economist Nicholas Antonio T. Mapa said in an e-mail the outgoing administration deserves credit for passing key tax reforms. — **Tax, S1/5**