

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																				
<b>PSEi</b> DECEMBER 20, 2022 OPEN: 6,412.42 HIGH: 6,458.12 LOW: 6,385.20 CLOSE: 6,458.12 VOL.: 0.509 B VAL(P): 5.576 B 43.85 PTS. 0.68% 30 DAYS TO DECEMBER 20, 2022	<b>ASIAN MARKETS</b> DECEMBER 20, 2022 <table border="1"> <tr><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (NIKKEI 225)</td><td>26,568.03</td><td>▼ -669.61 -2.46</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>19,094.80</td><td>▼ -258.01 -1.33</td></tr> <tr><td>TAIWAN (WEIGHTED)</td><td>14,170.03</td><td>▼ -263.29 -1.82</td></tr> <tr><td>THAILAND (SET INDEX)</td><td>1,601.65</td><td>▼ -16.55 -1.02</td></tr> <tr><td>S.KOREA (KSE COMPOSITE)</td><td>2,333.29</td><td>▼ -18.88 -0.80</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,253.68</td><td>▼ -2.93 -0.09</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>7,024.30</td><td>▼ -109.60 -1.54</td></tr> <tr><td>MALAYSIA (KLSE COMPOSITE)</td><td>1,467.32</td><td>▼ -9.77 -0.66</td></tr> </table>	CLOSE	NET	%	JAPAN (NIKKEI 225)	26,568.03	▼ -669.61 -2.46	HONG KONG (HANG SENG)	19,094.80	▼ -258.01 -1.33	TAIWAN (WEIGHTED)	14,170.03	▼ -263.29 -1.82	THAILAND (SET INDEX)	1,601.65	▼ -16.55 -1.02	S.KOREA (KSE COMPOSITE)	2,333.29	▼ -18.88 -0.80	SINGAPORE (STRAITS TIMES)	3,253.68	▼ -2.93 -0.09	SYDNEY (ALL ORDINARIES)	7,024.30	▼ -109.60 -1.54	MALAYSIA (KLSE COMPOSITE)	1,467.32	▼ -9.77 -0.66	<b>WORLD MARKETS</b> DECEMBER 19, 2022 <table border="1"> <tr><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>32,757,540 ▼ -162,920</td></tr> <tr><td>NASDAQ</td><td>10,546,032 ▼ -159,382</td></tr> <tr><td>S&amp;P 500</td><td>3,817,660 ▼ -34,700</td></tr> <tr><td>FTSE 100</td><td>7,361,310 ▼ 29,190</td></tr> <tr><td>Euro Stoxx50</td><td>3,669,550 ▲ 12,110</td></tr> </table>	CLOSE	NET	Dow Jones	32,757,540 ▼ -162,920	NASDAQ	10,546,032 ▼ -159,382	S&P 500	3,817,660 ▼ -34,700	FTSE 100	7,361,310 ▼ 29,190	Euro Stoxx50	3,669,550 ▲ 12,110	<b>PESO-DOLLAR RATES</b> DECEMBER 20, 2022 OPEN P55.400 HIGH P55.230 LOW P55.450 CLOSE P55.240 W.AVE. P55.333 VOL. \$940.55 M SOURCE: BAP	<b>ASIAN MONIES-US\$ RATE</b> DECEMBER 20, 2022 LATEST BID (0900GMT) <table border="1"> <tr><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>132.030 ▲ 136.010</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.785 ▲ 7.781</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>30.632 ▲ 30.703</td></tr> <tr><td>THAILAND (BAHT)</td><td>34.750 ▲ 34.800</td></tr> <tr><td>S. KOREA (WON)</td><td>1,281.440 ▲ 1,299.650</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.350 ▲ 1.354</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>15,600 ▲ 15,595</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.430 ▲ 4.422</td></tr> </table>	PREVIOUS	JAPAN (YEN)	132.030 ▲ 136.010	HONG KONG (HK DOLLAR)	7.785 ▲ 7.781	TAIWAN (NT DOLLAR)	30.632 ▲ 30.703	THAILAND (BAHT)	34.750 ▲ 34.800	S. KOREA (WON)	1,281.440 ▲ 1,299.650	SINGAPORE (DOLLAR)	1.350 ▲ 1.354	INDONESIA (RUPIAH)	15,600 ▲ 15,595	MALAYSIA (RINGGIT)	4.430 ▲ 4.422	<b>WORLD CURRENCIES</b> DECEMBER 20, 2022 <table border="1"> <tr><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.2154 ▼ 1.2225</td></tr> <tr><td>US\$/EURO</td><td>1.0632 ▼ 1.0645</td></tr> <tr><td>\$/AUSTRALIAN DOLLAR</td><td>0.6691 ▼ 0.6724</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.3624 ▼ 1.3638</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.9248 ▼ 0.9291</td></tr> </table>	CLOSE	PREVIOUS	US\$/UK POUND	1.2154 ▼ 1.2225	US\$/EURO	1.0632 ▼ 1.0645	\$/AUSTRALIAN DOLLAR	0.6691 ▼ 0.6724	CANADA DOLLAR/US\$	1.3624 ▼ 1.3638	SWISS FRANC/US\$	0.9248 ▼ 0.9291	<b>DUBAI CRUDE OIL</b> FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$75.35/BBL 30 DAYS TO DECEMBER 19, 2022
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S1/1-12 • 2 SECTIONS, 16 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • DECEMBER 20, 2022 (PSEi snapshot on S1/2; article on S2/2)

