P25
IN METRO MANILA, PHILIPPINES

BusinessWorld

STOCK MARKET

PSEi

OPEN:	6,814.14
HIGH:	6,814.14
LOW:	6,732.96
CLOSE:	6,734.99
VOL.:	0.796 B
VAL(P):	10.107 B

▼ 45.79 PTS. 0.67%
30 DAYS TO DECEMBER 1, 2022

ASIAN MARKETS

DECEMBER 1, 2022

	CLOSE		NET	%
Japan (Nikkei 225)	28,226.08	▲	257.09	0.92
Hong Kong (Hang Seng)	18,736.44	▲	139.21	0.75
Taiwan (Weighted)	15,012.80	▲	133.25	0.90
Thailand (SET Index)	1,648.44	▲	13.08	0.80
S.Korea (Kse Composite)	2,479.84	▲	7.31	0.30
Singapore (Straits Times)	3,292.73	▲	2.24	0.07
Sydney (All Ordinaries)	7,354.40	▲	70.20	0.96
Malaysia (Klse Composite)	1,491.51	▲	2.71	0.18

WORLD MARKETS

NOVEMBER 30, 2022

	CLOSE		NET
Dow Jones	34,589.770	▲	737.240
NASDAQ	11,467.996	▲	484.217
S&P 500	4,080.110	▲	122.480
FTSE 100	7,573.050	▲	61.050
Euro Stoxx50	3,795.900	▲	30.260

PESO-DOLLAR RATES

FX

OPEN	P56.450
HIGH	P56.100
LOW	P56.450
CLOSE	P56.220
W.AVE.	P56.318
VOL.	$898.70 M

▲ 34.00 CTVS
30 DAYS TO DECEMBER 1, 2022
SOURCE : BAP

ASIAN MONIES-US$ RATE

DECEMBER 1, 2022

	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	136.440	▲	138.670
Hong Kong (HK dollar)	7.783	▲	7.800
Taiwan (NT dollar)	30.617	▲	30.826
Thailand (baht)	34.970	▲	35.200
S. Korea (won)	1,304.670	▲	1,312.860
Singapore (dollar)	1.358	▲	1.367
Indonesia (rupiah)	15,560	▲	15,730
Malaysia (ringgit)	4.405	▲	4.440

WORLD CURRENCIES

DECEMBER 1, 2022

	CLOSE		PREVIOUS
US$/UK pound	1.2132	▲	1.2001
US$/Euro	1.0433	▲	1.0372
$/Aust dollar	0.6801	▲	0.6729
Canada dollar/US$	1.3429	▼	1.3530
Swiss Franc/US$	0.9437	▼	0.9501

DUBAI CRUDE OIL

FUTURES PRICE ON NEAREST MONTH OF DELIVERY
$80.40/BBL
▼ $0.65
30 DAYS TO NOVEMBER 30, 2022

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S1/1-10 • 3 SECTIONS, 26 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • DECEMBER 1, 2022 (PSEi snapshot on *S1/4*; article on *S2/2*)

		Value			
GTCAP	P450.000	P1,096,201,604	P11.000	▲	2.506%
SM	P980.000	P1,014,352,830	P41.000	▲	4.366%
JFC	P240.600	P594,842,528	-P4.400	▼	-1.796%
BDO	P130.000	P591,628,411	-P0.100	▼	-0.077%
ICT	P196.800	P526,067,022	-P8.200	▼	-4.000%
ALI	P29.600	P476,804,615	-P1.900	▼	-6.032%
URC	P135.200	P462,319,089	P2.200	▲	1.654%
SMPH	P35.200	P409,125,305	-P1.200	▼	-3.297%
CNVRG	P16.000	P395,513,284	P0.540	▲	3.493%
BPI	P104.000	P344,809,068	-P1.900	▼	-1.794%

Factory activity inches higher in Nov.

By Luisa Maria Jacinta C. Jocson
Reporter

FACTORY ACTIVITY in the Philippines expanded for a tenth month in a row in November, although jobs fell for the first time since March, a survey by S&P Global showed on Thursday.

The S&P Global Philippines Manufacturing Purchasing Managers' Index (PMI) inched up to 52.7 in November, from 52.6 in October, reflecting a "modest" pace of expansion.

"Growth across the Philippines manufacturing sector entered its tenth successive month, with modest expansions in operating conditions seen since September. The improvement across the sector primarily stemmed from greater demand conditions which drove higher sales and output," Maryam Baluch, economist at S&P Global Market Intelligence, said in a report.

A PMI reading above 50 denotes improvement in operating conditions compared with the preceding month, while a reading below 50 signals deterioration.

The Philippines had the highest PMI reading among six Association of Southeast Asian Nations (ASEAN) economies in November, and exceeded the regional PMI average of 50.7.

Thailand had the second-highest PMI reading with 51.1, followed by Indonesia with 50.3. On the other hand, Malaysia (47.9), Vietnam (47.4) and Myanmar (44.6) all saw a contraction in November.

