

| STOCK MARKET | ASIAN MARKETS | WORLD MARKETS | PESO-DOLLAR RATES | ASIAN MONIES-US\$ RATE | WORLD CURRENCIES | DUBAI CRUDE OIL | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|----------------|-------------------|------------------------|--------------------|-----------------|----------------|-----------------------|-----------|---------------|-------------------|-----------|----------------|----------------------|----------|---------------|--------------------------|----------|---------------|---------------------------|----------|----------------|-------------------------|----------|----------------|---------------------------|----------|---------------|---|-------|-----|-----------|-----------------------|--------|-----------------------|---------|---------------------|----------|--------------------|--------------|------------------|---|---|----------------------|----------|-------------|-------------------|-----------------------|---------------|--------------------|-----------------|-----------------|-----------------|----------------|-----------------------|--------------------|---------------|--------------------|-----------------|--------------------|---------------|--|-------|----------|---------------|-----------------|-----------|-----------------|----------------|-----------------|--------------------|-----------------|------------------|-----------------|---|
| PSEi OPEN: 6,922.13 HIGH: 6,922.13 LOW: 6,840.12 CLOSE: 6,842.79 VOL.: 0.941 B VAL(P): 5.621 B 80.29 PTS, 1.16% 30 DAYS TO FEBRUARY 9, 2023 | FEBRUARY 9, 2023 <table border="1"> <tr><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (NIKKEI 225)</td><td>27,584.35</td><td>▼ -22.11 -0.08</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>21,624.36</td><td>▲ 340.84 1.60</td></tr> <tr><td>TAIWAN (WEIGHTED)</td><td>15,998.71</td><td>▼ -19.46 -0.12</td></tr> <tr><td>THAILAND (SET INDEX)</td><td>1,669.88</td><td>▼ -0.46 -0.03</td></tr> <tr><td>S. KOREA (KSE COMPOSITE)</td><td>2,481.52</td><td>▼ -2.12 -0.09</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,362.72</td><td>▼ -25.80 -0.76</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>7,490.30</td><td>▼ -39.80 -0.53</td></tr> <tr><td>MALAYSIA (KLSE COMPOSITE)</td><td>1,464.64</td><td>▼ -6.11 -0.42</td></tr> </table> | CLOSE | NET | % | JAPAN (NIKKEI 225) | 27,584.35 | ▼ -22.11 -0.08 | HONG KONG (HANG SENG) | 21,624.36 | ▲ 340.84 1.60 | TAIWAN (WEIGHTED) | 15,998.71 | ▼ -19.46 -0.12 | THAILAND (SET INDEX) | 1,669.88 | ▼ -0.46 -0.03 | S. KOREA (KSE COMPOSITE) | 2,481.52 | ▼ -2.12 -0.09 | SINGAPORE (STRAITS TIMES) | 3,362.72 | ▼ -25.80 -0.76 | SYDNEY (ALL ORDINARIES) | 7,490.30 | ▼ -39.80 -0.53 | MALAYSIA (KLSE COMPOSITE) | 1,464.64 | ▼ -6.11 -0.42 | FEBRUARY 8, 2023 <table border="1"> <tr><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>33,949.010 ▼ -207.680</td></tr> <tr><td>NASDAQ</td><td>11,910.520 ▼ -203.266</td></tr> <tr><td>S&P 500</td><td>4,117.860 ▼ -46.140</td></tr> <tr><td>FTSE 100</td><td>7,885.170 ▼ 20.460</td></tr> <tr><td>Euro Stoxx50</td><td>3888.32 ▲ 10.750</td></tr> </table> | CLOSE | NET | Dow Jones | 33,949.010 ▼ -207.680 | NASDAQ | 11,910.520 ▼ -203.266 | S&P 500 | 4,117.860 ▼ -46.140 | FTSE 100 | 7,885.170 ▼ 20.460 | Euro Stoxx50 | 3888.32 ▲ 10.750 | FX OPEN P54.860 HIGH P54.440 LOW P54.955 CLOSE P54.450 W.AVE. P54.744 VOL. \$1,375.40 M 35.00 CTS 30 DAYS TO FEBRUARY 9, 2023 SOURCE: BAP | FEBRUARY 9, 2023 <table border="1"> <tr><th>LATEST BID (0900GMT)</th><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>131.000 ▼ 