

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
STOCK MARKET PSEi AUGUST 16, 2022 OPEN: 6,735.56 HIGH: 6,850.64 LOW: 6,703.09 CLOSE: 6,850.64 VOL.: 0.967 B VAL(P): 8,894 B 112.80 PTS. 1.67% 30 DAYS TO AUGUST 16, 2022	ASIAN MARKETS AUGUST 16, 2022 JAPAN (NIKKEI 225) 28,868.91 ▼ -2.87 -0.01 HONG KONG (HANG SENG) 19,830.52 ▼ -210.34 -1.05 TAIWAN (WEIGHTED) 15,420.57 ▲ 3.22 0.02 THAILAND (SET INDEX) 1,628.28 ▲ 3.03 0.19 S.KOREA (KSE COMPOSITE) 2,533.52 ▲ 5.58 0.22 SINGAPORE (STRAITS TIMES) 3,251.78 ▼ -5.04 -0.15 SYDNEY (ALL ORDINARIES) 7,105.40 ▲ 41.10 0.58 MALAYSIA (KLSE COMPOSITE) 1,518.78 ▲ 14.77 0.98	WORLD MARKETS AUGUST 15, 2022 Dow Jones 33,912.440 ▲ 151.390 NASDAQ 13,128.053 ▲ 80.867 S&P 500 4,297.140 ▲ 16.990 FTSE 100 7,509.150 ▲ 8.260 Euro Stoxx50 3,680.000 ▲ 13.530	PESO-DOLLAR RATES 54.50 55.18 55.86 56.54 57.22 57.90 0.50 CTV 30 DAYS TO AUGUST 16, 2022 FX OPEN P55.950 HIGH P55.820 LOW P56.100 CLOSE P55.830 W.AVE. P55.966 VOL. \$1,019.35 M SOURCE : BAP	ASIAN MONIES-US\$ RATE AUGUST 16, 2022 LATEST BID (0900GMT) PREVIOUS JAPAN (YEN) 134.120 ▼ 133.320 HONG KONG (HK DOLLAR) 7.843 ▼ 7.835 TAIWAN (NT DOLLAR) 29.981 ▼ 30.010 THAILAND (BAHT) 35.430 ▼ 35.500 S. KOREA (WON) 1,311.270 ▼ 1,309.550 SINGAPORE (DOLLAR) 1.380 ▼ 1.376 INDONESIA (RUPIAH) 14,765 ▼ 14,740 MALAYSIA (RINGGIT) 4.464 ▼ 4.457	WORLD CURRENCIES AUGUST 16, 2022 US\$/UK POUND 1.2031 ▼ 1.2059 US\$/EURO 1.0134 ▼ 1.0195 \$/AUSTRALIAN DOLLAR 0.7000 ▼ 0.7030 CANADA DOLLAR/US\$ 1.2902 ▼ 1.2890 SWISS FRANC/US\$ 0.9498 ▲ 0.9462	DUBAI CRUDE OIL FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$94.55/BBL 112.00 106.60 101.20 95.80 90.40 85.00 30 DAYS TO AUGUST 15, 2022 \$3.73

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • AUGUST 16, 2022 (PSEi snapshot on S1/2; article on S2/2)

EMI	P19.560	ALI	P30.200	SM	P880.000	BDO	P125.400	SMPH	P38.150	SECB	P92.000	AC	P770.000	ICT	P188.000	SCC	P44.000	CNVRG	P19.400
Value	P1,116,762,796	Value	P812,782,340	Value	P538,892,815	Value	P496,414,624	Value	P442,947,150	Value	P412,826,018	Value	P303,468,140	Value	P301,794,311	Value	P279,218,545	Value	P226,749,426
P0.600	▲ 3.165%	P1.100	▲ 3.780%	P20.000	▲ 2.326%	P5.400	▲ 4.500%	P0.050	▲ 0.131%	P5.000	▲ 5.747%	P20.000	▲ 2.667%	P3.400	▲ 1.842%	P1.450	▲ 3.408%	P0.900	▲ 4.865%

Foreign investment pledges surge

By Abigail Marie P. Yraola
Researcher

APPROVED foreign investment pledges more than doubled in the second quarter from a year ago, as the Philippine economy contin-

ued to reopen amid looser mobility curbs.

The value of foreign commitments stood at P46.231 billion in the April to June, up by 105% from P22.503 billion a year earlier, preliminary data from the Philippine Statistics Authority (PSA) showed on Tuesday.

This was the highest since the P133.471 billion recorded in the final three months of 2021.

The second quarter's triple digit increase was the fastest since the 265.8% growth in the fourth quarter of 2021.

The Netherlands was the biggest source of approved

investment pledges in the second quarter at P19.037 billion, followed by Singapore and Japan with commitments worth P15.887 billion and P6.508 billion, respectively.

Security Bank Corp. Chief Economist Robert Dan J. Roces said the approved investment

pledges bode well for economic recovery.

