

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
<b>PSEi</b> OPEN: 5,990.28 HIGH: 6,021.58 LOW: 5,934.27 CLOSE: 5,934.27 VOL.: 0.387 B VAL(P): 4,203 B 54.32 Pts. 0.90% 30 DAYS TO OCTOBER 6, 2022	<b>OCTOBER 6, 2022</b> JAPAN (NIKKEI 225) 27,311.30 ▲ 190.77 0.70 HONG KONG (HANG SENG) 18,012.15 ▼ -75.82 -0.42 TAIWAN (WEIGHTED) 13,892.05 ▲ 90.62 0.66 THAILAND (SET INDEX) 1,593.40 ▲ 13.13 0.83 S.KOREA (KSE COMPOSITE) 2,237.86 ▲ 22.64 1.02 SINGAPORE (STRAITS TIMES) 3,151.17 ▼ -2.06 -0.07 SYDNEY (ALL ORDINARIES) 6,817.50 ▲ 1.80 0.03 MALAYSIA (KLSE COMPOSITE) 1,420.43 ▼ -0.12 -0.01	<b>OCTOBER 5, 2022</b> Dow Jones 30,273.870 ▼ -42,450 NASDAQ 11,148.638 ▼ -27,768 S&P 500 3,783.280 ▼ -7,650 FTSE 100 7,052.620 ▼ -33,840 Euro Stoxx50 3,426.270 ▼ -20,800	<b>FX</b> OPEN P58.700 HIGH P58.540 LOW P58.730 CLOSE P58.653 W.AVE. P58.624 VOL. \$756.05 M SOURCE : BAP 0.30 CTV 30 DAYS TO OCTOBER 6, 2022	<b>OCTOBER 6, 2022</b> <b>LATEST BID (0900GMT)</b> JAPAN (YEN) 144.730 ▼ 144.350 HONG KONG (HK DOLLAR) 7.850 — 7.850 TAIWAN (NT DOLLAR) 31.497 ▲ 31.581 THAILAND (BAHT) 37.270 ▲ 37.370 S. KOREA (WON) 1,404.820 ▲ 1,415.480 SINGAPORE (DOLLAR) 1.424 ▲ 1.423 INDONESIA (RUPIAH) 15,185 ▼ 15,190 MALAYSIA (RINGGIT) 4.635 ▼ 4.629	<b>OCTOBER 6, 2022</b> US\$/UK POUND 1.1301 ▼ 1.1405 US\$/EURO 0.9896 ▼ 0.9934 \$/AUSTRALIAN DOLLAR 0.6477 ▲ 0.6476 CANADA DOLLAR/US\$ 1.3653 ▲ 1.3575 SWISS FRANC/US\$ 0.9818 ▼ 0.9828	<b>FUTURES PRICE ON NEAREST MONTH OF DELIVERY</b> <b>\$91.20/BBL</b> 107.00 99.80 92.60 85.40 78.20 71.00 30 DAYS TO OCTOBER 5, 2022

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • OCTOBER 6, 2022 (PSEi snapshot on S1/2; article on S2/2)

ICT	P176.000	SMPH	P31.550	SMC	P101.000	CNVRG	P12.400	GLO	P2,200.000	ALI	P23.800	PGOLD	P26.700	URC	P110.000	BDO	P114.400	AC	P629.000
Value	P374,519,523	Value	P273,742,285	Value	P253,430,378	Value	P207,853,514	Value	P172,270,920	Value	P169,091,910	Value	P162,854,205	Value	P133,836,001	Value	P127,054,238	Value	P126,111,065
	P4.900 ▲ 2.864%		-P0.200 ▼ -0.630%		P2.000 ▲ 2.020%		P0.400 ▲ 3.333%		-P18.000 ▼ -0.812%		P0.000 — 0.000%		-P0.900 ▼ -3.261%		-P2.100 ▼ -1.873%		-P1.500 ▼ -1.294%		-P7.000 ▼ -1.101%

## PHL raises \$2B from dollar bonds

THE MARCOS administration raised \$2 billion (P118 billion) from its first dollar bond issuance, the Bureau of the Treasury (BTr) said.

