

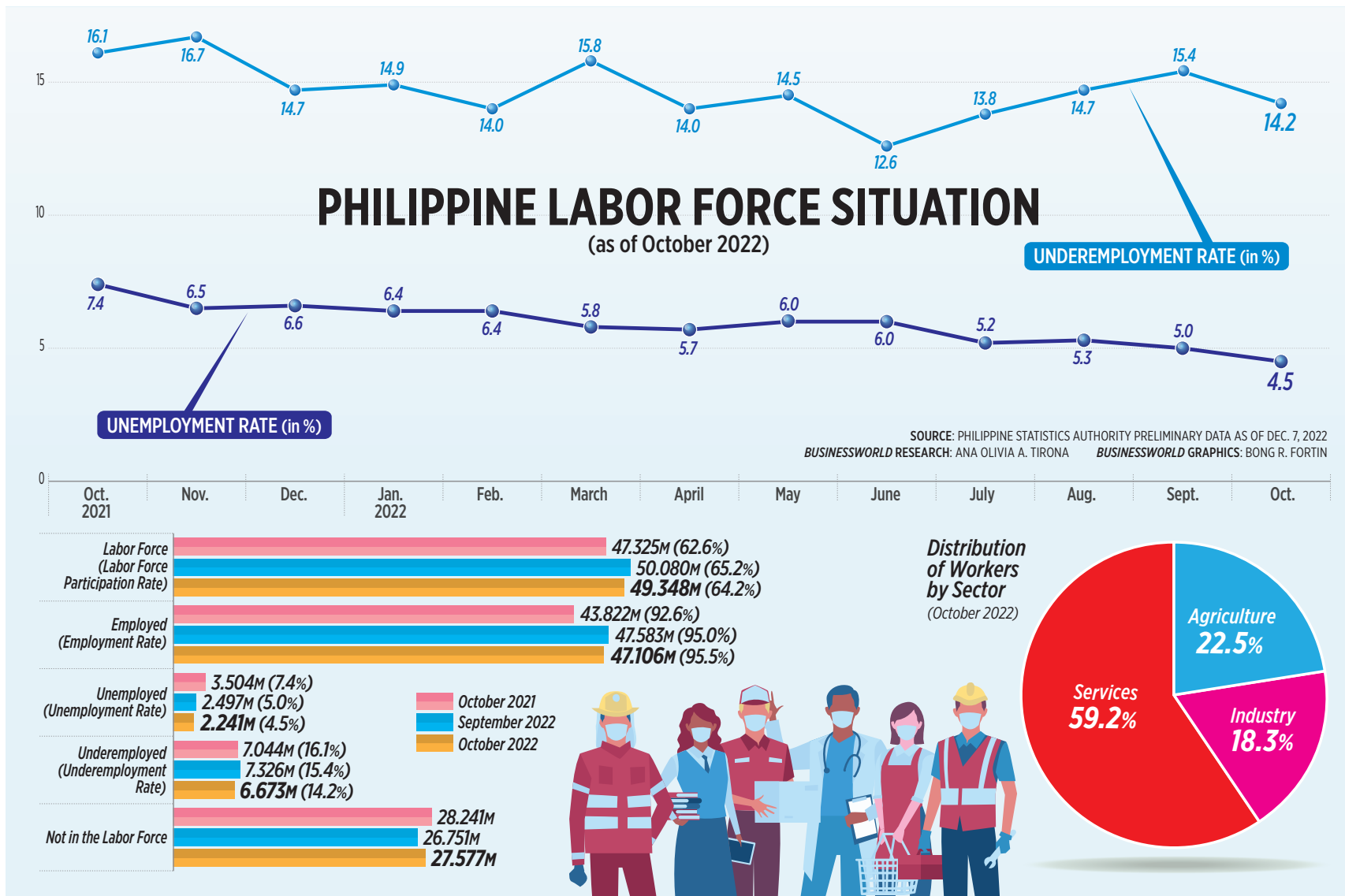
STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																					
PSEi OPEN: 6,662.75 HIGH: 6,662.75 LOW: 6,525.16 CLOSE: 6,525.16 VOL.: 0.499 B VAL(P): 6.046 B 149.22 PTS. 2.23% 30 DAYS TO DECEMBER 7, 2022	DECEMBER 7, 2022 <table border="1"> <thead> <tr><th>CLOSE</th><th>NET</th><th>%</th></tr> </thead> <tbody> <tr><td>JAPAN (NIKKEI 225)</td><td>27,686.40</td><td>-199.47 -0.72</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>18,814.82</td><td>-626.36 -3.22</td></tr> <tr><td>TAIWAN (WEIGHTED)</td><td>14,630.01</td><td>-98.87 -0.67</td></tr> <tr><td>THAILAND (SET INDEX)</td><td>1,622.67</td><td>-10.30 -0.63</td></tr> <tr><td>S. KOREA (KSE COMPOSITE)</td><td>2,382.81</td><td>-10.35 -0.43</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,233.32</td><td>-19.05 -0.59</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>7,229.40</td><td>-61.90 -0.85</td></tr> <tr><td>MALAYSIA (KLSE COMPOSITE)</td><td>1,466.88</td><td>-4.67 -0.32</td></tr> </tbody> </table>	CLOSE	NET	%	JAPAN (NIKKEI 225)	27,686.40	-199.47 -0.72	HONG KONG (HANG SENG)	18,814.82	-626.36 -3.22	TAIWAN (WEIGHTED)	14,630.01	-98.87 -0.67	THAILAND (SET INDEX)	1,622.67	-10.30 -0.63	S. KOREA (KSE COMPOSITE)	2,382.81	-10.35 -0.43	SINGAPORE (STRAITS TIMES)	3,233.32	-19.05 -0.59	SYDNEY (ALL ORDINARIES)	7,229.40	-61.90 -0.85	MALAYSIA (KLSE COMPOSITE)	1,466.88	-4.67 -0.32	DECEMBER 6, 2022 <table border="1"> <thead> <tr><th>CLOSE</th><th>NET</th></tr> </thead> <tbody> <tr><td>Dow Jones</td><td>33,596.340 ▼ -350.760</td></tr> <tr><td>NASDAQ</td><td>11,014.890 ▼ -225.047</td></tr> <tr><td>S&P 500</td><td>3,941.260 ▼ -57.580</td></tr> <tr><td>FTSE 100</td><td>7,521.390 ▼ -46.150</td></tr> <tr><td>Euro Stoxx50</td><td>3,777.190 ▼ -16.280</td></tr> </tbody> </table>	CLOSE	NET	Dow Jones	33,596.340 ▼ -350.760	NASDAQ	11,014.890 ▼ -225.047	S&P 500	3,941.260 ▼ -57.580	FTSE 100	7,521.390 ▼ -46.150	Euro Stoxx50	3,777.190 ▼ -16.280	FX OPEN P55.850 HIGH P55.450 LOW P55.850 CLOSE P55.450 W.AVE. P55.611 VOL. \$1,158.50 