130.770</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.850 ▼ 7.849</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>30.050 ▼ 30.027</td></tr> <tr><td>THAILAND (BAHT)</td><td>33.440 ▼ 33.460</td></tr> <tr><td>S. KOREA (WON)</td><td>1,259.510 ▼ 1,258.300</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.323 — 1.323</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>15,090 ▼ 15,095</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.314 ▼ 4.297</td></tr> </table> | LATEST BID (0900GMT) | PREVIOUS | JAPAN (YEN) | 131.000 ▼ 130.770 | HONG KONG (HK DOLLAR) | 7.850 ▼ 7.849 | TAIWAN (NT DOLLAR) | 30.050 ▼ 30.027 | THAILAND (BAHT) | 33.440 ▼ 33.460 | S. KOREA (WON) | 1,259.510 ▼ 1,258.300 | SINGAPORE (DOLLAR) | 1.323 — 1.323 | INDONESIA (RUPIAH) | 15,090 ▼ 15,095 | MALAYSIA (RINGGIT) | 4.314 ▼ 4.297 | FEBRUARY 9, 2023 <table border="1"> <tr><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.2122 ▼ 1.2105</td></tr> <tr><td>US\$/EURO</td><td>1.0753 ▼ 1.0756</td></tr> <tr><td>\$/AUST DOLLAR</td><td>0.6966 ▼ 0.6985</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.3412 ▼ 1.3370</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.9191 ▲ 0.9179</td></tr> </table> | CLOSE | PREVIOUS | US\$/UK POUND | 1.2122 ▼ 1.2105 | US\$/EURO | 1.0753 ▼ 1.0756 | \$/AUST DOLLAR | 0.6966 ▼ 0.6985 | CANADA DOLLAR/US\$ | 1.3412 ▼ 1.3370 | SWISS FRANC/US\$ | 0.9191 ▲ 0.9179 | DUBAI CRUDE OIL FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$81.90/BBL 30 DAYS TO FEBRUARY 8, 2023 \$1.50 |
| CLOSE | NET | % | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| MALAYSIA (KLSE COMPOSITE) | 1,464.64 | ▼ -6.11 -0.42 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CLOSE | NET | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Dow Jones | 33,949.010 ▼ -207.680 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NASDAQ | 11,910.520 ▼ -203.266 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| S&P 500 | 4,117.860 ▼ -46.140 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| FTSE 100 | 7,885.170 ▼ 20.460 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Euro Stoxx50 | 3888.32 ▲ 10.750 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| LATEST BID (0900GMT) | PREVIOUS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| JAPAN (YEN) | 131.000 ▼ 130.770 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| HONG KONG (HK DOLLAR) | 7.850 ▼ 7.849 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TAIWAN (NT DOLLAR) | 30.050 ▼ 30.027 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| THAILAND (BAHT) | 33.440 ▼ 33.460 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| S. KOREA (WON) | 1,259.510 ▼ 1,258.300 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| SINGAPORE (DOLLAR) | 1.323 — 1.323 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| INDONESIA (RUPIAH) | 15,090 ▼ 15,095 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| MALAYSIA (RINGGIT) | 4.314 ▼ 4.297 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CLOSE | PREVIOUS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| US\$/UK POUND | 1.2122 ▼ 1.2105 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| US\$/EURO | 1.0753 ▼ 1.0756 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$/AUST DOLLAR | 0.6966 ▼ 0.6985 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CANADA DOLLAR/US\$ | 1.3412 ▼ 1.3370 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| SWISS FRANC/US\$ | 0.9191 ▲ 0.9179 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • FEBRUARY 9, 2023 (PSEi snapshot on S1/3; article on S2/2)

