

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEI OPEN: 6,747.60 HIGH: 6,749.07 LOW: 6,699.97 CLOSE: 6,716.88 VOL.: 1.875 B VAL(P): 5,938 B 24.52 PTS. 0.36% 30 DAYS TO JUNE 6, 2022	JUNE 6, 2022 JAPAN (NIKKEI 225) 27,915.89 ▲ 154.32 0.56 HONG KONG (HANG SENG) 21,653.90 ▲ 571.77 2.71 TAIWAN (WEIGHTED) 16,605.96 ▲ 53.39 0.32 THAILAND (SET INDEX) 1,646.10 ▲ -1.57 -0.10 S.KOREA (KSE COMPOSITE) * 2,670.65 ▲ 11.66 0.44 SINGAPORE (STRAITS TIMES) 3,227.13 ▲ -4.84 -0.15 SYDNEY (ALL ORDINARIES) 7,206.30 ▲ -32.50 -0.45 MALAYSIA (KLSE COMPOSITE) * 1,537.83 ▲ -12.07 -0.78 * CLOSING PRICES AS OF JUNE 3, 2022	JUNE 3, 2022 Dow Jones 32,899.700 ▼ -348.580 NASDAQ 12,012.734 ▼ -304.164 S&P 500 4,108.540 ▼ -68.280 FTSE 100 7,532.950 ▼ -74.710 Euro Stoxx50 3,647.090 ▼ -5.430	FX OPEN P52.920 HIGH P52.840 LOW P52.970 CLOSE P52.860 W.AVE. P52.916 VOL. \$1,079.50 M SOURCE: BAP	JUNE 6, 2022 LATEST BID (0900GMT) PREVIOUS JAPAN (YEN) 130.710 130.860 HONG KONG (HK DOLLAR) 7.845 7.845 TAIWAN (NT DOLLAR) 29.359 29.361 THAILAND (BAHT) 34.320 34.300 S. KOREA (WON) 1,249.780 1,250.580 SINGAPORE (DOLLAR) 1.372 1.376 INDONESIA (RUPIAH) 14,450 14,435 MALAYSIA (RINGGIT) 4.387 4.387	JUNE 6, 2022 CLOSE PREVIOUS US\$/UK POUND 1.2564 ▲ 1.2485 US\$/EURO 1.0745 ▲ 1.0718 \$/AUSTRALIAN DOLLAR 0.7226 ▲ 0.7206 CANADA DOLLAR/US\$ 1.2557 ▲ 1.2593 SWISS FRANC/US\$ 0.9610 ▼ 0.9624	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$12.05/BBL 117.00 107.40 97.80 93.00 30 DAYS TO JUNE 3, 2022

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JUNE 6, 2022 (PSEI snapshot on S1/2; article on S2/2)

SM	P39.450	ASLAG	P2.050	CNVRG	P23.850	AC	P661.500	SCC	P35.950	JFC	P201.200	SM	P861.000	ALI	P29.950	SECB	P88.000	BDO	P129.000
Value	P1,124,058,350	Value	P569,099,910	Value	P568,330,225	Value	P307,557,050	Value	P238,040,810	Value	P227,177,152	Value	P211,122,120	Value	P198,842,210	Value	P182,493,497	Value	P162,882,275
	P1.550 ▲ 4.090%	P0.050 ▲ 2.500%		-P1.350 ▼ -5.357%		-P33.500 ▼ -4.820%		-P1.050 ▼ -2.838%		-P5.200 ▼ -2.519%		-P4.000 ▼ -0.462%		-P0.050 ▼ -0.167%		-P3.250 ▼ -3.562%		P0.500 ▲ 0.389%	

Diokno sees no need for spending cuts

THE INCOMING Marcos administration will not reduce government spending to address the ballooning budget deficit, Finance chief-designate and Bangko Sentral ng Pilipinas (BSP) Governor Benjamin E. Diokno said.

