

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEi OPEN: 6,303.58 HIGH: 6,345.83 LOW: 6,260.50 CLOSE: 6,289.10 VOL.: 0.310 B VAL(P): 4,930 B 6.48 PTS. 0.1% 30 DAYS TO NOVEMBER 8, 2022	NOVEMBER 8, 2022 JAPAN (NIKKEI 225) 27,872.11 ▲ 344.47 1.25 HONG KONG (HANG SENG) 16,557.31 ▼ -38.60 -0.23 TAIWAN (WEIGHTED) 13,347.76 ▲ 124.03 0.94 THAILAND (SET INDEX) 1,632.14 ▲ 8.57 0.53 S.KOREA (KSE COMPOSITE) 2,399.04 ▲ 27.25 1.15 SINGAPORE (STRAITS TIMES) 3,149.99 ▲ 8.68 0.28 SYDNEY (ALL ORDINARIES) 6,958.90 ▲ 25.20 0.36 MALAYSIA (KLSE COMPOSITE) 1,441.35 ▼ -0.77 -0.05	NOVEMBER 7, 2022 Dow Jones 32,827,000 ▲ 423,780 NASDAQ 10,564,520 ▲ 89,266 S&P 500 3,806,800 ▲ 36,250 FTSE 100 7,299,990 ▼ -34,850 Euro Stoxx50 3,596.170 ▼ -0.310	FX OPEN P58.380 HIGH P58.100 LOW P58.450 CLOSE P58.275 W.AVE. P58.292 VOL. \$954.90 M SOURCE : BAP 30.50 cys 30 DAYS TO NOVEMBER 8, 2022	NOVEMBER 8, 2022 LATEST BID (0900GMT) JAPAN (YEN) 146.380 ▲ 146.750 HONG KONG (HK DOLLAR) 7.850 ▼ 7.850 TAIWAN (NT DOLLAR) 31.990 ▼ 31.971 THAILAND (BAHT) 37.330 ▼ 37.330 S. KOREA (WON) 1,382.150 ▲ 1,397.200 SINGAPORE (DOLLAR) 1.403 ▲ 1.404 INDONESIA (RUPIAH) 15,695 ▲ 15,705 MALAYSIA (RINGGIT) 4.734 ▲ 4.743	NOVEMBER 8, 2022 US\$/UK POUND 1.1464 ▲ 1.1451 US\$/EURO 0.9989 ▲ 0.9993 \$/AUSTRALIAN DOLLAR 0.6468 ▼ 0.6470 CANADA DOLLAR/US\$ 1.3509 ▲ 1.3468 SWISS FRANC/US\$ 0.9899 ▼ 0.9917	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$92.90/BBL 30 DAYS TO NOVEMBER 7, 2022

VOL. XXXVI • ISSUE 76 **WEDNESDAY • NOVEMBER 9, 2022 • www.bworldonline.com** SI/1-10 • 2 SECTIONS, 14 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • NOVEMBER 8, 2022 (PSEi snapshot on S1/2; article on S2/2)

Stock	Value	Change
BDO	P133.500	▲ 2.692%
SM	P833.000	▼ -0.240%
ICT	P186.800	▼ -1.684%
ALI	P26.000	▲ 1.167%
SCC	P31.500	▼ -4.690%
BPI	P95.000	▼ -2.01%
SMPH	P34.700	▲ 2.059%
JFC	P228.600	▼ -0.175%
MER	P305.000	▼ -1.167%
MBT	P52.000	▼ -0.383%

Job quality worsens in September

By John Victor D. Ordoñez
Reporter

THE UNEMPLOYMENT RATE in September dropped to a new low since the start of the coronavirus pandemic, but job quality continued to worsen, the Philip-

pine Statistics Authority (PSA) said on Tuesday.
Preliminary data from the PSA's Labor Force Survey (LFS) showed the September jobless rate eased to 5%, from 5.3% in August and 8.9% in the same month last year.
This was equivalent to 2.5 million jobless Filipinos in September,

lower than 2.681 million in August and 4.28 million in September 2021.
The month saw the lowest number of unemployed Filipinos since October 2019, when 2.05 million were jobless.
"The recent survey results show the gains of the full reopening of our economy," Socio-economic Planning Secretary

Arsenio M. Balisacan said in a statement.
Metro Manila and most provinces have been at the most lenient alert level since March, allowing businesses to operate at full capacity.
However, job quality further deteriorated in September as the underemployment rate — or the rate of employed Filipinos

seeking for more work — rose to a six-month high of 15.4%. This was higher than the 14.7% underemployment rate in August, and 14.2% a year earlier.
September also marked the third straight month that underemployment has increased.
In absolute terms, the number of underemployed Filipinos

increased to 7.33 million in September from 7.031 million in August, "as more than 882,000 individuals sought to earn additional income with the spike in commodity prices due to inflation," the National Economic and Development Authority (NEDA) said.
Job, SI/9

House OK's tax on foreign digital services, removal of tax exemption on pickups

THE HOUSE of Representatives on Tuesday approved on second reading three priority tax measures, which seek to remove the tax exemption on pickup trucks and impose taxes on foreign digital services and single-use plastic bags.