M SOURCE : BAP 55.40 56.25 57.10 57.95 58.80 59.65 52.50 CYS 30 DAYS TO DECEMBER 7, 2022	DECEMBER 7, 2022 <table border="1"> <thead> <tr><th>LATEST BID (0900GMT)</th><th>PREVIOUS</th></tr> </thead> <tbody> <tr><td>JAPAN (YEN)</td><td>137.550 ▼ 136.710</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.793 ▼ 7.779</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>30.638 ▼ 30.634</td></tr> <tr><td>THAILAND (BAHT)</td><td>35.090 ▼ 35.100</td></tr> <tr><td>S. KOREA (WON)</td><td>1,320.910 ▼ 1,320.460</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.359 ▼ 1.357</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>15,635 ▼ 15,615</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.395 ▼ 4.391</td></tr> </tbody> </table>	LATEST BID (0900GMT)	PREVIOUS	JAPAN (YEN)	137.550 ▼ 136.710	HONG KONG (HK DOLLAR)	7.793 ▼ 7.779	TAIWAN (NT DOLLAR)	30.638 ▼ 30.634	THAILAND (BAHT)	35.090 ▼ 35.100	S. KOREA (WON)	1,320.910 ▼ 1,320.460	SINGAPORE (DOLLAR)	1.359 ▼ 1.357	INDONESIA (RUPIAH)	15,635 ▼ 15,615	MALAYSIA (RINGGIT)	4.395 ▼ 4.391	DECEMBER 7, 2022 <table border="1"> <thead> <tr><th>CLOSE</th><th>PREVIOUS</th></tr> </thead> <tbody> <tr><td>US\$/UK POUND</td><td>1.2143 ▼ 1.2174</td></tr> <tr><td>US\$/EURO</td><td>1.0479 ▼ 1.0486</td></tr> <tr><td>\$/AUST DOLLAR</td><td>0.6686 ▼ 0.6719</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.3678 ▼ 1.3601</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.9425 ▼ 0.9428</td></tr> </tbody> </table>	CLOSE	PREVIOUS	US\$/UK POUND	1.2143 ▼ 1.2174	US\$/EURO	1.0479 ▼ 1.0486	\$/AUST DOLLAR	0.6686 ▼ 0.6719	CANADA DOLLAR/US\$	1.3678 ▼ 1.3601	SWISS FRANC/US\$	0.9425 ▼ 0.9428	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$77.95/BBL 98.00 90.30 84.00 78.90 73.20 67.90 \$2.85 30 DAYS TO DECEMBER 6, 2022
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VOL. XXXVI • ISSUE 97 THURSDAY • DECEMBER 8, 2022 • www.bworldonline.com S1/1-10 • 2 SECTIONS, 14 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • DECEMBER 7, 2022 (PSEi snapshot on S1/3; article on S2/2)

