

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																					
<b>PSEi</b> OPEN: 6,021.54 HIGH: 6,071.70 LOW: 6,018.98 CLOSE: 6,028.79 VOL.: 0.407 B VAL(P): 3,483 B 45.23 PTS. 0.75% 30 DAYS TO OCTOBER 24, 2022	<b>OCTOBER 24, 2022</b> <table border="1"> <tr><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (Nikkei 225)</td><td>26,974.90</td><td>▲ 84.32 0.31</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>15,180.69</td><td>▼ -1,030.43 -6.36</td></tr> <tr><td>TAIWAN (WEIGHTED)</td><td>12,856.98</td><td>▲ 37.78 0.29</td></tr> <tr><td>THAILAND (SET INDEX)*</td><td>1,591.32</td><td>▼ -1.41 -0.09</td></tr> <tr><td>S.KOREA (KSE COMPOSITE)</td><td>2,236.16</td><td>▲ 23.04 1.04</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)*</td><td>2,969.95</td><td>▼ -52.75 -1.75</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>6,779.40</td><td>▲ 102.60 1.54</td></tr> <tr><td>MALAYSIA (KLSE COMPOSITE)*</td><td>1,446.42</td><td>▲ 8.70 0.61</td></tr> </table> * CLOSING PRICES AS OF OCTOBER 21, 2022	CLOSE	NET	%	JAPAN (Nikkei 225)	26,974.90	▲ 84.32 0.31	HONG KONG (HANG SENG)	15,180.69	▼ -1,030.43 -6.36	TAIWAN (WEIGHTED)	12,856.98	▲ 37.78 0.29	THAILAND (SET INDEX)*	1,591.32	▼ -1.41 -0.09	S.KOREA (KSE COMPOSITE)	2,236.16	▲ 23.04 1.04	SINGAPORE (STRAITS TIMES)*	2,969.95	▼ -52.75 -1.75	SYDNEY (ALL ORDINARIES)	6,779.40	▲ 102.60 1.54	MALAYSIA (KLSE COMPOSITE)*	1,446.42	▲ 8.70 0.61	<b>OCTOBER 21, 2022</b> <table border="1"> <tr><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>31,082.560 ▲ 748.970</td></tr> <tr><td>NASDAQ</td><td>10,859.716 ▲ 244.872</td></tr> <tr><td>S&amp;P 500</td><td>3,752.750 ▲ 86.970</td></tr> <tr><td>FTSE 100</td><td>6,969.730 ▲ 25.820</td></tr> <tr><td>Euro Stoxx50</td><td>3,414.270 ▼ -10.030</td></tr> </table>	CLOSE	NET	Dow Jones	31,082.560 ▲ 748.970	NASDAQ	10,859.716 ▲ 244.872	S&P 500	3,752.750 ▲ 86.970	FTSE 100	6,969.730 ▲ 25.820	Euro Stoxx50	3,414.270 ▼ -10.030	<b>FX</b> 12.00 CTS 30 DAYS TO OCTOBER 24, 2022 OPEN P58.700 HIGH P58.700 LOW P58.910 CLOSE P58.870 W.AVE. P58.828 VOL. \$633.00 M SOURCE : BAP	<b>OCTOBER 24, 2022</b> <table border="1"> <tr><th>LATEST BID (0900GMT)</th><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>149.430 ▼ 147.640</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.849 ▼ 7.849</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>32.353 ▼ 32.077</td></tr> <tr><td>THAILAND (BAHT)</td><td>38.200 ▼ 37.930</td></tr> <tr><td>S. KOREA (WON)</td><td>1,443.450 ▼ 1,428.320</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.423 ▼ 1.415</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>15,585 ▼ 15,630</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.736 ▼ 4.736</td></tr> </table>	LATEST BID (0900GMT)	PREVIOUS	JAPAN (YEN)	149.430 ▼ 147.640	HONG KONG (HK DOLLAR)	7.849 ▼ 7.849	TAIWAN (NT DOLLAR)	32.353 ▼ 32.077	THAILAND (BAHT)	38.200 ▼ 37.930	S. KOREA (WON)	1,443.450 ▼ 1,428.320	SINGAPORE (DOLLAR)	1.423 ▼ 1.415	INDONESIA (RUPIAH)	15,585 ▼ 15,630	MALAYSIA (RINGGIT)	4.736 ▼ 4.736	<b>OCTOBER 24, 2022</b> <table border="1"> <tr><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.1313 ▲ 1.1302</td></tr> <tr><td>US\$/EURO</td><td>0.9817 ▼ 0.9860</td></tr> <tr><td>\$/AUST DOLLAR</td><td>0.6284 ▼ 0.6377</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.3732 ▼ 1.3638</td></tr> <tr><td>SWISS FRANC/US\$</td><td>1.0019 ▲ 0.9976</td></tr> </table>	CLOSE	PREVIOUS	US\$/UK POUND	1.1313 ▲ 1.1302	US\$/EURO	0.9817 ▼ 0.9860	\$/AUST DOLLAR	0.6284 ▼ 0.6377	CANADA DOLLAR/US\$	1.3732 ▼ 1.3638	SWISS FRANC/US\$	1.0019 ▲ 0.9976	<b>FUTURES PRICE ON NEAREST MONTH OF DELIVERY</b> <b>\$90.70/BBL</b> 30 DAYS TO OCTOBER 21, 2022
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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • OCTOBER 24, 2022 (PSEi snapshot on S1/4; article on S2/2)

