

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																					
PSEi OPEN: 6,193.16 HIGH: 6,309.99 LOW: 6,193.16 CLOSE: 6,309.99 VOL.: 0.509 B VAL(P): 3.984 B 126.37 PTS. 2.04% 30 DAYS TO JULY 5, 2022	JULY 5, 2022 <table border="1"> <tr><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (NIKKEI 225)</td><td>26,423.47</td><td>▲ 269.66 1.03</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>21,853.07</td><td>▲ 22.72 0.10</td></tr> <tr><td>TAIWAN (WEIGHTED)</td><td>14,349.20</td><td>▲ 132.14 0.93</td></tr> <tr><td>THAILAND (SET INDEX)</td><td>1,541.56</td><td>▼ -18.71 -1.20</td></tr> <tr><td>S.KOREA (KSE COMPOSITE)</td><td>2,341.78</td><td>▲ 41.44 1.80</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,102.85</td><td>▼ -17.39 -0.56</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>6,629.30</td><td>▲ 16.70 0.25</td></tr> <tr><td>MALAYSIA (KLSE COMPOSITE)</td><td>1,440.81</td><td>▲ 3.29 0.23</td></tr> </table>	CLOSE	NET	%	JAPAN (NIKKEI 225)	26,423.47	▲ 269.66 1.03	HONG KONG (HANG SENG)	21,853.07	▲ 22.72 0.10	TAIWAN (WEIGHTED)	14,349.20	▲ 132.14 0.93	THAILAND (SET INDEX)	1,541.56	▼ -18.71 -1.20	S.KOREA (KSE COMPOSITE)	2,341.78	▲ 41.44 1.80	SINGAPORE (STRAITS TIMES)	3,102.85	▼ -17.39 -0.56	SYDNEY (ALL ORDINARIES)	6,629.30	▲ 16.70 0.25	MALAYSIA (KLSE COMPOSITE)	1,440.81	▲ 3.29 0.23	JULY 4, 2022 <table border="1"> <tr><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones*</td><td>31,097.260 ▲ 321.830</td></tr> <tr><td>NASDAQ*</td><td>11,127.845 ▲ 99.109</td></tr> <tr><td>S&P 500*</td><td>3,825.330 ▲ 39.950</td></tr> <tr><td>FTSE 100</td><td>7,232.650 ▲ 64.000</td></tr> <tr><td>Euro Stoxx50</td><td>3,470.620 ▲ 29.360</td></tr> </table> * CLOSING PRICE: JULY 1, 2022	CLOSE	NET	Dow Jones*	31,097.260 ▲ 321.830	NASDAQ*	11,127.845 ▲ 99.109	S&P 500*	3,825.330 ▲ 39.950	FTSE 100	7,232.650 ▲ 64.000	Euro Stoxx50	3,470.620 ▲ 29.360	FX OPEN P55,000 HIGH P54,980 LOW P55,250 CLOSE P55,230 W.AVE. P55,084 VOL. \$1,285.50 M SOURCE: BAP 15.00 CTVS 30 DAYS TO JULY 5, 2022	JULY 5, 2022 <table border="1"> <tr><th>LATEST BID (0900GMT)</th><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>135.740 ▼ 135.410</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.847 ▼ 7.846</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>29.815 ▼ 29.740</td></tr> <tr><td>THAILAND (BAHT)</td><td>35.820 ▼ 35.700</td></tr> <tr><td>S. KOREA (WON)</td><td>1,309.750 ▼ 1,299.440</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.402 ▼ 1.397</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>14,985 ▼ 14,965</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.418 ▼ 4.411</td></tr> </table>	LATEST BID (0900GMT)	PREVIOUS	JAPAN (YEN)	135.740 ▼ 135.410	HONG KONG (HK DOLLAR)	7.847 ▼ 7.846	TAIWAN (NT DOLLAR)	29.815 ▼ 29.740	THAILAND (BAHT)	35.820 ▼ 35.700	S. KOREA (WON)	1,309.750 ▼ 1,299.440	SINGAPORE (DOLLAR)	1.402 ▼ 1.397	INDONESIA (RUPIAH)	14,985 ▼ 14,965	MALAYSIA (RINGGIT)	4.418 ▼ 4.411	JULY 5, 2022 <table border="1"> <tr><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.2042 ▼ 1.2111</td></tr> <tr><td>US\$/EURO</td><td>1.0311 ▼ 1.0435</td></tr> <tr><td>\$/AUST DOLLAR</td><td>0.6801 ▼ 0.6851</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.2917 ▼ 1.2869</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.9633 ▲ 0.9595</td></tr> </table>	CLOSE	PREVIOUS	US\$/UK POUND	1.2042 ▼ 1.2111	US\$/EURO	1.0311 ▼ 1.0435	\$/AUST DOLLAR	0.6801 ▼ 0.6851	CANADA DOLLAR/US\$	1.2917 ▼ 1.2869	SWISS FRANC/US\$	0.9633 ▲ 0.9595	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$108.40/bbl 122.00 117.00 112.00 107.00 102.00 97.00 30 DAYS TO JULY 4, 2022
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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JULY 5, 2022 (PSEi snapshot on SI/4; article on SI/2)

