

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
<b>PSEi</b> AUGUST 26, 2022 OPEN: 6,697.04 HIGH: 6,752.50 LOW: 6,680.73 CLOSE: 6,752.50 VOL.: 1.256 B VAL(P): 8.819 B 46.07 PTS. 0.68% 30 DAYS TO AUGUST 26, 2022	<b>AUGUST 26, 2022</b> JAPAN (NIKKEI 225) 28,641.38 ▲ 162.37 0.57 HONG KONG (HANG SENG) 20,170.04 ▲ 201.66 1.01 TAIWAN (WEIGHTED) 15,278.44 ▲ 78.40 0.52 THAILAND (SET INDEX) 1,644.78 ▲ 1.26 0.08 S.KOREA (KSE COMPOSITE) 2,481.03 ▲ 3.77 0.15 SINGAPORE (STRAITS TIMES) 3,249.53 ▲ 1.73 0.05 SYDNEY (ALL ORDINARIES) 7,104.10 ▲ 56.00 0.79 MALAYSIA (KLSE COMPOSITE) 1,500.29 ▲ 4.80 0.32	<b>AUGUST 26, 2022</b> Dow Jones 32,283.400 ▼ -1,008.380 NASDAQ 12,141.710 ▼ -497.555 S&P 500 4,057.660 ▼ -141.460 FTSE 100 7,427.310 ▼ -52.430 Euro Stoxx50 3,610.820 ▼ -49.330	<b>FX</b> OPEN P56.030 HIGH P55.995 LOW P56.085 CLOSE P56.020 W.AVE. P56.038 VOL. \$804.50 M SOURCE: BAP 4.00 CTS 30 DAYS TO AUGUST 26, 2022	<b>AUGUST 26, 2022</b> LATEST BID (0900GMT) PREVIOUS JAPAN (YEN) 137.520 ▼ 136.490 HONG KONG (HK DOLLAR) 7.847 ▼ 7.846 TAIWAN (NT DOLLAR) 30.281 ▼ 30.289 THAILAND (BAHT) 36.150 ▼ 35.810 S. KOREA (WON) 1,341.810 ▼ 1,333.980 SINGAPORE (DOLLAR) 1.393 ▼ 1.389 INDONESIA (RUPIAH) 14,815 ▼ 14,820 MALAYSIA (RINGGIT) 4.465 ▼ 4.470	<b>AUGUST 26, 2022</b> CLOSE PREVIOUS US\$/UK POUND 1.1747 ▼ 1.1839 US\$/EURO 0.9961 ▼ 0.9990 \$/AUSTRALIAN DOLLAR 0.6890 ▼ 0.6980 CANADA DOLLAR/US\$ 1.3033 ▼ 1.2906 SWISS FRANC/US\$ 0.9663 ▼ 0.9627	<b>DUBAI CRUDE OIL</b> FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$99.60/BBL 115.00 108.00 101.00 94.00 87.00 80.00 \$0.30 30 DAYS TO AUGUST 26, 2022

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

ACEN P8.040 Value P713,137,503 -P0.590 ▼ -6.837%	ALI P29.300 Value P513,294,660 P0.800 ▲ 2.807%	AC P720.000 Value P350,047,585 -P12.000 ▼ -1.639%	BDO P131.500 Value P341,928,002 P2.700 ▲ 2.096%	SMPH P37.050 Value P310,745,950 P0.050 ▲ 0.135%	SPNEC P1.690 Value P230,455,730 P0.040 ▲ 2.424%	AEV P59.000 Value P218,468,504 P1.650 ▲ 2.877%	BPI P96.950 Value P182,910,884 P2.800 ▲ 2.974%	SM P879.000 Value P170,364,815 -P1.000 ▼ -0.114%	CNVRG P18.600 Value P169,892,076 -P0.040 ▼ -0.215%
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## Dollar reserves still 'adequate' — BSP

THE COUNTRY'S dollar reserves remain at an "adequate" level despite slipping below the \$100-billion level as of end-July, Bangko Sentral ng Pilipinas (BSP) Governor Felipe M. Medalla said.

At the same time, S&P Global Ratings noted the Philippines'

foreign exchange reserves remain "very high" but will likely drop as global commodity prices and interest rates continue to rise.

Many central banks have deployed the tandem of rate hikes and foreign exchange spot intervention as the US Federal

Reserve continued its aggressive monetary policy tightening.

"We were responding just like other central banks to this global situation. The monetary policy in the United States is causing currencies to depreciate, so in response to that, we raised interest rates, not as

much as the US did, and we also sold reserves... Nonetheless, our reserves remain comfortable and adequate," Mr. Medalla said at the Development Budget Coordination Committee's (DBCC) briefing for the House Committee on Appropriations on Friday.

The peso touched its all-time low of P56.45 per dollar in July.

Year to date, the peso has weakened by P6.02 or 9.84% from its P51-per-dollar close on Dec. 31, 2021.

