

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																																																			
PSEi OPEN: 5,940.77 HIGH: 5,941.80 LOW: 5,869.59 CLOSE: 5,932.19 VOL.: 0.476 B VAL(P): 4,154 B 2.08 pts. 0.03% 30 DAYS TO OCTOBER 7, 2022	OCTOBER 7, 2022 <table border="1"> <tr><th></th><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (NIKKEI 225)</td><td>27,116.11</td><td>-195.19</td><td>-0.71</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>17,740.05</td><td>-272.10</td><td>-1.51</td></tr> <tr><td>TAIWAN (WEIGHTED)</td><td>13,702.28</td><td>-189.77</td><td>-1.37</td></tr> <tr><td>THAILAND (SET INDEX)</td><td>1,579.66</td><td>-9.52</td><td>-0.60</td></tr> <tr><td>S.KOREA (KSE COMPOSITE)</td><td>2,232.84</td><td>-5.02</td><td>-0.22</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,145.81</td><td>-5.75</td><td>-0.18</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>6,762.80</td><td>-54.70</td><td>-0.80</td></tr> <tr><td>MALAYSIA (KLSE COMPOSITE)</td><td>1,406.00</td><td>-14.43</td><td>-1.02</td></tr> </table>		CLOSE	NET	%	JAPAN (NIKKEI 225)	27,116.11	-195.19	-0.71	HONG KONG (HANG SENG)	17,740.05	-272.10	-1.51	TAIWAN (WEIGHTED)	13,702.28	-189.77	-1.37	THAILAND (SET INDEX)	1,579.66	-9.52	-0.60	S.KOREA (KSE COMPOSITE)	2,232.84	-5.02	-0.22	SINGAPORE (STRAITS TIMES)	3,145.81	-5.75	-0.18	SYDNEY (ALL ORDINARIES)	6,762.80	-54.70	-0.80	MALAYSIA (KLSE COMPOSITE)	1,406.00	-14.43	-1.02	OCTOBER 7, 2022 <table border="1"> <tr><th></th><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>29,296.790</td><td>-630.150</td></tr> <tr><td>NASDAQ</td><td>10,652.405</td><td>-420.906</td></tr> <tr><td>S&P 500</td><td>3,639.660</td><td>-104.860</td></tr> <tr><td>FTSE 100</td><td>6,991.090</td><td>-6.180</td></tr> <tr><td>Euro Stoxx50</td><td>3,378.480</td><td>-22.830</td></tr> </table>		CLOSE	NET	Dow Jones	29,296.790	-630.150	NASDAQ	10,652.405	-420.906	S&P 500	3,639.660	-104.860	FTSE 100	6,991.090	-6.180	Euro Stoxx50	3,378.480	-22.830	FX OPEN P58.850 HIGH P58.825 LOW P58.930 CLOSE P58.920 W.AVE. P58.878 VOL. \$483.34 M SOURCE : BAP 26.70 cts 30 DAYS TO OCTOBER 7, 2022	OCTOBER 7, 2022 <table border="1"> <tr><th></th><th>LATEST BID (0900GMT)</th><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>145.330</td><td>144.730</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.849</td><td>7.850</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>31.721</td><td>31.497</td></tr> <tr><td>THAILAND (BAHT)</td><td>37.580</td><td>37.270</td></tr> <tr><td>S. KOREA (WON)</td><td>1,415.510</td><td>1,404.820</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.433</td><td>1.424</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>15,250</td><td>15,185</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.648</td><td>4.635</td></tr> </table>		LATEST BID (0900GMT)	PREVIOUS	JAPAN (YEN)	145.330	144.730	HONG KONG (HK DOLLAR)	7.849	7.850	TAIWAN (NT DOLLAR)	31.721	31.497	THAILAND (BAHT)	37.580	37.270	S. KOREA (WON)	1,415.510	1,404.820	SINGAPORE (DOLLAR)	1.433	1.424	INDONESIA (RUPIAH)	15,250	15,185	MALAYSIA (RINGGIT)	4.648	4.635	OCTOBER 7, 2022 <table border="1"> <tr><th></th><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.1084</td><td>1.1301</td></tr> <tr><td>US\$/EURO</td><td>0.9741</td><td>0.9896</td></tr> <tr><td>\$/AUST DOLLAR</td><td>0.6368</td><td>0.6477</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.3737</td><td>1.3653</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.9942</td><td>0.9818</td></tr> </table>		CLOSE	PREVIOUS	US\$/UK POUND	1.1084	1.1301	US\$/EURO	0.9741	0.9896	\$/AUST DOLLAR	0.6368	0.6477	CANADA DOLLAR/US\$	1.3737	1.3653	SWISS FRANC/US\$	0.9942	0.9818	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$94.35/BBL 107.00 99.80 92.60 85.40 78.20 71.00 30 DAYS TO OCTOBER 7, 2022
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VOL. XXXVI • ISSUE 54 MONDAY • OCTOBER 10, 2022 • www.bworldonline.com S1/1-12 • 2 SECTIONS, 20 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • OCTOBER 7, 2022 (PSEi snapshot on S1/2; article on S2/2)

