

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
STOCK MARKET PSXI OPEN: 6,722.73 HIGH: 6,722.73 LOW: 6,653.41 CLOSE: 6,686.83 VOL.: 0.852 B VAL(P): 5.063 B 25.38 PTS. 0.37% 30 DAYS TO JUNE 2, 2022	ASIAN MARKETS JUNE 2, 2022 JAPAN (NIKKEI 225) 27,413.88 ▼ -44.01 -0.16 HONG KONG (HANG SENG) 21,082.13 ▼ -212.81 -1.00 TAIWAN (TAIEX) 16,552.57 ▼ -122.52 -0.73 THAILAND (SET INDEX) 1,647.50 ▼ -12.51 -0.75 S.KOREA (KSE COMPOSITE) 2,658.99 ▼ -26.91 -1.00 SINGAPORE (STRAITS TIMES) 3,227.83 ▼ -16.17 -0.50 SYDNEY (ALL ORDINARIES) 7,175.90 ▼ -58.10 -0.80 MALAYSIA (KLSE COMPOSITE) 1,549.90 ▼ -3.51 -0.23	WORLD MARKETS JUNE 1, 2022 Dow Jones 32,813.230 ▼ -176.890 NASDAQ 11,994.460 ▼ -86.931 S&P 500 4,101.230 ▼ -30.920 FTSE 100 7,532.950 ▼ -74.710 Euro Stoxx50 3,638.030 ▼ -34.130	PESO-DOLLAR RATES JUNE 2, 2022 OPEN P52.470 HIGH P52.455 LOW P52.800 CLOSE P52.800 W.AVE. P52.580 VOL. \$1,099.50 M SOURCE: BAP	ASIAN MONIES-US\$ RATE JUNE 2, 2022 LATEST BID (0900GMT) PREVIOUS JAPAN (YEN) 129.830 129.400 HONG KONG (HK DOLLAR) 7.846 7.845 TAIWAN (NT DOLLAR) 29.297 29.197 THAILAND (BAHT) 34.330 34.320 S. KOREA (WON) 1,249.210 1,243.990 SINGAPORE (DOLLAR) 1.375 1.372 INDONESIA (RUPIAH) 14,480 14,580 MALAYSIA (RINGGIT) 4.389 4.383	WORLD CURRENCIES JUNE 2, 2022 CLOSE PREVIOUS US\$/UK POUND 1.2542 1.2580 US\$/EURO 1.0687 1.0717 \$/AUSTRALIAN DOLLAR 0.7196 0.7186 CANADA DOLLAR/US\$ 1.2649 1.2648 SWISS FRANC/US\$ 0.9599 0.9619	DUBAI CRUDE OIL FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$112.70/BBL 117.00 112.20 107.40 102.60 97.80 93.00 30 DAYS TO JUNE 1, 2022 \$3.55

VOL. XXXV • ISSUE 222

FRIDAY • JUNE 3, 2022 • www.bworldonline.com

S1/1-10 • 2 SECTIONS, 14 PAGES

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

AC	P700.000	GLO	P2,350.000	CNVRG	P25.600	SMPH	P37.150	BDO	P128.100	SCC	P35.950	ALI	P29.550	BPI	P94.100	DMC	P9.180	MONDE	P13.980
Value	P315,064,940	Value	P281,403,770	Value	P280,997,955	Value	P274,207,835	Value	P265,459,603	Value	P245,417,925	Value	P236,226,650	Value	P168,890,038	Value	P166,830,894	Value	P166,576,554
PO.000	0.000%	-P54.000	-2.246%	-P0.450	-1.727%	P0.100	0.270%	-P3.800	-2.881%	P0.700	1.986%	P0.000	0.000%	-P1.700	-1.775%	P0.190	2.113%	-P0.360	-2.510%

NG debt rises to record P12.76 trillion

PHL likely to miss out on RCEP opportunities as ratification deferred

By Revin Mikhael D. Ochave
Reporter

THE PHILIPPINES is likely to lose investment opportunities to other Southeast Asian countries if it continues to delay the ratification of the Regional Comprehensive Economic Partnership (RCEP), Trade Secretary Ramon M. Lopez said on Thursday.

"Any delay in ratification means that we run the risk of losing some export markets and the good opportunities in new investments as they shift to participating countries who are already part of the RCEP system," he said in a Viber message to reporters.

"There may be lost opportunities in investments, and jobs for our people, investments such as in agribusiness, manufacturing for exports, and services."

The Trade chief made the statement after the Senate on Wednesday failed to give its concurrence to the RCEP before it adjourned sine die despite repeated appeals from economic managers and business groups.

