

Who pays for your rewards? Indebted credit cardholders

CREDIT CARDS with rewards are rewarding only for those who know how to profit from the system, according to a paper released by the Federal Reserve.

Consumers with higher credit scores benefit the most because they tend to spend more money — thus earning more rewards such as cash back or miles — and pay on time, according to the study. Card holders with lower credit scores overspend to try to earn more points and incur higher interest payments stemming from outstanding balances.

In all, the economists estimate that about \$15.1 billion is transferred annually from less to more educated, poorer to richer, and from areas with a higher percentage of minorities to whiter ones. The results aren't so much driven by income as by the level of financial sophistication, they said.

"Credit-card rewards are often framed as a 'reverse Robin Hood' mechanism in which the poor subsidize the rich," wrote the researchers. "Our results, however, show

that this explanation is at best incomplete."

Reward cards are highly popular in the US — accounting for 60% of all new cards in 2019, according to the paper. And financial firms typically offer lower interest rates than on cards without rewards to lure customers.

Banks profit from reward cards across all credit scores, the researchers found, but they benefit the most from near-prime and prime card holders — those with fair or good-quality financial situations, according to the paper. With low credit-score customers, banks mostly generate revenue from interest payments.

Reward cards induce sub- and near-prime consumers to "overspend and subsequently over-borrow" on their credit cards compared with those who use cards without rewards, the researchers said.

The study was conducted by economists at the National University of Singapore, the International Monetary Fund, the Center for Economic and Policy Research, and the Federal Reserve Board. — **Bloomberg**

N. Korea-related hacker groups behind crypto firm heist — FBI

TWO HACKER groups associated with North Korea, the Lazarus Group and APT38, were responsible for the theft last June of \$100 million from US crypto firm Harmony's Horizon bridge, the Federal Bureau of Investigation (FBI) said on Monday.

On Jan. 13, the groups used a privacy protocol called Railgun to launder over \$60 million worth of ethereum stolen during the theft in June, the FBI said in a statement

A portion of the stolen ethereum was subsequently sent to several virtual asset providers and converted to bitcoin, the FBI said.

The FBI said North Korea's theft and laundering of virtual currency is used to support its ballistic missile and Weapons of Mass Destruction programs.

In June last year, California-based Harmony said that a heist had hit its Horizon bridge, which was the underlying software used by digital tokens such as bitcoin and

ether for transferring crypto between different blockchains.

Reuters in June reported that North Korean hackers were most likely behind the attack on Harmony, citing three digital investigative firms.

Harmony develops blockchains for decentralized finance — peer-to-peer sites that offer loans and other services without traditional gatekeepers such as banks — and non-fungible tokens. — **Reuters**

Investing in South Korean stocks to get easier for foreigners this year, says financial regulator

SEOUL — South Korea plans to scrap a number of regulations in the local stock market within this year to make investment easier for foreign investors, its financial regulator said on Tuesday, in an effort to bring in more money into the market.

The Financial Services Commission said in a statement there was a huge discrepancy between the regulations currently in place and the global standards and that "(it) will boldly improve regulations that have hindered global investors from investing in our market."

The regulator said it would scrap a three-decade-old rule that requires foreigners to reg-

ister with authorities prior to trading South Korean stocks. Instead, they will be allowed to open accounts with an internationally used identification, such as passport for individuals or legal entity identifier (LEI) for organizations.

It will also lift a rule that requires omnibus account holders, such as asset management firms and brokerages, to report on transaction details of each final investor within two days of settlement, as well as open up most of off-board trading to foreigners.

Meanwhile, it will become mandatory for South Korea's listed companies to provide cor-

porate filings in English from 2024, starting with those of large sizes or high ratio of foreign shareholders, according to the statement.

The push comes as South Korea pursues the promotion of its stock market to Morgan Stanley Capital International's developed market index. It is currently categorized as an emerging market by the global index provider.

The regulator plans to complete the required legislation revision process in the first half of this year to implement such changes within 2023. — **Reuters**

COVID-19 cut known human trafficking, but Ukraine war still a risk: UN

VIENNA — The COVID-19 pandemic led to the first drop in the known number of human-trafficking victims in 20 years as trafficking opportunities and policing were reduced, but the Ukraine war has probably now caused a new surge, a U.N. report said on Tuesday.