ALI	P26.400	SM	P765.000	ICT	P174.500	BPI	P91.500	SMPH	P32.250	SCC	P41.450	JFC	P224.800	AC	P652.000	SMC	P98.750	TEL	P1,535.000
Value	P382,604,705	Value	P330,626,940	Value	P215,511,656	Value	P196,058,661	Value	P193,812,955	Value	P167,299,780	Value	P148,433,398	Value	P113,638,295	Value	P111,974,212	Value	P97,219,085
PO.450	▲ 1.734%	-P5.000	▼ -0.649%	P2.500	▲ 1.453%	PO.500	▲ 0.549%	PO.250	▲ 0.781%	PO.350	▲ 0.852%	-P0.600	▼ -0.266%	-P7.000	▼ -1.062%	P1.450	▲ 1.490%	P45.000	▲ 3.020%

## BSP may match Fed if it hikes by 75 bps

PHILIPPINE interest rates could rise by more than 100 basis points (bps) before the year ends, the central bank governor said on Monday, in step with large rate hikes expected to be delivered by the US Federal Reserve to fight inflation.

"It could be more. It depends on what the US does," Bangko Sentral ng Pilipinas (BSP) Governor Felipe M. Medalla told reporters when asked if he shared the view of the Finance secretary, who earlier said key rates should rise by one percentage point before yearend.

In the United States, at least another 75-bp move is expected at the conclusion of the Fed's next policy meeting on Nov. 1-2, with further tightening in the pipeline as policy makers try to rein in consumer prices.

Mr. Medalla, who heads BSP's seven-member monetary policy-making board, said if the Fed hikes rates by 75 bps, he would vote to raise rates by the same magnitude, lest the peso which has lost more than 13% against the dollar this year, remains under pressure.

"We have to match it," Mr. Medalla said separately at a business forum. "The thing we are watching the most is what the Fed will do."

The BSP has so far raised key policy rates by 225 bps this year to tame inflation and slow the peso's decline.

It is concerned the peso's weakness could further fan inflation, which hit a four-year high of 6.9% in September, well outside the central bank's 2% to 4% target.

While the BSP prefers a market-determined exchange rate, it has to intervene to control volatility, Mr. Medalla said, adding there was "quite a bit of a buffer"

to support the peso with dollar reserves if needed.

In the same forum, Finance Secretary Benjamin E. Diokno, a former BSP chief and a current monetary board member, said the government would not allow the peso, now at P58-to-the-dollar level, to overshoot P60.

Mr. Diokno said he would be willing to use around \$10 billion in the fourth quarter to support the peso, if he was governor. But he stressed that the government respected the BSP's independence.

The government's macroeconomic assumptions are based on a peso-dollar

rate of P51-53 for 2022 and P51-55 for 2023-2028.

