

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																																																			
PSEi OPEN: 6,845.65 HIGH: 6,883.60 LOW: 6,817.00 CLOSE: 6,818.99 VOL.: 1.173 B VAL(P): 8.041 B 31.65 pts, 0.46% 30 DAYS TO AUGUST 17, 2022	AUGUST 17, 2022 <table border="1"> <tr><th></th><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (NIKKEI 225)</td><td>29,222.77</td><td>▲ 353.86</td><td>1.23</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>19,922.45</td><td>▲ 91.93</td><td>0.46</td></tr> <tr><td>TAIWAN (WEIGHTED)</td><td>15,465.45</td><td>▲ 44.88</td><td>0.29</td></tr> <tr><td>THAILAND (SET INDEX)</td><td>1,638.64</td><td>▲ 8.69</td><td>0.53</td></tr> <tr><td>S.KOREA (KSE COMPOSITE)</td><td>2,516.47</td><td>▼ -17.05</td><td>-0.67</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,261.52</td><td>▲ 7.73</td><td>0.24</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>7,127.70</td><td>▲ 22.30</td><td>0.31</td></tr> <tr><td>MALAYSIA (KLSE COMPOSITE)</td><td>1,518.16</td><td>▼ -0.62</td><td>-0.04</td></tr> </table>		CLOSE	NET	%	JAPAN (NIKKEI 225)	29,222.77	▲ 353.86	1.23	HONG KONG (HANG SENG)	19,922.45	▲ 91.93	0.46	TAIWAN (WEIGHTED)	15,465.45	▲ 44.88	0.29	THAILAND (SET INDEX)	1,638.64	▲ 8.69	0.53	S.KOREA (KSE COMPOSITE)	2,516.47	▼ -17.05	-0.67	SINGAPORE (STRAITS TIMES)	3,261.52	▲ 7.73	0.24	SYDNEY (ALL ORDINARIES)	7,127.70	▲ 22.30	0.31	MALAYSIA (KLSE COMPOSITE)	1,518.16	▼ -0.62	-0.04	AUGUST 16, 2022 <table border="1"> <tr><th></th><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>34,152.010</td><td>▲ 239.570</td></tr> <tr><td>NASDAQ</td><td>13,102.549</td><td>▼ -25.504</td></tr> <tr><td>S&P 500</td><td>4,305.200</td><td>▲ 8.060</td></tr> <tr><td>FTSE 100</td><td>7,536.060</td><td>▲ 26.910</td></tr> <tr><td>Euro Stoxx50</td><td>3,686.500</td><td>▲ 6.500</td></tr> </table>		CLOSE	NET	Dow Jones	34,152.010	▲ 239.570	NASDAQ	13,102.549	▼ -25.504	S&P 500	4,305.200	▲ 8.060	FTSE 100	7,536.060	▲ 26.910	Euro Stoxx50	3,686.500	▲ 6.500	FX OPEN P55.830 HIGH P55.700 LOW P55.910 CLOSE P55.860 W.AVE. P55.826 VOL. \$918.65 M SOURCE: BAP 3.00 pts 30 DAYS TO AUGUST 17, 2022	AUGUST 17, 2022 <table border="1"> <tr><th></th><th>LATEST BID (0900GMT)</th><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>134.690</td><td>134.120</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.841</td><td>7.843</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>29.975</td><td>29.981</td></tr> <tr><td>THAILAND (BAHT)</td><td>35.430</td><td>35.430</td></tr> <tr><td>S. KOREA (WON)</td><td>1,313.520</td><td>1,311.270</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.381</td><td>1.380</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>14,765</td><td>14,765</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.466</td><td>4.464</td></tr> </table>		LATEST BID (0900GMT)	PREVIOUS	JAPAN (YEN)	134.690	134.120	HONG KONG (HK DOLLAR)	7.841	7.843	TAIWAN (NT DOLLAR)	29.975	29.981	THAILAND (BAHT)	35.430	35.430	S. KOREA (WON)	1,313.520	1,311.270	SINGAPORE (DOLLAR)	1.381	1.380	INDONESIA (RUPIAH)	14,765	14,765	MALAYSIA (RINGGIT)	4.466	4.464	AUGUST 17, 2022 <table border="1"> <tr><th></th><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.2093</td><td>1.2031</td></tr> <tr><td>US\$/EURO</td><td>1.0172</td><td>1.0134</td></tr> <tr><td>\$/AUST DOLLAR</td><td>0.6966</td><td>0.7000</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.2875</td><td>1.2902</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.9507</td><td>0.9498</td></tr> </table>		CLOSE	PREVIOUS	US\$/UK POUND	1.2093	1.2031	US\$/EURO	1.0172	1.0134	\$/AUST DOLLAR	0.6966	0.7000	CANADA DOLLAR/US\$	1.2875	1.2902	SWISS FRANC/US\$	0.9507	0.9498	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$92.00/BBL 115.00 108.40 101.80 95.20 88.60 82.00 30 DAYS TO AUGUST 16, 2022
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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • AUGUST 17, 2022 (PSEi snapshot on SI/3; article on S2/2)

