P25 IN METRO MANILA, PHILIPPINES

BusinessWorld

STOCK MARKET		
PSEi		
OPEN:	5,851.77	
HIGH:	5,987.72	
LOW:	5,850.65	
CLOSE:	5,987.72	▲ 204.57 PTS. 3.53%
VOL.:	0.514 B	
VAL(P):	4.587 B	

30 DAYS TO OCTOBER 4, 2022

ASIAN MARKETS — OCTOBER 4, 2022	CLOSE		NET	%
Japan (Nikkei 225)	26,992.21	▲	776.42	2.96
Hong Kong (Hang Seng) *	17,079.51	▼	-143.32	-0.83
Taiwan (Weighted)	13,576.52	▲	276.04	2.08
Thailand (SET Index)	1,578.00	▲	19.95	1.28
S.Korea (Kse Composite)	2,209.38	▲	53.89	2.50
Singapore (Straits Times)	3,138.90	▲	31.81	1.02
Sydney (All Ordinaries)	6,699.30	▲	242.40	3.75
Malaysia (Klse Composite)	1,409.36	▲	11.74	0.84

* CLOSING PRICE AS OF OCTOBER 3, 2022

WORLD MARKETS — OCTOBER 3, 2022	CLOSE		NET
Dow Jones	29,490.890	▲	765.380
NASDAQ	10,815.435	▲	239.816
S&P 500	3,678.430	▲	92.810
FTSE 100	6,908.760	▲	14.950
Euro Stoxx50	3,347.440	▲	15.630

PESO-DOLLAR RATES — FX	
OPEN	P58.880
HIGH	P58.640
LOW	P58.980
CLOSE	P58.650
W.AVE.	P58.856
VOL.	$779.10 M

▲ 35.00CTVS — 30 DAYS TO OCTOBER 4, 2022 — SOURCE : BAP

ASIAN MONIES-US$ RATE — OCTOBER 4, 2022	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	144.710	▲	145.150
Hong Kong (HK dollar)	7.850	—	7.850
Taiwan (NT dollar)	31.719	▲	31.948
Thailand (baht)	37.540	▲	38.150
S. Korea (won)	1,427.770	▲	1,443.000
Singapore (dollar)	1.430	▲	1.436
Indonesia (rupiah)	15,245	▲	15,300
Malaysia (ringgit)	4.640	▲	4.646

WORLD CURRENCIES — OCTOBER 4, 2022	CLOSE		PREVIOUS
US$/UK pound	1.1338	▲	1.1171
US$/Euro	0.9867	▲	0.9755
$/Aust dollar	0.6484	▲	0.6438
Canada dollar/US$	1.3632	▼	1.3777
Swiss Franc/US$	0.9886	▼	0.9910

DUBAI CRUDE OIL

FUTURES PRICE ON NEAREST MONTH OF DELIVERY $88.25/BBL

▼ $1.25

30 DAYS TO OCTOBER 3, 2022

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

		Value		
ICT	P165.000	P398,615,322	P2.200 ▲	1.351%
BDO	P113.000	P318,286,989	P1.600 ▲	1.436%
SM	P794.000	P309,740,630	P34.000 ▲	4.474%
ALI	P24.050	P282,702,330	P1.050 ▲	4.565%
SMC	P96.650	P259,185,108	-P0.150 ▼	-0.155%
SMPH	P32.000	P228,128,270	P1.400 ▲	4.575%
AC	P645.000	P222,575,700	P29.000 ▲	4.708%
GTCAP	P410.000	P188,748,732	-P6.000 ▼	-1.442%
JFC	P240.000	P166,980,954	P5.800 ▲	2.477%
URC	P116.000	P166,096,482	P4.900 ▲	4.410%

BSP warns against peso speculation

THE BANGKO Sentral ng Pilipinas (BSP) on Tuesday warned currency speculators not to take "undue advantage" of the Philippine peso, which has slumped to a fresh low against the US dollar on Monday.

The Philippine peso closed at P58.65 per dollar on Tuesday, gaining 35 centavos from a record-low P59 a day earlier.

"We ask those who have the means not to take undue advantage of changing market conditions. This does not help the Philippine peso; it does not help the Philippines," the BSP said in a statement.

"What we can do is to bring all transactions into an organized and accessible formal market that offers consumer protection," it added.

