

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEi OPEN: 6,381.11 HIGH: 6,396.00 LOW: 6,315.52 CLOSE: 6,388.64 VOL.: 0.42% VAL(P): 3,749 B 26.82 PTS. 0.42% 30 DAYS TO JULY 11, 2022	JULY 11, 2022 JAPAN (NIKKEI 225) 26,812.30 ▲ 295.11 1.11 HONG KONG (HANG SENG) 21,124.20 ▲ 601.58 -2.77 TAIWAN (WEIGHTED) 14,340.53 ▲ 124.00 -0.86 THAILAND (SET INDEX) 1,553.17 ▼ -4.70 -0.30 S.KOREA (KSE COMPOSITE) 2,340.27 ▲ -10.34 -0.44 SINGAPORE (STRAITS TIMES)* 3,131.26 ▲ 1.86 0.06 SYDNEY (ALL ORDINARIES) 6,602.20 ▲ -75.80 -1.14 MALAYSIA (KLSE COMPOSITE)* 1,425.79 ▲ 7.10 0.50 <small>* CLOSING PRICE : JULY 8, 2022</small>	JULY 8, 2022 Dow Jones 31,338.150 ▼ -46,400 NASDAQ 11,635.308 ▲ 13,962 S&P 500 3,899.380 ▼ -3,240 FTSE 100 7,196.240 ▲ 7,160 Euro Stoxx50 3,504.830 ▲ 4,270	FX OPEN P55.850 HIGH P55.850 LOW P56.035 CLOSE P55.979 W.AVE. P55.947 VOL. \$804.60 M SOURCE : BAP 52.15 53.25 54.35 55.45 56.55 57.65 5.90 CTS 30 DAYS TO JULY 11, 2022	JULY 11, 2022 LATEST BID (0900GMT) PREVIOUS JAPAN (YEN) 136.970 ▼ 136.080 HONG KONG (HK DOLLAR) 7.850 ▼ 7.849 TAIWAN (NT DOLLAR) 29.831 ▼ 29.750 THAILAND (BAHT) 36.090 ▼ 35.860 S. KOREA (WON) 1,305.820 ▼ 1,294.680 SINGAPORE (DOLLAR) 1.401 ▼ 1.398 INDONESIA (RUPIAH) 14,970 ▼ 14,975 MALAYSIA (RINGGIT) 4.425 ▼ 4.425	JULY 11, 2022 CLOSE PREVIOUS US\$/UK POUND 1.1958 ▼ 1.2027 US\$/EURO 1.0117 ▼ 1.0183 \$/AUSTRALIAN DOLLAR 0.6802 ▼ 0.6856 CANADA DOLLAR/US\$ 1.2986 ▼ 1.2948 SWISS FRANC/US\$ 0.9793 ▼ 0.9762	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$104.05/bbl 122.00 115.00 108.00 101.00 94.00 87.00 30 DAYS TO JULY 8, 2022 \$5.85

VOL. XXXV • ISSUE 249 TUESDAY • JULY 12, 2022 • www.bworldonline.com S1/1-12 • 2 SECTIONS, 16 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JULY 11, 2022 (PSEi snapshot on S1/4; article on S2/2)

ALI	P25.450	SPNEC	P1.710	MBT	P49.400	GLO	P2,276.000	BDO	P119.800	SM	P838.000	TEL	P1,709.000	CNVRG	P21.400	AGI	P10.000
Value	P699,154,385	Value	P186,165,770	Value	P165,489,240	Value	P156,984,180	Value	P150,030,604	Value	P147,444,310	Value	P104,097,590	Value	P97,342,530	Value	P91,759,833
	-P0.450 ▼ -1.737%		-P0.040 ▼ -2.286%		-P0.300 ▼ -0.604%		-P18.000 ▼ -0.785%		P1.000 ▲ 0.842%		P0.550 ▲ 1.491%		P19.000 ▲ 1.124%		-P0.400 ▼ -1.835%		P0.390 ▲ 4.058%

FDI net inflows rise to 4-month high

Marcos' planned new taxes may have limited impact

By Diego Gabriel C. Robles and Alyssa Nicole O. Tan Reporter

THE ECONOMIC TEAM'S plan to pursue new taxes on digital services and pollutants, as well as "rightsizing" of the bureaucracy, may not generate enough revenues needed to repay the Philippines' ballooning debt, experts said.

Finance Secretary Benjamin E. Diokno last week said they are considering the imposition of taxes on digital or online transactions, single-use plastics, and carbon emissions. This as the Marcos administration looks for new sources of revenues to lower the fiscal deficit and repay the P3.2-trillion additional debt incurred

during the coronavirus disease 2019 (COVID-19) pandemic.