| SM | P895.000 | SMPH | P37.500 | MBT | P60.200 | ALI | P29.100 | AC | P700.000 | ICT | P211.400 | SPNEC | P1.590 | MPI | P4.230 | FCG | P1.040 | RLC | P16.300 |
|-------|--------------------|-------|-------------------|-------|-----------------|-------|-------------------|-------|--------------------|-------|-------------------|-------|-----------------|-------|-----------------|-------|-----------------|-------|-------------------|
| Value | P524,059,880 | Value | P358,924,040 | Value | P322,024,735 | Value | P299,181,015 | Value | P279,850,295 | Value | P222,668,280 | Value | P219,599,580 | Value | P191,990,390 | Value | P183,234,720 | Value | P149,933,774 |
| | -P14.000 ▼ -1.540% | | -P0.800 ▼ -2.089% | | P0.400 ▲ 0.669% | | -P0.100 ▼ -0.342% | | -P14.000 ▼ -1.961% | | -P0.600 ▼ -0.283% | | P0.050 ▲ 3.247% | | P0.080 ▲ 1.928% | | P0.020 ▲ 1.961% | | -P0.120 ▼ -0.731% |

Manufacturing growth cools in Dec.

FACTORY PRODUCTION grew at its slowest pace in three months in December due to seasonal factors and a decline in trade performance, economists said.

Preliminary results of the Philippine Statistics Authority's (PSA) Monthly Integrated Survey of Selected Industries (MISSI) showed manufacturing,

as measured by the volume of production index (VoPI), expanded by 4.8% year on year in December.

December growth slowed from the revised 5.9% in November and 19.2% last year. It also marked the slowest uptick since 4.6% in September last year.

The latest print brought last year's average factory output

growth to 15.2%, easing from the 52.6% average in 2021.

Robert Dan J. Roces, chief economist at Security Bank Corp., said in an e-mail that December is usually a slow month for many industries so factory orders may have dropped.

"This slowdown may have come from the easing of trade last December. The same month's

PMI reading, nevertheless, continue to point to expansion, but the robust domestic demand is the biggest reason for the better performance," Ruben Carlo O. Asuncion, chief economist at UnionBank of the Philippines, Inc. (UnionBank), said in an e-mail.

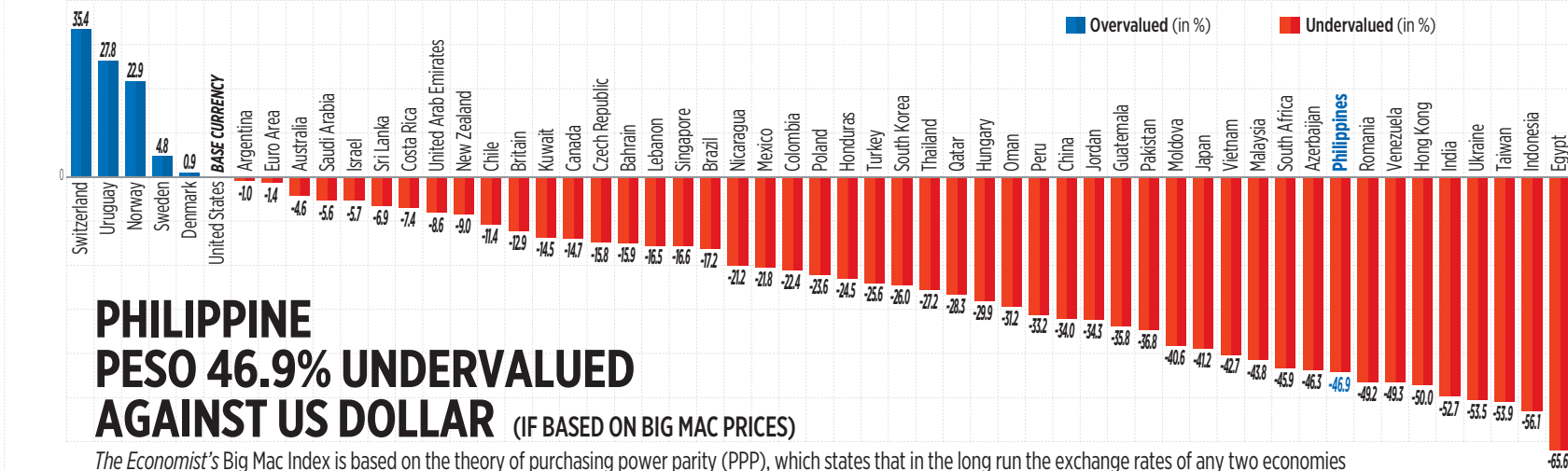
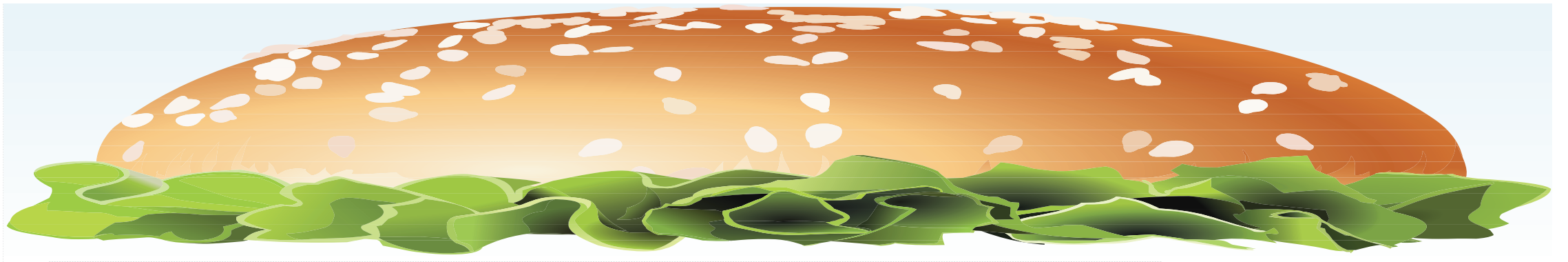
S&P Global's Philippines Manufacturing Purchasing