"Growth across the ASEAN manufacturing sector slowed again during November, with the latest PMI data signaling only a mild improvement in operating conditions. The slowdown reflected softer growth in output, while factory orders declined for the first time in 14 months," S&P Global said.

JOBS DROP

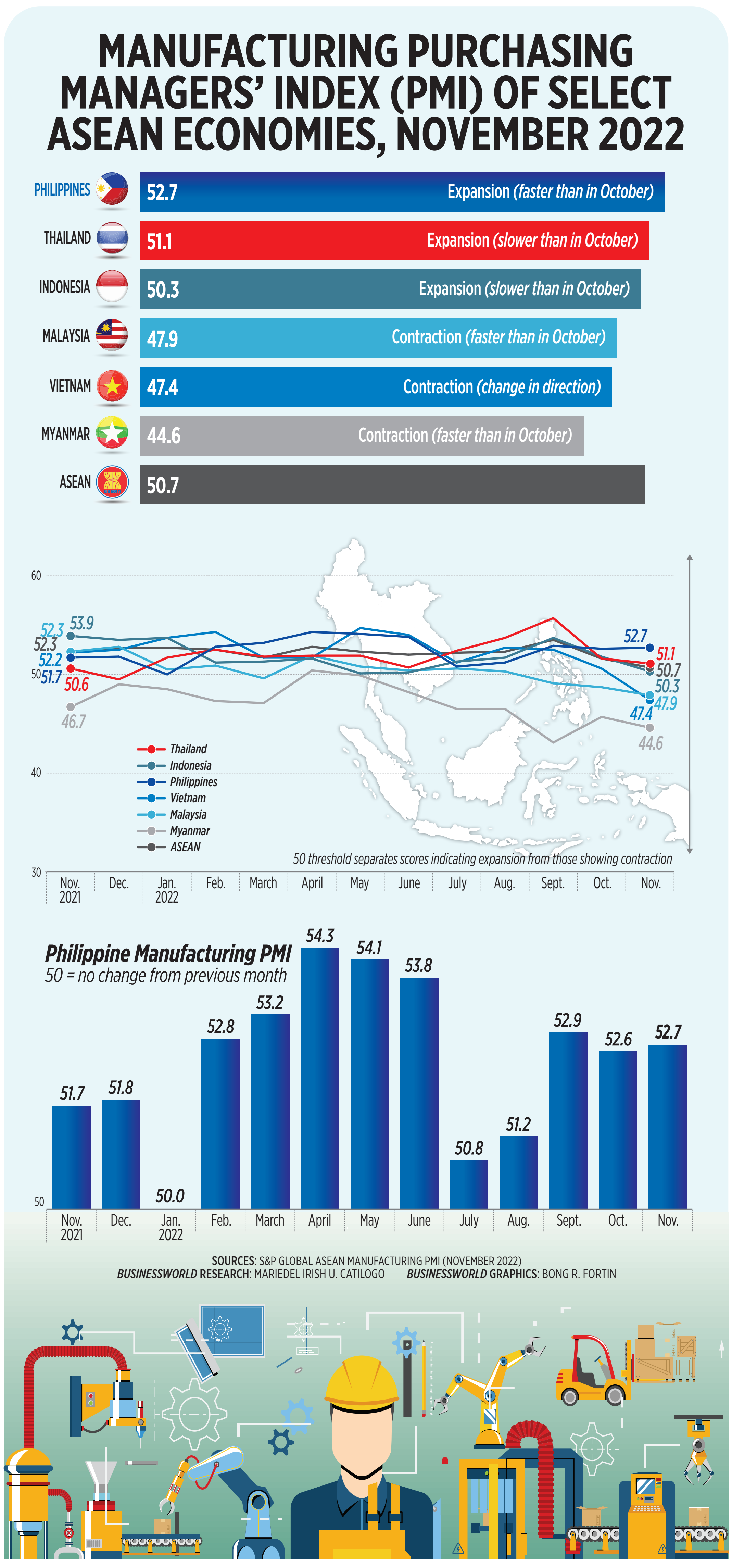
S&P Global said the latest data signaled a sustained improvement in operating conditions in the Philippine manufacturing sector.

"Growth stemmed from greater demand which resulted in quicker expansions in production levels and factory orders. Buying activity also increased at a faster pace during November," it added, noting that manufacturing output and factory orders grew for the third consecutive month.

However, the seasonally adjusted employment index fell below the 50 neutral mark, indicating a drop in employment numbers for the first time since March.

"Firms also recorded a reduction in staffing numbers during the latest survey period, thereby ending the run of job creation that began in May. Resignations among employees was commonly cited as a reason for the fall in workforce numbers," S&P Global said.

Factory, S1/4



WB sees slower growth in PHL remittances in 2023

By Keisha B. Ta-asan
Reporter

REMITTANCE INFLOWS to the Philippines are expected to rise by 3.6% this year, the World Bank (WB) said, but it sees growth slowing in 2023 as a looming global economic slowdown is likely to weigh on overseas Filipino workers' (OFWs) ability to send more money home.