"There should be no cut in our expenditure plan. I think we should really focus on raising enough taxes. I'm confident that because of the tax system that the Duterte administration will leave... we will be able to raise enough taxes to ensure we will meet our

deficit targets," he told ABS-CBN News Channel on Monday.

Mr. Diokno, who was picked by President-elect Ferdinand R. Marcos, Jr. to head the Finance department, said they will stick to the plan to bring down the government's budget deficit to 3% of gross domestic product (GDP) by 2028.

For this year, the budget deficit ceiling is set at P1.65 trillion, which is equivalent to 7.7% of GDP. Economic managers set the budget gap ceiling at 6% of GDP for

2023, 5.1% for 2024 and 4.1% for 2025.

Asked if he will support proposals to impose new taxes, Mr. Diokno said the recent tax reforms would provide the next administration with enough room to generate enough revenues.

The Bureau of the Treasury earlier estimated the government needs to raise P249 billion every year in incremental revenues to avoid new borrowings to pay the P3.2-trillion additional debt incurred during

the coronavirus disease 2019 (COVID-19) pandemic.

Finance Secretary Carlos G. Dominguez III has proposed a fiscal consolidation plan that involves imposing new tax measures, repealing some tax exemptions, and deferring the personal income tax reductions.

Mr. Dominguez has said the government cannot cover the existing debt by borrowing more or reducing spending every year.

The National Government's outstanding debt stood at a re-

cord-high P12.76 trillion at the end of April.

Meanwhile, Department of Finance (DoF) Chief Economist Gil S. Beltran said the country's outstanding debt would have ballooned to over P15 trillion this year, if not for the government exercising fiscal prudence.

"We spent what we had to, but not more than what we could afford. In fact, had we acquiesced to pressure for us to spend more, our debt would have increased by P2.2 trillion more and reached

P15.4 trillion," Mr. Beltran said in a statement.

During the pandemic, Congress passed Republic Act (RA) No. 11469 or the Bayanihan to Heal as One Act and RA 11494 or the Bayanihan to Recover as One Act.

"Aware of the effects of additional spending on our borrowings, the DoF worked closely with legislators to limit the interventions under Bayanihan II to P140 billion, despite the objections of many other stakeholders," Mr. Beltran said.

Spending, S1/9

Bakers scramble to cope amid spike in flour prices

By Revin Mikhael D. Ochave
Reporter

BAKERS are struggling to keep prices of bread and pastries low amid the spike in flour prices caused by the Russia-Ukraine war and disruptions in the global supply of wheat.

Several bakery owners interviewed by *BusinessWorld* said that prices of flour, depending on the quality, have gone up by around 20% to nearly 50% in recent months.

"Flour and wheat supplies seem sufficient in the Philippines. We have no problem

buying, but the flour prices are increasing continuously since March due to volatility of world supply, I think, because of the Ukraine-Russia war. It was P810 per 25-kilogram (kg) sack of flour in January, now it's at P955 per sack," Wilson Lee Flores, owner of Kamuning Bakery Café, said in a mobile phone interview.

The Philippines is a major importer of milling-quality wheat, as it has no commercial production of wheat. It mainly imports wheat from the United States, Australia and Canada, according to Luisito Chavez, former vice-president of the Philippine Federation of Bakers' Association, Inc.

Flour, S1/9

PHILIPPINES DROPS TO 57TH OUT OF 100 IN GLOBAL STARTUP ECOSYSTEM LIST

The Philippines slipped five places to 57th out of 100 countries in the 2022 edition of research center StartupBlink's Global Startup Ecosystem Index. The index assessed startup ecosystems across 100 countries based on the total scores on quantity and quality of startups as well as business environment. It also had a separate ranking covering 1,000 cities across the globe. With a total score of 3,302, the Philippines had the seventh-lowest score among its peers in the Asia-Pacific. At the city level, it retained five locations in the rankings. Manila ranked 100th out of 1,000 cities worldwide. Meanwhile, new entrant Naga City (952nd) replaced Baguio City in the latest city rankings.