Managers' Index (PMI) hit a six-month high in December, indicating a solid improvement in the health of the manufacturing sector.

The country's trade deficit widened in December from the previous month as exports declined to its lowest in more than two years while imports continued to fall.

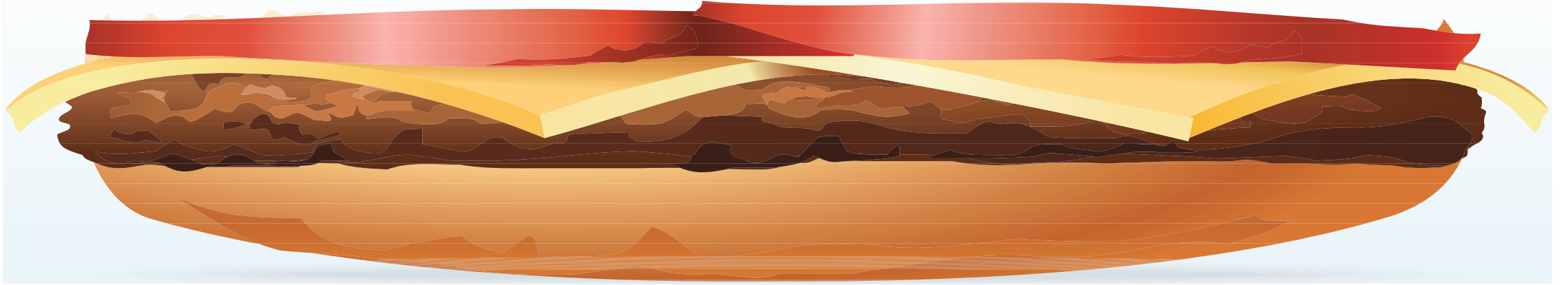
PSA data showed the value of merchandise exports dropped by 9.7% year on year to \$5.67 billion in December while imports slid 9.9% to a 23-month low of \$10.26 billion.

Three industry divisions contributed to the slower growth in December, the PSA said in the report released on Thursday. *Manufacturing, S1/5*



| Philippine Big Mac Index (Jan. 2017-July 2023) | Big Mac Exchange Rate (P:\$) | Actual Exchange Rate (P:\$) | Undervalued/Overvalued, in % |
|--|------------------------------|-----------------------------|------------------------------|
| Jan. 2017 | 29.56 | 49.62 | -40.4 |
| July 2017 | 29.78 | 50.58 | -41.1 |
| Jan. 2018 | 29.07 | 50.73 | -42.7 |
| July 2018 | 30.30 | 53.49 | -43.3 |
| Jan. 2019 | 29.72 | 52.39 | -43.3 |
| July 2019 | 30.15 | 51.32 | -41.3 |
| Jan. 2020 | 29.46 | 50.58 | -41.8 |
| July 2020 | 29.46 | 49.43 | -40.4 |
| Jan. 2021 | 29.04 | 48.09 | -39.6 |
| July 2021 | 28.80 | 50.35 | -42.8 |
| Jan. 2022 | 28.17 | 50.98 | -44.7 |
| July 2022 | 30.10 | 56.27 | -46.5 |
| Jan. 2023 | 28.92 | 54.44 | -46.9 |