SMC	P101.000	ICT	P177.600	BPI	P93.000	BDO	P112.400	GTCAP	P400.000	URC	P110.500	JFC	P231.000	SMPH	P31.450	ALI	P23.400	CNVRG	P13.000
Value	P569,987,616	Value	P280,324,918	Value	P274,878,655	Value	P255,751,488	Value	P222,962,980	Value	P192,678,870	Value	P184,010,484	Value	P158,814,485	Value	P145,105,525	Value	P131,708,086
PO.000	0.000%	P1.600	▲ 0.909%	P1.700	▲ 1.862%	-P2.000	▼ -1.748%	-P13.000	▼ -3.148%	P0.500	▲ 0.455%	-P3.800	▼ -1.618%	-P0.100	▼ -0.317%	-P0.400	▼ -1.681%	P0.600	▲ 4.839%

Dollar reserves slide to 2-year low

THE COUNTRY'S dollar reserves declined to a two-year low as of end-September, as the Bangko Sentral ng Pilipinas (BSP) said it has been "active" in the foreign exchange market to curb the peso's depreciation against the US dollar.

The gross international reserves (GIR) stood at \$95.01 billion as of end-September, falling by 2.4% from the \$97.44 billion as of end-August, data from the central bank showed.

"We're active, but of course we sell strategically. There are times it is wiser to keep your powder dry and shoot later," BSP Governor Felipe M. Medalla told reporters on the sidelines during the Annual Reception for the Banking Community.

The peso closed at P58.92 per dollar on Friday, losing 26.7 centavos from its P58.653 finish on Thursday, based on Bankers Association of the Philippines data. The peso hit a record low of P59 on Oct. 3.

So far, the local unit weakened by 15.5% or P7.92 from its P51-per-dollar finish on Dec. 31, 2021.

"There are so many things that are happening outside the Philippines right now that is actually causing the dollar to weaken. So, it's very fluid. I cannot tell you what we will be doing, but we will not allow excessive appreciation (of the dollar)," Mr. Medalla said.

The foreign exchange buffer as of end-September was 10.7% lower from the \$106.5-billion level a year ago, and marked the seventh consecutive month of decline since February. It was also the lowest since the \$93.46 billion in gross reserves seen in June 2020.

The end-September GIR, which serves as a buffer for liquidity shocks, is enough to cover about 6.8 times the country's short-term external debt based on original maturity and 4.1 times based on residual maturity.

Dollar, S1/11

Danger of \$4-trillion hole in world outlook haunts IMF

GLOBAL FINANCE chiefs gather in Washington in the coming days with the warning of a possible \$4-trillion loss in the world's economic output ringing in their ears.

That's the Germany-sized hole in the growth outlook through 2026 that International Monetary Fund (IMF) chief Kristalina Georgieva identified last week as a looming risk.

She'll play host as central bankers, finance ministers and others confront the fallout on the global economy of rampant inflation, aggressive monetary policy tightening, rising debt and the biggest ground war in Europe since World War II.

That the IMF and World Bank annual meetings will be fully in-person for the first time since the outbreak of the coronavirus disease 2019 (COVID-19) in early 2020, showing progress in bringing the pandemic to heel, will be of limited comfort given other headaches.

The current confluence of economic, climate and security crises make it unlike anything global policy makers have seen since 1945. Yet certain elements, such as the emerging market havoc wreaked by US Federal Reserve interest rate hikes in the early 1980s, chime with the present predicament.

"The big question for the meetings is, 'What are we going to do in terms of the institutional response to this, beyond business as usual?'" Masood Ahmed, president of the Washington-based Center for Global Development, said last week.