The country's gross international reserves (GIR) stood at \$98.83 billion as of end-July, 2%

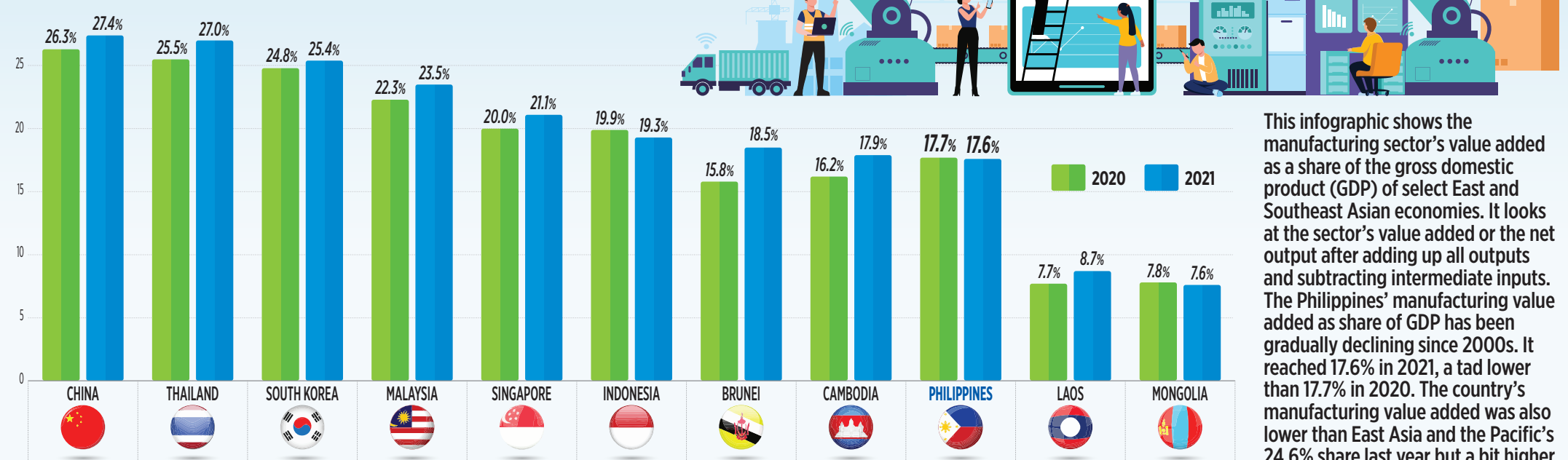
lower than the \$100.85-billion level as of end-June. The dollar reserves fell below the \$100-billion level for the first time since August 2020 when GIR stood at \$98.95 billion.

The GIR level has been on a decline since February this year.

Dollar, S1/9

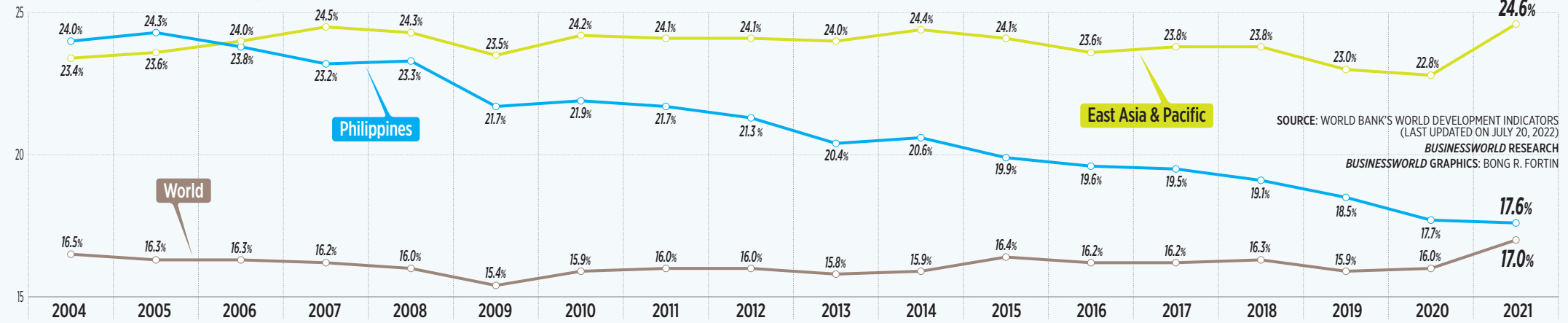
### HOW THE PHILIPPINES' MANUFACTURING VALUE STACK UP WITH ITS NEIGHBORS

Manufacturing, Value Added (as % of GDP) of Select East and Southeast Asian Countries



This infographic shows the manufacturing sector's value added as a share of the gross domestic product (GDP) of select East and Southeast Asian economies. It looks at the sector's value added or the net output after adding up all outputs and subtracting intermediate inputs. The Philippines' manufacturing value added as share of GDP has been gradually declining since 2000s. It reached 17.6% in 2021, a tad lower than 17.7% in 2020. The country's manufacturing value added was also lower than East Asia and the Pacific's 24.6% share last year but a bit higher than the world's 17%.

