

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEi OPEN: 6,182.27 HIGH: 6,268.78 LOW: 6,162.27 CLOSE: 6,268.78 VOL.: 0.522 B VAL(P): 4,239 B 73.52 pts, 1.18% 30 DAYS TO JULY 18, 2022	JULY 18, 2022 JAPAN (NIKKEI 225)* 26,788.47 ▲ 145.08 0.54 HONG KONG (HANG SENG) 20,846.18 ▲ 548.46 2.70 TAIWAN (WEIGHTED) 14,719.64 ▲ 169.02 1.16 THAILAND (SET INDEX) 1,543.33 ▲ 9.96 0.65 S.KOREA (KSE COMPOSITE) 2,375.25 ▲ 44.27 1.90 SINGAPORE (STRAITS TIMES) 3,119.24 ▲ 20.09 0.65 SYDNEY (ALL ORDINARIES) 6,687.10 ▲ 81.50 1.23 MALAYSIA (KLSE COMPOSITE) 1,429.54 ▲ 11.10 0.78 <small>CLOSING PRICE AS OF JULY 15, 2022</small>	JULY 15, 2022 Dow Jones 31,288.260 ▲ 658.090 NASDAQ 11,452.421 ▲ 201.236 S&P 500 3,863.160 ▲ 72.780 FTSE 100 7,159.010 ▲ 119.200 Euro Stoxx50 3,495.810 ▲ 70.770	FX OPEN P56.300 HIGH P56.270 LOW P56.390 CLOSE P56.350 W.AVE. P56.341 VOL. \$561.75 M SOURCE : BAP 1.00 ctv 30 DAYS TO JULY 18, 2022	JULY 18, 2022 LATEST BID (0900GMT) PREVIOUS JAPAN (YEN) 138.230 ▲ 138.530 HONG KONG (HK DOLLAR) 7.850 7.850 TAIWAN (NT DOLLAR) 29.884 ▲ 29.924 THAILAND (BAHT) 36.610 ▲ 36.620 S. KOREA (WON) 1,314.610 ▲ 1,317.740 SINGAPORE (DOLLAR) 1.396 ▲ 1.400 INDONESIA (RUPIAH) 14,982 ▲ 14,990 MALAYSIA (RINGGIT) 4.451 ▼ 4.447	JULY 18, 2022 CLOSE ▲ PREVIOUS US\$/UK POUND 1.1959 ▲ 1.1852 US\$/EURO 1.0145 ▲ 1.0087 \$/AUSTRALIAN DOLLAR 0.6838 ▲ 0.6792 CANADA DOLLAR/US\$ 1.2969 ▲ 1.3030 SWISS FRANC/US\$ 0.9750 ▼ 0.9761	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$98.30/BBL 114.00 107.00 100.00 93.00 86.00 \$0.61 30 DAYS TO JULY 15, 2022

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PHILIPPINE STOCK EXCHANGE'S TO MOST ACTIVE STOCKS BY VALUE TURNOVER • JULY 18, 2022 (PSEi snapshot on S1/4; article on S2/2)

ALI P24.850 Value P690,808,735 P2.300 ▲ 10.200%	SM P781.000 Value P360,146,645 P6.000 ▲ 0.774%	AC P599.500 Value P349,405,445 P24.000 ▲ 4.170%	ICT P178.000 Value P324,955,399 -P1.400 ▼ -0.780%	NIKL P5.010 Value P194,805,689 -P0.080 ▼ -1.572%	SMPH P37.450 Value P168,369,905 P0.450 ▲ 1.216%	BDO P121.000 Value P157,438,173 P0.300 ▲ 0.249%	CNVRG P20.250 Value P140,273,328 P0.000 — 0.000%	URC P114.800 Value P133,475,293 P1.400 ▲ 1.235%	SCC P37.950 Value P129,684,350 -P0.150 ▼ -0.394%
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Economy to sustain recovery — BSP

THE PHILIPPINE ECONOMY will likely sustain its recovery momentum this year, but risks remain from elevated inflation and a possible reimposition of coronavirus disease 2019 (COVID-19) restrictions to curb a fresh surge, the central bank governor said.