"New taxes on digital transactions, single-use plastics, carbon and online services will likely help deliver fresh revenue streams to government coffers. Estimates have been floated on projected collections although it may be difficult to say whether this will be enough to completely offset the current debt and deficit levels," said ING Bank N.V. Manila Branch Senior Economist Nicholas Antonio T. Mapa.

Bernardo M. Villegas, economist at the University of Asia and the Pacific, said these additional taxes "will not be enough but they will contribute to reducing the fiscal deficit."

"We need all the tax increases we can get," Mr. Villegas said.

Taxes, S1/11

Lotilla to return to DoE under Marcos

PRESIDENT Ferdinand R. Marcos, Jr. named former Energy Secretary Raphael P.M. Lotilla to lead the Department of Energy (DoE), according to the Presidential Palace.

Mr. Lotilla served as Energy chief from 2005 to 2007 under the administration of former President Gloria Macapagal-Arroyo, Press Secretary Rose Beatrix Laviña Cruz-Angeles said.

Prior to that, he was president of the state-run Power Sector Assets and Liabilities Management Corp. (PSALM) and deputy director-general at the National Economic and Development Authority (NEDA).

Mr. Marcos earlier said the role of the Energy secretary will be crucial as the government faces surging prices of fuel and energy.

The Philippine Chamber of Commerce and Industry (PCCI) last week urged the Marcos administration to tackle the continued increase in electricity rates, and the power supply shortages affecting industries. Electricity rates in the Philippines are already one of the highest in Southeast Asia.

The next DoE chief also needs to address the declining output of the country's Malampaya natural gas field.

Fitch Solutions Country Risk & Industry Research said in a note in August last year that the depletion of the country's only indigenous gas field is "problematic" since it accounts for 30% of Luzon's power generation and services 20% of national demand. — Kyle Aristophere T. Atienza

NCR prices of building materials surge in April

RETAIL PRICES of building materials in Metro Manila grew at its fastest annual pace in more than 13 years in April amid global supply constraints caused by the ongoing Russia-Ukraine war.

Preliminary data from the Philippine Statistics Authority (PSA) showed the National Capital Region's (NCR) construction materials retail price index (CMRPI) rose by an annualized 6.1% in April, faster than the 4.8% print in March.

This was also significantly higher than the 1.3% print recorded in April 2021.

The April print was the highest year-on-year growth for building materials prices in NCR in over 13 years, or since the 6.2% growth logged in February 2009.

For the January to April period, the CMRPI in Metro Manila averaged 4.3%, higher than the 1.2% in the comparable four months a year ago.

Asian Institute of Management economist John Paolo R. Rivera said retail prices of building materials were affected by the ongoing Russia-Ukraine conflict, which disrupted global supply chains. He also cited the higher demand for construction materials as economic activity increased.

"The depreciation of the peso, with respect to the US dollar, made imported construction materials more expensive," Mr. Rivera said in a text message.

In April, the Philippine peso averaged P51.9760 against the dollar, weaker than the P48.4620 average in April last year, central bank data showed.

The price growth in construction materials was driven by faster year-on-year increase seen in all commodity groups, led by tinsmithry materials (8.1% in April from 7.3% in March).

Retail prices of the following materials also grew annually: plumbing materials (7.9% in April from 6.9% in March), carpentry materials (1.5% from 1.3%), miscellaneous construction materials (10.6% from 6.7%), painting materials and related compounds (3.7% from 2.5%), electrical materials (4% from 3.6%), and masonry materials (3.3% from 2.1%).

Retail construction prices reflect the demand from small-scale building contractors.

Retail prices of construction materials may continue to rise in the next few months, Mr. Rivera said. — Ana Olivia A. Tirona

PHILIPPINES RANKS 10TH IN CRYPTO ADOPTION

The Philippines ranked 10th in the Cryptocurrency Adoption Index by Australian-based financial technology website Finder. In the July 2022 release of the survey, the index measured crypto trends of 26 countries. Finder surveyed 7,514 internet users in the Philippines, which showed 16% of Filipinos owned cryptocurrency. This was higher than the global adoption rate average of 15%. Compared with its Asia-Pacific peers, the Philippines placed sixth highest, ahead of Indonesia (12th overall), Malaysia (13th), Japan (23rd), and New Zealand (24th). Bitcoin (39%) was the most popular form of cryptocurrency among Filipinos.