### RECOVERY ON TRACK

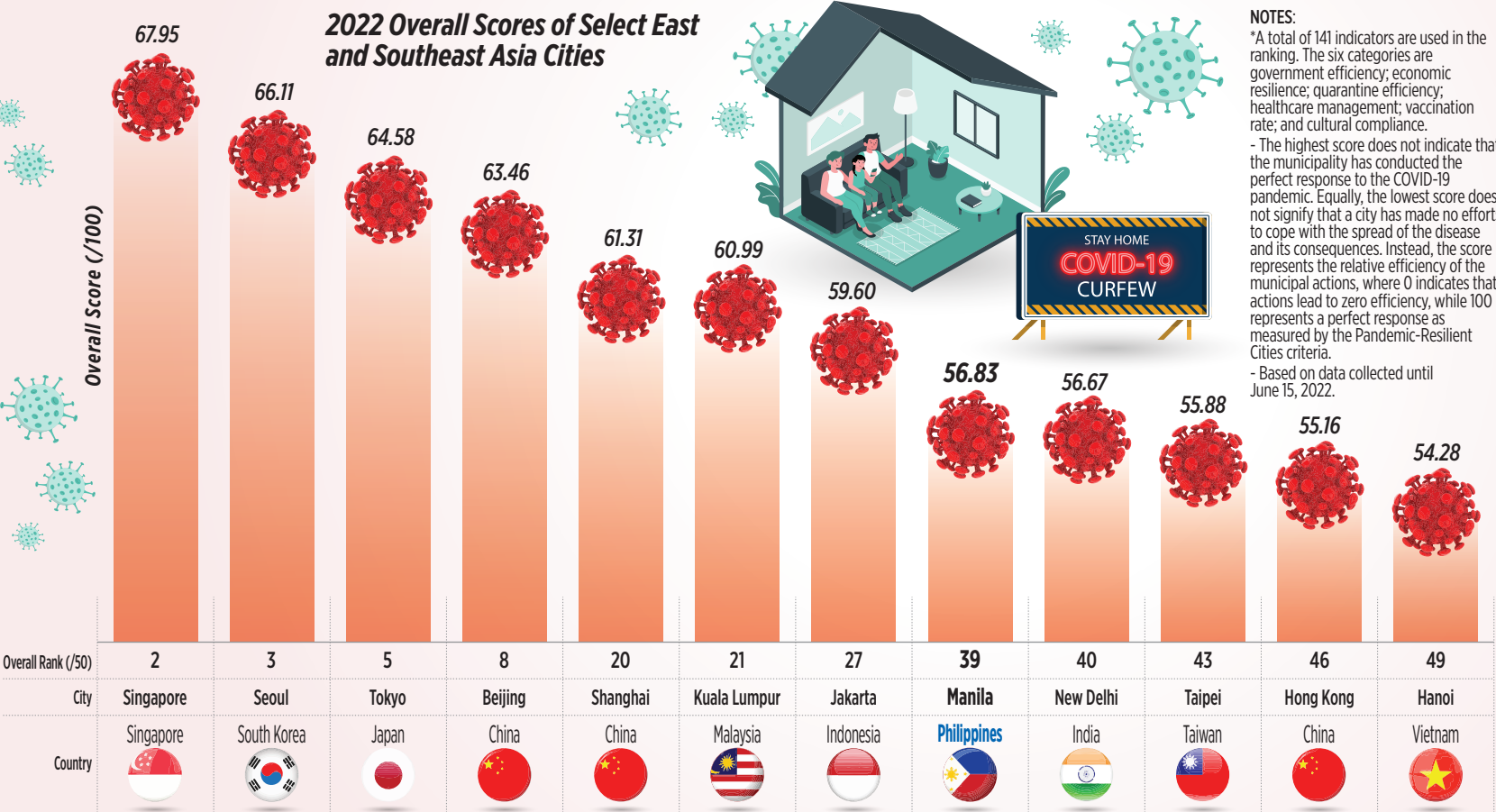
Meanwhile, Mr. Diokno said the economy is prepared to weather the looming challenges arising from an increasingly gloomy global outlook.

"Let me assure you that while the global economy may be clouded, we are prepared to weather this environment with fiscal discipline and a well-calibrated plan for fiscal sustainability," he said in a speech at The Asset's 17th Philippine Summit on Monday.