TEL	P1,190,000	AC	P702,500	ICT	P204,000	GTAP	P400,000	ALI	P29,900	SM	P34,200	GLO	P2,180,000	JFC	P230,800	SM	P905,000	BDO	P107,400	
Value	P1,217,954,145	Value	P322,523,615	Value	P272,064,994	Value	P257,612,866	Value	P227,534,205	Value	P200,753,160	Value	P195,679,450	Value	P158,940,634	Value	P142,029,715	Value	P137,062,252	
	▼ -P2,000	▼ -0.168%	▲ P3,500	▲ 0.501%	▲ P8,000	▲ 4.082%	▲ P10,000	▲ 2.564%	▲ P0.500	▲ 1.701%	▲ P0.150	▲ 0.441%	▲ P30,000	▲ 1.395%	▼ -P4,200	▼ -1.787%	▼ -P3,500	▼ -0.385%	▼ -P0,400	▼ -0.371%

# BSP signals more tightening in 2023

By Keisha B. Ta-asan  
Reporter

THE BANGKO SENTRAL ng Pilipinas (BSP) signaled further tightening in 2023, as it aims to bring inflation to near 3% by the third quarter.

“Our goal is to have inflation between 2-4%, preferably closer to 3% than to 4% by the third quarter of next year, and then the fourth quarter until 2024 will also be like that. That’s our goal,” BSP Governor Felipe M. Medalla told reporters on Tuesday.

Inflation at the national level accelerated to a 14-year high of 8% in November, bringing the full-year average to 5.6%. This is lower than the BSP’s 5.8% full-year forecast but well above its 2-4% target.

Mr. Medalla earlier said there may be rate hikes in the Monetary Board’s (MB) first two meetings in 2023. The schedule of the MB meetings for 2023 have yet to be released.

Asked if the MB will continue to raise interest rates next year, Mr. Medalla said a pause in the tightening cycle is unlikely after its first two meetings next year.

“I would say we’re data dependent, but clearly...one cannot rule out that after two meetings next year, there’d be no more rate hikes. But given the nature of surprises, one can never say never,” he said in a mix of Tagalog and English.

