

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																					
<b>PSEi</b> OPEN: 6,419.90 HIGH: 6,425.23 LOW: 6,332.54 CLOSE: 6,352.32 VOL: 0.709 B VAL(P): 4.689 B 92.69 PTS. 1.43% 30 DAYS TO JULY 7, 2022	<b>JULY 7, 2022</b> <table border="1"> <tr><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (NIKKEI 225)</td><td>26,490.53</td><td>▲ 382.88 1.47</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>21,643.58</td><td>▲ 56.92 0.26</td></tr> <tr><td>TAIWAN (WEIGHTED)</td><td>14,336.27</td><td>▲ 350.76 2.51</td></tr> <tr><td>THAILAND (SET INDEX)</td><td>1,561.48</td><td>▲ 19.69 1.28</td></tr> <tr><td>S.KOREA (KSE COMPOSITE)</td><td>2,334.27</td><td>▲ 42.26 1.84</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,121.77</td><td>▲ 18.11 0.58</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>6,648.00</td><td>▲ 53.50 0.81</td></tr> <tr><td>MALAYSIA (KLSX COMPOSITE)</td><td>1,418.69</td><td>▼ -2.16 -0.15</td></tr> </table>	CLOSE	NET	%	JAPAN (NIKKEI 225)	26,490.53	▲ 382.88 1.47	HONG KONG (HANG SENG)	21,643.58	▲ 56.92 0.26	TAIWAN (WEIGHTED)	14,336.27	▲ 350.76 2.51	THAILAND (SET INDEX)	1,561.48	▲ 19.69 1.28	S.KOREA (KSE COMPOSITE)	2,334.27	▲ 42.26 1.84	SINGAPORE (STRAITS TIMES)	3,121.77	▲ 18.11 0.58	SYDNEY (ALL ORDINARIES)	6,648.00	▲ 53.50 0.81	MALAYSIA (KLSX COMPOSITE)	1,418.69	▼ -2.16 -0.15	<b>JULY 6, 2022</b> <table border="1"> <tr><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>31,037.680 ▲ 69.860</td></tr> <tr><td>NASDAQ</td><td>11,361.852 ▲ 39.614</td></tr> <tr><td>S&amp;P 500</td><td>3,845.080 ▲ 13.690</td></tr> <tr><td>FTSE 100</td><td>7,107.770 ▲ 82.300</td></tr> <tr><td>Euro Stoxx50</td><td>3,445.350 ▲ 55.660</td></tr> </table>	CLOSE	NET	Dow Jones	31,037.680 ▲ 69.860	NASDAQ	11,361.852 ▲ 39.614	S&P 500	3,845.080 ▲ 13.690	FTSE 100	7,107.770 ▲ 82.300	Euro Stoxx50	3,445.350 ▲ 55.660	<b>FX</b> OPEN P55.900 HIGH P55.780 LOW P56.090 CLOSE P56.060 W.AVE. P55.909 VOL. \$1,114.10 M SOURCE: BAP 39.00 CYS 30 DAYS TO JULY 7, 2022	<b>JULY 7, 2022</b> <table border="1"> <tr><th>LATEST BID (0900GMT)</th><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>136.110 ▼ 135.370</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.848 ▼ 7.847</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>29.767 ▼ 29.821</td></tr> <tr><td>THAILAND (BAHT)</td><td>36.150 ▼ 36.060</td></tr> <tr><td>S. KOREA (WON)</td><td>1,299.140 ▼ 1,306.810</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.401 ▼ 1.403</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>14,995 ▼ 14,995</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.426 ▼ 4.423</td></tr> </table>	LATEST BID (0900GMT)	PREVIOUS	JAPAN (YEN)	136.110 ▼ 135.370	HONG KONG (HK DOLLAR)	7.848 ▼ 7.847	TAIWAN (NT DOLLAR)	29.767 ▼ 29.821	THAILAND (BAHT)	36.150 ▼ 36.060	S. KOREA (WON)	1,299.140 ▼ 1,306.810	SINGAPORE (DOLLAR)	1.401 ▼ 1.403	INDONESIA (RUPIAH)	14,995 ▼ 14,995	MALAYSIA (RINGGIT)	4.426 ▼ 4.423	<b>JULY 7, 2022</b> <table border="1"> <tr><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.1975 ▼ 1.1941</td></tr> <tr><td>US\$/EURO</td><td>1.0193 ▼ 1.0229</td></tr> <tr><td>\$/AUST DOLLAR</td><td>0.6824 ▼ 0.6796</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.3008 ▼ 1.3035</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.9723 ▼ 0.9693</td></tr> </table>	CLOSE	PREVIOUS	US\$/UK POUND	1.1975 ▼ 1.1941	US\$/EURO	1.0193 ▼ 1.0229	\$/AUST DOLLAR	0.6824 ▼ 0.6796	CANADA DOLLAR/US\$	1.3008 ▼ 1.3035	SWISS FRANC/US\$	0.9723 ▼ 0.9693	<b>FUTURES PRICE ON NEAREST MONTH OF DELIVERY</b> \$101.70/BBL 30 DAYS TO JULY 6, 2022
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SI/1-12 • 2 SECTIONS, 16 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JULY 7, 2022 (PSEi snapshot on SI/2; article on SI/2)

