

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEi OPEN: 6,616.43 HIGH: 6,690.44 LOW: 6,600.99 CLOSE: 6,690.27 VOL.: 1.258 B VAL(P): 5.976 B 62.23 PTS. 0.92% 30 DAYS TO AUGUST 30, 2022	AUGUST 30, 2022 JAPAN (Nikkei 225) 28,195.58 ▲ 316.62 1.14 HONG KONG (HANG SENG) 19,949.03 ▼ -74.19 -0.37 TAIWAN (WEIGHTED) 14,953.63 ▲ 27.44 0.18 THAILAND (SET INDEX) 1,640.36 ▲ 13.84 0.85 S.KOREA (KSE COMPOSITE) 2,450.93 ▲ 24.04 0.99 SINGAPORE (STRAITS TIMES) 3,243.34 ▲ 21.08 0.65 SYDNEY (ALL ORDINARIES) 6,998.30 ▲ 32.80 0.47 MALAYSIA (KLSE COMPOSITE) 1,512.05 ▲ 10.48 0.70	AUGUST 29, 2022 Dow Jones 32,098.990 ▼ -184.410 NASDAQ 12,017.669 ▼ -124.041 S&P 500 4,030.610 ▼ -27.050 FTSE 100* 7,427.310 ▼ -52.430 Euro Stoxx50 3,584.130 ▼ -26.690 * CLOSING PRICE AS OF AUGUST 26, 2022	FX OPEN P56.150 HIGH P56.100 LOW P56.320 CLOSE P56.225 W.AVE. P56.243 VOL. \$1,083.70 M SOURCE : BAP 20.50 CYS 30 DAYS TO AUGUST 30, 2022	AUGUST 30, 2022 LATEST BID (0900GMT) JAPAN (YEN) 138.310 ▲ 138.610 HONG KONG (HK DOLLAR) 7.847 ▲ 7.848 TAIWAN (NT DOLLAR) 30.349 ▲ 30.381 THAILAND (BAHT) 36.360 ▲ 36.450 S. KOREA (WON) 1,346.160 ▲ 1,349.960 SINGAPORE (DOLLAR) 1.395 ▲ 1.399 INDONESIA (RUPIAH) 14,840 ▲ 14,895 MALAYSIA (RINGGIT) 4.474 ▲ 4.488	AUGUST 30, 2022 US\$/UK POUND 1.1748 ▲ 1.1673 US\$/EURO 1.0040 ▲ 0.9956 \$/AUST DOLLAR 0.6947 ▲ 0.6858 CANADA DOLLAR/US\$ 1.2981 ▼ 1.3064 SWISS FRANC/US\$ 0.9703 ▲ 0.9679	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$100.38/bbl 115.00 108.00 101.00 94.00 87.00 80.00 30 DAYS TO AUGUST 29, 2022

VOL. XXXVI • ISSUE 26 **WEDNESDAY • AUGUST 31, 2022 • www.bworldonline.com** S1/1-10 • 2 SECTIONS, 14 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • AUGUST 30, 2022 (PSEi snapshot on S1/2; article on S2/2)

STOCK	VALUE	CHANGE	PERCENTAGE
BDO P131.400	Value P518,056,661	-P0.100	-0.076%
ALI P28.900	Value P362,932,330	-P0.400	-1.365%
CNVRG P17.960	Value P351,778,406	-P0.640	-3.441%
ICT P184.000	Value P303,756,766	-P2.500	-1.340%
AC P707.000	Value P285,544,730	-P13.000	-1.806%
MONDE P16.420	Value P275,000,398	P0.420	2.625%
BPI P94.400	Value P262,441,624	-P2.550	-2.630%
ACEN P7.730	Value P261,203,334	-P0.310	-3.856%
SM P875.500	Value P210,162,515	-P3.500	-0.398%
ABA P2.190	Value P168,825,900	-P0.020	-0.905%

House panel approves GUIDE bill

THE HOUSE Committee on Banks and Financial Intermediaries on Monday approved a measure that would expand the government's lending programs to help small businesses recover from the coronavirus disease 2019 (COVID-19) pandemic. The proposed Government Financial Institutions Unified Ini-

tiatives to Distressed Enterprises for Economic Recovery (GUIDE) Act is one of the priority bills mentioned by President Ferdinand R. Marcos, Jr. at his State of the Nation Address (SONA) last month. During a hearing on Monday, the House Committee on Banks approved the measure, which

would consolidate House Bill No. (HB) 1, 685, 3460, and 3700. The measure will be referred to the House Committee on Appropriations for funding, and the Ways and Means panel for the tax provisions. The GUIDE measure was approved quickly by the House Committee on Banks, since the rules al-