The BSP said financial markets around the world have been disrupted by the strong US dollar, which has caused other currencies like the peso to depreciate.

Year to date, the peso has so far weakened by P7.65 or 15% from its P51 close on Dec. 31, 2021 .

"The BSP is taking steps to manage any disruption in our financial market. We look forward to servicing all legitimate dollar transactions. The USD spot market remains open and active while forwards and repos are available facilities," the central bank said.

Nicholas Antonio T. Mapa, senior economist at ING Bank in Manila, said the BSP's statement shows it is "recognizing the importance of legitimate transactions for commerce as this will spur economic growth."

"What they are hoping to minimize and mitigate are speculative moves which tends to drive undue pressure and panic on the spot market," Mr. Mapa said.

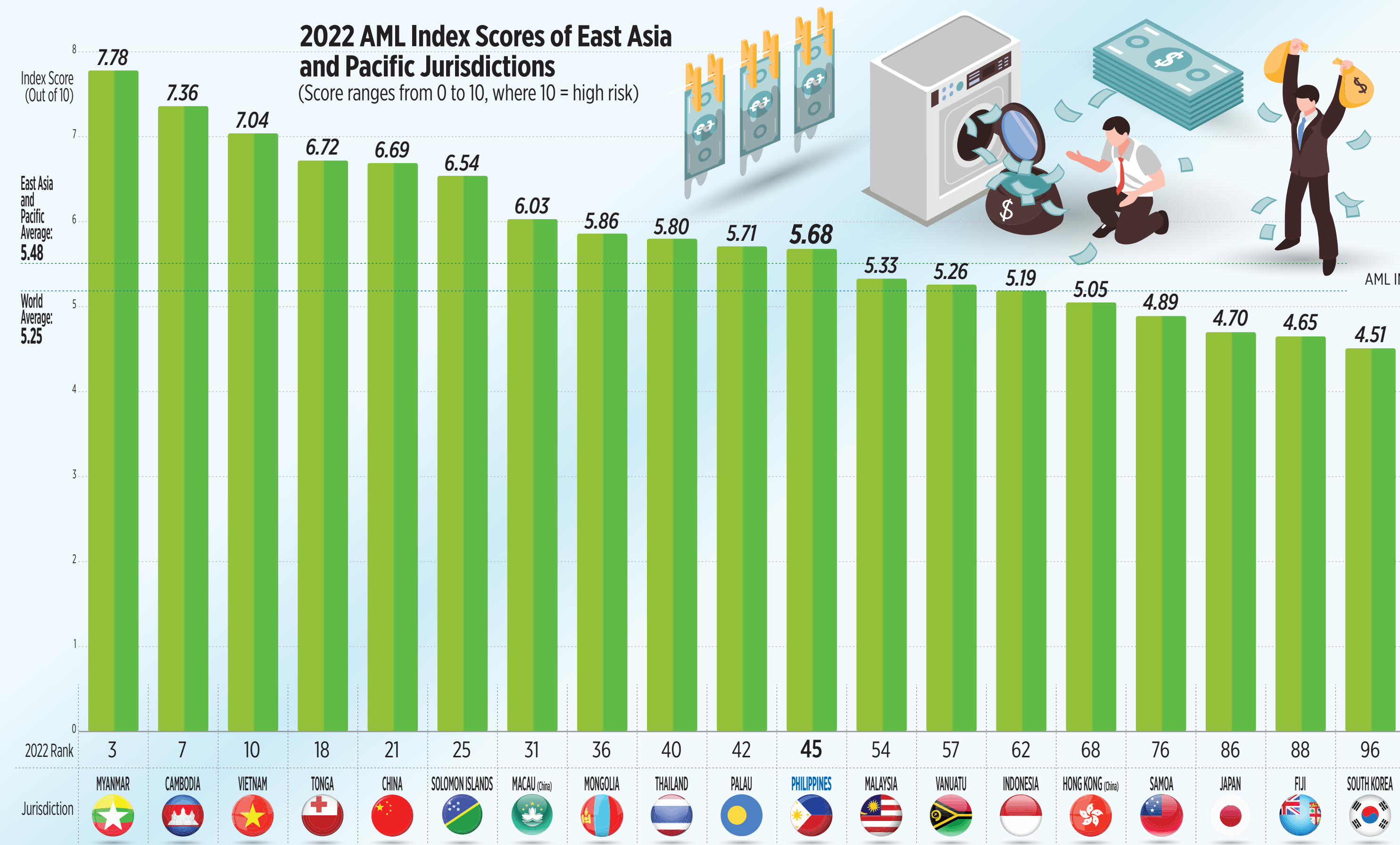
The peso opened Tuesday's session at P58.88 versus the dollar. Its weakest showing was at P58.98. The peso recorded its intraday best at P58.64 against the greenback after BSP's statement was released.