ICT	P190.000	URC	P134.400	BDO	P129.000	TEL	P1,700.000	ALI	P29.000	GLO	P2,182.000	SMPH	P34.700	AC	P695.500	JFC	P237.000	SM	P910.000
Value	P552,415,118	Value	P475,363,127	Value	P459,022,245	Value	P321,621,155	Value	P277,730,320	Value	P276,601,520	Value	P275,520,680	Value	P254,415,715	Value	P206,075,944	Value	P205,189,465
P1.600	▲ 0.849%	-P3.600	▼ -2.609%	-P2.600	▼ -1.976%	P31.000	▲ 1.857%	-P0.900	▼ -3.010%	-P20.000	▼ -0.908%	-P1.700	▼ -4.670%	-P16.500	▼ -2.317%	-P9.600	▼ -3.893%	-P33.000	▼ -3.499%

Jobless rate back to pre-pandemic level



THE UNEMPLOYMENT RATE eased to 4.5% in October, returning to the record-low level last seen in October 2019 before the coronavirus pandemic hit, the Philippine Statistics Authority (PSA) said.

Preliminary results from the PSA's Labor Force Survey (LFS) showed the unemployment rate stood at 4.5% in October, lower than the 5% in September and 7.4% a year earlier.

"So we are back to the 2019 level. The last time that we experienced this was in October 2019 wherein we had an unemployment rate of 4.5% also," PSA Undersecretary and National Statistician Claire Dennis S. Mapa said during a press briefing on Wednesday.

The PSA said this translated to 2.241 million unemployed Filipinos in October, lower than the 2.497 million in September and the 3.504 million in the same month last year. This was also the lowest number of jobless Filipinos since October 2019.

For the first 10 months of the year, the unemployment rate averaged 5.6%, lower compared with the 7.8% average in 2021.

"The country's sustained recovery of the labor market backs our confidence that our policies and interventions to reinvigorate our economy are working," Socioeconomic Planning Secretary Arsenio M. Balisacan said in a statement.