Tightening, S1/9

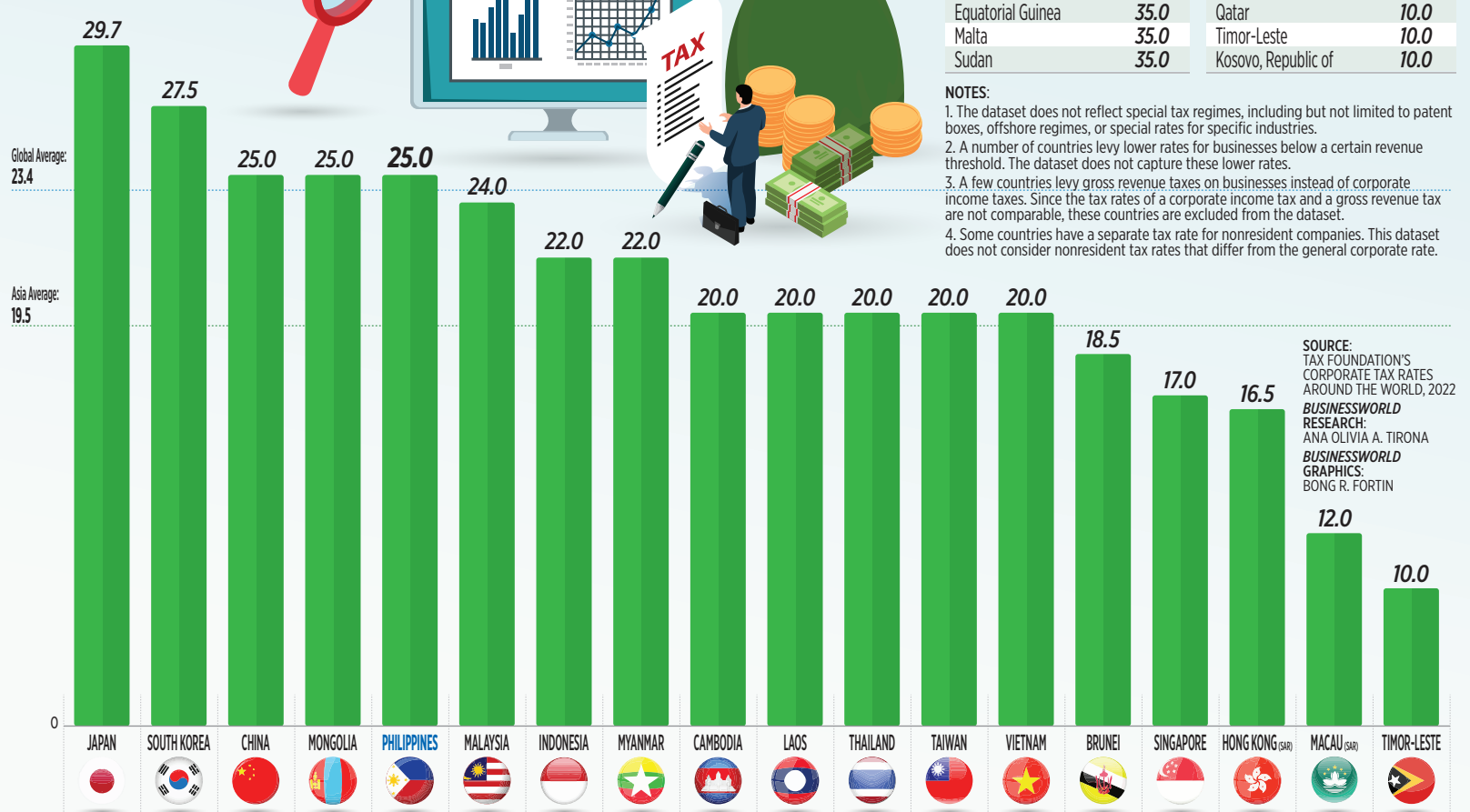
## PHL Corporate Income Taxes Through the Years

1980	35.0
1981	35.0
1982	35.0
1983	35.0
1984	35.0
1985	35.0
1986	35.0
1987	35.0
1988	35.0
1989	35.0
1990	35.0
1991	35.0
1992	35.0
1993	35.0
1994	35.0
1995	35.0
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2010	30.0
2011	30.0
2012	30.0
2013	30.0
2014	30.0
2015	30.0
2016	30.0
2017	30.0
2018	30.0
2019	30.0
2020	30.0
2021	25.0
2022	25.0

