

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																					
<b>PSEI</b> DECEMBER 13, 2022 OPEN: 6,611.16 HIGH: 6,631.66 LOW: 6,566.95 CLOSE: 6,582.38 VOL.: 0.705 B VAL(P): 5,422 B 2.82 pts. 0.04% 30 DAYS TO DECEMBER 13, 2022	<b>DECEMBER 13, 2022</b> <table border="1"> <tr><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (Nikkei 225)</td><td>27,954.85</td><td>▲ 112.52 0.40</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>19,596.20</td><td>▲ 132.57 0.68</td></tr> <tr><td>TAIWAN (WEIGHTED)</td><td>14,522.96</td><td>▲ -89.63 -0.61</td></tr> <tr><td>THAILAND (SET INDEX)</td><td>1,625.91</td><td>▲ 2.78 0.17</td></tr> <tr><td>S.KOREA (KSE COMPOSITE)</td><td>2,372.40</td><td>▲ -0.62 -0.03</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,271.28</td><td>▲ 31.62 0.98</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>7,203.30</td><td>▲ 22.50 0.31</td></tr> <tr><td>MALAYSIA (KLSE COMPOSITE)</td><td>1,470.12</td><td>▲ -4.26 -0.29</td></tr> </table>	CLOSE	NET	%	JAPAN (Nikkei 225)	27,954.85	▲ 112.52 0.40	HONG KONG (HANG SENG)	19,596.20	▲ 132.57 0.68	TAIWAN (WEIGHTED)	14,522.96	▲ -89.63 -0.61	THAILAND (SET INDEX)	1,625.91	▲ 2.78 0.17	S.KOREA (KSE COMPOSITE)	2,372.40	▲ -0.62 -0.03	SINGAPORE (STRAITS TIMES)	3,271.28	▲ 31.62 0.98	SYDNEY (ALL ORDINARIES)	7,203.30	▲ 22.50 0.31	MALAYSIA (KLSE COMPOSITE)	1,470.12	▲ -4.26 -0.29	<b>DECEMBER 12, 2022</b> <table border="1"> <tr><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>34,005.040 ▲ 528.580</td></tr> <tr><td>NASDAQ</td><td>11,143.738 ▲ 139.121</td></tr> <tr><td>S&amp;P 500</td><td>3,990.560 ▲ 56.180</td></tr> <tr><td>FTSE 100</td><td>7,445.970 ▼ -30.660</td></tr> <tr><td>Euro Stoxx50</td><td>3,760.530 ▼ -18.910</td></tr> </table>	CLOSE	NET	Dow Jones	34,005.040 ▲ 528.580	NASDAQ	11,143.738 ▲ 139.121	S&P 500	3,990.560 ▲ 56.180	FTSE 100	7,445.970 ▼ -30.660	Euro Stoxx50	3,760.530 ▼ -18.910	<b>FX</b> DECEMBER 13, 2022 OPEN P55.640 HIGH P55.600 LOW P55.920 CLOSE P55.900 W.AVE. P55.815 VOL. \$1,123.70 M SOURCE : BAP 25.00 cts 30 DAYS TO DECEMBER 13, 2022	<b>DECEMBER 13, 2022</b> <table border="1"> <tr><th>LATEST BID (0900GMT)</th><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>137.660 ▼ 136.680</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.778 ▼ 7.769</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>30.696 ▼ 30.691</td></tr> <tr><td>THAILAND (BAHT)</td><td>34.790 ▼ 34.730</td></tr> <tr><td>S. KOREA (WON)</td><td>1,306.840 ▼ 1,305.140</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.355 ▼ 1.352</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>15,655 ▼ 15,625</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.426 ▼ 4.414</td></tr> </table>	LATEST BID (0900GMT)	PREVIOUS	JAPAN (YEN)	137.660 ▼ 136.680	HONG KONG (HK DOLLAR)	7.778 ▼ 7.769	TAIWAN (NT DOLLAR)	30.696 ▼ 30.691	THAILAND (BAHT)	34.790 ▼ 34.730	S. KOREA (WON)	1,306.840 ▼ 1,305.140	SINGAPORE (DOLLAR)	1.355 ▼ 1.352	INDONESIA (RUPIAH)	15,655 ▼ 15,625	MALAYSIA (RINGGIT)	4.426 ▼ 4.414	<b>DECEMBER 13, 2022</b> <table border="1"> <tr><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.2274 ▲ 1.2272</td></tr> <tr><td>US\$/EURO</td><td>1.0537 ▲ 1.0557</td></tr> <tr><td>\$/AUSTRALIAN DOLLAR</td><td>0.6764 ▼ 0.6791</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.3619 ▼ 1.3659</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.9368 ▲ 0.9328</td></tr> </table>	CLOSE	PREVIOUS	US\$/UK POUND	1.2274 ▲ 1.2272	US\$/EURO	1.0537 ▲ 1.0557	\$/AUSTRALIAN DOLLAR	0.6764 ▼ 0.6791	CANADA DOLLAR/US\$	1.3619 ▼ 1.3659	SWISS FRANC/US\$	0.9368 ▲ 0.9328	<b>DECEMBER 13, 2022</b> FUTURES PRICE ON NEAREST MONTH OF DELIVERY <b>\$71.81/BBL</b> 30 DAYS TO DECEMBER 12, 2022
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S1/1-12 • 2 SECTIONS, 16 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • DECEMBER 13, 2022 (PSEI snapshot on S1/2; article on S2/2)