Meanwhile, the job quality continued to improve in October as the underemployment rate eased to 14.2% from 15.4% in September, and 16.1% a year ago.

The October underemployment rate, or the rate of employed Filipinos looking for more work, was the slowest since the 13.8% posted in July.

For the January-to-October period, the underemployment rate averaged 14.4%, down from the 16% last year.

Jobless, S1/9

Factory output rises for 5th month in a row

MANUFACTURING rose for a fifth straight month in October, reflecting the continued reopening of the Philippine economy, analysts said.

Preliminary results of the Philippine Statistics Authority's (PSA) Monthly Integrated Survey of Selected Industries (MISSI) on Wednesday showed the volume of production index (VoPI) went up by 5.1% year on year in October, from the revised 4.1% in September. It was the sector's fifth consecutive month of growth after the 0.5% decline in May.

However, the October growth was slower than the 27% expansion seen in October 2021.

In the 10 months to October, factory output averaged 17.4%.

"This yearly increase is consistent with the reopening theme and the continued return of the economy to pre-pandemic levels," Ruben Carlo O. Asuncion, chief economist at UnionBank of the Philippines in Manila said in an e-mail interview.

He noted the double-digit growth seen in October 2021 may have been due to base effects.

"The most recent MISSI data point to demand recovery so far outweighing headwinds from higher prices, cost of borrowing, and weaker external demand. This is consistent with the last GDP (gross domestic product) figure, which surprised on the upside," China Banking Corp. Chief Economist Domini S. Velasquez said in a Viber message.

The economy expanded by 7.6% in the third quarter, bringing the nine-month average to 7.7%.

According to the statistics agency, 14 out of 22 industry divisions

contributed to the growth, led by manufacturing of machinery and equipment (except electrical) with 81.8% in October, slower than September's 88.9% but faster than the 25.7% a year ago.

Manufacturing of beverages expanded by 61.7% in October, a turnaround from the 6.4% contraction in September. Manufacturing of chemical and chemical products grew by 39.5% in October, slowing from 74.6% in the prior month, while fabricated metal products (except machinery and equipment) jumped by 35.7% from 23.7% in September.

"Industries that contributed to faster manufacturing output growth are related to the reopening of the economy. These are food and beverages, accommodations and transportation, construction-related, and other discretionary products," Mr. Asuncion said.

Electrical equipment manufacturing declined 56.9% in October, worsening from -55% in September, a reversal from the 42.3% growth in October 2021.

Other industries that contracted in October included manufacturing of basic metals (-23.4%), furniture (-21.6%), and printing and reproduction of recorded media (-17.3%).

IHS Markit's Philippines Manufacturing Purchasing Managers' Index (PMI) expanded at a slower pace in October, with a 52.6 reading in October from 52.9 in September. A reading above 50 marks improvement for the manufacturing sector while anything below indicates deterioration.

Factory, S1/9

NG debt hits record P13.6 trillion as of end-Oct.

THE NATIONAL GOVERNMENT'S (NG) outstanding debt hit a record high of P13.64 trillion as of end-October, driven by more domestic and foreign borrowings, the Bureau of the Treasury (BTr) said on Wednesday.

In a statement, the BTr said outstanding debt rose 0.9% or P123.92 billion from the end-September level mainly due to the net availment of local and external loans.

Debt stock increased 13.95% from P11.97 trillion a year ago.

The country's debt level jumped 16.31% from the P11.73 trillion seen at end-December 2021.

More than half or 68.58% of the total outstanding debt was from domestic sources, while the rest was from foreign creditors.

Domestic debt went up 10.47% to P9.36 trillion as of end-October from P8.47 trillion during the same period a year ago. Month on month, it inched

up by 0.59% from the P9.3 trillion in end-September.

"For October, the increment to domestic debt was primarily due to the net issuance of government securities amounting to P55.83 billion while local currency appreciation against the US dollar trimmed P1.25 billion," the BTr said.

