

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																																																			
PSEi OPEN: 6,723.53 HIGH: 6,833.53 LOW: 6,723.53 CLOSE: 6,833.53 VOL.: 1.423 B VAL(P): 7,679 B 124.19 pts, 1.85% 30 DAYS TO JANUARY 12, 2023	JANUARY 12, 2023 <table border="1"> <tr><th></th><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (NIKKEI 225)</td><td>26,449.82</td><td>▲ 3.82</td><td>0.01</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>21,514.10</td><td>▲ 78.05</td><td>0.36</td></tr> <tr><td>TAIWAN (WEIGHTED)</td><td>14,731.64</td><td>▼ -19.80</td><td>-0.13</td></tr> <tr><td>THAILAND (SET INDEX)</td><td>1,686.26</td><td>▲ 0.51</td><td>0.03</td></tr> <tr><td>S.KOREA (KSE COMPOSITE)</td><td>2,365.10</td><td>▲ 5.57</td><td>0.24</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,263.92</td><td>▼ -7.59</td><td>-0.23</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>7,280.40</td><td>▲ 85.10</td><td>1.18</td></tr> <tr><td>MALAYSIA (KLSX COMPOSITE)</td><td>1,488.66</td><td>▲ 0.79</td><td>0.05</td></tr> </table>		CLOSE	NET	%	JAPAN (NIKKEI 225)	26,449.82	▲ 3.82	0.01	HONG KONG (HANG SENG)	21,514.10	▲ 78.05	0.36	TAIWAN (WEIGHTED)	14,731.64	▼ -19.80	-0.13	THAILAND (SET INDEX)	1,686.26	▲ 0.51	0.03	S.KOREA (KSE COMPOSITE)	2,365.10	▲ 5.57	0.24	SINGAPORE (STRAITS TIMES)	3,263.92	▼ -7.59	-0.23	SYDNEY (ALL ORDINARIES)	7,280.40	▲ 85.10	1.18	MALAYSIA (KLSX COMPOSITE)	1,488.66	▲ 0.79	0.05	JANUARY 11, 2023 <table border="1"> <tr><th></th><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>33,973.010</td><td>▲ 268.910</td></tr> <tr><td>NASDAQ</td><td>10,931.671</td><td>▲ 189.041</td></tr> <tr><td>S&P 500</td><td>3,969.610</td><td>▲ 50.360</td></tr> <tr><td>FTSE 100</td><td>7,724.980</td><td>▲ 30.490</td></tr> <tr><td>Euro Stoxx50</td><td>3,831.940</td><td>▲ 11.990</td></tr> </table>		CLOSE	NET	Dow Jones	33,973.010	▲ 268.910	NASDAQ	10,931.671	▲ 189.041	S&P 500	3,969.610	▲ 50.360	FTSE 100	7,724.980	▲ 30.490	Euro Stoxx50	3,831.940	▲ 11.990	FX OPEN P54.950 HIGH P54.950 LOW P55.420 CLOSE P55.290 W.AVE. P55.176 VOL. \$1,458.20 M SOURCE : BAP 49.00 CTS 30 DAYS TO JANUARY 12, 2023	JANUARY 12, 2023 <table border="1"> <tr><th></th><th>LATEST BID (0900GMT)</th><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>131.270</td><td>▲ 132.520</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.812</td><td>▲ 7.813</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>30.410</td><td>▲ 30.448</td></tr> <tr><td>THAILAND (BAHT)</td><td>33.340</td><td>▲ 33.330</td></tr> <tr><td>S. KOREA (WON)</td><td>1,244.560</td><td>▲ 1,246.440</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.329</td><td>▲ 1.331</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>15,336</td><td>▲ 15,480</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.357</td><td>▲ 4.371</td></tr> </table>		LATEST BID (0900GMT)	PREVIOUS	JAPAN (YEN)	131.270	▲ 132.520	HONG KONG (HK DOLLAR)	7.812	▲ 7.813	TAIWAN (NT DOLLAR)	30.410	▲ 30.448	THAILAND (BAHT)	33.340	▲ 33.330	S. KOREA (WON)	1,244.560	▲ 1,246.440	SINGAPORE (DOLLAR)	1.329	▲ 1.331	INDONESIA (RUPIAH)	15,336	▲ 15,480	MALAYSIA (RINGGIT)	4.357	▲ 4.371	JANUARY 12, 2023 <table border="1"> <tr><th></th><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.2170</td><td>▲ 1.2149</td></tr> <tr><td>US\$/EURO</td><td>1.0765</td><td>▲ 1.0743</td></tr> <tr><td>\$/AUST DOLLAR</td><td>0.6906</td><td>▼ 0.6910</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.3426</td><td>▲ 1.3417</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.9314</td><td>▲ 0.9216</td></tr> </table>		CLOSE	PREVIOUS	US\$/UK POUND	1.2170	▲ 1.2149	US\$/EURO	1.0765	▲ 1.0743	\$/AUST DOLLAR	0.6906	▼ 0.6910	CANADA DOLLAR/US\$	1.3426	▲ 1.3417	SWISS FRANC/US\$	0.9314	▲ 0.9216	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$76.81/BBL 30 DAYS TO JANUARY 11, 2023
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S1/1-10 • 2 SECTIONS, 14 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JANUARY 12, 2023 (PSEi snapshot on S1/4; article on S2/2)