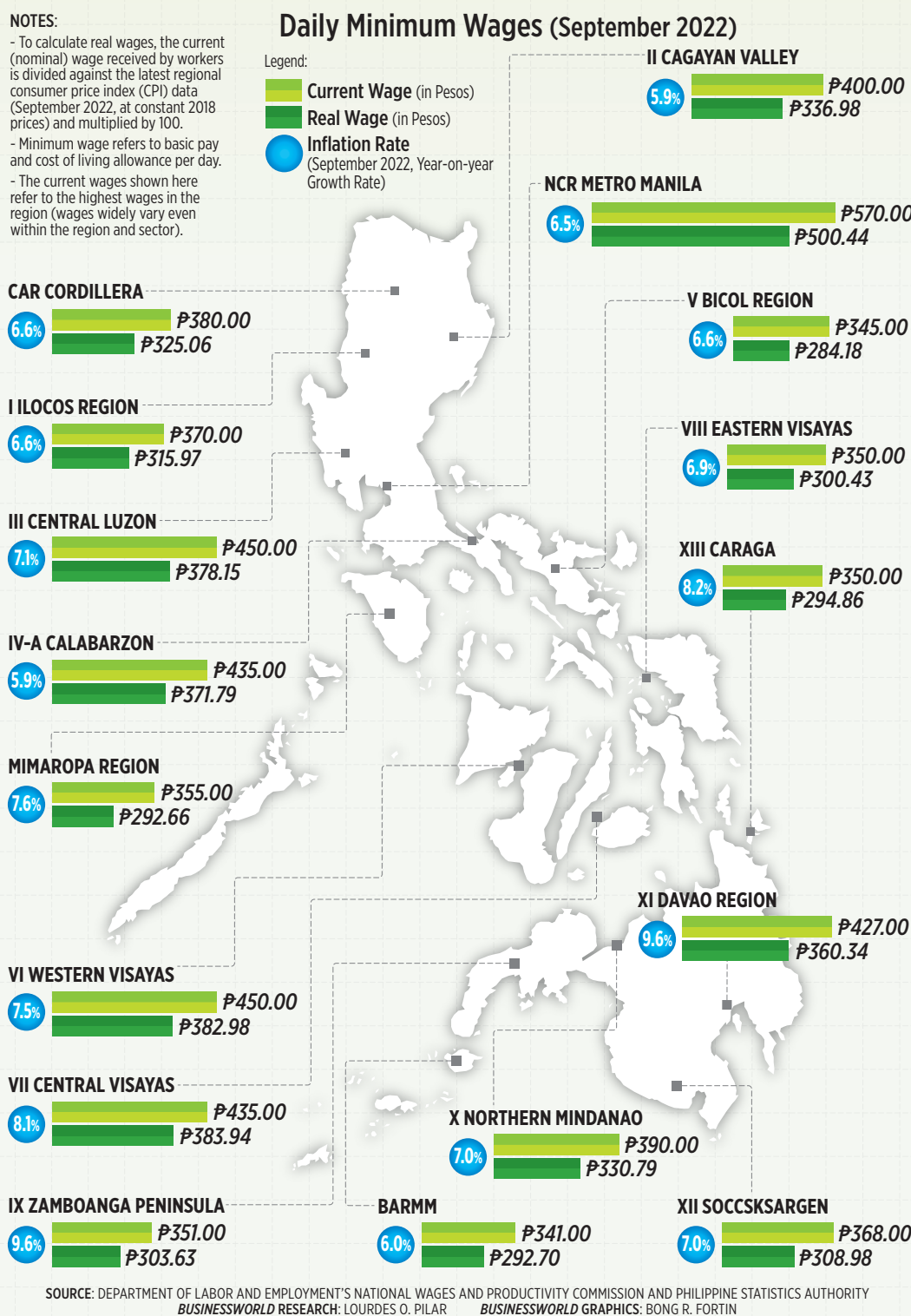
Here's a quick look at some issues officials will grapple with:

- World Economic Outlook: the IMF releases this on Tuesday. Ms. Georgieva said last week that the 2023 global growth forecast of 2.9% will be lowered.
- Ukraine: the country Vladimir Putin's forces invaded in February will stay in focus, from the impact of a depleted grain harvest to Russia's gas squeeze on Europe. The IMF board on Friday approved a \$1.3-billion loan for Ukraine, its first lending to the nation since early March.
- Food Prices: the IMF board last month approved a new emergency finance "food shock window" to help nations hurt by rising agricultural costs.
- The UK: the country remains vulnerable after market turmoil forced a partial U-turn on a tax-cut package from new Prime Minister Liz Truss' government that was panned by the IMF.

IMF, S1/11

HOW MINIMUM WAGES COMPARED ACROSS REGIONS IN SEPTEMBER (AFTER ACCOUNTING FOR INFLATION THAT MONTH)

This infographic compares the current daily minimum wages set by the country's Regional Tripartite Wages and Productivity Board and the inflation-adjusted minimum wages as of September based on latest preliminary data by the Philippine Statistics Authority. While the current minimum wages are determined at the regional level to account for factors such as companies' capacity to pay and costs of living, real wages are obtained after factoring in the general price increases (i.e. inflation rates). Inflation-adjusted wages were 11.8%-17.6% lower in September than their respective current salaries.