Bangko Sentral ng Pilipinas (BSP) Governor Felipe M. Medalla on Monday said the economy will continue to expand amid these “challenging times.”

“On the home front, we expect the Philippine economy to sustain its recovery. We note that quarterly pri-

vate consumption expenditures have surpassed the pre-pandemic levels already and continue to grow as the economy further opens up,” he said during a lecture series organized by the BSP Research Academy and the University of the Philippines School of Economics (UPSE).

In the first quarter, gross domestic product (GDP) expanded by a better-than-expected 8.3%, surpassing pre-pandemic output level as household spending rose with the easing of mobility curbs.

At current prices, household spending reached P3.86 trillion in the first quarter,

higher than P3.40 trillion in the January-March period last year. This was also bigger than P3.34 trillion in the same period in 2019 before the pandemic.

At constant 2018 prices, household spending picked up by 10.1% in the first three months of the year, a turnaround *Economy, S1/5*

BUSINESSWORLD B-SIDE

Upskilling for the digital job market

THE Filipino workforce is gradually adapting to a work environment that has been changed forever due to the pandemic. Career fairs and upskilling programs have emerged to address accelerated digitalization and automation.

In this B-Side episode, JobStreet Philippines Country Manager Philip A. Gioca talks to *BusinessWorld* reporter Brontë H. Lacsamana about

how adapting to the ever-evolving employment landscape is a race against time that threatens to leave many behind. “Early movers and fast movers are becoming the real deal nowadays,” he said. <https://spoti.fi/3z19cvQ>



Elevated inflation may push central bank to further hike rates

RISING INFLATION may prompt the Bangko Sentral ng Pilipinas (BSP) to consider more rate hikes this year, according to Fitch Solutions Country Risk & Research.

At the same time, the central bank should make sure its efforts to tame inflation won't hurt the Philippines' post-pandemic recovery, Moody's Analytics said.

“The central bank is likely to continue tightening to rein in inflation, which will likely stay well above the BSP's target range throughout the rest of 2022,” Fitch Solutions said in a July 15 report.

The think tank raised its average inflation forecast for the Philippines to 5.6% in 2022 from 5.1% previously. This is above the BSP's 5% average inflation forecast this year.

Inflation rose by 6.1% year on year in June, the fastest in nearly four years and exceeded the central bank's 2-4% target band for a third straight month. The inflation rate averaged 4.4% in the first six months.

With inflation to remain elevated, Fitch Solutions said it now expects the BSP to raise rates by another 100 basis points, which will take the benchmark rate to 4.25% by end-2022.

The Bangko Sentral ng Pilipinas (BSP) unexpectedly tightened its monetary policy by 75 basis points (bps) on July 14, bringing the benchmark rate to 3.25%. Rates on the overnight deposit and lending facilities were also hiked by 75 bps to 2.75% and 3.75%, respectively.

“In addition to inflation, an aggressive tightening cycle in the US will put further pressure on the BSP to hike aggressively, in order to preserve financial and currency stability,” Fitch Solu-

tions said, adding that rate hikes would help offset the depreciatory impact of “hot money” outflows.

The US Federal Reserve is widely expected to raise interest rates by 75-100 bps at its July 26-27 meeting, after inflation soared to 9.1% in June.

Meanwhile, Moody's Analytics Associate Economist Sonia Zhu said they expect another two rounds of rate hikes this year, bringing the key policy rate to above 4%.

“However, hiking interest rates aggressively can be a double-edged sword. On one hand, higher interest rates can take some steam off rebounding domestic demand and cool inflation. On the other side, higher rates risk a hard landing if policy makers overcompensate as households and businesses pull back spending and investments,” Ms. Zhu said in a July 17 note.

“The BSP will need to strike a fine balance, as it will not want to stifle the post-pandemic growth as it seeks to keep inflation under control,” she added.