ALI	P26.150	ICT	P186.200	BDO	P116.300	MONDE	P13.360	TEL	P1,693.000	AC	P654.000	SM	P844.000	SMPH	P37.250	EMP	P17.700	CNVRG	P21.200
Value	P425,867,920	Value	P359,356,476	Value	P337,686,754	Value	P265,602,924	Value	P248,336,635	Value	P229,638,655	Value	P216,806,630	Value	P206,126,640	Value	P198,909,706	Value	P161,968,280
	-P0.750 ▼ -2.788%		-P8.100 ▼ -4.169%		-P3.200 ▼ -2.678%		-P1.040 ▼ -7.222%		-P65.000 ▼ -3.697%		P4.000 ▲ 0.615%		P5.000 ▲ 0.596%		-P0.500 ▼ -1.325%		-P0.200 ▼ -1.177%		P0.250 ▲ 1.193%

## Peso nears record low against dollar

# BSP ready to raise rates by 50 bps

By Keisha B. Ta-asan

THE BANGKO SENTRAL ng Pilipinas (BSP) is prepared to raise its policy rate by 50 basis points (bps) in August as the Philippine peso on Thursday breached the P56 level against the US dollar to move closer to its record low.

BSP Governor Felipe M. Medalla on Thursday said the recent hawkish stance of the US Federal Reserve has placed “strong depreciation pressures” on global currencies such as the peso.

“If such pressures are left unchecked, these could add to the already high domestic inflationary pressures,” he told reporters via Viber.

The peso closed at P56.06 versus the dollar on Thursday, down by 39 centavos or 0.7% from the previous day, data from the Bankers Association of the Philippines showed.

This is the peso’s worst finish since Sept. 27, 2005’s P56.30 a dollar and just 39 centavos away from the record low of P56.45 on Oct. 14, 2004.

“The BSP is prepared to be more aggressive in raising its policy rate, compared to its initial gradualist stance. In particular, BSP is prepared to raise its policy rate by 50 bps by August,” Mr. Medalla said, referring to the Aug. 18 meeting.

The Monetary Board has raised benchmark interest rates by a total of 50 bps so far this year via 25-bp hikes at its May 19 and June 23 meetings, bringing the policy rate to 2.5%.

Mr. Medalla earlier this week said the BSP may hike rates by at least 100 bps more this year, after inflation rose 6.1% in June — the fastest in nearly four years.

“There are pros and cons to gradualism. Now, I would like to add that if the inflation is too high, even if the causes are impervious to BSP’s kit of policy instruments, a monetary policy response may be necessary,” Mr. Medalla said on Thursday.

“It’s not prudent to let factors that significantly affect the exchange rate add further to inflation that is already high. More so, if we can’t rule out that we might miss our 2 to 4% (inflation) target, not just this year but next year as well,” he said.

The BSP chief said they are “ready to take further policy actions, if needed.”

“It will also continue to support and advocate for non-monetary actions by other government agencies to contain any further inflationary pressures that may spill over to 2023,” he added.