The number of detected trafficking victims fell 11% in 2020, the most recent year for which data is available in most countries, the United Nations Office

on Drugs and Crime (UNODC) said in its seventh Global Report on Trafficking in Persons.

"In 2020, for the first time, the number of victims detected globally decreased," the UNODC said in a summary of the report, adding that the biggest drops were reported in low- and middle-income countries, particularly in south and central America but also sub-Saharan Africa, east Asia and the Pacific region.

"This change in trends could be the result of three different factors affecting especially low- and medium- income countries during the pandemic: lower institutional capacity to detect victims, fewer opportunities for traffickers to operate due to COVID-19 preventive restrictions, and some trafficking forms moving to more hidden and less likely to be detected locations," it said.

Initial data for 2021 from just 20 countries suggests a further fall in 2021 in parts of southeast Asia, central America and the Caribbean, it said.

Trafficking for sexual exploitation saw the sharpest drop of 24%. For the first time since the UNODC started collecting data, detected trafficking in this category as a percentage of the whole was roughly the same level as that of trafficking for forced

labor, at around 39% each, the report said.

"Sexual exploitation may have reduced due to the (pandemic-related) closure of public spaces and it may have also been pushed into less visible and less safe locations, making this form of trafficking more concealed and harder to be detected," the UNODC said.

Conflicts tend to increase trafficking and the war in Ukraine is unlikely to be an exception, it added.

"The refugee emergency in Ukraine is elevating risks of trafficking for the Ukrainian displaced population. The 2014 conflict in Ukraine quadrupled the number of Ukrainian victims detected in Western Europe in 2016," it said, referring to Russia's annexation of Crimea.

It expects an even larger number of trafficking victims following Russia's invasion of Ukraine last year, it added. — **Reuters**

New York Stock Exchange extends rally, powered by technology stocks bounce

NEW YORK — Wall Street closed sharply higher on Monday, fueled by surging technology stocks as investors began an earnings-heavy week with a renewed enthusiasm for market-leading momentum stocks that were battered last year.

All three major stock indexes extended Friday's gains, with the tech-heavy Nasdaq leading the pack, boosted by semiconductor shares.

"(Chips are) a group that's been depressed, so I'm not too surprised," said Peter Tuz, president of Chase Investment Counsel in Charlottesville, Virginia. "We're going to see earnings from these

companies over the next couple of weeks and that will be where the rubber meets the road."

The session marks a calm before the storm in a week jam-packed with high profile earnings reports and back-end loaded with crucial economic data.

Investors are all but certain the US Federal Reserve will implement a bite-sized interest rate hike next week even as the US central bank remains committed to taming the hottest inflationary cycle in decades.

Financial markets have priced in a 99.9% likelihood of a 25-basis-point

hike to the Fed funds target rate at the conclusion of its two-day monetary policy meeting next Wednesday, according to CME's FedWatch tool.

The Dow Jones Industrial Average rose 254.07 points or 0.76% to 33,629.56; the S&P 500 gained 47.2 points or 1.19% to 4,019.81; and the Nasdaq Composite added 223.98 points or 2.01% to 11,364.41. Of the 11 major S&P 500 sectors, all but energy ended green, with tech shares enjoying the largest percentage gain, up 2.3% on the session.

The fourth-quarter reporting season has shifted into overdrive, with 57 of

the companies in the S&P 500 having posted results. Of those, 63% have delivered better-than-expected earnings, according to Refinitiv.

This week, Microsoft Corp. and Tesla, Inc., along with a spate of heavy-hitting industrials including Boeing Co., 3M Co., Union Pacific Corp., Dow, Inc., and Northrop Grumman Corp., are expected to post quarterly results.

The Philadelphia SE semiconductor index jumped 5.0%, its biggest one-day gain since Nov. 30 after Barclays upgraded the sector to "overweight" from "equal weight."

Tesla surged 7.7% after Chief Executive Elon Musk took the stand in his fraud trial related to a tweet saying he had backing to take the electric automaker private.

Baker Hughes Co. missed quarterly profit estimates due to inflation pressures and ongoing disruptions due to Russia's war on Ukraine. The oilfield services company's shares dipped 1.5%.

Cloud-based software firm Salesforce, Inc. jumped 3.1% following news that activist investor Elliot Management Corp. has taken a multi-billion dollar stake in the company.

Spotify Technology SA joined the growing list of tech-related companies to announce impending job cuts, shedding 6% of its workforce as rising interest rates and the looming possibility of recession continue to pressure growth stocks. The music streaming company's shares rose 2.1%.