Rank	Country	Crypto Ownership Rate
1	India	29%
3	Vietnam	25%
5	Hong Kong	20%
6	Singapore	20%
9	Australia	17%
10	Philippines	16%
12	Indonesia	15%
13	Malaysia	15%
23	Japan	7%
24	New Zealand	7%

Global Average Score: 15%

Rank (Out of 26)

NOTES:
 - Beginning in April 2022, Finder has switched its method to a three-month rolling average. The July 2022 report will be the first to present data using the three-month rolling average, which is made up of 163,026 responses.
 - The survey is designed by Finder and conducted by Google in all territories except for the first run in Australia, where the survey is conducted by Qualtrics/SAP.
 - Participants are Internet, smartphone and Google AdMob users or Qualtrics research panel participants. Sample sizes range from 1,000 to 2,500 people and are directly proportional to population size. Participating countries are selected based on global Finder site traffic and availability on research platforms.

Most Popular Coins With Those Who Own Crypto

Bitcoin (BTC)	39%
Ethereum (ETH)	24%
Dogecoin (DOGE)	19%
Cardano (ADA)	17%
Other	28%

Top 10

Rank	Country	Crypto Ownership Rate (in %)
1	India	29%
2	Nigeria	27%
3	Vietnam	25%
4	Ghana	21%
5	Hong Kong	20%
6	Singapore	20%
7	Brazil	18%
8	Venezuela	18%
9	Australia	17%
10	Philippines	16%

Bottom 10

Rank	Country	Crypto Ownership Rate (in %)
26	Germany	6%
25	Sweden	7%
24	New Zealand	7%
23	Japan	7%
22	United Kingdom	8%
21	Norway	9%
20	Canada	9%
19	South Africa	10%
18	Ireland	10%
17	United States	13%

SOURCE: FINDER'S CRYPTOCURRENCY ADOPTION INDEX (JULY 2022)
 BUSINESSWORLD RESEARCH: ANA OLIVIA A. TIRONA BUSINESSWORLD GRAPHICS: BONG R. FORTIN

By Keisha B. Ta-asan

NET INFLOWS of foreign direct investments (FDIs) into the Philippines surged to a four-month high in April as further reopening of the economy and trade liberalization reforms lifted investor confidence.

Data released by the Bangko Sentral ng Pilipinas (BSP) on Monday showed that FDI net inflows rose by 48.3% to \$989 million in April from \$667 million in the same month in 2021.

This was the highest monthly FDI inflow recorded since the \$1.06 billion in December last year.

Month on month, net inflows of FDIs, which stand as a key source of jobs and capital for the local economy, grew by 36% from \$727 million in March.

"The pickup in FDI reflects the positive fallout from reopening of the economy. With the Philippines posting a solid IQ GDP report and with mobility restrictions lowered, this may have prompted investments into the Philippines, including the placement of equity or 'fresh FDI,'" ING Bank N.V. Manila Senior Economist Nicholas Antonio T. Mapa said in an e-mail.

Metro Manila and most areas in the country have been under the most lenient alert level since March, as coronavirus infections declined.

"Vaccination rates and the country's ability to control COVID surges without having to resort to crippling lockdowns also indicated a better business outlook for investors," China Banking Corp. Chief Economist Domini S. Velasquez said in a Viber message.

Ms. Velasquez also noted the FDI inflows are mainly driven by the economic reforms put in place by the Duterte administration.

"The amendments to the Public Service Act (PSA) and the Retail Trade Liberalization Act (RTLTA) which loosened restrictions of some sectors to foreign ownership likely drew investors' interests," she added.

President Rodrigo R. Duterte in March signed into law Republic Act No. 11659, which amended the PSA to allow up to 100% foreign ownership in airports and airlines, subways and railways, telecommunications, domestic shipping, and tollways and expressways.

Mr. Duterte also signed into law the measures amending the RTLTA and the Foreign Investment Act, which are expected to boost the competitiveness of the Philippines' industries and services.

FDI, S1/11

FUEL PRICE TRACKER

(week-on-week change)

Fuel Type	Price
GASOLINE	
June 28	P0.50
July 5	—
July 12	P5.70
DIESEL	
June 28	P1.65
July 5	P3.00
July 12	P6.10
KEROSENE	
June 28	P0.10
July 5	P3.40
July 12	P6.30

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



THE ECONOMY
DoT estimates P1.4B needed to extend free ride program until Dec. S1/2

CORPORATE NEWS
Electricity rates to go down in July, says Meralco S1/4

ARTS & LEISURE
Get to know the Cinemalaya 2022 feature films S2/4



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