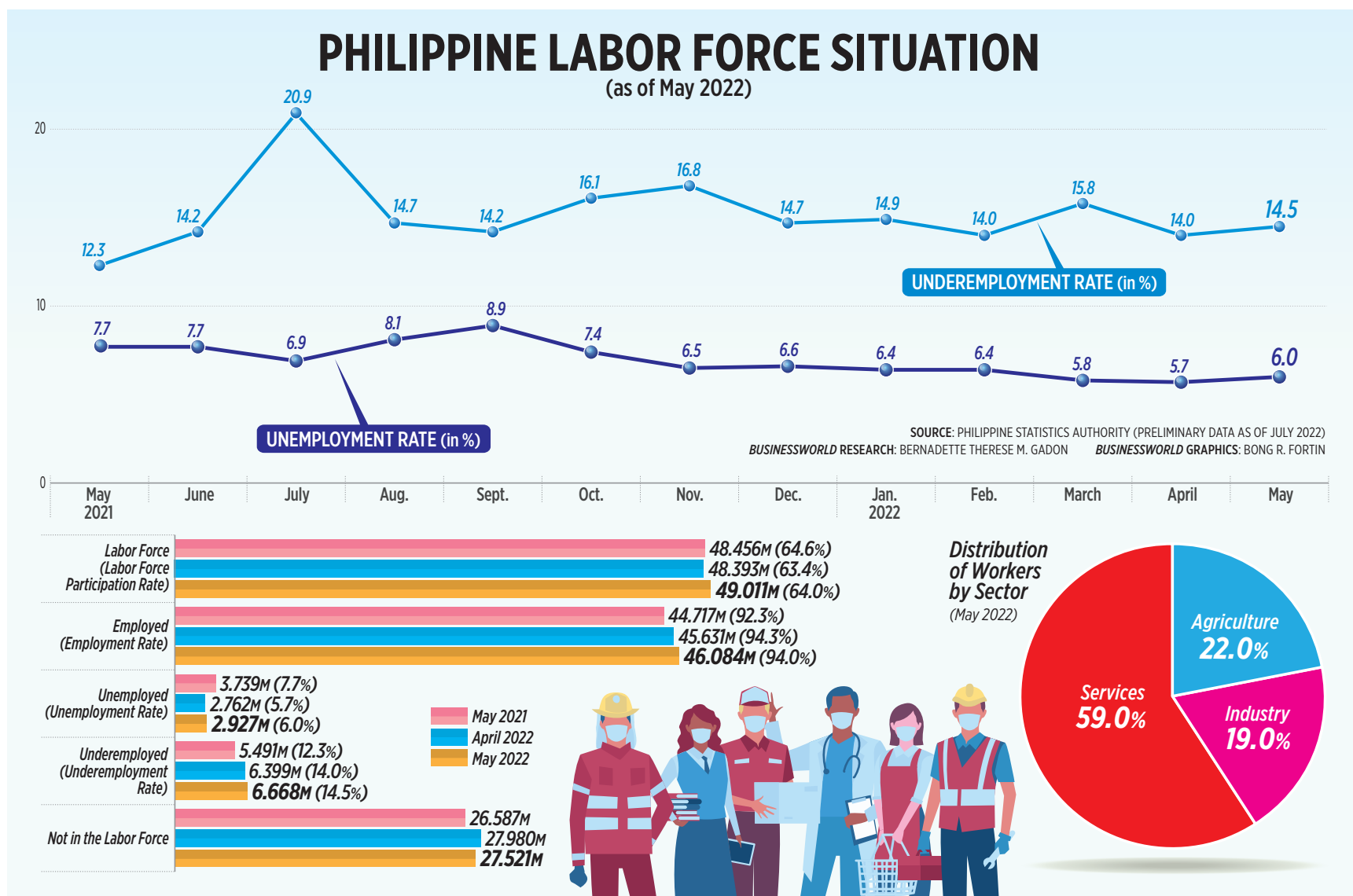
### WEAK PESO

The peso opened Thursday’s session at P55.90 against the dollar. Its intraday best was at P55.78 while its weakest showing for the day was at P56.09 versus the greenback.

Dollars exchanged slipped to \$1.11 billion on Thursday from \$1.24 billion on Wednesday.

The peso has weakened by P5.06 or 9.92% from its P51-per-dollar close on Dec. 31, 2021.

BSP, SI/5



## Unemployment rate jumps to three-month high in May

By Ana Olivia A. Tirona  
Researcher

THE UNEMPLOYMENT RATE in the Philippines jumped to a three-month high in May while job quality deteriorated despite increased economic activity, data from the Philippine Statistics Authority (PSA) showed.

Preliminary data from the statistics agency showed the jobless rate in May reached 6%, higher than 5.7% in April. However, this was still lower than 7.7% in May last year.

It was the highest unemployment rate recorded since 6.4% in February this year.

In absolute figures, the ranks of the unemployed Filipinos rose month on month by 165,000 to 2,927 million in May. On an annual ba-

sis, the number declined by 812,000 from 3.739 million.

Job quality deteriorated as the underemployment rate — the proportion of those already working but still looking for more work or longer working hours to the total employed population — jumped to 14.5% in May from 14% in April. It was the highest underemployment rate in two months or since 15.8% in March.

In absolute terms, this translated to 6.668 million underemployed Filipinos in May, 269,000 more than the 6.399 million without work in April.

“Amidst external shocks, the government has sustained the economy’s growth momentum and steered it towards a higher growth path. Now, the immediate challenge is the full reopening of the economy,” Socioeconomic Planning Secretary Arsenio M. Balisacan said in a statement.

Trade Union Congress of the Philippines (TUCP) spokesperson Alan A. Tanjusay said the end of the election campaign period may have contributed to the increase in unemployed people.