ALI	P26.400	SCC	P37.100	CNVRG	P20.900	URC	P114.000	BDO	P118.700	ACEN	P8.400	SMPH	P37.500	SM	P792.000	MONDE	P13.900	ICT	P186.000
Value	P413,938,820	Value	P349,347,455	Value	P269,365,825	Value	P224,121,140	Value	P191,583,746	Value	P178,745,821	Value	P177,110,855	Value	P135,562,375	Value	P133,009,506	Value	P124,180,182
P0.700	▲ 2.724%	P0.900	▲ 2.486%	P1.100	▼ -5.000%	P3.500	▲ 3.167%	P3.200	▲ 2.771%	P0.330	▲ 4.089%	P1.450	▲ 4.022%	P8.000	▼ -1.000%	P0.700	▲ 5.303%	P2.200	▲ 1.197%

Inflation nears 4-year high in June

INFLATION climbed to its highest level in nearly four years in June, further eroding the purchasing value of the peso to a record low, the Philippine Statistics Authority (PSA) said on Tuesday. Preliminary data from the Philippine Statistics Authority (PSA) showed the consumer price index (CPI) accelerated to 6.1% year on year in June, exceeding

the Bangko Sentral ng Pilipinas' (BSP) 2-4% official target range for a third straight month. This was faster than the 5.4% in May and 3.7% a year ago. The June headline figure was a tad higher than the 6% median estimate in a *BusinessWorld* poll conducted last week, and settled within the 5.7%-6.5% forecast range of the BSP for that month.

It also matched the pace recorded in November 2018 and was the fastest growth in 44 months or since the 6.9% print in October 2018. Month on month, inflation picked up by 0.9%. On a seasonally adjusted basis, month-on-month inflation rose by 1% in June. The June print brought year-to-date average inflation to 4.4%, higher than the 4% a year ago.

This is still below the BSP's revised 5% average inflation forecast for this year. At a press briefing on Tuesday, National Statistician Claire Dennis S. Mapa said June inflation was driven by the uptick in food and transport prices. "Out of the 13 commodity groups we track, nine of them increased in June and majority of