BDO	P112.500	JFC	P235.000	MBT	P54.000	GTCAP	P419.000	ICT	P207.000	TEL	P1,659.000	SPNEC	P1.130	SMPH	P35.200	EMI	P20.400	CNVRG	P14.100
Value	P441,529,244	Value	P419,949,574	Value	P270,278,545	Value	P263,176,066	Value	P261,111,928	Value	P234,531,780	Value	P211,578,140	Value	P205,444,730	Value	P187,038,700	Value	P181,679,406
P1.800	▲ 1.626%	-P7.000	▼ -2.893%	-P1.000	▼ -1.818%	-P12.000	▼ -2.784%	P6.000	▲ 2.985%	-P9.000	▼ -0.540%	-P0.090	▼ -7.377%	P0.500	▲ 1.441%	P0.050	▲ 0.246%	-P1.100	▼ -7.237%

# Trade gap narrows to 17-month low

THE PHILIPPINES' trade deficit stood at \$3.31 billion in October, the narrowest gap in 17 months, as exports growth continued to outpace imports, the Philippine Statistics Authority (PSA) reported on Tuesday.

Preliminary data from the PSA showed the value of exports rose by 20% year on year to \$7.70 billion in October, the fastest pace in 17 months or the 30.8% in May 2021.

The October exports growth was also quicker than the 2% seen in the same month last year, and the revised 7.1% in September.

Imports, on the other hand, jumped by 7.5% to \$11 billion in October, ending 19 straight months of double-digit expansion.

This was the slowest imports growth in 21 months, or since the 11.8% decline

in January 2021. It was also weaker than the 22.8% expansion a year ago and the revised 14.4% seen in September.

This brought the trade-in-goods deficit — the difference between exports and imports — to \$3.31 billion in October, narrower than the \$3.82-billion shortfall a year ago and the revised \$4.84-billion gap in September.

Total trade — the sum of exports and imports — grew by 12.3% to \$18.70 billion, a tad slower than the 13.8% in October last year but faster than the revised 11.5% in September.

In the 10 months to October, exports grew by 6.3% year on year to \$66.01 billion. This is still above the revised 4% growth target set by the

Development Budget Coordination Committee (DBCC).

Year to date, imports climbed by 22.7% to \$115.99 billion, breaching the government's revised 20% target this year.

In the January-to-October period, the trade deficit widened to \$49.98 billion, from the \$32.40-billion gap a year ago.

*Trade gap, S1/10*

## Gov't losing P250B in revenues due to illicit trade

THE PHILIPPINE government is losing at least P250-billion revenues a year due to smuggling, according to a business group.

"Smuggling is creating unfair competition for locally produced goods because it erodes the local market of cheaper, no value-added tax or undervalued and substandard imported goods displacing the locally produced commodities," Fight IT (Illicit Trade) Chairman Jesus L. Arranza, who also chairs the Federation of Philippine Industries, said on Tuesday.

Citing a report from the Organisation for Economic Co-operation and Development (OECD), Mr. Arranza said revenues from global illicit trade combined are estimated at \$870 billion per year, representing 1.5% of the global gross domestic product.

Smuggling also leads to job displacement due to production downsizing, exposes consumers to health and physical risks, and deprives the government of revenues from uncollected taxes and customs duties, he added.