For Fitch Solutions, the Philippine economy's “resilience” will give the BSP space to accelerate policy tightening.

The think tank forecasts gross domestic product (GDP) growth for the Philippines at 6.1% this year, below the government's 6.5-7.5% target.

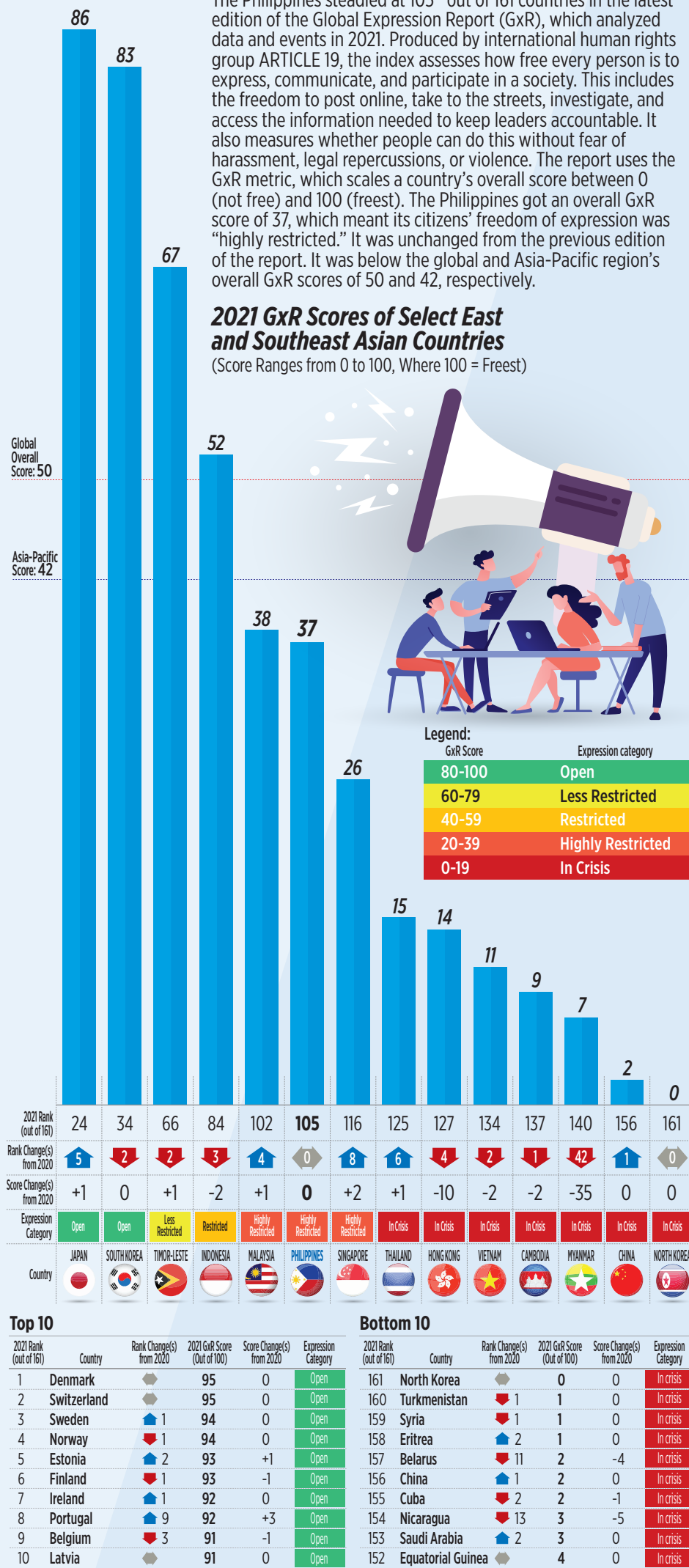
Moody's Analytics, on the other hand, is hopeful the Philippine economy will grow by “the low 7% range” this year.