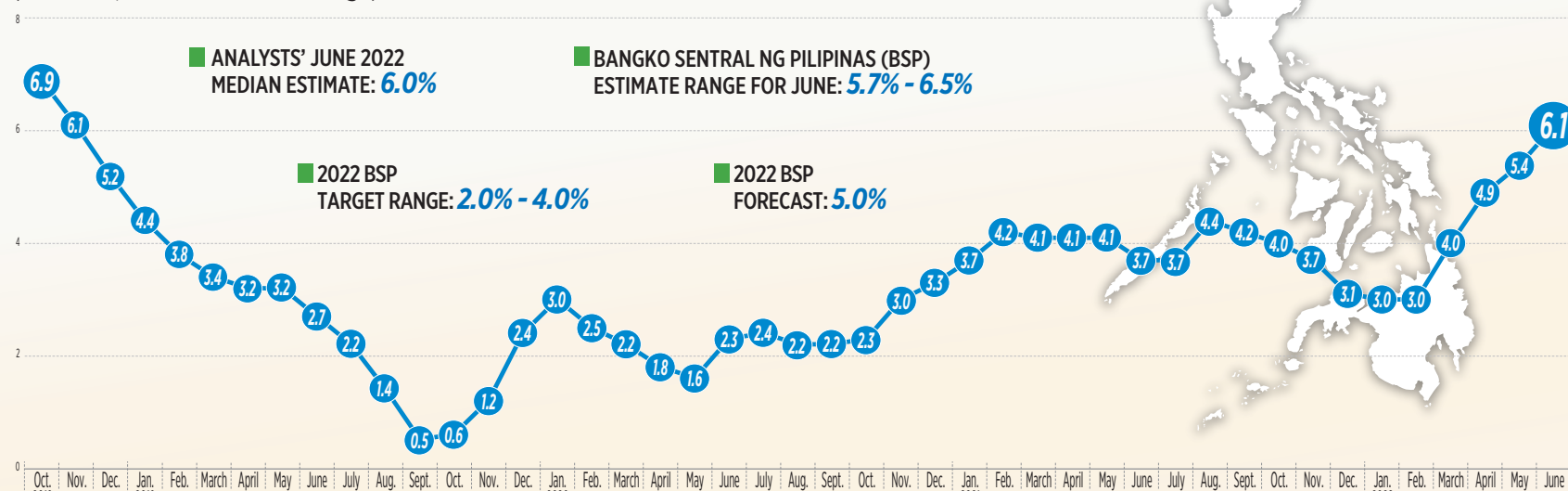
them came from food," Mr. Mapa said in Filipino. Asked if this was the peak, Mr. Mapa said they are still seeing an increase in prices. "If you will notice the slope in prices from January to June, it is very steep every month. So based on our monitoring there are expectations of these prices, particularly food prices which will move upward," he said.

The heavily weighted index for food and non-alcoholic beverages, which account for nearly 38% of the theoretical consumer basket, grew by 6% year on year in June from 4.9% in May. The food-alone index also jumped by 6.4% in June, faster than 5.2% in May.

Inflation, SI/5

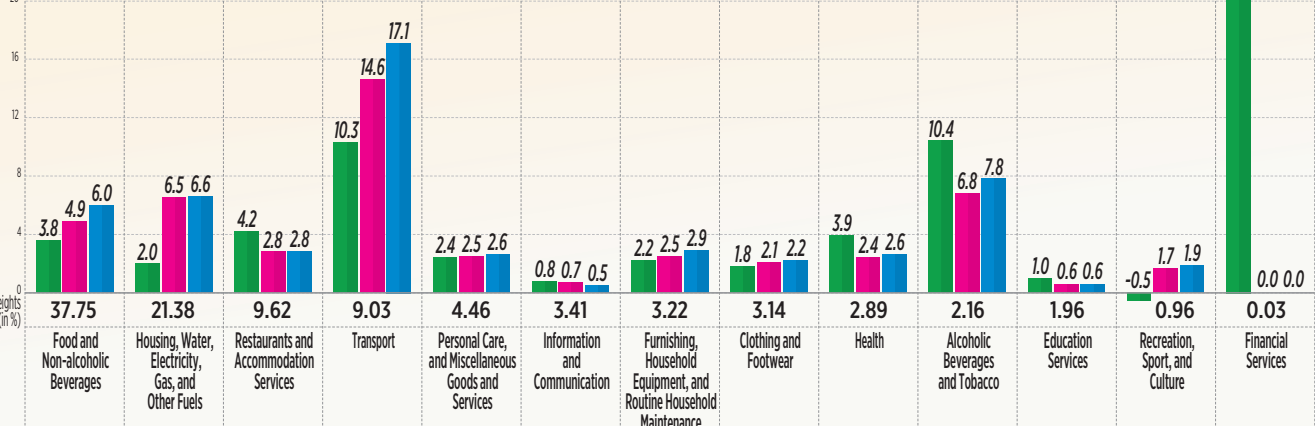
HEADLINE INFLATION RATES IN THE PHILIPPINES