The BTr sold \$500 million worth of five-year bonds priced at 5.17% or US Treasuries plus 120 basis points (bps). It also sold \$750 million worth of 10.5-year

bonds with a yield of 5.609% or US Treasuries plus 185 bps.

This is "35 bps tighter than an initial pricing guidance of US Treasury plus 155 and 220 bps area, respectively," it said in a statement.

The BTr also raised \$750 million from the issuance of 25-year sustainability bonds, priced at 6.1%.

"Despite the ongoing weakness in global credit markets amid high inflation and rising US interest rates, the republic was able to navigate volatile market conditions and successfully price the global bonds," the Treasury said.

It noted the bond issuance, which is expected to be settled on Oct. 13, reflected "strong in-

vestor appetite globally for the republic."

"The strong demand for our first international bond offering under President Marcos' administration demonstrates investor confidence in the new government and the administration's six-year plan of economic transformation to a more inclusive,

resilient, and prosperous economy," Finance Secretary Benjamin E. Diokno said in the statement.

The dollar bonds were rated "Baa2" by Moody's Investors Service, "BBB+" by S&P Global Ratings, and "BBB" by Fitch Ratings.

Proceeds of the bonds will be used for general budget financing, as well as the financing/refi-

ancing of assets in line with the Philippines' sustainable finance framework.

"The success of this transaction is an indication of the Philippines' readiness to brave choppy waters in pursuit of excellent results," National Treasurer Rosalia V. de Leon said in the same statement.

Dollar bonds, S1/5

## AMRO slashes Philippine growth outlook for 2023

THE ASEAN+3 Macroeconomic Research Office (AMRO) kept its growth projection for the Philippines this year, but cut its gross domestic product (GDP) forecast for 2023 amid inflationary pressures and the threat of a global recession.

In the AMRO Regional Economic Outlook Update released on Thursday, the think tank said it kept the estimate at 6.9% this year, within the government's 6.5-7.5% target.

However, AMRO slashed the Philippines' GDP forecast to 6.3% for 2023, from the 6.5% projection given in July, as the global growth outlook dims.

"All the countries are facing stronger headwinds going forward because of the slowdown. We expect a slowdown in the US and maybe a recession in Europe. Because of that, the external demand is much weaker," AMRO Chief Economist Hoe Ee Khor said at a virtual press conference, adding this may affect remittances from overseas Filipinos.

He also noted the impact of high inflation on consumer demand in the country. Inflation surged to 6.9% in September, as prices of food, transport and utilities continue to rise.

"And the inflation rate in the Philippines is quite high. We think it's going to peak this month or next month and begin to come off. But its dampening demand in the Philippine as well," Mr. Khor said.

AMRO raised its average inflation forecast for the Philippines to 5.1% this year from the 4.4% estimate made in July. This is above the Bangko Sentral ng Pilipinas' (BSP) 2-4% inflation target band, but lower than the BSP's 5.6% average inflation forecast for the full year.