The Philippine Statistics Authority is scheduled to release July inflation data on Aug. 5, and second-quarter GDP data on Aug. 9. — **Keisha B. Ta-asan**

PHILIPPINES' FREEDOM OF EXPRESSION REMAINS 'HIGHLY RESTRICTED'

The Philippines steadied at 105th out of 161 countries in the latest edition of the Global Expression Report (GxR), which analyzed data and events in 2021. Produced by international human rights group ARTICLE 19, the index assesses how free every person is to express, communicate, and participate in a society. This includes the freedom to post online, take to the streets, investigate, and access the information needed to keep leaders accountable. It also measures whether people can do this without fear of harassment, legal repercussions, or violence. The report uses the GxR metric, which scales a country's overall score between 0 (not free) and 100 (freest). The Philippines got an overall GxR score of 37, which meant its citizens' freedom of expression was “highly restricted.” It was unchanged from the previous edition of the report. It was below the global and Asia-Pacific region's overall GxR scores of 50 and 42, respectively.

2021 GxR Scores of Select East and Southeast Asian Countries
(Score Ranges from 0 to 100, Where 100 = Freest)



NOTE: The 2022 edition of the index covered developments in 2021. The GxR metric tracks freedom of expression in more than 161 countries across 25 indicators to create a score between 0 and 100 for every country, which was classified in an expression category.

SOURCE: ARTICLE 19'S THE GLOBAL EXPRESSION REPORT 2022
BUSINESSWORLD RESEARCH: MARIEDEL IRISH U. CATILAGO
BUSINESSWORLD GRAPHICS: BONG R. FORTIN

BSP-approved foreign loans jump 26% in second quarter

THE PHILIPPINE central bank approved \$3.54 billion in external borrowings by the government in the second quarter in order to fund its ongoing pandemic response and major infrastructure projects.

In a statement, the Bangko Sentral ng Pilipinas (BSP) said approved public sector borrowings in the April to June period were 26% higher than the \$2.80-billion loans in the same period of 2021.

Quarter on quarter, the approved foreign loans dropped by 26% from the \$4.8-billion greenlit in the first quarter of 2022.

The BSP said the government borrowings included a Japanese yen-denominated bond issuance amounting to \$513.41 million as well as three project loans worth a total of \$2.16 billion. It also included three program loans equivalent to \$869.72 million.

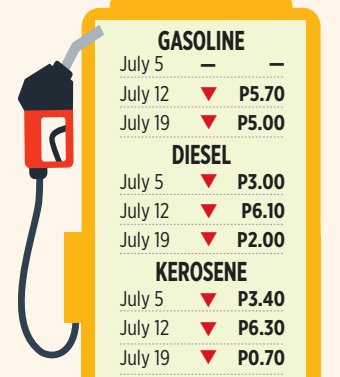
“These borrowings will fund the National Government's general financing requirements (\$513.41 million), COVID-19 (coronavirus disease 2019) pandemic response and recovery (i.e., vaccine procurement and continuing requirements in light of the pandemic), among others (\$869.72 million), bridge projects (\$405.99 million), and a railway project (\$1.75 billion),” the central bank said.

Under the 1987 Constitution, the Monetary Board is mandated to give its prior approval for any foreign loan agreement entered into by the National Government.

“The BSP promotes the judicious use of the resources and ensures that external debt requirements are at manageable levels, to support external debt sustainability,” it said.

As of end-March, the Philippines' external debt hit a record \$109.8 billion, up by 3.1% from the \$106.4-billion level as of end-December 2021. *Loans, S1/5*

FUEL PRICE TRACKER (week-on-week change)



• July 19, 12:01 a.m. — Caltex Philippines
 • July 19, 6 a.m. — Petron Corp.; Phoenix Petroleum; Pilipinas Shell Petroleum Corp.; PTT Philippines Corp.; Seaoil Philippines, Inc.
 • July 19, 8:01 a.m. — Cleanfuel (Shaw Autogas, Inc.)