(2018=100, Year-On-Year % Change)



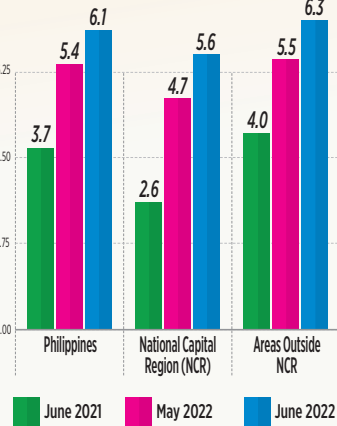
BY COMMODITY GROUP

(2018=100, Year-On-Year % Change)



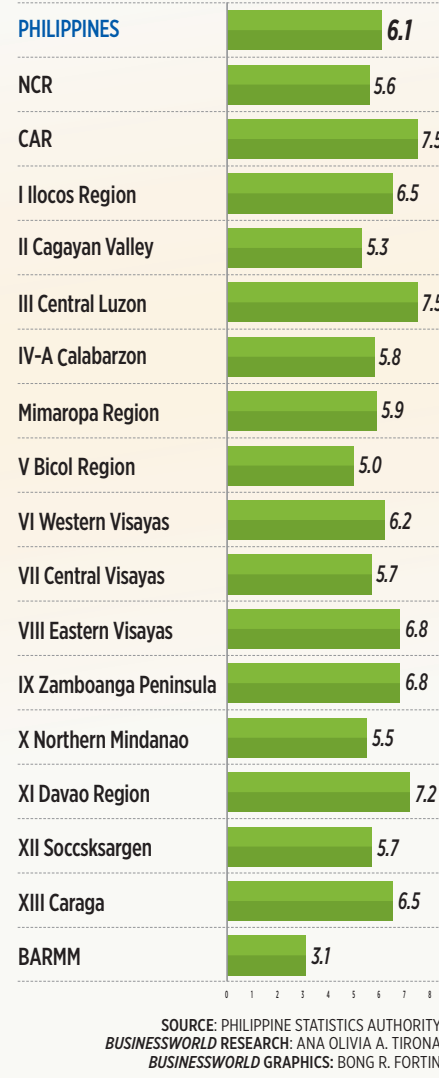
BY AREA

(2018=100, Year-On-Year % Change)



BY REGION (June 2022)

(2018=100, Year-On-Year % Change)



SOURCE: PHILIPPINE STATISTICS AUTHORITY
BUSINESSWORLD RESEARCH: ANA OLIVIA A. TRIONA
BUSINESSWORLD GRAPHICS: BONG R. FORTIN

AMRO raises PHL growth forecast for 2022

THE ASEAN+3 Macroeconomic Research Office (AMRO) raised its growth projection for the Philippines this year amid the further reopening of the economy and rising inflation. In the AMRO Regional Economic Outlook Update released on Tuesday, the think tank said it upgraded the Philippines' gross domestic product (GDP) growth projection to 6.9% this year, from the 6.5% forecast previously given in April. "We're very optimistic on the Philippines... 6.9% is among the highest growth rate in the [ASEAN +3] region," AMRO Chief Economist Hoe Ee Khor said during a virtual press briefing.

The new AMRO forecast is just below the government's 7-8% target for this year. The Philippine economy expanded by 5.6% in 2021 and by 8.3% in the first quarter this year. "The driver for this growth is really the reopening of the economy... Despite the spike in the infection rate, we expect the economy to remain relatively open because of the vaccination," Mr. Khor said. Metro Manila and most areas in the country are under the most lenient Alert Level 1 until July 15, although there is an uptick in coronavirus disease 2019 (COVID-19) infections.