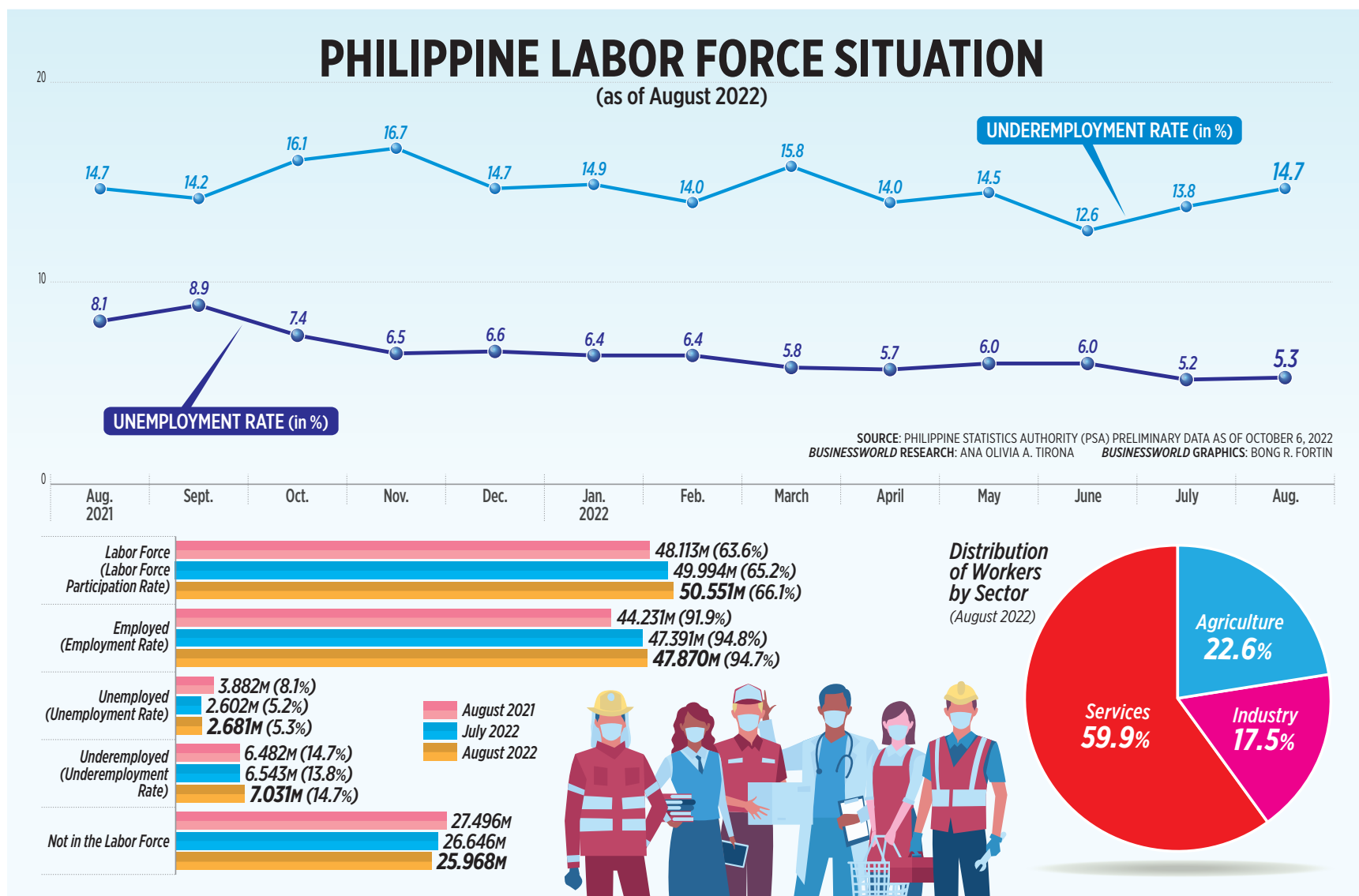
For 2023, AMRO raised its inflation forecast to 4%, from 3.8%.

"Inflationary pressures are very high. Global financial conditions have tightened considerably. Aggressive tightening of the Fed policy has put pressure on regional currencies," Mr. Khor said.

The Monetary Board has key rates raised by 225 bps since May as it sought to tame inflation.

"I know the peso has depreciated quite a bit but even so, the depreciation is pretty much lower than Thailand, Korea and Japan," Mr. he said, adding that the widening current account deficit affecting the local currency.

AMRO, S1/5



## Aug. unemployment rate inches up, job quality worsens

THE UNEMPLOYMENT RATE inched up month on month in August, while job quality continued to worsen, the Philippine Statistics Authority (PSA) said on Thursday.

Preliminary results from the PSA's Labor Force Survey (LFS) showed the unemployment rate stood at 5.3%, slightly higher than the 5.2% jobless rate in July but lower than 8.1% a year earlier.

This translated to 2.681 million unemployed Filipinos in August, up by 79,000 from July and 1.201 million down from 3.882 million a year ago.

August saw the highest unemployment rate in two months or since 6% in June.

Socioeconomic Planning Secretary Arsenio M. Balisacan attributed the year-on-year decline in unemployed Filipinos to the gradual reopening of the economy.

"We are now reaping the gains of the safe and gradual full reopening of the economy. However, we must not rest on our laurels — we must harness the benefits of our key economic liberalization laws... These reforms would attract high-value and innovation-driven investments which, in turn, could generate more and quality employment," he said in a statement.

Meanwhile, the job quality deteriorated further in August as the underemployment rate — the share of those already working, but still looking for more work or longer working hours to the total employed population — increased to 14.7% from 13.8% in July.