“These are workers employed by candidates as staff in their campaign activities and gimmicks including those in the supply chain,” Mr. Tanjusay said in an e-mail interview.

National Statistician Claire Dennis S. Mapa said the jobs survey does not specifically cover election-related questions.

“We can tag specific occupations and industries that are possibly election-related. In May 2022 versus May 2021, we can see that there was an increase in employment. In particular, the development of web portals and those in other service activities — we have a specific occupation code which is for activities of political organi-

zations,” Mr. Mapa said in Filipino, during a press briefing on Thursday.

He noted some activities such as catering and restaurant operations may be indirectly related to the election campaign period.

The national elections were held on May 9.

PSA data showed the size of the labor force in May was approximately 49.011 million, up by 618,000 from 48.393 million in April. This brought the labor force participation rate (LFPR) to 64% of the country’s working-age population in May improving from 63.4% the previous month.

Security Bank Corp. Chief Economist Robert Dan J. Roces said in an e-mail more people are entering the labor market as Metro Manila and most provinces are under the most lenient alert level.

Unemployment, SI/5

## Manufacturing activity grows for 14<sup>th</sup> straight month as economy reopens

MANUFACTURING ACTIVITY in the Philippines grew for a 14<sup>th</sup> straight month, buoyed by the further reopening of the economy as the number of coronavirus cases declined.

Factory output, as measured by volume of production index (VoPI), inched up by 1.9% year on year in May, preliminary data from the Philippine Statistics Authority’s (PSA) Monthly Integrated Survey of Selected Industries (MISSI) showed on Thursday.

This was higher than the revised 1.2% in April, but significantly slowed from the 267.2% growth recorded in May 2021.

The May result also marked the 14<sup>th</sup> straight month of

manufacturing activity expansion.

In comparison, the Philippines’ manufacturing purchasing managers’ index (PMI) eased to 54.1 in May from 54.3 in April. This was the fourth consecutive month that the PMI remained above 50, which signals growth in the sector.

ING Bank N.V. Manila Branch Senior Economist Nicholas Antonio T. Mapa attributed the factory output growth in May to the economy’s further reopening.

“The latest MISSI numbers reflect trends we see in PMI manufacturing. Economic reopening has helped deliver increased demand for goods and manufacturers are now reporting growth for

new orders and production,” Mr. Mapa said in e-mail.

Metro Manila and nearby areas have been under the most lenient alert level since March, as coronavirus disease 2019 (COVID-19) infections remained low.

In a phone interview, Philippine Chamber of Commerce and Industry Honorary Chairman Sergio R. Ortiz-Luis, Jr. said the manufacturing growth was driven by the continued easing of quarantine restrictions which allowed more people to return to work.

Metro Manila and surrounding locations has been placed under the most relaxed Alert Level 1 since March 1 as new COVID-19 cases continue to dwindle.

The PSA noted an expansion in the VoPI in 14 out of 22 industry divisions in May. Manufacture of machinery and equipment except electrical grew by 50.7% from 39.2% in April. There was also expansion seen in chemical and chemical products (35.9% from 39.1%) and fabricated metal products, except machinery and equipment (22.8% from 11.6%).

Meanwhile, there were contractions in eight industry divisions, led by electrical equipment (-19.7% in May from -17.8% in April). Basic metals (-18.5% from -7%) and printing and reproduction of recorded media (-11.9% from -16%) also saw a decline in activity.

Capacity utilization — the extent to which industry resources are used in producing goods — averaged 70.7% in May, up from 69.4% in the previous month.

Twenty out of 22 industry divisions reported capacity utilization rates of more than 60%.

Mr. Mapa said manufacturing output is expected to rise moderately in the coming months, as soaring prices of basic commodities and fuel may affect production.

“We could see VoPI extend gains although we may be in for some moderation, which would also mirror the recent dip in the latest PMI reading. The global commodity price surge may impact production cost and supply chains, which could

dampen momentum as will slower demand as domestic inflation bites,” he added.

Inflation rose to 6.1% in June, the highest in nearly four years, due to faster increases in food and transport costs.

Mr. Ortiz-Luis said factory output growth will continue “except if we will have another restriction which I don’t think will happen.” He also noted that inflation remains manageable as long as it does not reach 8%.

Inflation in the first half averaged 4.4%, breaching the Bangko Sentral ng Pilipinas’ 2%-4% target range but below the 5% forecast for the year. — **Mariedel Irish U. Catilogo**



**CORPORATE NEWS**  
Cold chain logistics firm files P1.5-billion IPO SI/2

**OPINION**  
Time for more aggressive monetary action SI/6

**THE NATION**  
Marcos orders office revamp, abolishes redundant agencies SI/12



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