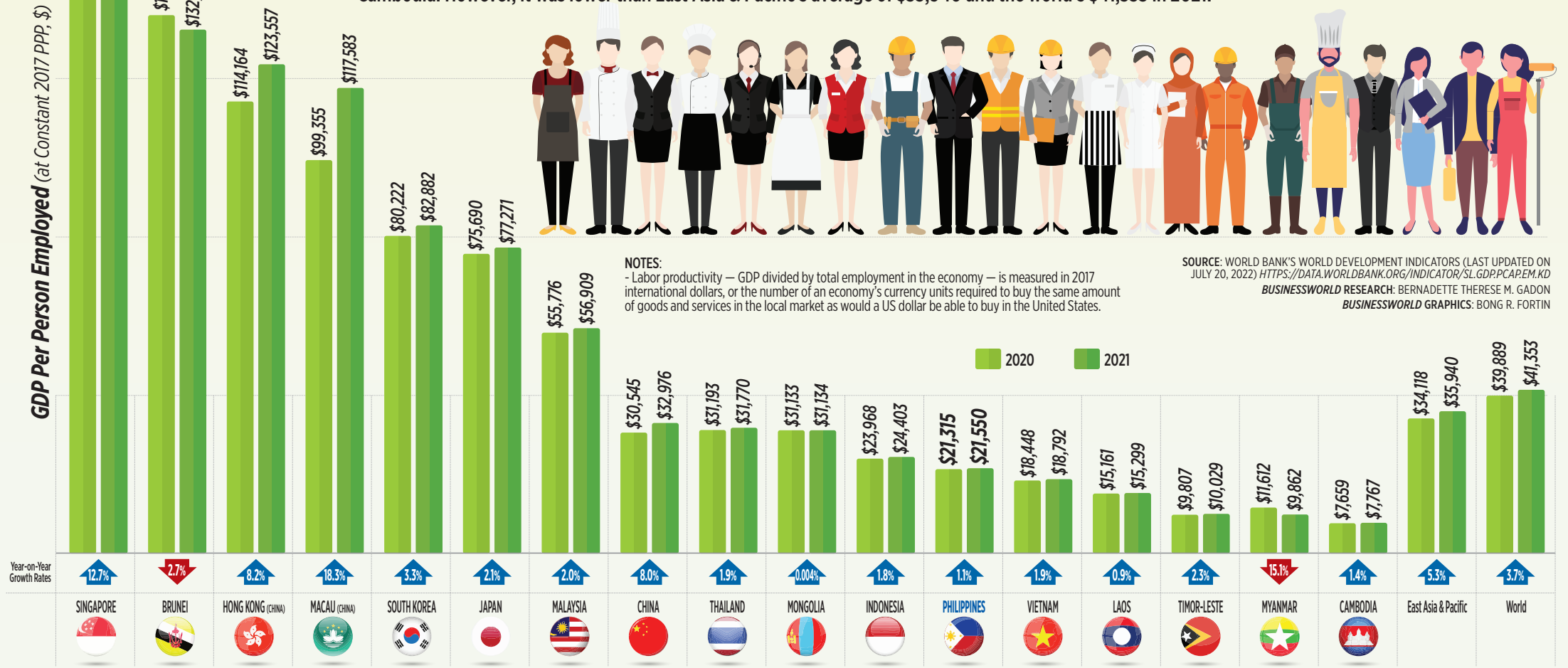
low the expedited approval of any priority measure that was passed on third reading by the immediately preceding Congress. HB No. 1, co-authored by House Speaker Ferdinand Martin G. Romualdez, is the refiled version of the GUIDE bill approved by the House on third reading during

the 18th Congress. The Senate failed to pass the counterpart measure. The bill will mandate the Land Bank of the Philippines (LAND-BANK) and the Development Bank of the Philippines (DBP) to expand their credit and rediscounting facilities to affected micro, small, and medium enterprises (MSMEs),

and other strategically important companies (SICs). Under the measure, LAND-BANK and DBP would be allocated P7.5 billion and P2.5 billion, respectively, appropriated from the National Treasury, to boost their credit programs. *GUIDE, S1/8*

HOW THE PHILIPPINES' LABOR PRODUCTIVITY COMPARES WITH ITS NEIGHBORS IN THE REGION

Labor productivity — as measured by gross domestic product (GDP) per person employed — of Filipinos inched up by 1.1% year on year to \$21,550 per worker a year ago from \$21,315 in 2020, data from the World Bank's Development Indicators database showed. Among the 17 economies in East and Southeast Asia with available data, the Philippines' labor productivity was higher than Vietnam, Laos, Timor-Leste, Myanmar, and Cambodia. However, it was lower than East Asia & Pacific's average of \$35,940 and the world's \$41,353 in 2021.



Storms, floods to cost PHL \$124 billion by 2050

By Luisa Maria Jacinta C. Jocson
Reporter

STRONG STORMS, heavy flooding and prolonged droughts may result in around \$124 billion in losses to the Philippine economy between 2022 and 2050, according to research firm GHD.

This translates to an average annual gross domestic product (GDP) loss of 0.7% for the Philippines, GHD said in a statement following the release of its report "Aquaponics: The economics of water risk and future resilience."

The report covered seven countries, including the United States, China and the Philippines, which GHD said will see a combined \$5.6 trillion in losses due to storms, floods and drought through 2050.