Senate Foreign Relations Committee Chairman Senator Aquilino Martin L. Pimentel III said it would be up to President-elect Ferdinand R. Marcos, Jr. to endorse the mega-trade deal to the Senate when the 19th Congress opens next month.

"The 19th Congress (will) wait for (Office of the President) to endorse the said treaty again to the Senate," he said in a mobile message to *BusinessWorld*.

Mr. Pimentel said there was no vote on the RCEP since only 17 senators were present dur-

ing plenary on Wednesday. The trade deal needed 16 affirmative votes to be ratified by the Senate.

"Two senators are abroad, one quarantined, two went out. In short, many members were not on the floor. We didn't want to deprive them the chance to participate and or vote on the measure," he said.

The RCEP, which entered into force on Jan. 1, is a trade agreement involving Australia, China, Japan, South Korea, New Zealand and the 10 members of the Association of Southeast Asian Nations (ASEAN).

The Philippines is one of three countries that have not ratified the RCEP, along with ASEAN members Indonesia and Myanmar.

Mr. Marcos previously said he wanted to review the trade agreement to protect the local agriculture sector.

While it was "unfortunate" the Senate failed to act on the RCEP, Mr. Lopez remained optimistic that incoming senators will ratify the trade deal.

"RCEP has the support of the incoming economic team and we understand that it will be in their priority agenda... I can only hope for the early ratification in the next Congress. We leave this for the next administration and next Congress," he said.

Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said in a Viber message the delay in the RCEP's ratification could slow economic recovery, in terms of lower foreign direct investments and exports.

"Since RCEP is the world's largest free trade agreement

RCEP, S1/5

Customs exceeds May collection target by 21%

THE BUREAU of Customs (BoC) on Thursday said it exceeded its May collection target by a fifth due to improved valuation and collection efforts as the economy continues to rebound.

In a statement, the bureau said it collected P68.245 billion in May, surpassing the P56.478-billion target by 21%.

May marked the fifth month in a row that Customs has exceeded its monthly collection goals.

Last month's Customs collection was 38% higher than the same month in 2021.

Citing a preliminary report from the BoC-Finance Service, the bureau said 15 of the 17 collection districts surpassed their monthly target.

These were the ports of San Fernando, Manila, Batangas, Legazpi, Iloilo, Cebu, Tacloban, Cagayan de Oro, Zamboanga, Davao, Subic, Clark, Aparri and Limay, as well as the Manila

International Container Port (MICP).

For the first five months, the BoC collected P322.472 billion, nearly half or 47.5% of the P679.226 billion full-year target.

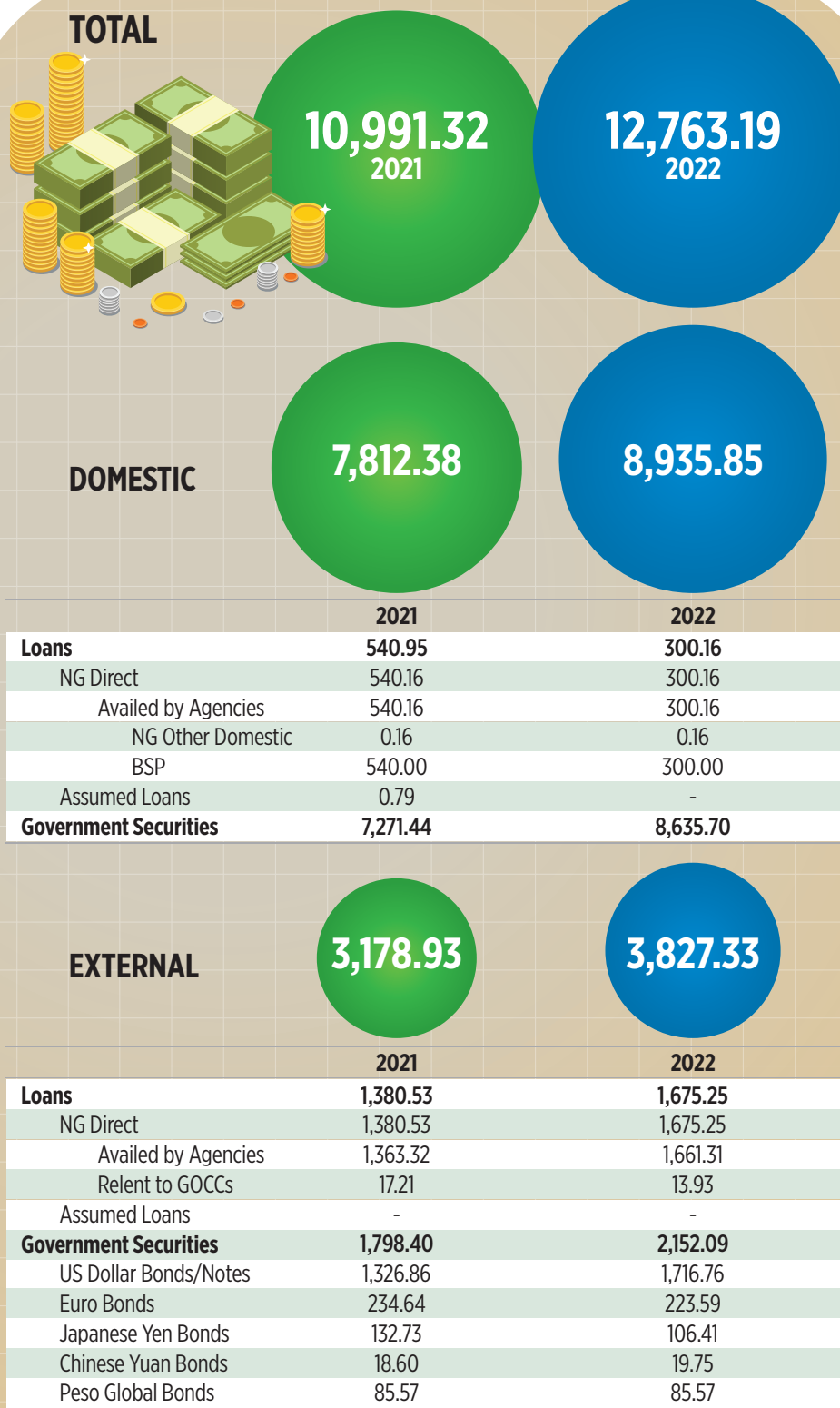
"Among the factors that contributed to the positive performance of the BoC since January this year include the improved valuation, intensified collection efforts, measures preventing revenue leakage and the recovering economy of the country," the bureau said.

