

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEi OPEN: 7,056.43 HIGH: 7,063.50 LOW: 7,035.65 CLOSE: 7,056.62 VOL: 1.561 B VAL(P): 6.864 B 5.39 PTS. 0.07% 30 DAYS TO JANUARY 20, 2023	JANUARY 20, 2023 JAPAN (NIKKEI 225) 26,553.53 ▲ 148.30 0.56 HONG KONG (HANG SENG) 22,044.65 ▲ 393.67 1.82 TAIWAN (WEIGHTED) * 14,932.93 ▲ 5.92 0.04 THAILAND (SET INDEX) 1,677.25 ▼ -11.23 -0.67 S.KOREA (KSE COMPOSITE) 2,395.26 ▲ 14.92 0.63 SINGAPORE (STRAITS TIMES) 3,293.71 ▲ 17.53 0.54 SYDNEY (ALL ORDINARIES) 7,452.20 ▲ 16.90 0.23 MALAYSIA (KLSE COMPOSITE) 1,500.33 ▲ 4.11 0.27	JANUARY 20, 2023 Dow Jones 33,375.490 ▲ 330.930 NASDAQ 11,140.434 ▲ 288.165 S&P 500 3,972.610 ▲ 73.760 FTSE 100 7,770.590 ▲ 23.300 Euro Stoxx50 3,867.830 ▲ 6.480	FX OPEN P54.750 HIGH P54.440 LOW P54.830 CLOSE P54.540 W.AVE. P54.639 VOL. \$1,045.80 M 9.00 CTS 30 DAYS TO JANUARY 20, 2023 SOURCE: BAP	JANUARY 20, 2023 LATEST BID (0900GMT) JAPAN (YEN) 129.570 ▼ 128.320 HONG KONG (HK DOLLAR) 7.829 ▼ 7.829 TAIWAN (NT DOLLAR) 30.327 ▲ 30.353 THAILAND (BAHT) 32.650 ▲ 33.010 S. KOREA (WON) 1,228.860 ▲ 1,235.630 SINGAPORE (DOLLAR) 1.319 ▲ 1.324 INDONESIA (RUPIAH) 15,070 ▲ 15,100 MALAYSIA (RINGGIT) 4.283 ▲ 4.303	JANUARY 20, 2023 US\$/UK POUND 1.2393 ▲ 1.2331 US\$/EURO 1.0855 ▲ 1.0816 \$/AUSTRALIAN DOLLAR 0.6966 ▲ 0.6888 CANADA DOLLAR/US\$ 1.3380 ▼ 1.3511 SWISS FRANC/US\$ 0.9204 ▲ 0.9161	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$83.84/BBL 30 DAYS TO JANUARY 20, 2023

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JANUARY 20, 2023 (PSEi snapshot on S1/4; article on S2/2)

SM	P950.000	MER	P282.200	GTCAP	P495.800	JFC	P245.000	AC	P745.000	BDO	P123.000	SMPH	P38.350	URC	P145.000	ICT	P216.000	GLO	P2,080.000
Value	P345,924,840	Value	P329,087,496	Value	P304,815,824	Value	P253,199,158	Value	P241,846,090	Value	P238,387,939	Value	P211,528,980	Value	P203,506,038	Value	P198,919,476	Value	P196,582,610
P19.500	▲ 2.096%	-P9.000	▼ -3.091%	P10.800	▲ 2.227%	-P3.000	▼ -1.210%	-P1.000	▼ -0.134%	P0.300	▲ 0.244%	P0.050	▲ 0.131%	P3.000	▲ 2.113%	-P2.000	▼ -0.917%	-P76.000	▼ -3.525%

PHL likely hit upper end of full-year target

GDP growth may have slowed in Q4

THE PHILIPPINE ECONOMY may have slowed in the fourth quarter of 2022, but still likely hit the upper end of the government's full-year growth target, according to analysts.

Gross domestic product (GDP) likely grew 6.8% in the October-to-December period in

2022, according to the median forecast of 23 economists polled by *BusinessWorld*, slower than the 7.6% rise in the third quarter and the 7.8% print in the same period in 2021.

For the full year, the economy may have grown 7.5%, according to median forecasts of econo-

mists, matching the high end of the Development Budget Coordination Committee's (DBCC) 6.5%-7.5% target.

If realized, this would be faster than the 5.7% GDP expansion in 2021 and may be the quickest economic growth since the 8.8% seen in 1976.

It would also mark the second straight year of growth after the record 9.5% contraction in 2020 due to the pandemic.

The poll's 7.5% growth median estimate for 2022 is higher than the International Monetary Fund's 6.5% forecast, Asian Development

Bank's 7.4%, and the World Bank's 7.2%.