BDO	ALI	ICT	SM	AC	CNVRG	SPNEC	BPI	TEL	PX
P128.200	P29.400	P186.000	P882.000	P775.000	P19.660	P1.800	P93.000	P1,708.000	P3.380
Value P887,855,287	Value P654,339,370	Value P420,724,361	Value P410,739,250	Value P321,297,685	Value P309,630,674	Value P305,560,340	Value P261,680,489	Value P243,868,015	Value P242,347,010
P2.800 ▲ 2.233%	-P0.800 ▼ -2.649%	-P2.000 ▼ -1.064%	P2.000 ▲ 0.227%	P5.000 ▲ 0.649%	P0.260 ▲ 1.340%	P0.010 ▲ 0.559%	-P2.600 ▼ -2.720%	-P47.000 ▼ -2.678%	P0.180 ▲ 5.625%

Marcos OK's review of BOT Law rules

SRA faces overhaul after import mess

By Kyle Aristophere T. Atienza and Luisa Maria Jacinta C. Jocson Reporters

PRESIDENT Ferdinand R. Marcos, Jr. on Wednesday said the Sugar Regulatory Administration (SRA) will be reorganized, following the resignation of key officials who signed a sugar importation order without his approval.

"We'll reorganize the SRA and then we will come to an arrangement with the industrial consumers, the planters, the millers, suppliers of sugar so that whatever available supply would be released to the market," Mr. Marcos, who chairs the agency's board as Agriculture secretary, said in a mix of Filipino and English.

Mr. Marcos expects the sugar agency to be reorganized "before the end of this week."

Three members of the SRA board, including an Agriculture undersecretary who served as Mr. Marcos' representative, quit after Mr. Marcos said he did not approve the order allowing the importation of up to 300,000 metric tons (MT) of sugar.

The President said he is leaving it up to legislators to investigate the matter, so he can focus on resolving the sugar shortage.

Mr. Marcos said if the remaining supply will still not be enough, "we will be forced to make an importation." He earlier said the Philippines might only need to import 150,000 MT of sugar, half of the 300,000 MT earlier proposed by the SRA.

"It's the same situation in all the agricultural commodities in the Philippines. We don't want to import as much as possible. But the problem is that our production is not enough," he said. "The price has been increasing."

Mr. Marcos said he has been negotiating with traders to lower the price of sugar. "They first offered P80 per kilo. But I asked them to bring it down to P70. We're getting there," he said.

Based on the latest data from the SRA, the average price of refined sugar in wet markets in early August rose by 79.5% to P95 per kilogram from P52.93 in the similar period a year ago. The average price of

raw sugar in wet markets also climbed by 57.7% to P71.43 from P45.29.

Socioeconomic Planning Secretary Arsenio M. Balisacan expressed concern over the rising prices of sugar and their impact on local food manufacturers and small businesses.

"You need to have a balancing act. While we protect our farmers from headwinds, we also have to ensure that the tools that we employ to protect our farmers do not harm the rest of the economy, especially that we are trying to get poverty reduced and the economy moving at high-growth trajectory," he said during the Economic Journalists Association of the Philippines forum on Wednesday.

Mr. Balisacan said they need to talk to the sugar planters to ensure there is sufficient supply.

"The supply has to grow. The local production has to grow. Imports should be allowed, otherwise prices will continue to skyrocket," he said.

'MONOPOLY OF THE STATE'

Leonardo A. Lanzona, who teaches economics at the Ateneo de Manila University, called for the abolition of the SRA, saying the private sector should be allowed to import freely without regulation.

"The SRA had functioned much like the National Food Authority (NFA) which regulated the supply of rice mainly through its control of imports in order to stabilize prices," Mr. Lanzona said, recalling that the NFA was riddled with "corruption and inefficiency" and was unable to fulfill its mandate.