The BoC said it continued to implement border security measures against "undervaluation, misdeclaration and other forms of technical smuggling and collect lawful revenues."

In 2021, Customs collected P645.77 billion, 4.7% higher than its full-year target of P616.75 billion. This was also 20% higher than P537.69 billion in revenues generated amid the pandemic in 2020. — **K.B. Ta-asan**

NATIONAL GOVERNMENT OUTSTANDING DEBT (in Billion Pesos)

As of end-April



SOURCE: BUREAU OF THE TREASURY
BUSINESSWORLD RESEARCH: ABIGAIL MARIE P. YRAOLA
BUSINESSWORLD GRAPHICS: BONG R. FORTIN

Supply snarls promise Southeast Asia bigger slice of trade pie

TRADE DISRUPTIONS from China's lockdowns and the war in Ukraine are seen doing for Southeast Asia what the US' spat with Beijing couldn't meaningfully do — redistribute supply chains.

"Much of the discussion around dependency on China has been linked to the US-China rivalry," according to a report by Hinrich Foundation. But the latest "disruptions have broadened the number of countries currently assessing the risks to their supplies."

This time around, Japan and European Union (EU) members are looking to secure sup-

ply linkages without increasing cost, wrote Stewart Paterson, the report's author and research fellow at the Asia-based foundation set up by US entrepreneur Merle Hinrich to promote sustainable global trade.

The EU and Japan each account for about 12% of total direct investment flows into Southeast Asia for the past five years, compared with China's 8% share, according to the report. With a per capita gross domestic product (GDP) of \$4,500, the 10-member bloc of the Association of Southeast Asian Nations (ASEAN) is also a "far less

costly source of labor than China," Mr. Paterson wrote.

Another reason that sets apart the US-led efforts earlier to reduce dependence on China from what's happening now is the relation between the state and the companies, he said. Unlike in the US where multinational corporations are "notoriously independent" from government-set agendas, the linkages run much deeper in the EU and Japan.

"The passing of Japan's new Economic Security Law and the EU's Global Gateway policy are the most recent manifestations

of close government-corporate cooperation in industrial policy," Mr. Paterson said.

Here are some more key points from the report:

ASEAN's export performance between 2016 and 2020 has more or less matched that of China. The bloc's exports grew by 21% to \$1.39 trillion during the period, while China's grew by 23% to \$2.59 trillion.

The ASEAN bloc has been enmeshed in the global trading system and has trade-to-GDP ratios well above the global average. — **Bloomberg**



CORPORATE NEWS
Razon firm poised to control Malampaya project S1/4

WORLD BUSINESS
Cotton rally squeezes Asian garment makers, threatens recovery S1/8

WORLD SPORTS
Wesley So defeats Carlsen anew in their Armageddon tie-breaker S1/9



FOLLOW US ON:
facebook.com/bworldph
twitter.com/bworldph
anchor.fm/businessworld