Domestic debt increased since the beginning of the year due to the government's continued preference for domestic financing to mitigate foreign currency risk.

Meanwhile, external debt climbed 22.34% to P4.29 trillion as of end-October, from P3.5 trillion a year ago.

Month on month, it went up 1.64% from P4.22 trillion "due to the P118.71-billion net availment of foreign financing."

"This was partly offset by the favorable net impact of both local- and third-currency fluctuations against the US dollar amounting to P43.07 billion and P6.30 billion, respectively," the BTr said.

Broken down, external debt consisted of P1.87 trillion in loans and P2.42 trillion in global bonds.

Year to date, external debt rose 20.45% "primarily due to local- and third-currency fluctuations that increase the peso value of foreign denominated obligations."

The peso closed at P57.97 against the US dollar on Oct. 28, appreciating by 1.77% from its close of P59 on Oct. 3.

NG's overall guaranteed obligations declined by 2.69% month on month to P386.53 billion. Year on year, it also fell 9.36% from P426.46 billion.

"For October, the lower level of guaranteed debt was due to the net repayment of domestic guarantees amounting to P7.30 billion and the impact of currency fluctuation on both local- and third-currency denominated guarantees amounting to P2.20 billion and P1.79 billion, respectively. These were slightly tempered by the net issuance of external guarantees amounting to P0.60 billion," the BTr added.

Debt, S1/9

LGUs urged to prioritize agriculture spending

LOCAL GOVERNMENT UNITS (LGUs) are urged to spend more efficiently, particularly for agriculture, the World Bank said, adding this will help improve growth and productivity in the sector.

"It's about helping LGUs to spend effectively. If you look at farm-to-market roads, irrigation, research and development — those have been undervalued and that's where you need sufficient funding to raise productivity. Those areas could receive much more resources," World Bank Country Director for the Philippines Ndiame Diop said at a briefing on Wednesday.

World Bank Senior Agriculture Economist Anuja Kar said LGUs should prioritize agriculture spending.

"Agriculture has remained a very important source of livelihood in the country, especially during

the pandemic, where it absorbed the retrenched workers. It has a profound importance in livelihood, food security, and jobs," she said.

In 2021, the agriculture sector employed about 24% of the country's total workforce.

Ms. Kar noted that despite an increase in nominal terms, agriculture's share in the national budget has been steadily declining to 1.3% in 2019 from 2.6% in 2015.

The sector has put a lot of emphasis in "commodity-based banner programs" such as rice, which has not yielded the desired results, Ms. Kar said.

"Rice hasn't really picked up, overall, we are seeing the amount of spending going into the sector is not generating the result," she said.

According to the World Bank's Philippine Economic Update report, the effectiveness of the Mandanas-Garcia Ruling could

be transformational for local service delivery if managed properly.

"Though such devolution presents an opportunity to make agriculture service delivery more client-driven and accountable, there remain significant risks if it is not managed well," the World Bank said.

Ms. Kar said that the LGUs' allocation for agriculture is "mismatched."

"LGUs' spending allocation for agriculture is small relative to the Department of Agriculture. There has to be a clear prioritization of agriculture. The devolution transition plan can be a very effective tool in terms of correcting these discrepancies in the subnational level spending," Ms. Kar said.

The World Bank recommended that agricultural public expenditure policies should improve sectoral competitiveness and resilience to ensure food security; boost effec-

tiveness of the current spending; and address public expenditure issues related to devolution.

Ms. Kar said there should be a "greater balance in sectoral priority-setting and budget allocation to support agricultural diversification."

"It has to come out of the single commodity focus and look at a more holistic level," she said.

The government should also scale up climate smart policies and programs to foster increased resilience of the food system. "Agriculture has remained a victim of climate change but it can become a solution to climate change," Ms. Kar added.

In terms of devolution, the World Bank said that ensuring procedural improvements on government budgeting institutions will be critical. — **Luisa Maria Jacinta C. Jocsan**