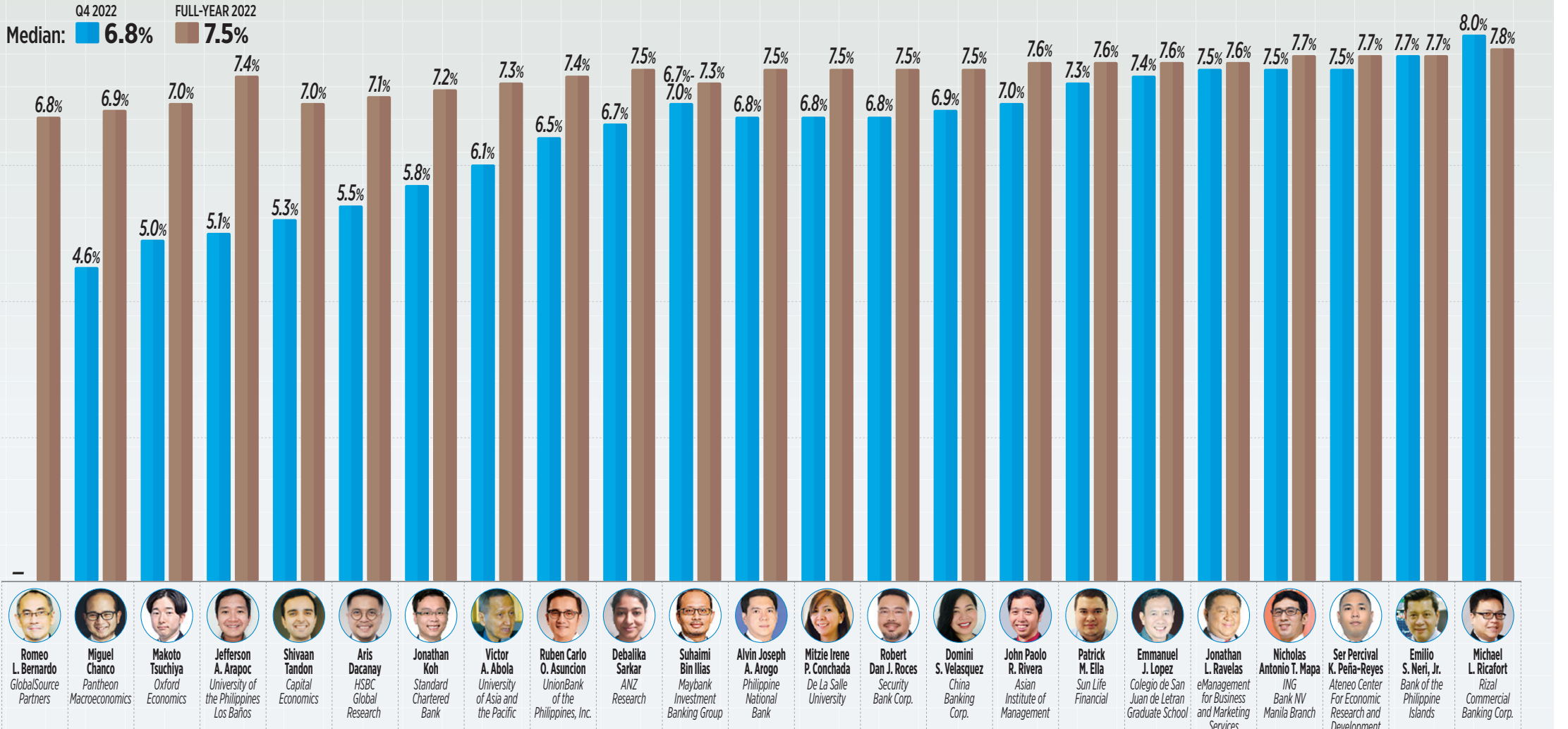
The fourth-quarter and full-year 2022 economic performance of the country will be released on Jan. 26, along with December trade data.

Economists said household consumption continued to drive GDP growth in the fourth quarter.

"We expect that the consumption boost from revenge spending continued in the fourth quarter of last year and that this outweighed the negative impact of high inflation on consumer demand," Philippine National Bank economist Alvin Joseph A. Arogo said.

Growth, S1/9

ANALYSTS' Q4 AND FULL-YEAR 2022 GDP GROWTH ESTIMATES



BUSINESSWORLD GRAPHICS: BONG R. FORTIN

BSP stays on track to digitize 50% of all payments this year

By Keisha B. Ta-asan Reporter

THE BANGKO SENTRAL ng Pilipinas (BSP) is on track to achieve its goals to digitize 50% of all retail payments and to bring 70% of adult Filipinos into the financial system this year, its governor said.

BSP Governor Felipe M. Medalla said digitizing 50% of transactions and onboarding 70% of Filipinos is "going quite well."

"We're doing quite well thanks to e-wallets (and) the onboarding. More and more Filipinos have accounts and the number of transactions, both the value and volume, is (being) targeted," Mr. Medalla told reporters on the sidelines of the launch of the United States Agency for International Development's project for micro, small, and medium enterprises (MSMEs) earlier this month.