BDO	P114.000	SM	P904.000	ICT	P203.000	JFC	P242.000	URC	P140.300	EMI	P20.150	ACEN	P6.950	TEL	P1,405.000	AC	P732.000	WLCON	P32.000
Value	P577,439,912	Value	P415,111,160	Value	P391,012,872	Value	P336,044,758	Value	P321,528,410	Value	P311,732,845	Value	P294,766,949	Value	P259,342,595	Value	P246,237,345	Value	P236,381,500
P4.100	▲ 3.731%	P4.000	▲ 0.444%	P3.000	▲ 1.500%	P0.400	▲ 0.166%	P1.600	▲ 1.154%	P0.000	— 0.000%	-P0.060	▼ -0.856%	-P15.000	▼ -1.056%	P24.500	▲ 3.463%	P1.300	▲ 4.235%

BSP chief hopes to cut rates in 2024

By Keisha B. Taasan Reporter

THE BANGKO SENTRAL ng Pilipinas (BSP) may cut key benchmark rates in 2024, as well as lower the reserve requirements for banks in the first half of 2023, its chief said on Thursday.

“Now hopefully by 2024, when pent-up demand is gone, then monetary policy hopefully at that time will be much looser than what we have now. How much looser? I don’t know. Of course, so many things can happen,” BSP Governor Felipe M. Medalla said in a speech at the Rotary Club Manila meeting.

However, Mr. Medalla told reporters that monetary policy would still depend on what the US Federal Reserve does, saying the policy tightening in the United States “is far from over.”

The US Federal Reserve increased rates by 425 bps last year, bringing its policy rate to 4.25-4.5%. The Fed has signaled it will

continue tightening this year to tame inflation.

“Even though we’re quite confident that inflation will normalize, I cannot say that we will have rate cuts before the end of this year. But hopefully 2024,” Mr. Medalla said.

The BSP governor earlier this week flagged a 25-basis-point

(bp) or 50-bp rate increase at its first policy meeting this year on Feb. 16.

The Monetary Board raised borrowing costs by 350 bps in 2022, to curb inflation and support the peso. This brought the policy rate to a 14-year high of 5.5%.

Mr. Medalla also hopes that the series of rate hikes would be

enough to tame inflation and prevent any second-round effects this year.

Inflation rose to a 14-year high of 8.1% in December, bringing the full-year average to 5.8%. The BSP sees inflation easing to 4.5% this year and 2.8% in 2024.

BSP chief, S1/5

NPL ratio continues to decline in November

BAD DEBTS held by Philippine banks continued to drop in November, bringing the industry’s nonperforming loan (NPL) ratio to 3.35%, with the Bangko Sentral ng Pilipinas (BSP) governor saying he does not expect a further rise this year.

Based on data from the central bank, soured loans slipped by 0.9% to P408.097 billion in November from P411.632 billion in October. It also declined by 15.3% from P481.879 billion in November 2021.

This brought the November NPL ratio to 3.35%, which fell from 3.41% in October and 4.35% in the same month of 2021. This was also the lowest in 27 months or since the 2.84% print in August 2020.

Loans are considered nonperforming once they remain unpaid for at least 90 days after the due date. They are deemed as risk assets as borrowers are unlikely to settle these loans.