This was the highest underemployment rate in five months, or since 15.8% in March.

In absolute terms, the number of underemployed Filipinos reached 7.031 million, up by 488,000 from 6.543 million in July. This was also higher than 6.482 million in August last year.

The size of the total labor force in August was estimated at 50.551 million, up by 557,000 from 49.994 million in July.

This translated to a labor force participation rate — the share of labor force to the total population 15 years old and over — to 66.1%, higher than 65.2% in July and 63.6% in August 2021.

For the first eight months of 2022, the unemployment rate averaged 5.8%, lower than 7.8% in the same period last year.

The underemployment rate averaged 14.3% in January to August, down from 15.9% a year ago.

Meanwhile, the employment rate stood at 94.7% in August, slipping from 94.8% in July. This represents 47.87 million employed Filipinos, slightly higher than 47.391 million in July.

On average, an employed Filipino worked 40.5 hours a week in August, unchanged from July but higher than 39.6 hours in August last year.

The service sector remained the leading employer during the month, accounting for 59.9% of the total. This was followed by agriculture and industry with a 22.6% and 17.5% share, respectively.

The number of employed Filipinos in the agriculture sector reached 10.82 million in August, a 310,000 drop from July and 265,000 lower than a year ago.

In the industry sector, employment fell by 19,000 month on month to 8.369 million. This was also 5,000 lower from 8.374 million last year.

Services, meanwhile, added 807,000 jobs, bring the number of employed Filipinos to 28.681 million from 24.772 million in July. Year on year, employment in the service sector increased by 3.909 million from 24.772 million in August 2021.

Unemployment, S1/5

## ADB calls for vigilance as Philippines signs \$1.87-B contracts for rail project

THE ASIAN Development Bank (ADB) called for vigilance on the implementation of the South Commuter Railway Project, which is being funded by a \$4.3-billion loan to the Philippine government.

The government, represented by Transportation Secretary Jaime J. Bautista, signed on Thursday the first four civil work contracts worth \$1.87 billion for the 54.6-kilometer South Commuter Railway that will connect Manila to Calamba, Laguna.

"My final message is a call for vigilance. Great quantities of money come with great responsibility. Today, we are signing almost \$2 billion worth of contracts. It's just the first phase of the \$4.3-billion project," Winfried F. Wicklein, deputy director-general for Southeast Asia at the ADB, said during the signing ceremony witnessed by President Ferdinand R. Marcos, Jr. in Calamba.

"While it will, in the first instance, be the responsibility of the contractors to deliver the

project, it is also our collective responsibility to ensure that this really happens," he added.

The South Commuter Railway is part of the 147-km North-South Commuter Railway network, which the ADB described as the "largest infrastructure project in the history of ADB financing" in Asia-Pacific.

The four civil work contracts signed on Thursday involve the construction of 31.5 kilometers of railway viaducts, nine elevated stations, and a railway depot cov-

ering the Muntinlupa to Calamba segment of the rail system.

The South Korean joint venture of Hyundai Engineering & Construction Co. Ltd. and Dong-Ah Geological Engineering Co. Ltd. inked three contracts for an 8.5-km railway viaduct, including elevated stations in Alabang, Muntinlupa; a 12.8-km railway viaduct structure, including elevated stations in San Pedro, Pacita, Biñan and Santa Rosa; and a 10.28-km railway viaduct as well as elevated stations in Cabuyao, Banlic and Calamba.

The joint venture of South Korea's Lotte Engineering & Construction Co. Ltd., Turkey's Gulermak Agir Sanayi Insaat ve Taahhut AS and the Philippines' EEI Corp signed the contract to build a depot and 0.5-km road.

The South Commuter Railway, which will run from Blumentritt in Manila to Calamba City in Laguna, will include 18 stations.

Once completed, the railway will accommodate 340,000 passengers daily, helping ease traffic congestion in Metro Manila and

reduce greenhouse gas emissions.

The entire rail system, which will run from Clark International Airport to Calamba, is expected to be completed by March 2029, the DoTr said. The project is co-financed by the ADB and Japan International Cooperation Agency.

The Clark International Airport-Valenzuela portion is now being built, while the Muntinlupa-Calamba portion will start this year, the DoTr said. — Arjay L. Balinbin



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