Dollars exchanged inched up to $779 million on Tuesday from $666 million on Monday.

BSP, S1/9

PHILIPPINES 45TH MOST AT RISK IN MONEY LAUNDERING LIST

The Philippines placed 45th out of 128 jurisdictions in the 2022 edition of the Anti-Money Laundering (AML) Index by nonprofit organization Basel Institute on Governance. The AML index score ranges from 0 (low risk) to 10 (high risk). The country has an AML index score of 5.68, above the global average score of 5.25 and the East and Asia Pacific average of 5.48. Among its peers in the region, the country ranked 11th. The Basel AML Index annually assesses the risks of money laundering and terrorist financing (ML/TF) in jurisdictions around the world and the capacity to counter them.



Philippines' Historical Rank

Year	Rank	Score (Out of 10)
2012	32 /144	6.64
2013	50/149	6.42
2014	56/162	6.39
2015	53/152	6.40
2016	55/149	6.31
2017*	60/129	5.62
2018	43/129	5.94
2019	44/125	5.81
2020	45/141	5.67
2021	37/110	5.76
2022	**45/128**	**5.68**

SOURCE: BASEL INSTITUTE ON GOVERNANCE'S BASEL AML INDEX 2022 (*https://index.baselgovernance.org/*)
***BUSINESSWORLD* RESEARCH**: ABIGAIL MARIE P. YRAOLA
***BUSINESSWORLD* GRAPHICS**: BONG R. FORTIN

Top 10

2022 Rank	Jurisdiction	Index Score (Out of 10)
1	Dem. Rep. of the Congo	8.30
2	Haiti	8.16
3	Myanmar	7.78
4	Mozambique	7.68
5	Madagascar	7.59
6	Guinea-Bissau	7.53
7	Cambodia	7.36
8	Mali	7.28
9	Senegal	7.05
10	Vietnam	7.04

Bottom 10

2022 Rank	Jurisdiction	Index Score (Out of 10)
128	Finland	2.88
127	Andorra	2.89
126	Sweden	3.12
125	Iceland	3.31
124	New Zealand	3.32
123	San Marino	3.34
122	Slovenia	3.37
121	Lithuania	3.43
120	Norway	3.50
119	France	3.52

NOTES:
* Data for 2017 were recalculated
- Data collection for the 2022 Public Edition of the Basel AML Index was finished in August 2022 and does not reflect developments after that date.
- The index uses a composite methodology based on 18 indicators relevant to evaluating ML/TF risk at the jurisdiction level, categorized into five domains: Quality of AML (65%), Corruption Risk (10%), Financial Transparency and Standards (10%), Public Transparency and Accountability (5%) and Legal and Political Risk (10%).
- Some indicators may not be available for all jurisdictions, thus a jurisdiction's overall score is calculated based on available data only.
- For comparability, the Index's methodology is reviewed each year to ensure that it continues to accurately capture ML/TF risks, which may affect the comparability of the results over the years.

PHL improves in anti-money laundering index

THE Philippines improved eight spots in an annual global index measuring an economy's risk of money laundering and terrorist financing, and their ability to counter these.

In Switzerland-based International Centre for Asset Recovery's (ICAR) 2022 Basel Anti-Money Laundering Index, the Philippines ranked 45th out of 128 countries, an improvement from 37th spot last year.

With its overall score of 5.68 out of 10, the Philippines is deemed at medium high-risk to money laundering and terrorist financing (ML/TF).

The higher a country scores on the index, the more "dirty money" risks it faces.

Based on the index, Democratic Republic of the Congo is most at risk with a score of 8.3, while Finland has the least with a score of 2.88.

According to the AML Index, the Philippines scored 5.91 out of 10 in its risk analysis for the country's AML/CFT framework, 6.53 in dealing with corruption and bribery, 4.07 and 4.10 in financial and public transparency, and 5.70 in political & legal risk.