"The measures could yield a total of P47 billion annually," Albay Rep. Jose Ma. Clemente S. Salceda, who chairs the House Ways and Means Committee, said in a statement.

Mr. Salceda said P20 billion is expected to be generated from House Bill (HB) No. 4339 or the fourth package of the Comprehensive Tax Reform Program (CTRP), mainly from the removal of the tax exemption on pickup trucks and raising the tax rate on foreign currency deposit units to 20%.

He defended removing the tax exemption for pickup trucks, which was opposed by the auto industry, saying "merely corrects an unfair privilege on a vehicle that is mostly for the rich, occupies very

large space on the road, and is by all accounts less fuel-efficient than most other vehicles."
The measure also seeks to simplify taxation of passive income by reducing rates applicable and harmonizing most rates at 15%. It also proposes a gross receipts tax on bank, quasi-bank and other nonbank financial intermediary income of 5%, a premium tax of 2%, and a stock transaction tax of 0.1%.
HB 4339 proposes to rationalize the documentary stamp tax (DST) regime by imposing a single rate on the original issue of shares and units of participation of collective investment schemes. It also seeks to remove the DST on documents required for routine transactions.
At the same time, Mr. Salceda said around P19 billion in revenues can be raised from HB 4122, which will slap a 12% value-added tax (VAT) on nonresident digital service providers, such as Netflix and Spotify.

Digital services, SI/9

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 co-presenters the Asian Institute of Management, the Department of Trade and Industry, the Philippine Business for Social Progress, and the Philippine Stock Exchange. In the next few weeks, BusinessWorld will feature each finalist for the Entrepreneur Of The Year Philippines 2022.

Built on trust

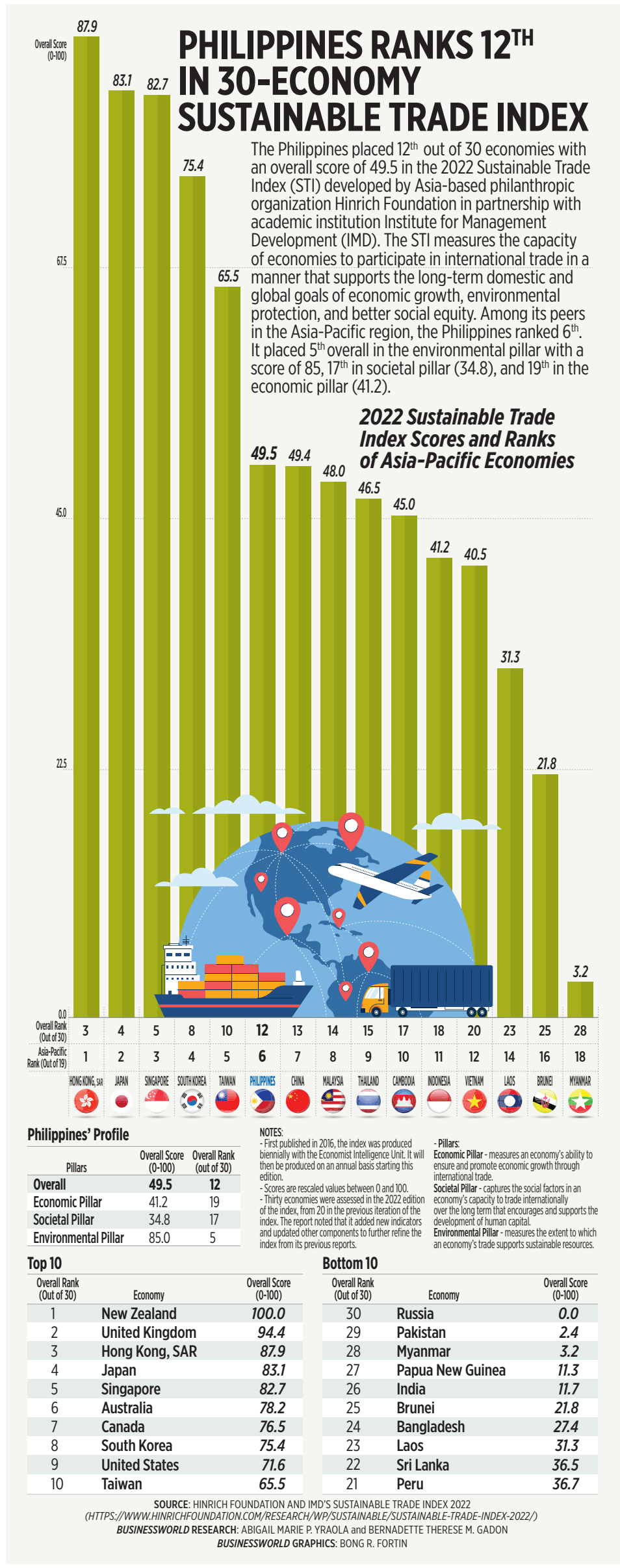
Ibrahim "Bong" Nuño
Chairman and Chief Executive Officer
Metro Stonerich Corp.