Mr. Arranza noted industries directly hit by smuggling include textile and garments, tires, steel, liquified petroleum gas tanks, coconut oil, sugar, and cigarette manufacturing.

He emphasized the impact of cigarette smuggling, where around 14% of cigarettes in the country are considered illicit.

"If we have a market of 60 billion sticks, around nine billion sticks are illicit," Mr. Arranza said.

The estimated revenue loss from excise tax alone amounts to around P24.7 billion, he added.

He said that most illicit cigarettes are shipped from Cambodia, Vietnam, and China, and enter through Sulu and Tawi-Tawi.

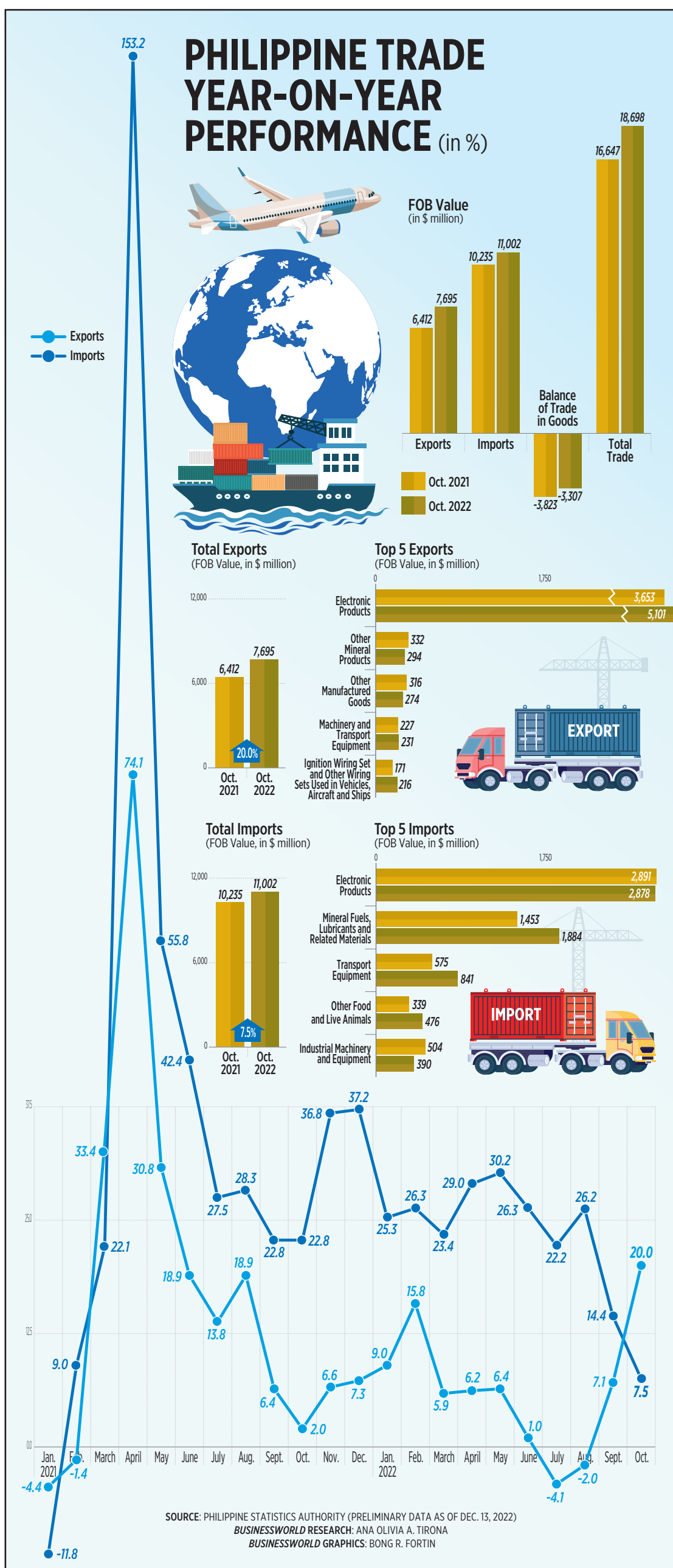
"In Mindanao, half of the stores sell illicit cigarettes, openly displayed. In Metro Manila, it's not so bad. Some provinces it's rampant like in Lanao del Norte," he said. "It's so enticing to bring in cigarettes, it doubles exponentially."

Mr. Arranza noted that raising sin taxes on cigarettes only encouraged more smuggling.