BSP, S1/9

## MANILA RANKS 39<sup>TH</sup> OUT OF 50 CITIES IN PANDEMIC RESILIENCE LIST

Manila placed 39<sup>th</sup> of 50 cities included in the coronavirus disease 2019 (COVID-19) pandemic resiliency ranking by consultancy agency Deep Knowledge Analytics. The Pandemic-Resilient Cities Ranking 2022 report evaluates target cities in six municipal pandemic response functions (categories), and each of these functions comprises multiple indicator\* groups (31 in total), which in turn consist of several indicators. "The Philippines acted quickly to combat the virus imposing Enhanced Community Quarantine (ECQ) in Manila and other high-risk regions. The country implemented a set of support measures for households and businesses to help navigate the ECQ, such as an emergency subsidy program for Filipino families and wage supplements to employees of small businesses," the report said. The Philippine capital scored 56.83 out of a perfect score of 100. Manila also ranked 4<sup>th</sup> in terms of "Quarantine Efficiency" with a score of 75.11 but scored the lowest in "Economic Resilience" at 49<sup>th</sup> place with 41.70.



**Manila, Philippines Profile**

Indicator	Score (/100)	Rank (/50)
Overall	56.83	39 <sup>th</sup>
Quarantine Efficiency	75.11	4 <sup>th</sup>
Vaccination Rate	62.54	27 <sup>th</sup>
Cultural Compliance	60.97	26 <sup>th</sup>
Healthcare Management	55.64	44 <sup>th</sup>
Government Efficiency	45.02	49 <sup>th</sup>
Economic Resilience	41.70	49 <sup>th</sup>

**Top 10 Cities**

Overall Rank (/50)	City	Country	Overall Score (/100)
1	Abu Dhabi	UAE	69.02
2	Singapore	Singapore	67.95
3	Seoul	South Korea	66.11
4	Ottawa	Canada	64.94
5	Tokyo	Japan	64.58
6	Zurich	Switzerland	64.09
7	Amsterdam	Netherlands	63.74
8	Beijing	China	63.46
9	Toronto	Canada	63.07
10	Auckland	New Zealand	63.05

**Bottom 10 Cities**

Overall Rank (/50)	City	Country	Overall Score (/100)
50	Vilnius	Lithuania	54.25
49	Hanoi	Vietnam	54.28
48	Tallinn	Estonia	54.49
47	Lima	Peru	55.02
46	Hong Kong	China	55.16
45	Vienna	Austria	55.46
44	Lisbon	Portugal	55.82
43	Taipei	Taiwan	55.88
42	Santiago	Chile	56.01
41	Rome	Italy	56.19

NOTES: \*A total of 141 indicators are used in the ranking. The six categories are government efficiency; economic resilience; quarantine efficiency; healthcare management; vaccination rate; and cultural compliance. - The highest score does not indicate that the municipality has conducted the perfect response to the COVID-19 pandemic. Equally, the lowest score does not signify that a city has made no efforts to cope with the spread of the disease and its consequences. Instead, the score represents the relative efficiency of the municipal actions, where 0 indicates that actions lead to zero efficiency, while 100 represents a perfect response as measured by the Pandemic-Resilient Cities criteria. - Based on data collected until June 15, 2022.

SOURCE: DEEP KNOWLEDGE ANALYTICS' PANDEMIC-RESILIENT CITIES RANKING 2022 (HTTPS://WWW.DKA.GLOBAL/PANDEMIC-RESILIENT-CITIES-RANKING-2022) BUSINESSWORLD RESEARCH: ANA OLIVIA A. TIRONA BUSINESSWORLD GRAPHICS: BONG R. FORTIN

The Entrepreneur Of The Year Philippines 2022 has concluded its search for the country's most undaunted and unstoppable entrepreneurs. Entrepreneur Of The Year Philippines is a program of the SGV Foundation, Inc., with the participation of copresenters the Asian Institute of Management, the Department of Trade and Industry, the Philippine Business for Social Progress, and the Philippine Stock Exchange. BusinessWorld will feature each finalist in the next few weeks.

## Taking the caring route

**Raymond G. Jarina**  
President & CEO  
INTECO Isuzu Group of Dealerships



IN THE PURSUIT of success, people often rush through competing with everyone around them — racing hard towards the so-called finish line. They often don't take the time to enjoy the ride, appreciate the scenic route or get excited over the adventure. Fortunately, this was not the case for Raymond G. Jarina, president and chief executive officer (CEO) of INTECO Isuzu Group of Dealerships.

Born in Tayuman, Manila, Mr. Jarina spent the first six years of his life there, mingling with other children in the streets. At an early age, he realized the importance of being strong, as life on the streets, as he recalled, is all about "survival of the fittest." He also gleaned lessons from his experiences, even seemingly insignificant ones, like playing *teks*, *shato* and *trumpo*. He observed he could "win some and lose some," so he would take any opportunity to "practice negotiations that could swing in a few bucks."