## HOW THE PHILIPPINES’ CORPORATE INCOME TAX COMPARES WITH THE REST OF THE WORLD

In a dataset compiled by nonprofit tax policy group the Tax Foundation, the Philippines’ corporate income tax was among the highest rates in the region, but has significantly decreased to 25% for the past two years. With data from as early as 1980, the country’s corporate tax rate decreased 10 percentage points from 35%. For about 12 years (2009 to 2020), the country’s statutory corporate income tax rate remained at 30%. The Philippines’ rate is also higher than the Asia region average of 19.52% and world average of 23.37%.

### Select East and Southeast Asia Countries Corporate Tax Rate (in %)



### 10 Highest

Country	Corporate Tax Rate (in %)
Comoros	50.0
Puerto Rico	37.5
Suriname	36.0
Argentina	35.0
Colombia	35.0
Cuba	35.0
Guinea	35.0
Equatorial Guinea	35.0
Malta	35.0
Sudan	35.0

### 10 Lowest

Country	Corporate Tax Rate (in %)
Barbados	5.5
Turkmenistan	8.0
Hungary	9.0
Bosnia and Herzegovina	10.0
Kyrgyzstan	10.0
The former Yugoslav Republic of Macedonia	10.0
Paraguay	10.0
Qatar	10.0
Timor-Leste	10.0
Kosovo, Republic of	10.0

NOTES:  
1. The dataset does not reflect special tax regimes, including but not limited to patent boxes, offshore regimes, or special rates for specific industries.  
2. A number of countries levy lower rates for businesses below a certain revenue threshold. The dataset does not capture these lower rates.  
3. A few countries levy gross revenue taxes on businesses instead of corporate income taxes. Since the tax rates of a corporate income tax and a gross revenue tax are not comparable, these countries are excluded from the dataset.  
4. Some countries have a separate tax rate for resident companies. This dataset does not consider nonresident tax rates that differ from the general corporate rate.

SOURCE: TAX FOUNDATION'S CORPORATE TAX RATES AROUND THE WORLD, 2022  
BUSINESSWORLD RESEARCH: ANA OLIVIA A. TIRONA  
BUSINESSWORLD GRAPHICS: BONG R. FORTIN

## BoP records \$756-million deficit in November

THE PHILIPPINES posted a balance of payments (BoP) deficit in November, as more dollars flowed out of the country to pay for the government’s foreign debt and the trade deficit continued to widen.

Data released by the Bangko Sentral ng Pilipinas (BSP) late on Monday showed the BoP — the summary of the country’s economic transactions with the rest of the world within a given period — stood at a \$756-million deficit last month. This was wider

than the \$123-million gap a year ago, and the biggest since the \$2.34-billion gap in September.

“The BoP deficit in November 2022 reflected outflows arising mainly from the National Government’s payments of its foreign currency debt obligations and the BSP’s net foreign exchange operations,” the central bank said in a statement.

However, the November deficit was a reversal of the \$711-million surplus in October that was largely brought about by the Mar-

cos administration’s first bond issuance which raised \$2 billion.

“BoP swung back to deficit with the National Government servicing foreign debt obligation all while the peso was starting to recover from its weakest levels,” Security Bank Corp. Chief Economist Robert Dan J. Roces said in a Viber message.

The peso rebounded to the P56-a-dollar mark in November, closing the month at P56.56 on Nov. 29, up by P1.41 or 2.5% from its P57.97 finish on Oct. 28.

In the 11-month period, the BoP posted a \$7.9-billion deficit, a turnaround from the \$353-million surfeit in the same 11 months of 2021.

“Based on preliminary data, this cumulative BoP deficit was due to the widening trade in goods deficit as goods imports continued to surpass goods exports on the back of the increase in international commodity prices and resumption in domestic economic activities,” the BSP said.

BoP, S1/5

## Corporations face higher fines for failure to disclose beneficial ownership

CORPORATIONS that do not disclose their beneficial owners will have to pay higher penalties, as well as face nonfinancial penalties, starting next year.