On the other hand, Bangko Sentral ng Pilipinas Governor Felipe M. Medalla said he expects OFW remittances "to be 4% to 5% higher (in 2022) than last year."

In the latest World Bank Migration and Development Brief, the multilateral lender said remittance inflows to the Philippines are estimated to go up 3.6% to $38 billion this year.

The World Bank and BSP's remittance growth forecasts are slower than the 5.1% annual expansion seen in 2021.

"(Remittance growth) reflected benefits of bilateral arrangements that the Filipino government forged recently with destination governments (including Saudi Arabia) to improve the treatment of Filipino workers," the World Bank said.

The Philippines lifted the ban on the deployment of OFWs to Saudi Arabia in November. The ban was imposed in 2021 due to reports of alleged maltreatment of OFWs by Saudi employers.

The World Bank also said demand for skilled Filipino workers in the health and hospitality sectors also drove remittances higher.

"With nearly 40-60% of their emigrants employed in the United States and the United Kingdom, the Philippines and Vietnam benefited from the wage hikes and labor shortages in these countries, even as the pandemic-related stimulus subsidies were phased out and record-high inflation eroded their remitting ability," it said.

According to the World Bank, remittances to low- and middle-income countries jumped by an estimated 5% to $626 billion this year, slower than the 10.2% increase in 2021.

This year, the Philippines is expected to be the fourth-biggest recipient of remittances, after India ($100 billion), Mexico ($60 billion) and China ($51 billion).

India is the first country on track to receive more than $100 billion in annual remittances, the World Bank said.

Remittances, S1/4

Foreign chambers targeting $128-billion investments by 2030

By Revin Mikhael D. Ochave
Reporter

THE JOINT Foreign Chambers of the Philippines (JFC) is now targeting to generate $128 billion in foreign direct investments (FDIs) in the Philippines by 2030.

"We set the target to $50 billion (in 2020) and now it's at $78 billion. So we have raised it. Make it a total of $128 billion (target) by the end of 2030," Ebb Hinchliffe, American Chamber of Commerce of the Philippines (AmCham) executive director, said during a press conference in Makati City on Thursday.

According to Mr. Hinchliffe, the JFC is banking on more investments in renewable energy, agriculture, and manufacturing to reach its 2030 target.

He said the target will be achievable especially with the passage of laws amending the Public Service Act (PSA), Retail Trade Liberalization Act (RTLA), and Foreign Investment Act (FIA).

The law amending the PSA effectively allows foreigners to fully own public services such as railways, telecommunications, shipping, air carriers and subways.

"Energy will be a big part. I know there is a lot of interest on the energy side especially as we shift away from coal to renewable energy. I think the recently issued implementing rules and regulations (IRR) on renewable energy (RE) is bigger than the PSA," Mr. Hinchliffe said.

The Department of Energy (DoE) last month issued a circular amending the IRR of the Renewable Energy Act of 2008 to allow 100% foreign capital in RE projects. Section 19 of the IRR had previously limited foreign ownership of RE projects to 40%.

The DoE earlier said the circular now paves the way for foreign nationals and foreign-owned entities to explore, develop and use RE resources in the country such as solar, wind, biomass, ocean or tidal energy.

"Manufacturing is coming. I think there will be more investments in the semiconductor and electronics field. We've learned our lesson on chips. Agriculture is a tremendous opportunity especially on technology and software to help farmers increase productivity. Infrastructure also. We have a lot of infrastructure projects being done," Mr. Hinchliffe said.

In terms of projected job generation from these new investments, Mr. Hinchliffe said that it may vary depending on the sector.

"I think it's just about the same ratio. It depends on the sectors. We saw a lot of foreign investment into the business process outsourcing (BPO) industry. And what we need now is an investment into the manufacturing sectors," Mr. Hinchliffe said.

Investments, S1/4

Gov't urged to extend devolution transition for LGUs

LOCAL GOVERNMENT units (LGUs) should be given more time for the smooth transition of devolved functions from the National Government (NG) agencies, according to a report.

A Mandanas-Garcia Ruling Transition Report by the Department of the Interior and Local Government (DILG) and the United Nations Development Programme (UNDP) in the Philippines called the implementation of the transition program from 2022-2024 "highly ambitious."

"The implementation of this transition in the midst of the COVID-19 (coronavirus disease 2019) pandemic greatly amplifies the risks of failure and unintended consequences of the move," the report said.

"In the given context, a more incremental approach towards full decentralization, such as by expanding the three-year transition to a six-year span to coincide with a full presidential term," it said, noting that the current period is aligned with the term of local officials elected in 2022.

Extending the timeline for the transition would also mean a more gradual transfer of programs from NG agencies to LGUs within that period.

"A longer and more phased transition will also allow the both national and local government agencies to build/transfer the necessary capacity to ensure the continuity of performance in service-delivery responsibilities, as well as to course-correct for unintended consequences," the report said.

Devolution, S1/4