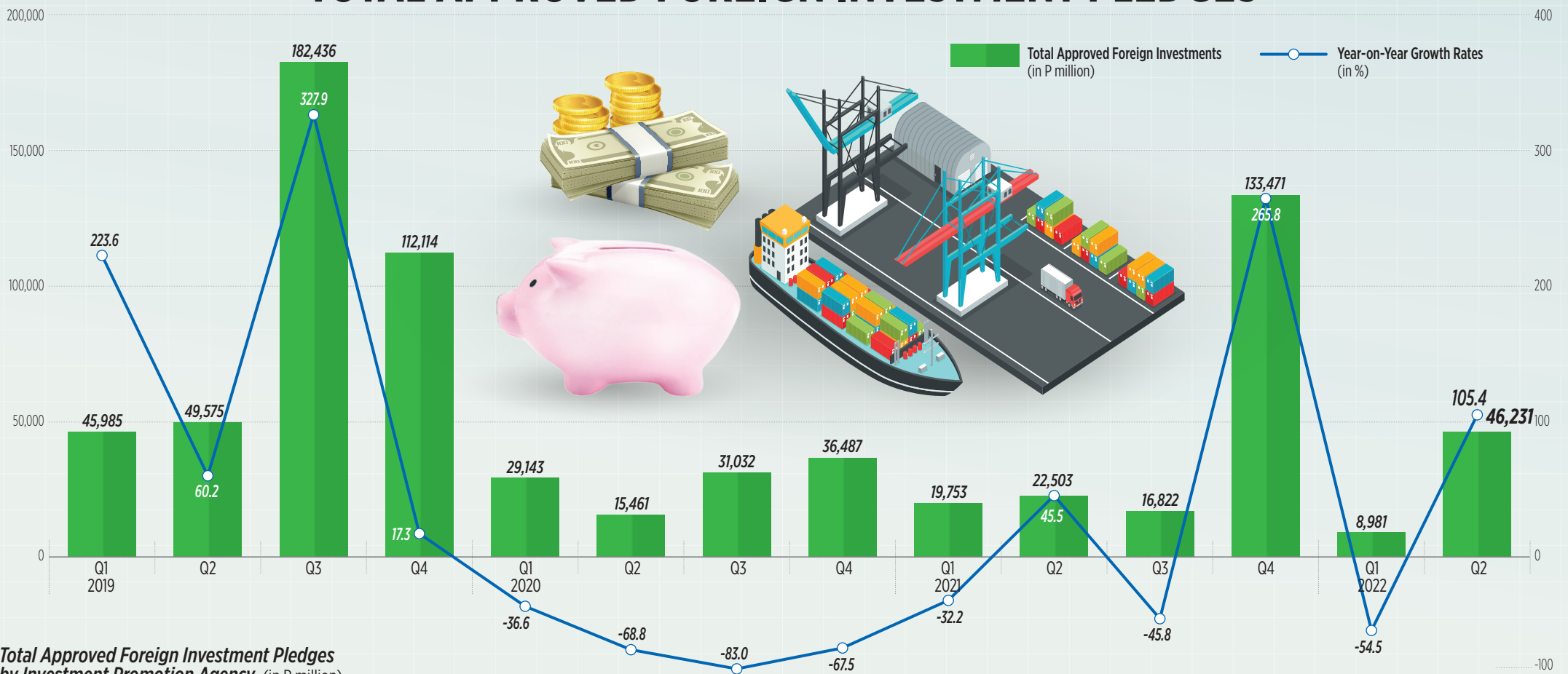
"Recall that one of the drivers for the 7.4% second-quarter gross domestic product growth was expanded capital formation, with a sizeable contribution from (foreign direct investment)," he said in an e-mail interview.

Preliminary data from the PSA showed the economy expanded by 7.4% in the second quarter, slower than the 12.1% in the same period a year earlier and 8.2% in the first quarter.

"Factors include improved mobility, which allowed for more

Pledges, S1/9

TOTAL APPROVED FOREIGN INVESTMENT PLEDGES



Total Approved Foreign Investment Pledges by Investment Promotion Agency (in P million)

Year	Quarter	Subic Bay Metropolitan Authority	Philippine Economic Zone Authority	Board of Investments (BoI)	Bol-Bangsamoro Autonomous Region in Muslim Mindanao	Clark Development Corp.	Authority of the Freeport Area of Bataan	Cagayan Economic Zone Authority	Poro Point Management Corp.	Tourism Infrastructure Economic Zone Authority	Total
2021	Q2	21	5,017	14,778	0	2,153	509	25	0	0	22,503
	Q3	290	14,678	1,007	0	847	0	0	0	0	16,822
	Q4	8	3,945	129,173	20	324	0	0	0	1	133,471
2022	Q1	109	4,473	4,327	0	71	0	0	0	0	8,981
	Q2	32,983	9,322	3,538	291	96	0	0	0	0	46,231

SOURCE: PHILIPPINE STATISTICS AUTHORITY (PRELIMINARY DATA AS OF AUG. 16, 2022)
BUSINESSWORLD RESEARCH: ABIGAIL MARIE P. YRAOLA
BUSINESSWORLD GRAPHICS: BONG R. FORTIN

Senator proposes legalization of 'ukay-ukay'

By Alyssa Nicole O. Tan
Reporter

A SENATOR raised the possibility of legalizing the commercial importation of secondhand garments amid the proliferation of stores illegally selling "ukay-ukay" around the country.