Advancing issues outnumbered declining ones on the New York Stock Exchange (NYSE) by a 2.77-to-1 ratio; on Nasdaq, a 1.73-to-1 ratio favored advancers. The S&P 500 posted 11 new 52-week highs and no new lows; the Nasdaq Composite recorded 82 new highs and 19 new lows. — **Reuters**

Oil retreats after hitting 7-week high on strong China outlook

NEW YORK — Oil prices settled mixed on Monday, retreating as investors cashed in on a jump to a seven-week high on optimism about a possible recovery in demand of top oil importer China as the economy recovers this year from pandemic lockdowns.

Brent crude settled 56 cents higher at \$88.19 a barrel. The session high was \$89.09 a barrel, the highest since Dec. 1. US West Texas Intermediate (WTI) crude settled two cents lower at \$81.62 a barrel, off the session high \$82.64 a barrel, the highest since Dec. 5.

Prices pulled back at the end of the session as investors took profits, said Phil Flynn, analyst at Price Futures Group.

Still, the market wants to preserve long positions in case Chinese growth resumes, said Sukrit Vijayakar, director of Mumbai-based energy consultancy Trifecta.

Data shows a solid pick-up in travel in China after coronavirus disease 2019 curbs were eased, ANZ commodity analysts said in a note, pointing out that road traffic congestion in the country's 15 key cities so far this month is up 22% from a year ago.

Crude oil prices in much of the world's physical markets have started the year with a rally as China has shown signs of more buying and traders

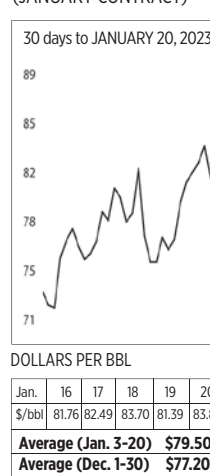
have worried that sanctions on Russia could tighten supply.

Brent is expected to move back into a range between \$90 and \$100 as the oil market tightens, Erlam said.

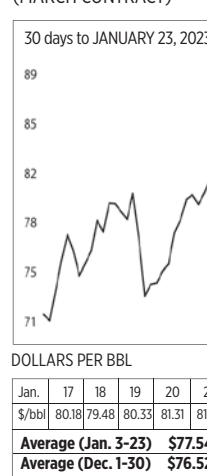
Demand for products has lifted the oil market and refining margins, Mr. Flynn said. The 3-2-1 crack spread, a proxy for refining margins, rose to \$42.18 per barrel on Monday, the highest since October.

The European Union and Group of Seven (G7) coalition will cap prices of Russian refined products from Feb. 5, in addition to the price cap on Russian crude in place since December.

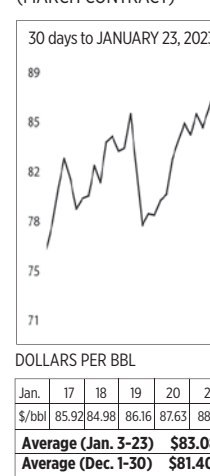
ASIA-DUBAI (JANUARY CONTRACT)



NEW YORK-WTI (MARCH CONTRACT)



LONDON-BRENT (MARCH CONTRACT)



Source: REUTERS

The G7 has agreed to delay a review of the level of the price cap on Russian oil to March, a month later than originally planned, to provide time to assess the impact of the oil products price cap.

In India, crude oil imports rose to a five-month high in December, data showed on Monday, as refiners stocked up discounted Russian fuel amid a steady increase in consumption in the country. — **Reuters**

JOB VACANCY

Company Name and Address
Ernst & Young Global Services (Philippines) Inc.
14th, 15th, (Units A & D) 16th Floor Cyber Sigma Building,
Lawton Avenue, McKinley West, Fort Bonifacio Taguig City 1634.
Contact details of the Company Girish Menon
Email address: Girish.Menon1@gds.ey.com
Contact number: +63 9178136775

Job Position Director - Location Talent Leader
Available Job Vacancy One (1)

Job Description

- Partner with GDS Philippines Service line leadership to devise and execute talent strategy for driving the growth agenda in Philippine's location
- Build strong network with key stakeholders in global and regional service line/function/operations and bring in GDS talent perspectives
- Drive innovative talent practices to enhance and sustain employee retention in a competitive talent market
- Demonstrate thought leadership and design solutions to strengthen employee exceptional experiences and engagement levels
- Lead workstreams from Strategic Talent Consulting and Philippines location perspective to successfully execute the EY global Everest transformation project.

