

WILCON DEPOT

retail asia AWARDS 2022

WINNER

Domestic Retailer of the Year (Philippines)

WILCON DEPOT

WILCON DEPOT PH

WILCON TV

WILCON DEPOT PH

SHOP.WILCON.COM.PH



BusinessWorld



| STOCK MARKET | ASIAN MARKETS | WORLD MARKETS | PESO-DOLLAR RATES | ASIAN MONIES-US\$ RATE | WORLD CURRENCIES | DUBAI CRUDE OIL |
|---|--|--|---|--|--|---|
| PSEi OPEN: 6,206.80 HIGH: 6,234.25 LOW: 6,201.97 CLOSE: 6,223.00 13.47PTS. 0.21% VOL.: 0.728 B VAL(P): 3.755 B | JULY 26, 2022 JAPAN (NIKKEI 225) 27,655.21 ▼ -44.04 -0.16 HONG KONG (HANG SENG) 20,905.88 ▲ 342.94 1.67 TAIWAN (WEIGHTED) 14,806.78 ▼ -129.55 -0.87 THAILAND (SET INDEX) 1,553.91 ▼ -6.40 -0.41 S.KOREA (KSE COMPOSITE) 2,412.96 ▲ 9.27 0.39 SINGAPORE (STRAITS TIMES) 3,190.49 ▲ 10.02 0.32 SYDNEY (ALL ORDINARIES) 6,807.30 ▲ 17.40 0.26 MALAYSIA (KLSX COMPOSITE) 1,463.69 ▼ -5.53 -0.38 | JULY 25, 2022 DOW JONES 31,990.04 ▲ 90.750 NASDAQ 11,782.666 ▼ -51.446 S&P 500 3,966.840 ▲ 5.210 FTSE 100 7,306.300 ▲ 29.930 EURO STOXX50 3,581.910 ▲ 16.560 | FX OPEN P55.850 HIGH P55.290 LOW P55.880 CLOSE P55.300 W.AVE. P55.647 VOL. 1,432.00 M SOURCE: BAP | JULY 26, 2022 LATEST BID (0900GMT) JAPAN (YEN) 136.590 ▼ 136.370 HONG KONG (HK DOLLAR) 7.849 ▼ 7.849 TAIWAN (NT DOLLAR) 29.912 ▼ 29.887 THAILAND (BAHT) 36.690 ▼ 36.610 S. KOREA (WON) 1,308.600 ▼ 1,308.930 SINGAPORE (DOLLAR) 1.388 ▼ 1.385 INDONESIA (RUPIAH) 14,995 ▼ 14,995 MALAYSIA (RINGGIT) 4.454 ▼ 4.451 | JULY 26, 2022 US\$/UK POUND 1.2006 ▼ 1.2044 US\$/EURO 1.0180 ▼ 1.0240 \$/AUSTRALIAN DOLLAR 0.6943 ▼ 0.6947 CANADA DOLLAR/US\$ 1.2862 ▼ 1.2878 SWISS FRANC/US\$ 0.9665 ▲ 0.9628 | FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$101.21/BBL 114.80 107.60 100.40 93.20 86.00 30 DAYS TO JULY 25, 2022 |

VOL. XXXVI • ISSUE 1 WEDNESDAY • JULY 27, 2022 • www.bworldonline.com S1/1-12 • 14 SECTIONS, 82 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JULY 26, 2022 (PSEi snapshot on S1/4; article on S2/2)

| SMC | P103.000 | BDO | P114.000 | ALI | P23.800 | BPI | P86.500 | TEL | P1,618.000 | SMPH | P36.850 | SCC | P40.200 | EMI | P18.900 | DMC | P9.550 | ICT | P184.200 |
|-------|-------------------|-------|-------------------|-------|-------------------|-------|-----------------|-------|-----------------|-------|-------------------|-------|-----------------|-------|-----------------|-------|-----------------|-------|-----------------|
| Value | P389,405,822 | Value | P381,715,487 | Value | P230,096,805 | Value | P152,417,569 | Value | P132,603,610 | Value | P129,308,160 | Value | P125,904,115 | Value | P125,440,486 | Value | P112,216,719 | Value | P99,546,304 |
| | -P2.000 ▼ -1.905% | | -P1.600 ▼ -1.384% | | -P0.200 ▼ -0.833% | | P0.100 ▲ 0.116% | | P7.000 ▲ 0.435% | | -P0.400 ▼ -1.074% | | P0.200 ▲ 0.500% | | P0.000 — 0.000% | | P0.100 ▲ 1.058% | | P3.700 ▲ 2.050% |

BSP signals less than 75-bp rate hike

Budget deficit widens to P215 billion in June

By Diego Gabriel C. Robles

THE NATIONAL Government's budget deficit widened in June, as revenues grew by double digits but was outpaced by faster spending for road and transport infrastructure projects, military modernization efforts, and social welfare programs.