Digital payments have been rising as consumers and businesses used more online channels amid mobility restrictions brought by the pandemic.

According to latest data from the BSP, the share of digital payments in the total volume of retail transactions jumped to 30.3% in 2021 from 20.1% a year earlier. The value of payments done online stood at 44.1% of 2021's total retail transactions, higher than the 26.8% share in 2020.

"For its part, the BSP has introduced several initiatives to facilitate SMEs' adoption of digital

payments and financial services. For instance, our QR-Ph system; QR P2M facility, which allows person-to-merchant payments; and our Paleng-QR Ph Plus, where payments to market vendors, bicycle drivers, and jeepney drivers could now be done through your cellphone," Mr. Medalla said in his speech.

The volume of merchant payments grew by 43.8% in 2021, while peer-to-peer remittances rose by 268.6%, based on the BSP's latest data.

"Now, of course, nothing is more frustrating than when your bank does not include one of your credit cards or one of your billers is not on its list of payees. Now that is being answered, as well, with all the other innovations that are happening because of this," Mr. Medalla added.

In an e-mail interview with *BusinessWorld*, UNO Digital Bank President and Chief Executive Officer Manish Bhai said digital payments have increased significantly over the past few years.

"This has been driven by the proliferation of smartphones and the widespread availability of internet access, as well as government initiatives to promote digital payments such as the introduction of fund transfer facilities such as PESOnet and InstaPay, the creation of a national QR standard and approval of Digital banking licenses," Mr. Bhai said.

In 2019, the central bank launched the national Quick Response (QR) Code Standard or QR Ph, which is used for digital P2P transfers and person-to-merchant (P2M) payments.

Payments, S1/9

Agri output may have rebounded in 2022

By Luisa Maria Jacinta C. Jocsen Reporter

THE PHILIPPINES' overall agricultural output likely saw growth in 2022 amid strong demand and consumption as the economy reopened.

"The whole year 2022 for agriculture (could be) a positive growth close to 1% to 1.25%," retired Pampanga State Agricultural University professor Roy S. Kempis said in a Viber message.

United Broiler Raisers Association (UBRA) President Elias Jose M. Inciong said in a Telegram message that the agriculture sector likely expanded in 2022, as mobility restrictions were lifted.

The Department of Agriculture (DA) targeted 1.2% to 1.5% agricultural output growth in 2022, after output contracted by 1.7% in 2021 which was the steepest annual contraction on record since 2001.

In the third quarter of 2022, the value of production in agriculture and fisheries at constant 2018 prices grew by 1.8%. This brought the nine-month average to 0.3%.

Agriculture contributes about a tenth to the country's gross domestic product (GDP) and a fourth of jobs.

Mr. Kempis said producers were able to anticipate the surge in demand for food as the economy reopened.

"The farmers, traders, and processors (were able) to foresee the prospects for their livelihood and products as the Philippine economy opened and came out of the lockdowns... They were able to prepare their farms, and firms produced more once again in time for face-to-face classes and holiday season from September to December," he added.

Mr. Kempis also noted there was increased food consumption amid "revenge spending" by Filipinos and the holiday season.

Among the sectors, Mr. Inciong said that rice production likely shrank in 2022.

"The data on it has been perplexing in recent years. Record-high harvest is reported but this is contradicted by the price of its main by-product which is rice bran. Given the high costs of fertilizers, typhoons, and unabated importation, a contraction can be reasonably expected," he said.

Last year, the country was hit by several typhoons, which caused billions of pesos worth of agricultural damage. This led to supply chain and production disruptions.

For instance, agricultural damage caused by Typhoon Paeng (international name: Nalgae), which made landfall in November, reached P6.4 billion. The typhoon affected around 147,000 farmers and fisherfolk.

"For corn, it is the same as rice, but it should be noted that even with the reduced tariffs under Executive Order (EO) No. 171, international corn is still more expensive than local corn," Mr. Inciong said.

In December, President Ferdinand R. Marcos, Jr. approved the extension of EO No. 171, which reduced the Most Favored Nation (MFN) tariff rates on swine meat, corn and rice, until Dec. 31, 2023.

Rice tariffs will be kept at 35% for in-quota imports and 50% for out-quota imports while corn tariff rates will be lowered to 5% from 35% for in-quota and 15% from 50% for out-quota.

Mr. Inciong said the extension of the lower tariff rates may discourage local production, citing the absence of domestic support and subsidies for fertilizers, seeds, and logistics assistance.

On the other hand, Mr. Inciong said livestock production may have registered some growth in 2022.

Agri, S1/9



AGRIBUSINESS
Only 5,000 MT expected to arrive by onion import deadline S1/3

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Xtreme targets 5-billion sales volume before IPO S1/4

OPINION
The political cost of the Maharlika Investment Fund S1/6



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