"We are seeing the same situation in the SRA. In this case, we should simply allow the private sector to determine the imports it needs. We should close the SRA and end the import monopoly of the state," he added.

The government should allow foreign investors to own and operate sugar mills "to enhance competition, efficiency and innovation," Mr. Lanzona said.

"Protection of the local sugar industry needs to be dismantled," he said, noting that regulation has prevented sugarcane farmers from selling their products "closer to the competitive price."

SRA, SI/9

BSP to keep hawkish stance for rest of 2022

By Keisha B. Ta-asan

BANGKO SENTRAL ng Pilipinas (BSP) Governor Felipe M. Medalla did not rule out further interest rate hikes this year, after the widely expected tightening at its meeting today (Aug. 18).

"As to whether there will be more rate hikes in the remaining meetings (this year), we will not rule them out," he said at the Economic Journalists Association of the Philippines forum on Wednesday.

"Now exactly how many rate hikes that would require, it's hard to forecast because a lot of the things that drive inflation may subside."

The BSP is widely expected to raise the benchmark rate today, with most analysts forecasting

a 50-basis-point (bp) increase. If realized, this would bring the benchmark rate to 3.75% from the current 3.25%

A *BusinessWorld* poll last week showed 13 out of 18 analysts expect the Monetary Board will raise its benchmark interest rate by 50 bps, and three seeing a 25-bp increase. Only two analysts expect the BSP to keep rates unchanged.

The BSP is maintaining a hawkish stance as it seeks to tame inflation, which quickened to a near four-year high of 6.4% in July.

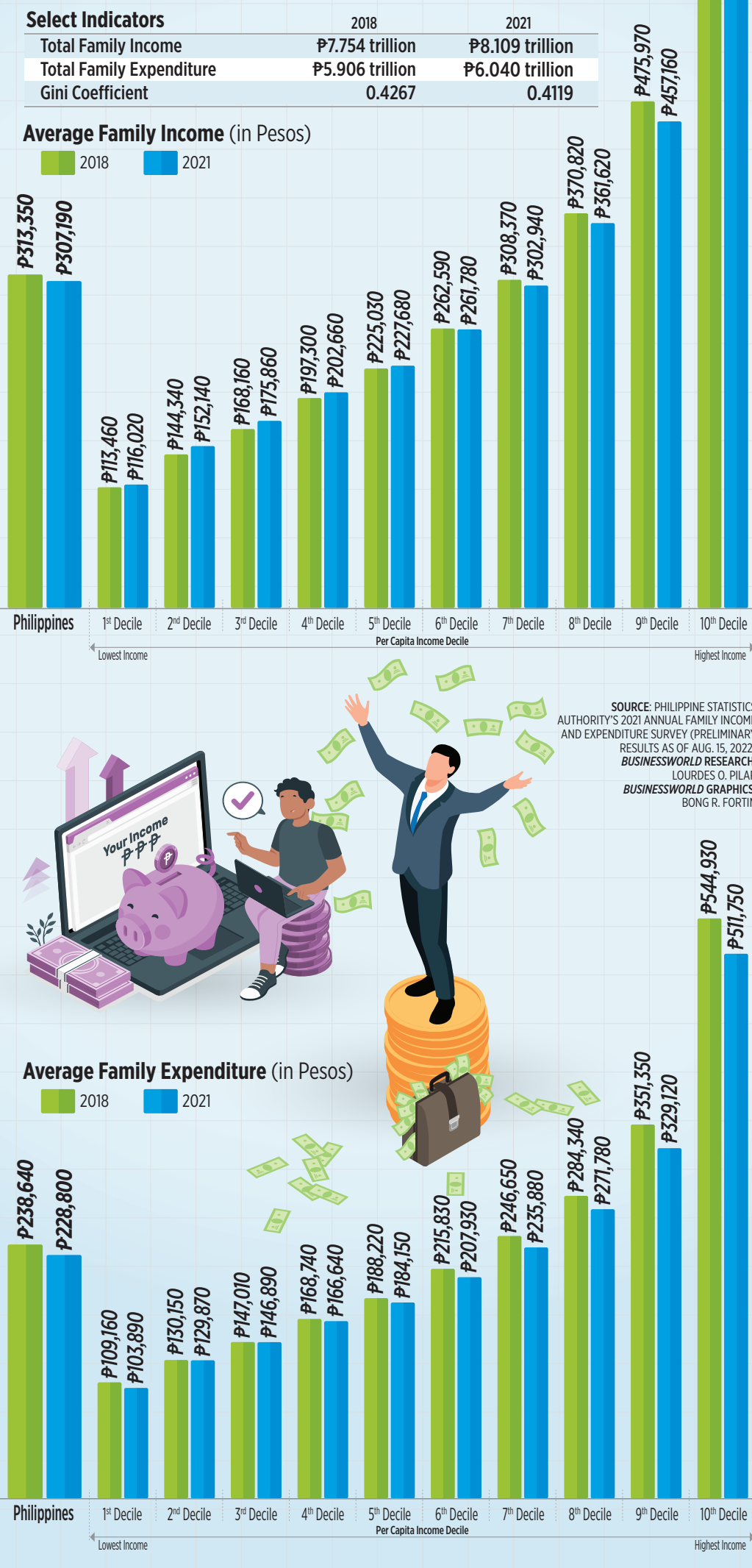
Inflation averaged 4.7% in the January to July period, above the BSP's 2-4% target band for the year, mainly due to soaring food prices and higher transport costs.