The Securities and Exchange Commission (SEC) issued Memorandum Circular No. 10, which increased the penalties on corporations that fail to disclose their beneficial ownership without any lawful cause. The circular will take effect on Jan. 1.

“It has been observed that despite the promulgation of the 2019 revision on the GIS (general information sheet) to include beneficial ownership information, a significant number of corporations have yet to declare their beneficial owners with the Commission,” the regulator said.

Aside from higher fines, the SEC said additional non-financial sanctions should be imposed on corporations “to make them proportional, effective, and dissuasive for non-compliance.”

This is in line with the recommendation of the Financial Action Task Force (FATF), which placed the Philippines in its “gray list” of jurisdictions subjected to increased monitoring for “dirty money”

risks. It has been on the list since June 2021.

Under the circular, stock corporations with retained earnings of less than P500,000 will face fines ranging from P50,000 for the first violation to P500,000 for the fourth and subsequent violations. This is significantly higher than the previous penalties ranging from P10,000 to P100,000.

Nonstock corporations which have a fund balance of less than P500,000 will now pay a fine of P25,000 for the first violation, from P5,000 previously. The penalty will rise to P250,000 for the fourth and subsequent violations, from P50,000 previously.

Meanwhile, the SEC retained the fines for stock and nonstock corporations which have a retained earnings or fund balance of P500,000 up to P10 million. These corporations may pay up to four times the penalties imposed on those with retained earnings of less than P500,000.

The SEC will slap an additional fine of P1,000 on the corporation for each day of delay in the submission of the beneficial ownership information as a continuing violation. However, this may not exceed P2 million.

Corporations, S1/9

## PEZA-approved investment pledges surge this year

INVESTMENT pledges approved by the Philippine Economic Zone Authority (PEZA) more than doubled this year, thanks to several big-ticket projects.

The PEZA in a statement said it approved 198 projects that are expected to generate P140.7 billion this year, 103% higher than the P69.3 billion in 2021.

With this, the investment promotion agency surpassed its 6.7% growth target for 2022.

“Despite the 29.85% decline in the first semester of the year 2022 compared to the first semester of 2021, we never lost hope that we will recover,” PEZA Officer-in-Charge Tereso O. Panga said.

“With the big-ticket investments that were prequalified by the Board for endorsement to the FIRB (Fiscal Incentives Review Board), we were able to record a positive increase in investments in 2022.”

The PEZA said investment approvals this year were the highest in four years or since the P140.2 billion recorded in 2018.

“At the rate we are going now, PEZA has achieved this year the level of annual investments approved in 2018. That means that the country’s ecozones and high-performance investments are back to the pre-pandemic, even surpassing the 2018 level,” Mr. Panga said.

The higher investments also reflect the improvement in the

economic and political climate, he added.

At its Dec. 13 meeting, the PEZA Board approved 13 new and expansion projects worth P83.651 billion.

Three of these projects are by ecozone developers while 10 are by ecozone locators such as export manufacturing and information technology service enterprises.

According to PEZA, these projects will be located in Taguig City, Pangasinan, Cavite, Batangas, Laguna, Cebu, and Negros Occidental.

The investments mainly came from Japan, Singapore, the Netherlands, the United Kingdom, the United States, India, South Korea,

the Republic of China, the British Virgin Islands, and Taiwan.

Philippine Chamber of Commerce and Industry President George T. Barcelon is hopeful the country will continue to attract more foreign investments next year.

“I think with all the efforts that the government has put in — I see that President Ferdinand R. Marcos, Jr. has been active in promoting the country for investment — so I would like to think that it will continue next year,” he said in a phone interview.

However, Mr. Barcelon noted foreign investments may slow next year as the global economy faces a more challenging outlook.

PEZA, S1/5



HEALTH  
Keep the holiday peace,  
avoid intrusive questions S1/3

THE ECONOMY  
Fertilizer deal being negotiated  
with various governments S1/4

THE NATION  
US backs PHL Senate in China  
condemnation over sea row S1/10



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