Basic Qualification

- Graduate of Master of Business Administration
- Certified Full Stack HR Professional
- Enterprise Human Resources Management - Level 1 Certificate (highest level)

Salary Range Php 9,000,000.00 annually

SPOT PRICES

MONDAY, JANUARY 23, 2023

METAL

PALLADIUM free \$/troy oz	1,717.88
PALLADIUM JMI base, \$/troy oz	1,731.00
PLATINUM free \$/troy oz	1,034.50
PLATINUM JMI base \$/troy oz	1,041.00
KRUGGERAND, fob \$/troy oz	1,912.00
IRIDIUM, whs rot, \$/troy oz	4,590.00
RHODIUM, whs rot, \$/troy oz	12,240.00

GRAINS (January 19, 2023)
(FOB Bangkok basis at every Thursday)

FRAGRANT (100%) 1 st Class, \$/ton	914.00
FRAGRANT (100%) 2 nd Class, \$/ton	883.00
RICE (5%) White Thai- \$/ton	523.00
RICE (10%) White Thai- \$/ton	522.00
RICE (15%) White Thai- \$/ton	517.00

RICE (25%) White Thai- \$/ton (Super)	517.00
BROKER RICE A-1 Super \$/ton	471.00

FOOD

COCOA ICCO Dly (SDR/mt)	1,859.35
COCOA ICCO \$/mt	2,506.81
COFFEE ICA comp '2001 cts/lb	156.48
SUGAR ISA FOB Daily Price, Carib. port cts/lb	18.63
SUGAR ISA 15-day ave.	18.58

LIFFE COFFEE
New Robusta 10 MT - \$/ton

	High	Low	Sett	Psett
Mar.	1,953	1,935	1,941	1,944
May	1,921	1,904	1,908	1,909
July	1,893	1,879	1,881	1,879
Sept.	1,865	1,852	1,854	1,852

LIFFE COCOA

(Ldn)-10 MT-E/ton

	High	Low	Sett	Psett
Mar.	2,016	1,967	2,003	1,978
May	1,988	1,944	1,980	1,951
July	1,963	1,924	1,954	1,929
Sept.	1,941	1,906	1,932	1,913

COCONUT

MANILA COPRA (based on 6% moisture)
Peso/100kg Buyer/Seller

Lag/Ozn/Luc	22	3,300.00/3,350.00
Philippine Coconut Oil - Crude		
CIF NY/NOLA		53.00
PALM OIL RAIL/NOLA		55.50
COCONUT OIL (PHIL/IDN), \$ per ton,		

LONDON METAL EXCHANGE

LME FINAL CLOSING PRICES, US\$/MT

ALUMINUM H.G.	2,636.50
ALUMINUM Alloy	2,150.00
COPPER	9,356.00
LEAD	2,055.00
NICKEL	28,110.00
TIN	29,503.00
ZINC	3,420.50

CIF Europe
Jan./Feb.'23 0.00/1,040.00
Feb./Mar.'23 0.00/1,030.00
Mar./Apr.'23 0.00/1,070.00
Apr./May'23 0.00/1,085.00

JOB OPENING

Product Owner - New Business Model Group

Qualifications:

- Has a minimum of 15 years' experience of hands-on experience in Software Migration in Telecom Domain
- Has worked on scrum and has complete idea of kick-off call, retrospective call, sprint planning and scrum call
- Has extensive experience in Telecom transformation framework
- Has experience in Enterprise Architecture Framework called ToGaf Framework

Key Responsibilities:

- Design data migration strategy
- Review data of various legacy systems
- Create migration test cases and attending various calls
- Participated in all the Agile Safe-related calls - scrum calls, sprint planning calls
- Create of Data Traceability Metrics and generating sign-off reports and communication to Internal and External parties as single point of contact
- Need to support migration user acceptance to expedite the implementation timeline
- Driving Review meetings with senior Business Analysts, Enterprise Architect, Program Manager and Developers
- Bridge between Application Development team and Client to communicate all Data-related activities and status, highlighting issues
- Training and Mentoring Data Migration and QA testing team
- Managing scope, Requirement, Gap analysis and overall management of end-to-end data while migrating data source to target

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