SOURCE: THE ECONOMIST'S THE BIG MAC INDEX (AS OF JANUARY 2023) BUSINESSWORLD RESEARCH: MARIEDEL IRISH U. CATILOGO and BERNADETTE THERESE M. GADON BUSINESSWORLD GRAPHICS: BONG R. FORTIN



Banks plan to boost agri lending this year — survey

MAJORITY OF PHILIPPINE banks are planning to ramp up lending to the agriculture sector in the next 12 months, a joint survey by the Bangko Sentral ng Pilipinas (BSP) and the Department of Agriculture (DA) showed.

The inaugural 2021 Country-side Bank Survey (CBS) released on Thursday showed at least three-fourths (76%) of bank branches plan to expand lending to the agriculture sector in the next 12 months.

Thrift banks were the largest sector (93%) to confirm their plan to expand agricultural lending, while a little over half (53%) of universal and commercial banks (U/KBs) responded positively.

"Banks with plans to increase their agriculture loans claimed that they see great potential of the sector for growth and development, and that the sector is a widely untapped market," the report stated.

"Thus, respondent banks would like to take the opportunity to cater to the financing needs of

the sector and increase their loan portfolio and income."

The countryside bank survey, which was jointly conducted by the BSP and the DA-Agricultural Credit Policy Council (DA-ACPC), focused specifically on banking units' agricultural lending experience in 2021 versus 2020.

The report showed banks are anticipating an increase in loan demand as the economy recovers from the pandemic.

"Banks also noted that most agribusiness enterprise projects were not affected by the pandemic while affected borrowers may want to borrow and start business again as the pandemic is getting controlled. Hence, banks could take this opportunity to support financing the sector and increase their loan portfolio and income," it said.

Banks also cited the need to comply with the mandatory credit allocation under the Agri-Agra law.

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Lenders' profits up 37.5% in 2022

THE PHILIPPINE banking industry saw its net profits jump by 37.5% in 2022, thanks to higher interest income and trading gains, according to central bank data.

Preliminary data from the Bangko Sentral ng Pilipinas (BSP) showed banks' cumulative net income rose by a third to P309.003 billion last year from P224.752 billion in 2021.

Earnings growth was driven by a 12.8% year-on-year increase in net interest income to P746.461 billion.

Non-interest income grew by 24.1% to P257.555 billion from P207.587 billion in 2021.

Earnings from fees and commissions went up by an annual 13.6% to P121.851 billion, while trading income surged by 70.4% to P16.48 billion.

Meanwhile, lenders' non-interest expenses edged higher by 8.2% year on year to P554.222 billion.

Non-interest expenses of banks include compensation and fringe benefits, taxes and licenses, fees and commissions, and administrative expenses.

Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said the improved profitability of banks was due to the further reopening of the economy. This led to greater demand for loans, higher revenues and better asset quality for the banking industry, he added.

"Higher interest rate income may be partly due to higher US/global/local interest rates in the quest by US/global central banks to bring down elevated US/global/local inflation, as triggered by the Russia-Ukraine war since Feb. 24, 2022," Mr. Ricafort added.

PHL growth seen to fall short of target this year

THE PHILIPPINE economy's growth may fall short of the government target this year, as interest rates may continue to rise amid sticky inflation.

In a note dated Feb. 8, ING Bank N.V. Manila Senior Economist Nicholas Antonio T. Mapa said the bank expects the country's gross domestic product (GDP) to grow by 5% this year, lower than the government's 6-7% goal.

"Although the 2022 GDP result surprised on the upside, fading revenge spending, sticky inflation, uncertainty over interest rates and tight fiscal purse strings all point to the Philippines missing its growth target this year," Mr. Mapa said.

Headline inflation accelerated to 8.7% in January, marking the 10th straight month that inflation exceeded the central bank's 2-4% target.

"Elevated inflation and households opting to rebuild savings could mean that consumption will moderate while high borrowing costs have already begun to cap the upside to capital formation," Mr. Mapa said.

He expects a moderate pace of government spending this year due to the "relatively tight fiscal space."