Debt, S1/11

Debt service bill declines in August

THE NATIONAL Government saw its debt service bill drop in August from a year ago, as a decline in amortization payments offset the higher interest payments.

Preliminary data from the Bureau of the Treasury (BTr) showed the government paid P68.3 billion for debt servicing in August, down by 9.04% from P75.09 billion in the same month a year ago.

Month on month, debt payment fell by 56.28% from P156.2 billion in July.

In August, around 54.94% of debt repayments went to amortization, while the rest went to interest, the BTr said.

Overall amortization payments slumped by 26.65% to P37.52 billion in August from P51.15 billion in the same month last year.

The BTr settled P22.78 billion with domestic lenders, while principal payments to foreign creditors amounted to P14.75 billion.

Interest payments increased by 28.59% year on year to P30.77 billion in August, with interest paid on foreign debt jumping by 294.49% to P10.38 billion despite domestic debt slipping by 4.27% year on year to P20.39 billion.

Domestic debt consisted of P11.19 billion in Treasury bonds, P7.94 billion in retail Treasury bonds, and P1.08 billion in Treasury bills.

For the eight-month period, the debt service bill slid by 24.91% year on year to P682.85 billion, with around 50.2% going towards interest payments, and the rest to amortization.

Principal payments from January to August stood at P342.77 billion, dropping by 44.52% from a year earlier. This consisted of P279.61 billion in domestic debt and P63.16 billion in foreign obligations.

Interest payments jumped by 16.67% to P340.08 billion in the eight months ending in August. These included P258.5 billion worth of payments to domestic creditors and P81.58 billion to external creditors.

Job quality likely to worsen amid soaring inflation – economists

By Keisha B. Ta-asan

THE UNDEREMPLOYMENT rate in the country may continue to deteriorate in the coming months as workers may demand higher salaries in response to rising prices, economists said.

Asian Institute of Management economist John Paolo R. Rivera in a Viber message said inflation, which accelerated to 6.9% in September, may prompt more workers to demand higher wages.

"If firms cannot cope with this, they might reduce manpower resulting to higher unemploy-

ment but workers will look for other means of livelihood even if it's below their scope. This will slow down growth trajectory as the workforce is not fully maximized," Mr. Rivera said.

In August, the underemployment rate, or 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.

"With the numbers, we think that many are already feeling the pinch of higher inflation and may weigh down on the country's economic growth prospects in the medium term," UnionBank of the Philippines, Inc. Chief Economist Ruben Carlo O. Asuncion said in a Viber message.

Mr. Asuncion noted rising inflation slashed broad purchasing power and "raised the urgency for people to look for work and augment family incomes."

"Despite the availability of jobs, we suspect the high job dissatisfaction among workers (as seen in the rising underemployment rate) can be traced to higher

wage demands as inflation went in a surge," he added.

Mr. Asuncion also noted the increase in jobseekers as seen in the higher labor force participation rate.

The size of the total labor force in August was estimated at 50.551 million in August, 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 the 65.2% seen in July.

Despite the daily minimum wage hike in June and July, the prices of goods and services grew at a faster pace, Rizal

Commercial Banking Corp. Chief Economist Michael L. Ricafort said.

"Thus, given limited incomes/budgets especially by the poor, they may have to tighten their belts further or could even borrow due to higher prices/inflation... The hardest hit sectors by higher inflation are the poor, in view of the limited incomes/budgets and skewed more on basic necessities such as food, shelter, utilities, transportation," he said.

Bangko Sentral ng Pilipinas (BSP) Deputy Governor Francisco G. Dakila, Jr. said achieving a target consistent path of inflation and ensuring price stability re-

mains the central bank's primary concern.

"Our analysis of the situation showed us that we could increase interest rates to help bring down inflation without unduly hurting the nascent recovery in domestic demand," Mr. Dakila said in a speech during the general meeting hosted by the Philippine Marketing Association last week.

The BSP has raised interest rates by a total of 225 bps since May, bringing the benchmark policy rate to 4.25%.

The BSP also raised its inflation forecasts to 5.6% from 5.4% for this year and to 4.1%, from 4% previously, for next year.

Job, S1/11



THE ECONOMY
South Korea FTA to unlock FDI in electric vehicle components, food processing S1/4

THE NATION
Marcos gets failing mark from analysts; businessmen disagree S1/12

ARTS & LEISURE
Rescuing a weaving tradition from the brink of extinction S2/4



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