**INTECO GROUP**  
OF ISUZU DEALERSHIPS  
BE A PART OF A CARING FAMILY

Route, S1/5

### FUEL PRICE TRACKER

(week-on-week change)

Fuel Type	Oct. 11	Oct. 18	Oct. 25
<b>GASOLINE</b>	▲ P1.20	▲ P0.80	▼ P0.35
<b>DIESEL</b>	▲ P6.85	▲ P2.70	▼ P1.10
<b>KEROSENE</b>	▲ P3.50	▲ P2.90	▼ P0.45

- Oct. 25, 12:01 a.m. — Caltex Philippines
- Oct. 25, 6 a.m. — Petron Corp.; Phoenix Petroleum; Pilipinas Shell Petroleum Corp.; PTT Philippines Corp.; Seaoil Philippines, Inc.
- Oct. 25, 8:01 a.m. — Cleanfuel (Shaw Autogas, Inc.)

### WHAT'S INSIDE

**WORLD BUSINESS**  
China Q3 GDP growth rebounds at faster pace but risks loom S1/5

**ARTS & LEISURE**  
Philippines, France working towards film co-production agreement S2/4

## PHL banks to remain resilient — IMF

THE Philippine banking sector is seen to remain healthy as the economy continues to recover from the pandemic, but warned of downside risks from rising interest rates, an official from the International Monetary Fund (IMF) said.

IMF Mission Chief for the Philippines Cheng Hoon Lim told *BusinessWorld* in an Oct. 13 interview that banks in the country demonstrated resilience during the coronavirus disease 2019 (COVID-19) pandemic, when the economy contracted by a record 9.6% in 2020.

"(The pandemic) is a significant stress test that anyone can do on the banking system and the banks emerged resilient through that period. So, we expect the banking system to continue to remain healthy," Ms. Lim said.

The Philippine economy bounced back in 2021, expanding by 5.7%. This year, the government is targeting 6.5-7.5% gross domestic product (GDP) growth.

"We saw that bank lending has picked up after contracting in 2021. We also see profitability has returned to pre-pandemic levels and nonperforming loans (NPLs) still remain quite low, around 3.5% in August," Ms. Lim said.

Data from the Bangko Sentral ng Pilipinas (BSP) showed

outstanding loans by big banks, net of reverse repurchase (RRP) placements with the central bank, rose by 12.2% in August to P10.33 trillion in the same month last year. This was the fastest growth in lending seen in 28 months.

Meanwhile, the sector's gross NPL ratio stood at 3.53% in August, falling from 4.51% a year ago and 3.57% in July. The NPL ratio in August was the lowest in 23 months or since 3.51% in September 2020. Bad loans declined by 15% year on year to P418 billion as of end-August. It was also 0.5% lower than the P420.254 billion seen at end-July. Loans are considered nonperforming once they are unpaid for at least 90 days after the due date.

"Now, if we look at that broader measure of loan at risk, this is about 6.2% of total loans. This is still very manageable," Ms. Lim said.

However, rising interest rates may pose downside risks. The US Federal Reserve has been aggressively tightening policy to curb decades-high inflation.

"But looking into 2023, we see that interest rates have increased around the world. Financial conditions have tightened externally as well as domestically, and this warrants close monitoring. Downside risks have increased," Ms. Lim said.

She said the BSP should continue monitoring systemic risks in the financial sector and strengthen its supervisory framework to ensure proper intervention if banks "get into trouble."

The BSP last month raised the benchmark interest rate by 50 basis points (bps) to 4.25%, bringing cumulative hikes for the year so far to 225 bps. Its next meeting is on Nov. 17.

The BSP is expected to continue its tightening cycle as it seeks to tame inflation, which reached 6.9% in September. This brought the nine-month average to 5.1%, still below the BSP's forecast of 5.6% this year.

The IMF expects Philippine inflation rising to 5.3% this year before declining to 4.3% in 2023.

"Higher interest rates will dampen consumption and dampen investment and that's why we projected a slowdown of growth to 5% next year. That would be the natural behavioral response that we would expect to see," Ms. Lim said.

The IMF lowered its growth forecast for this year to 6.5% from its 6.7% estimate in July, matching the lower end of the government's 6.5-7.5% goal. It also sees GDP growing 5% in 2023. — **Keisha B. Ta-asan**