“It’s hard to predict (the trend in NPLs) but I do not expect it to

rise (this year). Loans are going up, so the denominator is going up,” BSP Governor Felipe M. Medalla told reporters on the sidelines of a Rotary event on Thursday.

Data earlier released by the BSP showed outstanding loans extended by universal and commercial banks climbed by 13.7% year on year to P10.64 trillion in November. However, this is slightly slower than the 13.9% expansion in October.

Asian Institute of Management economist John Paulo R. Rivera attributed the decline in NPLs to more income-generating activities and stable employment as the economy recovered from the pandemic.

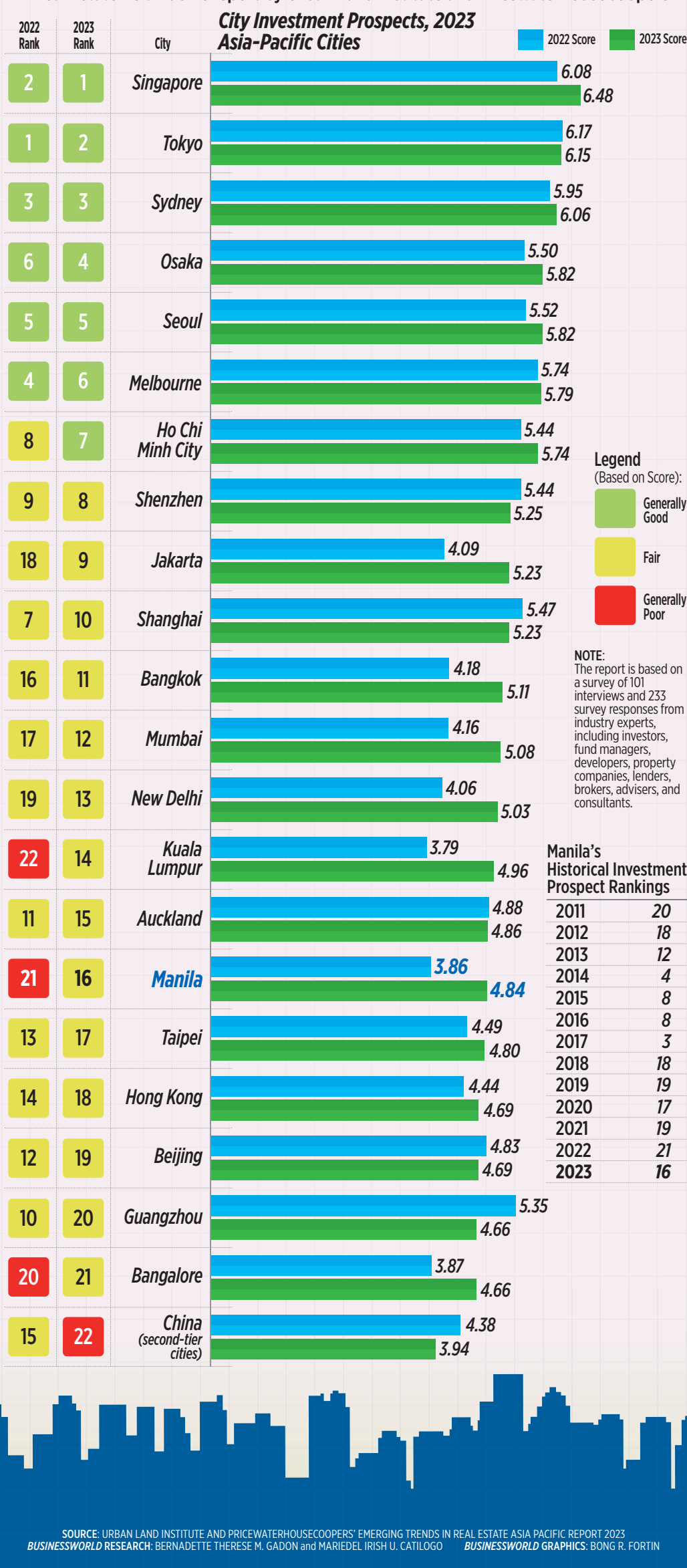
“This is expected to continue as the economy recovers and approach pre-pandemic level,” Mr. Rivera said in a Viber message.

The unemployment rate eased to 4.2% in November, the lowest in over 17 years, as firms hired more workers ahead of the holiday season.