"When it comes to tackling dirty money, most countries are taking one step forward and four steps back — and remaining too many steps behind criminals seeking to launder illicit funds," the report said. "Progress in anti-money laundering and counter terrorism financing (AML/CFT) remains paralyzed."

According to this year's index, the average global money laundering risk is stuck at 5.25 out of 10, in which 10 is the maximum level.

The Basel AML index uses a methodology based on 18 indicators relevant to evaluating ML/TF risk at the jurisdiction level. These are categorized by five domains; quality of AML/CTF framework (65%), corruption risk (10%), financial transparency and standards (10%), public transparency and accountability (5%), and legal and political risk (10%).

The Philippines remained on the Financial Action Task Force's (FATF) "gray list" of jurisdictions subjected to increased monitoring for dirty money risks.

Officials are hoping that the Philippines will be removed from the FATF's gray list by January 2023. — **KBT**

Meralco vows to prevent termination of SMC deals

MANILA ELECTRIC Co. (Meralco) said on Tuesday that it intends to comply with the order of the Energy Regulatory Commission (ERC) and exert all remedies to prevent the termination of its power supply deals with companies under San Miguel Corp. (SMC).

The company's statement comes after the ERC, in separate orders promulgated on Sept. 29 and posted on its website on Monday night, denied the joint petitions filed by the SMC units and Meralco, saying the rate increase sought by the contracting parties is not based on a valid "change of circumstance" as called for under their power supply agreements (PSAs).

Jose Ronald V. Valles, head of Meralco's regulatory management office, said that the power distribution utility has also "sought offers and entered into emergency power supply agreements (EPSAs) with other generation companies to ensure continuity of stable, reliable and adequate supply to Meralco customers."

"However, in the event that SPPC (South Premiere Power Corp.) and SMEC (San Miguel Energy Corp.) will be unable to actually deliver power to Meralco for whatever reason, we are constrained to source up to 1,000 MW (megawatts) from WESM without prejudice to the resolution of whatever legal remedies Meralco may pursue against SPPC/SMEC under the PSA," he said in a statement sent via Viber.

Ahead of the release of the ERC order, SMC President Ramon S. Ang told reporters on Monday: "*Kung ayaw nila kaming bigyan ng* temporary relief, *tapos na. Kung bibigyan naman nila, ito yung mas makabubuti sa* consumer (If they do not want to give temporary relief, it's over. If they will give it, then it will be better for the consumer)."

At a press briefing on Tuesday, ERC Chairperson Monalisa C. Dimalanta said the petition was denied on the grounds that Meralco and SMC had a financial contract with a fixed price and that both parties did not exhaust all options before seeking a rate increase.

"The cost of operations of a particular plant is really not that material to the fulfillment of obligation of the supplier to Meralco because they are permitted to get from another source," she said.

Meralco, S1/9

Filipinos brace for 'Carmageddon' as students return to school

By Kyle Aristophere T. Atienza *and* **Alyssa Nicole O. Tan** *Reporters*

KURTSON ROWEEN C. GAMBOA, 22, doesn't look forward to more traffic jams in November, when more students are expected to be in school.

The office clerk wakes up before dawn and takes a train and jeepney to get to work in Manila. He spends much of his commute waiting in line.

"Traffic has worsened when physical classes resumed," he said in a Facebook Messenger chat. "Commuting to work has become as tiring as ever. Going home is the same and I've had to rest less because of this.

FOCUS

Millions of Filipino students returned to classrooms for the first time in more than two years in August amid a coronavirus pandemic.

Transport problems are nothing new in the Philippines especially in the capital, which is connected to other cities by poor infrastructure.

Manila is the eighth among cities in the world with the worst traffic, according to GoShorty, a British insurance technology website.

It found that Manila, along with Tel Aviv in Israel and Tokyo in Japan, had a 43% congestion level, and citizens in these cities lose 98 hours to traffic every year.

The government failed to fix the problem during the pandemic, when it had the chance to do so, according to transport experts.

A number of transport operators had to fold up during the pandemic, when most people stayed home, transport economist Robert Y. Siy, Jr. said in a Messenger chat.

"The pandemic lockdowns and physical distancing made many public transport services financially unviable," he said. "Many operators closed shop or went bankrupt."

These days, when most restrictions have been eased as coronavirus infections fell, the No. 1 challenge is spiraling fuel prices.

'Carmageddon,' S1/3

WHAT'S INSIDE

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