Global Startup Ecosystem Index 2022 Asia-Pacific (Country level)					
2022 Global Rank (Out of 100)	Country	Global Rank Change(s) from 2021	Regional Rank (Out of 19)	Number of Ranked Cities	Total Score
7	Singapore	3	1	1	23.408
8	Australia	1	2	15	22.454
10	China	3	3	44	20.663
19	India	1	4	37	12.476
20	Japan	1	5	11	11.947
21	South Korea	2	6	5	11.626
25	Taiwan	1	7	6	10.189
30	New Zealand	3	8	8	8.177
38	Indonesia	7	9	5	5.586
42	Malaysia	2	10	3	5.416
53	Thailand	3	11	4	3.752
54	Vietnam	5	12	2	3.462
57	Philippines	5	13	5	3.302
74	Kazakhstan	2	14	2	0.910
76	Pakistan	1	15	3	0.717
81	Mongolia	7	16	1	0.582
90	Sri Lanka	2	17	1	0.402
93	Bangladesh	0	18	1	0.321
100	Kyrgyzstan	New Entry	19	1	0.258

Top 10 Asia-Pacific (City level)					
2022 Global Rank (Out of 1,000)	City	Global Rank Change(s) from 2021	Total Score		
6	Beijing (China)	3	102.695		
7	Shanghai (China)	0	70.617		
8	Bangalore (India)	2	63.282		
13	New Delhi (India)	1	43.043		
15	Tokyo-Yokohama Area (Japan)	New Entry	37.490		
17	Mumbai (India)	1	36.211		
18	Shenzhen (China)	3	35.101		
22	Singapore (Singapore)	3	32.279		
25	Seoul (South Korea)	2	30.111		
30	Hangzhou (China)	3	24.846		

Philippines' Performance		
	2021	2022
Global Rank (out of 100)	52	57
Total Score	2,852	3,302
Quantity Score	0.53	0.55
Quality Score	0.81	1.16
Business Environment Score	1.52	1.59

Philippine Cities			
2022 Global Rank (Out of 1,000)	City	Global Rank Change(s) from 2021	Total Score
100	Manila Area	-13	7.327
449	Cebu City	-181	0.915
708	Cagayan de Oro	-215	0.364
952	Naga	New Entry	0.177
959	Davao City	-173	0.175

Top 5 Countries			Top 5 Cities		
2022 Global Rank (Out of 100)	Country	Total Score	2022 Global Rank (Out of 1,000)	City	Total Score
1	United States	195.370	1	San Francisco Bay (US)	550.269
2	United Kingdom	52.555	2	New York (US)	217.002
3	Israel	45.062	3	London (UK)	125.637
4	Canada	35.264	4	Los Angeles Area (US)	113.855
5	Sweden	28.502	5	Boston Area (US)	108.050

SOURCE: STARTUPBLINK'S GLOBAL STARTUP ECOSYSTEM INDEX REPORT 2022 (HTTPS://L1.STARTUPBLINK.COM/REPORT/)
BUSINESSWORLD RESEARCH: ABIGAIL MARIE P. YRAOLA and BERNADETTE THERESA M. GADON
BUSINESSWORLD GRAPHICS: BONG R. FORTIN

Shippers urge Palace to stop planned 949% hike in tariffs

A GROUP of shippers is urging Malacañang to stop the Philippine Ports Authority (PPA) from implementing an "unjustifiable" 949% hike in tariffs once the new operator takes over the Port of Pasig.

"We... urgently and humbly seek your intervention in the PPA's attempt to unjustifiably and unconscionably increase arrastre, mooring and other tariffs at the Port of Pasig by as much as 949% for dry bulk cargo... 615% for general cargoes... and 71% for prime commodities," the Pasig Port Users Against PPA Tariff Increases said in a full-page newspaper ad on Monday.