The central bank in June raised its average inflation forecast for this year to 5%, from 4.6% previously.

BSP, SI/5

PSA RICH-POOR INCOME GAP SLIGHTLY NARROWED IN 2021

The average annual income of Filipino families dipped by 2% to P307,190 in 2021 from P313,350 in 2018, preliminary data from the latest Annual Family Income and Expenditure Survey showed. Annual income of Filipino families in 2021 ranged from P116,020 to P813,910. This meant that the richest 10% (10th decile) group earned 7.02 times more than the poorest 10% (1st decile) that year. However, this income gap between the richest and poorest group was a tad narrower from 7.65 times in 2018. Meanwhile, Filipino families spend P228,800 on average a year, down by 4.1% from P238,640 in 2018. With the average spending ranging from P103,890 to P511,750, the spending gap between the richest and poorest groups hit 4.93 times in 2021, slightly smaller than 4.99 times in 2018. The income inequality, as measured by the Gini coefficient, was reduced to 0.4119 in 2021 from 0.4267 previously. Gini scores range from zero to one, with zero indicating total income equality and one indicating total income inequality.



By Diego Gabriel C. Robles

THE NATIONAL Economic and Development Authority (NEDA) has been directed by President Ferdinand R. Marcos, Jr. to review certain provisions of the revised rules of the Build-Operate-Transfer (BOT) Law.

"We have already received the President's directive to review the implementing rules and regulations (IRR) of the BOT Law. We are presently awaiting the convening of the committee to review the rules," Socioeconomic Planning Secretary Arsenio M. Balisacan said during the Economic Journalists Association of the Philippines (EJAP) forum on Wednesday.

The previous administration came out with the revised guidelines for the Republic Act (RA) No. 7718 in April.

"We have received several private sector stakeholders' comments expressing their concerns over specific provisions of the IRR. Of course, careful review of the rules requires that we perform a balancing act: encouraging private investment to promote job creation, technological innovation, and product competition while protecting the public interest," Mr. Balisacan said.

He said the President is aware of the issues raised by the private sector on the revised rules.

Business groups and some economists have raised concern over the rules, saying it compels private proponents to shoulder more risk while relieving the government of responsibility for delayed deliverables.

However, the NEDA chief declined to give details on changes to the IRR, but said discussions might revolve around the Material Adverse Government Action (MAGA) clause and arbitration issues.

"There are many other things but some of the revisions, I believe, are useful [and] are very good, and they should be kept. But I would like to see how that will move forward," Mr. Balisacan added.

According to Section 12.22 of the BOT Law's revised IRR, the government cannot be taken to court for arbitration.

Additionally, it defines MAGA as "any act of the Executive branch, which the project proponent had no knowledge of, or could not reasonably be expected to have had knowledge of, prior to the effectivity of the contract; and that occurs after the effectivity of the contract, that: specifically discriminates against the project proponent; and has a material adverse effect on the ability of the project proponent to comply with any of its obligations under the contract."

Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said that "the risk and income sharing should be fair for both the government and the private sector participants so that the costs, as well as the financing required, would be predictable."

BOT, SI/5



TECHNOLOGY
More Filipino consumers using business messaging platforms SI/4

THE WORLD
UK inflation hits double digits in July, the highest since 1982 SI/9

ARTS & LEISURE
Pardon My French provides food for the body and soul S2/4



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