"I think it's about time, if the Bureau of Customs (BoC) can't control the importation of ukay-ukay, we make them pay taxes so that the government can earn from this in some way," Senator Rafael T. Tulfo said in mixed English and Filipino during a Ways and Means Committee hearing on Tuesday.

He questioned the Customs bureau over widespread smuggling of secondhand garments, commonly referred to as ukay-ukay. Republic Act (RA) No. 4654 prohibits commercial importation of used clothing.

"We have been implementing measures against smuggling. In fact, as we heighten and intensify our efforts against smuggling, the smugglers also become more innovative," Customs Deputy Commissioner Edward James D. Buco told during the hearing.

Mr. Buco noted that several shipments of secondhand clothing have been seized this year, and cases were filed against importers.

However, Mr. Tulfo said that even if BoC fails to detect shipments of secondhand clothes, they should conduct follow-up operations when they see thrift shops.

Senate Ways and Means Committee Chairman Sherwin T. Gatchalian said Customs should coordinate with local government units to address smuggling of secondhand clothing.

"Local governments might not even be informed that these types of operations are not within the bounds of the law," he said.

Mr. Gatchalian said it may be time to revisit RA 4654, which prohibits imports of used clothing and rags to safeguard public health and the nation's dignity.

"We cannot fault the retailers for selling ukay-ukay because I don't think they know it's illegal. In fact, many of the retailers pay business permits but they sell ukay-ukay," he added.

Senator Pia S. Cayetano, who heads the Senate Sustainable Development Goals (SDG), Innovation and Futures Thinking Committee, said secondhand clothing promotes "responsible consumption."

However, she noted some garments might be unusable and are merely thrown away.

Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said the taxation of secondhand clothing would help the government generate much-needed revenues.

However, he said many retailers and manufacturers would be hurt by the influx of cheap, used clothing.

"There may be businesses or industries that may be adversely affected by increased competition from these imports such as clothing or apparel manufacturers that may have reserva-

tions or opposition in terms of possible job or other business losses," he told *BusinessWorld* in a Viber message.

"There have also been allegations that some of these have been repurposed or rechanneled from donations or charity, thereby presenting some possible loopholes or complications such as risks of misdeclaration among other issues, as being part of the underground economy," he added. This will pose a challenge for proper documentation and declaration of imported items.

Domini S. Velasquez, chief economist at China Banking Corp., is not in favor of legalizing imports of secondhand clothing.

"If there are lapses specific to ukay-ukay, these will have to be reviewed and addressed by the proper authorities," she said told *BusinessWorld* in a Viber message. "In terms of conducting business within the country, the Bureau of Internal Revenue and LGUs are the proper units that should ensure that businesses pay appropriate taxes."

John Paolo R. Rivera, an economist at the Asian Institute of Management, said stringent Customs regulations are needed.

"Before you can implement the tax policy, supporting regulations have to be imposed first," he told *BusinessWorld* in a Viber message. "Taxing them might require additional layers of policy implementation like business registration and permits. If this cannot be considered, it might be another tax policy that will have issues with collection," he added.

Marcos may allow food manufacturers to directly import sugar

PRESIDENT Ferdinand R. Marcos, Jr. is looking into the possibility of allowing food manufacturers to directly import sugar amid tight domestic supply and high prices.

At the same time, the country's biggest beverage manufacturers on Tuesday admitted they were having difficulty securing enough supply of premium refined sugar for their products.

"Another area that has to be looked into, the president said, is direct importation by food manufacturers with the approval of the Sugar Regulatory Administration (SRA) as part of emergency measures to address current industry concerns," Malacañang said in a press release on Tuesday.

Mr. Marcos, who is also Agriculture secretary, raised the idea during a meeting with members of the Philippine Chamber Food

Manufacturers, Inc. (PCFMI) on Monday evening.

At the meeting, he underscored the need to boost sugar supply to protect local jobs.

"It has become a worrisome problem. We are doing all of these things to protect the jobs of workers in those industries. So, we are studying several measures that we can take to immediately increase the supply of sugar in the country," he said.

Mr. Marcos said his government was in talks with traders to bring down sugar prices.

"Hopefully, we can get some concessions with the traders so that at least the pricing will be reasonable," he said. "The concern is the supply right now. I'll make sure that there is sufficient supply in the country so that you can operate at full capacity."

Sugar, S1/9