Signed by representatives of 54 companies, the appeal was addressed to President Rodrigo R. Duterte, President-elect Ferdinand R. Marcos, Jr., National Economic and Development Authority (NEDA) Secretary Karl Kendrick T. Chua, and incoming NEDA Secretary Arsenio M. Balisacan.

The 54 companies, which include Movers and Managers Corp., J-Tram Integrated and Marketing Corp., CQ Heirs Shipping Lines, San Nicholas Lines, Inc., JCAP Shipping Lines, JVS Journey Sea Trans., Inc., and Masuda Marine Corp., said the new tariffs are "exorbitant (and) without justification."

The companies argued that raising tariffs amid rising fuel prices and a looming food crisis is "against the interest of the people."

The tariff hike, which is applicable to all "tier 3" ports including the Pasig Port, is expected to affect the prices of grains used for flour and bread, animal feeds, construction materials, sugar, rice, and cooking oil, among others. — **Arjay L. Balinbin**

Read the full story by scanning the QR code with your smartphone or by typing the link <bit.ly/Shipper060722>

PHL ranks 37th among top destinations for Muslims

THE PHILIPPINES ranked 37th out of 138 destinations in the latest report that measures a country's preparedness in tapping the Muslim travel market.

The Mastercard-CrescentRating Global Muslim Travel Index (GMTI) 2022 report showed the Philippines had an overall score of 43.

The score is based on four key areas — ease of access to the destination, internal and external communication, environment, and services.

"As the travel industry gears up for quarantine-free international travel, we believe the Muslim travel sector could contribute immensely to accelerating the recovery," Fazal Bahardeen, founder and CEO of CrescentRating, said in the report.

In the previous year's report, the Philippines ranked 36th out of 140 destinations with an overall score of 46.

Malaysia topped this year's travel index, followed by Turkey, Saudi Arabia, and Indonesia. A total of 138 countries were ranked in 2022, down from 140 countries included last year, after Russia and Ukraine were excluded due to the war.

Under the access criteria for 2022, the Philippines scored 83 for visa requirements, 21 for connectivity, and 57 for transport infrastructure. In terms of communications, the country scored 54 for destination marketing, 41 for communication proficiency, and 30 for stakeholder awareness.

Under environment, the Philippines had 61 for safety, 100 for faith restrictions, 3 for visitor arrivals, 38 for enabling climate, and 30 for sustainability.

For services, the Philippines scored 47 for core needs such as halal food, 50 for prayer facilities, 40 for core services such as airports, 32 for hotels, and 10 for unique experiences.

This year's index also showed that the Philippines remained on 8th place among the top 20 non-Organization of Islamic Countries (OIC).

Mr. Bahardeen said Muslim traveler arrivals are projected to reach 140 million in 2023 and 260 million in 2024.

"The pre-pandemic projection of 230 million arrivals by 2026 will now be reached in 2028 with an estimated expenditure of \$225 billion. This recovery process is fragile and could be disrupted by the continuing war in Ukraine, fuel price increases, and other health threats such as the emerging monkeypox or coronavirus disease 2019 (COVID-19) variants," Mr. Bahardeen said. — **Revin Mikhael D. Ochave**

Read the full story by scanning the QR code with your smartphone or by typing the link <bit.ly/Destination060722>

FULL STORY

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FUEL PRICE TRACKER
(week-on-week change)

GASOLINE	
May 24	▲ P3.95
May 31	▼ P1.70
June 7	▲ P2.70
DIESEL	
May 24	▼ P2.30
May 31	▲ P1.20
June 7	▲ P6.55
KEROSENE	
May 24	▼ P2.45
May 31	▲ P2.45
June 7	▲ P5.45

• June 7, 12:01 a.m. — Caltex Philippines
• June 7, 6 a.m. — Petron Corp.; Phoenix Petroleum; Pilipinas Shell Petroleum Corp.; PTT Philippines Corp.; Seaoil Philippines, Inc.
• June 7, 8:01 a.m. — Cleanfuel (Shaw Autogas, Inc.)