WHEN CIVIL ENGINEER Ibrahim "Bong" Nuño started Metro Stonerich Corp. (MSC) in November 1999, his first tool was a P2,500 drill from a hardware store. Today, MSC has grown from a P500,000 company to a multibillion-peso business and one of the country's major construction players.

But for Mr. Nuño, what's important is not just financial success — it's the difference he can make through MSC's integrity, reliability, and quality.
The MSC founder and chief executive officer (CEO) originally dreamed of being a pilot while growing up in Taluksangay, Zamboanga City. As the eldest grandson of the fourth generation of the Nuño clan, he grew up watching how his grandfather Jainuddin Nuño, an engineer at heart and a self-taught architect, would supervise some of the community's construction activities.
However, Mr. Nuño could not enroll in a flying school due to its expensive tuition. Instead, he took up civil

engineering at Adamson University — a decision he admits may have been influenced by his Papa Jainuddin.
Trust, SI/9



NPL ratio further eases in September

By Keisha B. Ta-asan *Reporter*

BAD DEBTS held by big banks declined for a seventh straight month in September, bringing the nonperforming loan (NPL) ratio to its lowest in 25 months as the economy continued to reopen.

The banking industry's nonperforming loans dropped by 14.6% year on year to P415.225 billion in September from P486.362 billion in the same month last year, based on the latest data from the Bangko Sentral ng Pilipinas (BSP).

The September figure was also 0.6% lower than the P418 billion seen in August.
This brought the systemwide NPL ratio to 3.43% in September, easing from 3.53% in August, and 4.44% in September 2021.

The September NPL ratio was the lowest in 25 months or since the 2.84% recorded in August 2020.

Loans are deemed as nonperforming once a borrower has not paid for at least 90 days after the due date. These soured loans pose risks to the asset quality of banks as borrowers are likely to default on these debts.

"Lower reported NPLs is still mostly driven by the reopening story of the PHL economy this year. With more businesses returning to pre-pandemic performance, less firms need to delay payments of their obligations," Bank of the Philippine Islands (BPI) Lead Economist Emilio S. Neri, Jr. said in a Viber message.

Since March, Metro Manila and most provinces have been under the most lenient alert level that allowed businesses to operate at full capacity.

According to BSP data, the gross loan portfolio of banks climbed by 10.3% to P12.09 trillion in September from P10.96 trillion a year ago. It also went up by 2.1% from the P11.84 trillion in August.

Meanwhile, past due loans fell by 14.5% to P488.714 billion in September from P571.597 billion in 2021, bringing the current ratio to 4.04% from 5.21% a year ago.

Restructured loans, which accounted for 2.76% of banks' loan portfolio, dipping by 1.7% to P333.615 billion in September from P339.273 billion a year ago.

Banks continued to build up loan loss reserves to P424.643 billion in September from P410.605 billion a year ago, bringing the ratio to 3.51% from 3.74% a year earlier.

The banking industry's NPL coverage ratio improved to 102.3% as of September, from 84.42% in 2021.

China Banking Corp. Chief Economist Domini S. Velasquez said banks' bad loans may continue to decline in the coming months as businesses continue to bounce back.

"Loans to productive sectors/industries have been posting positive growth rates except for a few such as education and accommodation. These sectors will likely contribute moving forward with the full resumption of face-to-face classes and increase in tourist arrivals," she said.

The school year started on Aug. 22 for most schools. Starting this month, public schools have been mandated to return to face-to-face classes, while private schools may continue to conduct a blended approach.

The number of tourists is also expected to increase ahead of the holidays.

Mr. Neri noted there is a risk the NPL ratio could rise if elevated inflation and other global headwinds weigh on economic growth.

NPL, SI/9