"The increased tax made the smuggling of cigarettes an even more lucrative business. It may worsen the country's problem on smuggling," he added.

The group cited the recently approved House Bill (HB) No. 3917 as a step in the right direction towards stopping illicit trade.

"The approval of HB No. 3917 is a welcome development in this time that the country is in much need of revenues due to a somewhat cash-strapped economy," Mr. Arranza said. — **L.M.J.C. Jocsos**



## PEZA says approved investments fell 11.5%

APPROVED INVESTMENTS by the Philippine Economic Zone Authority (PEZA) dropped 11.5% in the first 11 months of 2022, but its top official is still hoping to achieve its 6-7% growth target by year-end.

PEZA in a statement said it generated P57,048-billion investments from 181 projects for the January-to-November period. This is lower than the P64.463-billion investments from 229 projects approved a year ago.

The 181 projects approved so far this year are estimated to create 33,308 direct jobs.

PEZA Officer-in-Charge and Deputy Director-General for Policy and Planning Tereso O. Panga said the agency has been able to temper the decline in investments seen earlier this year.

"From a high of 29.85% decline in investments (January-to-June 2021 versus the same period in

2022) and 22.6% decline (January-September 2021 versus the same period in 2022), PEZA was able to narrow the gap to -11.5% this January-November 2022 versus the same period last year," Mr. Panga said.

"With two more board meetings scheduled this December, we are confident that we can achieve our target of 6-7% increase in 2022 approved investments versus 2021."

According to the PEZA, investments from Japan reached P17.755 billion in the 11-month period, accounting for 31.12% of the total investments.

Big-ticket projects approved by PEZA include those by Shinetsu Magnetics Philippines, Inc.; Cebu Mitsumi, Inc.; TDK Philippines Corp.; Tamiya (Philippines), Inc.; and Philippine International Manufacturing and Engineering Services Corp.

*PEZA, S1/10*

## Gov't struggles with property acquisition for Manila subway

By Arjay L. Balinbin  
Senior Reporter

CONSTRUCTION of the first phase of the Metro Manila subway is facing delays as the government continues to have difficulty in land acquisition, its project manager said.

"There are property owners who refuse to cooperate, but we are getting help from different agencies and local government units in order to proceed," Manila Subway Project Manager Mikaela Eloisa D. Mendoza told One New's Agenda on Monday.

Land expropriation is an option to expedite the process, she said.

Ms. Mendoza said there was no available land for the subway project, except for those initially identified government properties, such as Veterans Golf Course and Camp Aguinaldo in Quezon City and other properties in Taguig.

The Transportation department has already acquired 90% of the properties needed for the 30-hectare depot in Valenzuela City and some station areas under the first contract package of the subway project, she said.

Ms. Mendoza said the department still aims to complete the first phase of the country's first subway by 2028.

"We are incurring delays (in the project implementation) because of the pandemic aside from the right-of-way (ROW) acquisition. Now that the situation is going back to normal, the construction continues," she said in a mix of English and Filipino.

The P357-billion, 33-kilometer subway will run from Valenzuela City to Ninoy Aquino International Airport. It will have 17 hop-in and hop-out stations.

The subway's Ortigas and Shaw Boulevard stations recently broke ground.

Rene S. Santiago, former president of the Transportation Science Society of the Philippines, said the target completion date for the subway is unrealistic.

"The 2028 completion date is a long shot, after I read the news items about two awards for contract packages. One stated 67 months to complete, equal to 5.6 years or nearly end of 2028. That is only one work package involving two stations and the tunneling in between," he said in a phone message when sought for comment.

"The alleged ROW problem should not have happened if they optimized the use of TBMs (tunnel boring machines) and divided the contracts differently.

Use only four TBMs, and two separate tunneling contract packages; equal to less surface disruptions and speedier construction. Estimated time for tunneling is 4.5 years," he added.

Mr. Santiago said a more realistic completion date is by 2030.

Terry L. Ridon, a public investment analyst and convener of think tank InfraWatch PH, said that if the acquisition of private property gets caught up in a protracted legal battle, the 2028 completion may be unrealistic.

"For context, the acquisition of private property along the subway alignment covers the country's most exclusive villages and commercial properties. As such, we are expecting stiff opposition grinding through a prolonged expropriation process," he said in a phone message.

"However, this should have been considered by the previous administration when it proceeded with finalizing the current subway alignment."