The United States and China will face cumulative losses of around \$3.71 trillion, and \$1.1 trillion, respectively by 2050.

The Philippines' total GDP loss of \$124 billion is the fifth-highest among the seven countries, with United Arab Emirates having the smallest GDP loss at \$27 billion.

The Philippines is one of the countries most affected by water-related disasters, with an average of 20 typhoons that bring heavy flooding every year.

"Our data show that floods and tropical storms are predicted to amount to over 90% of direct losses (around \$89 billion) between 2022 and 2050," GHD said.

Broken down, storms have the biggest direct impact on the Philippine economy at \$47 billion, followed by floods at \$42 billion, and droughts at \$3 billion.

GHD said the agriculture sector will likely bear the brunt of the water-related disasters, with estimated annual output losses of over 5% by 2030, and 8% by 2050. The average annual output loss for agriculture is expected to be 0.9% or equivalent \$23 billion between 2022 and 2050.

Storms, S1/8

NG to borrow P200B locally in September

By Diego Gabriel C. Robles

THE NATIONAL Government (NG) plans to borrow P200 billion from the domestic market in September, the Bureau of the Treasury (BTr) said on Tuesday.

The September borrowing plan is 7% lower than the P215-billion program for August.

The government raised just P162.021 billion from domestic borrowings this month, along with an additional P35 billion when the Treasury opened its tap facility in three separate Treasury bond (T-bond) auctions.

The BTr will hold auctions for Treasury bills (T-bills) every week, which is projected to raise P60 billion.

According to the Treasury, P5 billion worth of 91-day, 182-day, and 364-day T-bills will be offered on Sept. 5, 12, 19, and 26.

Meanwhile, the auctions for T-bonds are estimated to generate P140 billion, including a 16-year tenor that is expected to raise P35 billion.

For the long-term tenors, the Treasury is looking to raise P35 billion in three-and-a-half-year T-bonds on Sept. 6; P35 billion in

10-year debt papers on Sept. 13; P35 billion in seven-year instruments on Sept. 20; and P35 billion in 16-year bonds on Sept. 27.

National Treasurer Rosalia V. de Leon told reporters in a Viber message that the 16-year debt paper is anticipated to have strong demand, much like the 14-year tenor it issued in July.

A trader said that the borrowing plan is no longer surprising, noting that an upward pressure on yields is likely as the Treasury kept its borrowing schedule despite the issuance of retail Treasury bonds (RTBs).

"BTr's borrowing preference tells us [that] rates are expected to be higher moving forward," the trader said.

In its rate-setting auction on Aug. 23, the government raised an initial P162.72 billion for its offer of five-and-a-half-year RTBs as tenders reached P225.32 billion, or more than seven times the P30-billion plan.

The retail bonds fetched a coupon rate of 5.75%, higher than the 4.875% set for the five-year RTBs offered in March.

The offer period for the peso-denominated debt maturing in 2028 runs until Sept. 2, while settlement is on Sept. 7.

Borrow, S1/8

Experts raise questions over proposed EDSA busway privatization

By Arjay L. Balinbin
Senior Reporter

THE GOVERNMENT should ensure commuters will not face exorbitant fares if the bus system along Epifanio delos Santos Avenue (EDSA) and urban rail systems will be privatized, analysts said.

"As private companies are profit-driven, privatization should be balanced, which means that the government should continue to protect the riding public from exorbitant fares and underinsurance," Antonio A. Ligon, a law and business professor at De La Salle University, told *BusinessWorld* in a recent phone interview.

"However, government interference must be done in a way that won't obstruct further development and the goal of private companies to recoup their investments while improving transport services," he added.

The Management Association of the Philippines (MAP) has urged the Department of Transportation (DoTr) to consider the privatization of the EDSA busway and bus service and urban commuter rail systems, consisting of the Metro Rail Transit Line 3 (MRT-3), Light Rail Transit Line 2 (LRT-2) and the Philippine National Railway (PNR) commuter lines under a "hybrid mode."

A hybrid mode means that the government will provide the infrastructure, while a private concessionaire

will operate the service and maintain the facilities under an operations and maintenance concession.

However, transport expert Rene S. Santiago said any privatization effort "must wait" for the revision of the implementing rules and regulations (IRR) of the Build-Operate-Transfer (BOT) Law.

"Midnight amendments to the IRR have turned PPP (public-private partnerships) into a game of masochism for private investors," he said in a phone message.

Since it took effect in April, business groups have criticized the new rules for the BOT Law, saying private proponents would shoulder more risks while the government is relieved of responsibility for delayed deliverables.

The National Economic and Development Authority (NEDA) has been directed to review the controversial provisions of the IRR. Finance Secretary Benjamin E. Diokno has said the new rules are expected to be released before end-September.

"The government should look with critical scrutiny the hybrid proposals from the private sector, as this might grossly underestimate the actual value of public funding in infrastructure projects while overestimating the value of private investment in operating and maintaining public utilities and services," Terry L. Ridon, a public investment analyst and convener of think tank InfraWatch PH, said in a separate phone message.

Privatization, S1/8