He also noted the main growth drivers are domestic demand and investment. He mentioned the continuation of the "Build, Build, Build" program will help further improve the infrastructure in the country. For 2023, AMRO retained its growth forecast at 6.5%, well within the government's 6-7% target. The think tank also raised its average inflation forecast for the Philippines to 4.4% from the 4.1% estimate made in April. This is above the Bangko Sentral ng Pilipinas' (BSP) 2-4% inflation target, but consistent with the Development Budget Coordination Committee's (DBCC) forecast of 3.7-4.7%. *AMRO, SI/5*

BSP signals more rate hikes to curb inflation

THE BANGKO Sentral ng Pilipinas (BSP) may increase policy rates by "at least 100 basis points (bps)" this year to curb rising inflation, its governor said on Tuesday. "We should be moving to a policy rate that is higher than the midpoint of our (inflation) target (of 2-4%), which is 3% at the very least. That means we have to do 100 (bps) more at least," BSP Governor Felipe M. Medalla said in an interview with Bloomberg TV. This will likely bring cumulative hikes to 150 bps, bringing the benchmark rate to 3.5% by end-2022. Interest rates on the overnight deposit and lending facilities would also end the year at 3% and 4%, respectively. Mr. Medalla said an increase of at least 25 bps is guaranteed at the Monetary Board's next meeting on Aug. 18, but he is also open to a bigger increase of up to 50 bps. 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%. "The need to exit from our very unconventional monetary policy

necessitated by the pandemic became more urgent because of what's happening in the advanced countries and because of the supply shocks," Mr. Medalla said. This has made the BSP advance the implementation of its exit plan, which was originally planned to begin in the third or fourth quarter, he said. Headline inflation climbed by 6.1% in June, from 5.4% in May and 3.7% a year ago, reflecting higher prices of food, transport and utilities. It matched the pace recorded in November 2018 and was the fastest since the 6.9% seen in October 2018. Inflation inched up by 0.9% month on month. Adjusting for seasonality factors, month-on-month inflation climbed by 1% in June. "If we get bad month-on-month numbers, we will have to respond because even though the basic cause of inflation is supply, it is likely to have effects on expectations and therefore we will have to act before the supply shocks are converted to higher future inflationary expectations," Mr. Medalla said. *Rate, SI/5*

Marcos puts focus on economy in first Cabinet meeting

PHILIPPINE President Ferdinand R. Marcos, Jr. on Tuesday said his government would strive to limit imports, even as the prices of basic goods continue to soar. The new Philippine leader made the statement after he held his first Cabinet meeting that heavily focused on the economy earlier in the day. Mr. Marcos said his administration would rather boost local production than rely on importation to address an impending food crisis, vowing to significantly increase the output of rice and corn. "We will do it in the Department of Agriculture to boost

the production of rice and corn in the next two quarters, until Christmas," he told a televised news briefing. "We prefer not to import. We prefer to import as little as possible." Still, the Philippines would still import pork due to tight local supply as the hog industry is still recovering from African Swine Fever (ASF) outbreak, Mr. Marcos said. Mr. Marcos said they "were not able to cover everything" during the Cabinet meeting. He asked his economic team to lead the meeting by giving an overview of the country's current economic situ-

ation, based on a video streamed live on Facebook. "We can all understand that the most important area that we will have to deal with will have to be the economy," he told his Cabinet. "The central policy that everybody else would be following will be that set out by our economic managers." The economic team is composed of Finance Secretary Benjamin E. Diokno, Bangko Sentral ng Pilipinas Governor Felipe M. Medalla, and Socioeconomic Planning Secretary Arsenio M. Balisacan. Also present during the first Cabinet meeting were Education

Secretary Sara Z. Duterte-Carpio, Interior Secretary Benjamin Abalos, Jr., Social Welfare Secretary Erwin T. Tulfo, Solicitor General Menardo I. Guevarra, and Executive Secretary Victor D. Rodriguez, among others. "We don't want anyone out of a job at this point," Mr. Marcos supposedly said when asked by his Cabinet members to rationalize the government's workforce to save funds, based on Mr. Tulfo's Facebook post. Mr. Marcos inherited a record amount of debt from his prede-

Economy, SI/5