#### Philippines: Manufacturing, Value Added (as % of GDP)



SOURCE: WORLD BANK'S WORLD DEVELOPMENT INDICATORS (LAST UPDATED ON JULY 20, 2022)  
BUSINESSWORLD RESEARCH  
BUSINESSWORLD GRAPHICS: BONG R. FORTIN

## 'Revenge' partygoers spur Manila's nightlife revival

By Joseph L. Garcia  
Reporter

TIM NG reopened Mow's, an "underground" bar near Manila, the Philippine capital in July after two years of being shuttered amid a coronavirus pandemic.

The bar, located in the basement of a family-owned building — the Kowloon House in Quezon City — resumed business months after the industry was allowed to operate again as infections eased.

Manila's nightlife appears to have come to life again, thanks to "revenge" partygoers eager to spend more on food and booze.

In 2020, the combined sales of cafés and bars in the Philippines reached \$1.1 billion, significantly lower than before the coronavirus pandemic hit, according to Statista.

"A number of bars started reopening months before, but we wanted to wait until cases really went down," Mr. Ng said in an e-mail. "We reopened a couple of weeks after the government allowed 100% occupancy rates for establishments."

Booze joints in the National Capital Region (NCR) were closed to contain the coronavirus disease 2019 (COVID-19), which in many parts of the world includ-

ing the United States spurred a rapid spread in infections in 2020.

Lockdowns covered both old and young people, including those aged 21 and younger, who enjoy partying.

In Quezon City where Mow's is located, liquor bans and curfews were enforced at the start of a Luzon-wide lockdown in March 2020 and sporadically months later during infection surges.

The glamorous Palace Manila club complex in Bonifacio Global City in Taguig — one of the top party destinations in the Philippines with five nightclubs — was also forced to shut during the pandemic.

"The Palace complex was forced to close for almost

two years to minimize our overhead expenses and tide us through," Palace Manila co-owners JM Rodriguez and Alexandra Habaluyas said in an e-mail.

The bohemians in Mow's and the fashionistas at Palace Manila face the same problems in the post-pandemic world, including spiraling prices.

"All industries were heavily affected by the pandemic but as the world was slowly getting used to living with the virus, the nightlife industry was in the back of the line due to important aspects such as government guidelines," its owners said.

Nightlife, S1/9

**GOKONGWEI GROUP**

**Gokongwei family launches master brand**  
THE Gokongwei family last week officially launched the Gokongwei Group master brand, which includes JG Summit Holdings, Inc., Cebu Pacific, Robinsons Land Corp. and Robinsons Bank. Lance Y. Gokongwei will head the Gokongwei Group. Read related story on S1/5.

## PEZA defers approval of WFH extension for BPOs

THE PHILIPPINE Economic Zone Authority (PEZA) board has deferred the approval of the extension of the work-from-home (WFH) arrangement for information technology and business process outsourcing (IT-BPO) firms to March 2023.

Tereso O. Panga, PEZA officer-in-charge and deputy director-general for policy and planning, said in a Viber

message that the WFH extension for IT-BPOs until March 2023 has been "approved in principle," but the final approval was deferred by the PEZA board at its Aug. 26 meeting.

"The WFH 30% limit extension is approved in principle. We just need to revise our memo to include the inputs of WFH, S1/9

## Elevated inflation, rising rates to drag growth, says Medalla

ELEVATED INFLATION and rising interest rates will drag Philippine economic growth this year, the central bank chief said.

Bangko Sentral ng Pilipinas (BSP) Governor Felipe M. Medalla on Friday said inflation is "very high" this year, but the Philippines will likely be "less affected" than other countries.

"Nonetheless, it will affect the growth because if people are spending more money on transport, fuel, food, they will have less money for other things," he said during the Development Budget Coordination Committee's (DBCC) briefing for the House Committee on Appropriations on Friday.

The consumer price index quickened to 6.4% year on year in July, the fastest in nearly four years, amid the continued climb in global prices of fuel and other commodities. It exceeded the central bank's 2-4% target band for a fourth straight month.

Inflation averaged 4.7% in the first seven months, still below the central bank's 5.4% inflation forecast for this year.

"But there's very little we can do about it since those prices are totally beyond our control. The question whether inflation will hurt us, the answer is yes," Mr. Medalla said.

For the first half of 2022, the economy expanded by 7.8%, exceeding the government's 6.5-7.5% full-year target.

Mr. Medalla noted the peso's depreciation against the US dollar is also adding inflationary pressure. As of Aug. 26, the peso has weakened by P6.02 or 9.84% from its P51-per-dollar close on Dec. 31, 2021.

"There's too much depreciation, that is bad on the inflation for the economy. And the central bank raises interest rates, of course that will also affect the economy," Mr. Medalla said. "But as I already stated, not enough to prevent us from achieving what was stated in the budget."

The Marcos administration last week submitted to Congress its proposed P5.268-trillion national budget for 2023.

Inflation, S1/9