NPL, S1/5

MANILA JUMPS IN 2023 LIST OF TOP REAL ESTATE INVESTMENT DESTINATIONS

Manila rose five notches to 16th out of 22 cities in the latest edition of Emerging Trends in Real Estate Asia Pacific report by Urban Land Institute and PricewaterhouseCoopers.



GDP grew by at least 7.5% in 2022, says Diokno

THE PHILIPPINE ECONOMY likely expanded by at least 7.5% in 2022, Finance Secretary Benjamin E. Diokno said on Thursday.

“We expect the economy to have grown by at least 7.5% last year. Because of the expected slowdown of the global economy, the Philippine economy is forecasted to grow by around 6.5% this year — still one of the highest, if not the highest, growth rate in the Asia-Pacific region,” Mr. Diokno said in a transcribed speech at the 16th Asian Financial Forum (AFF) on Wednesday.

The government had set a gross domestic product (GDP) growth target of 6.5-7.5% for 2022.

Economic managers previously said the Philippines will likely exceed the GDP target after the better-than-expected 7.6% growth in the third quarter, which brought the nine-month average to 7.7%.

The Philippine Statistics Authority (PSA) is set to release fourth-quarter GDP data on Jan. 26.

“Entering 2023, the world economy faces multiple challenges — from the COVID-19 pandemic to the global supply chain crisis; from persistently high prices owing to higher energy and other commodity prices to the rapid monetary tightening in the US, Europe, and practically all economies; and from worsening poverty to threatening climate disaster,” Mr. Diokno said.

Economic managers in December revised its 2023 GDP target to 6-7%, a narrower band than the previous goal of 6.5-8%.

The World Bank on Wednesday lowered its forecast for the Philippines’ GDP to 5.4% this year, from its previous projection of 5.6% amid the looming global recession.

The 5.4% Philippine GDP forecast was the second-fastest forecast in Southeast Asia this year, behind Vietnam’s 6.3%.

“While the challenges we face today are grand and complex, these are not insurmountable. There is much we can accomplish with the right policy tools, decisive action, and commitment to global cooperation,” Mr. Diokno said.

The Finance chief said that the government’s growth and price stability objectives can be achieved “if the leaders and policy makers are able and willing to adopt the appropriate monetary and fiscal policies.” — **Luisa Maria Jacinta C. Jacson**

Disasters, debt crisis are seen as top risks for PHL

NATURAL DISASTERS are considered the top risk faced by the Philippines over the next two years, alongside a possible debt crisis, rising inflation and misinformation, according to a survey conducted by the World Economic Forum (WEF).

In its Global Risks Report 2023, the WEF said Philippine respondents for its executive opinion survey (EOS) identified natural disasters and extreme weather events as the top risk facing the country.

The Philippines is one of the countries considered most vulnerable to natural disasters such as earthquakes, floods, heatwaves, and typhoons. It had the highest disaster risk among 193 countries in the World Risk Index last year.

“Natural disasters and calamities cause a lot of damage, disruption, and productivity losses in a year and is a consideration for investments,” Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said in a Viber message when sought for comment.

Philippine respondents also considered a debt crisis as the second-biggest risk, as the government borrowed heavily to fund its coronavirus pandemic response.

The National Government’s outstanding debt stood at a record P13.644 trillion as of end-November. As of end-September, the government’s debt-

to-gross domestic product (GDP) stood at 63.7%, still above the 60% threshold prescribed by multilateral lenders.

However, Mr. Ricafort said that the country’s debt-to-GDP ratio is still manageable.

“However, there is a need to bring the debt-to-GDP ratio to below the international threshold of 60% of GDP... to prevent any risk of credit rating downgrade,” Mr. Ricafort said.

MISINFORMATION

The WEF report showed Philippine respondents also identified rapid or sustained inflation, misinformation, and geopolitical contestation of resources as other top risks for the country.

Inflation rose to a 14-year high of 8.1% in December, bringing the full-year average to 5.8%. However, the Philippine central bank sees inflation easing to 4.5% this year and 2.8% in 2024.

Based on the WEF report, the Philippines was the only country where respondents considered misinformation as one of the top five risks in the next two years.

“Misinformation and disinformation are, together, a potential accelerant to the erosion of social cohesion as well as a consequence. With the potential to destabilize trust in information and political processes,

Risks, S1/5