The Bureau of the Treasury (BTr) on Tuesday said the budget gap stood at P215.5 billion in June, 43.8% higher than the P149.9 billion in the same month a year ago. "The June outturn was driven by the 27.91% growth in expenditures which outpaced the 18.20%

increase in government receipts," it said in a statement.

Government expenditures rose by 28% to P505.8 billion during the month, thanks to an increase in capital outlay disbursements for road and transport infrastructure programs and projects under the Armed Forces of the Philippines' modernization program.

"Spending, likewise, grew on the back of the implementation of various social protection programs of the Department of Social Welfare and Development (DSWD), the release of the P10-billion Coco Levy Fund, and higher personnel services expenditures," the Treasury said.

Deficit, S1/11

BusinessWorld's 35th Anniversary

BUSINESSWORLD marks its 35th anniversary today with a super-sized 82-page issue, which includes a 12-section anniversary report. We asked top business leaders such as Manuel V. Pangilinan, Fernando Zobel de Ayala, Sabin M. Aboitiz and Frederic C. DyBuncio to offer their views on the post-pandemic era, which overlaps with the start of the Marcos administration. Experts also shared their outlook for various industries such as real estate, agriculture, healthcare, energy, and labor.



No need to ramp up borrowings — Diokno

FINANCE Secretary Benjamin E. Diokno on Tuesday said there is no need for the Philippine government to ramp up borrowings as it did during the height of the pandemic in 2020.

This as economic managers on Tuesday unveiled the game plan to achieve the Marcos administration's ambitious economic and fiscal targets for the next six years.

"The indication is clear. We do not have to borrow as much as we did in the last years, and at the same time, we will continue to boost domestic economic activity with our massive infrastructure investment of 5-6% of gross domestic product (GDP),"

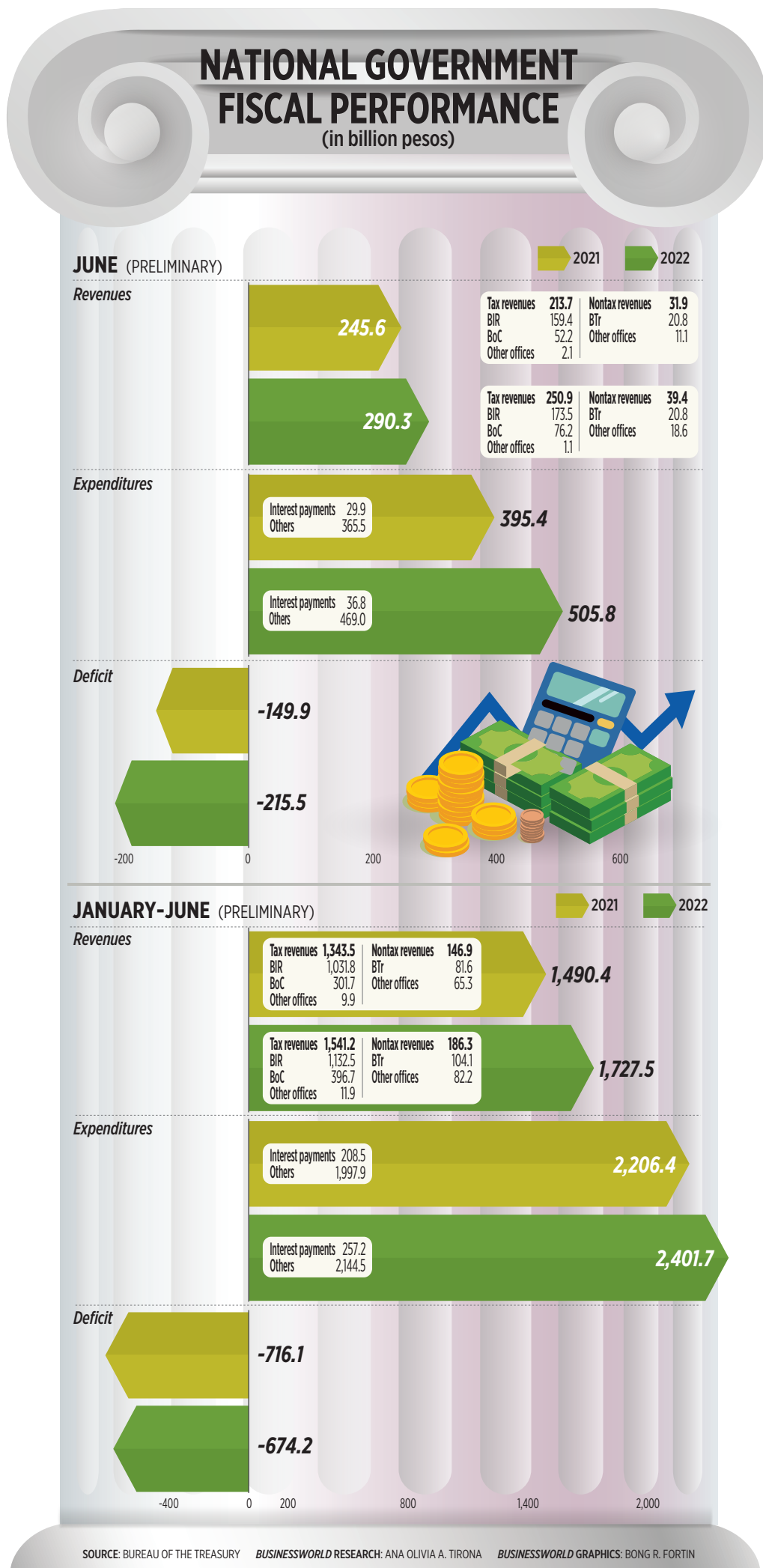
Mr. Diokno said at the post-State of the Nation (SONA) economic briefing in Pasay City.

The Philippines' debt pile reached P12.495 trillion as of end-May, reflecting the surge in government borrowings to finance its pandemic response.

As of end-March, the country's debt-to-GDP ratio breached the 60% threshold recommended by multilateral lenders at 63.5%.

The Finance chief said the Philippines is fully prepared to address risks arising from elevated inflation, lingering effects of the pandemic and the unpredictable global economy.

Borrowings, S1/11



By Keisha B. Ta-asan

THE PHILIPPINE central bank signaled an interest rate hike of less than 75 basis points (bps) at its next meeting in August, as it focuses on bringing down inflation.

Bangko Sentral ng Pilipinas (BSP) Governor Felipe M. Medalla also ruled out any more off-cycle rate adjustments.

"One thing I can say is you can only surprise people only once. So there will be no more off-cycle rate hikes. As to how many more rate hikes before the end of the year, that would be very data dependent," he said during the post-State of the Nation Address (SONA) economic briefing in Pasay City on Tuesday.

In a surprise move, the BSP raised its benchmark rates by 75 bps on July 14, as it sought to contain broadening price pressures.

This brought the rate on the key overnight reverse repurchase facility to 3.25%. The BSP's overnight deposit and lending facilities were also increased by 75 bps, to 2.75% and 3.75%, respectively.

The Monetary Board has raised benchmark interest rates by a total of 125 bps so far this year as inflation continues to remain elevated.

Mr. Medalla also hinted the Monetary Board may consider a rate hike of 25-50 bps at its Aug. 18 meeting.

Rate hike, S1/2

Next year's budget to focus on Marcos' priority sectors

THE PROPOSED P5.268-trillion national budget for 2023 will focus on the Marcos administration's top priorities such as education, health, infrastructure, social safety nets, and agriculture, Budget Secretary Amenah F. Pangandaman said on Tuesday.

During the post-State of the Nation Address (SONA) economic briefing, Ms. Pangandaman said the Department of Budget and Management (DBM) is still finalizing the proposed General Appropriations Act (GAA) which will be submitted to Congress on Aug. 22.

The proposed P5.268-trillion budget accounts for 22% of gross domestic product (GDP), and is 5% higher than this year's P5.024-trillion budget.

Ms. Pangandaman expressed hope the budget bill will be approved by Congress before the Christmas break.

"Our budget will support our medium-term fiscal framework and the eight-point agenda... First, of course, is funding for education. It is the top priority, as mandated by the Constitution," Ms. Pangandaman said.

"We will use and allocate our scarce resources to be able to finance our priority programs and projects. We will ensure that every peso in our GAA (General Appropriations Act) will be spent and implemented timely," she added.

Marcos, S1/11