

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEi OPEN: 6,790.53 HIGH: 6,829.03 LOW: 6,747.10 CLOSE: 6,822.09 VOL.: 1.089 B VAL(P): 5.258 B 30.85 PTS. 0.45% 30 DAYS TO FEBRUARY 15, 2023	FEBRUARY 15, 2023 JAPAN (NIKKEI 225) 27,501.86 ▼ -100.91 -0.37 HONG KONG (HANG SENG) 20,812.17 ▼ -301.59 -1.43 TAIWAN (WEIGHTED) 15,432.89 ▼ -221.59 -1.42 THAILAND (SET INDEX) 1,646.45 ▼ -6.31 -0.38 S.KOREA (KSE COMPOSITE) 2,427.90 ▼ -37.74 -1.53 SINGAPORE (STRAITS TIMES) 3,279.12 ▼ -39.08 -1.18 SYDNEY (ALL ORDINARIES) 7,352.20 ▼ -78.70 -1.06 MALAYSIA (KLSE COMPOSITE) 1,488.19 ▲ 4.22 0.28	FEBRUARY 14, 2023 DOW JONES 34,089.270 ▼ -156.660 NASDAQ 11,960.145 ▲ 68.356 S&P 500 4,136.130 ▼ -1.160 FTSE 100 7,953.850 ▲ 6.250 EURO STOXX50 3,935.81 ▲ 1.780	FX OPEN P54.950 HIGH P54.950 LOW P55.230 CLOSE P55.170 W.AVE. P55.105 VOL. \$1,071.90 M SOURCE: BAP 34.00 CTVS 30 DAYS TO FEBRUARY 15, 2023	FEBRUARY 15, 2023 LATEST BID (0900GMT) PREVIOUS JAPAN (YEN) 133.340 131.980 HONG KONG (HK DOLLAR) 7.848 7.850 TAIWAN (NT DOLLAR) 30.277 30.170 THAILAND (BAHT) 34.290 33.820 S. KOREA (WON) 1,284.190 1,266.810 SINGAPORE (DOLLAR) 1.334 1.326 INDONESIA (RUPIAH) 15,200 15,155 MALAYSIA (RINGGIT) 4.392 4.346	FEBRUARY 15, 2023 US\$/UK POUND 1.2085 ▼ 1.2177 US\$/EURO 1.0724 ▼ 1.0758 \$/AUSTRALIAN DOLLAR 0.6908 ▼ 0.6965 CANADA DOLLAR/US\$ 1.3396 ▼ 1.3338 SWISS FRANC/US\$ 0.9231 ▲ 0.9160	DUBAI CRUDE OIL FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$84.88/BBL \$0.48 30 DAYS TO FEBRUARY 14, 2023

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S1/1-10 • 2 SECTIONS, 14 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • FEBRUARY 15, 2023 (PSEi snapshot on S1/3; article on S2/2)

BDO	P125.500	SM	P891.000	MBT	P62.500	SMPH	P38.000	TEL	P1,310.000	ALI	P29.050	ICT	P210.000	MER	P309.000	URC	P147.400	MPI	P4.480
Value	P448,567,284	Value	P299,702,730	Value	P288,878,710	Value	P260,409,160	Value	P227,284,715	Value	P220,118,500	Value	P217,523,728	Value	P193,135,288	Value	P188,210,494	Value	P187,508,800
PO.000	— 0.000%	P6.000	▲ 0.678%	PO.550	▲ 0.888%	P1.000	▲ 2.703%	-P16.000	▼ -1.207%	PO.350	▲ 1.220%	-P4.800	▲ -2.235%	-P3.000	▲ -0.962%	P6.400	▲ 4.539%	-PO.070	▼ -1.538%

Remittances hit record high in 2022

BSP set to hike 2023 inflation forecast

THE BANGKO SENTRAL ng Pilipinas (BSP) will likely raise its average inflation forecast for this year after the faster-than-expected headline print in January.

During a Senate hearing on Wednesday, BSP Deputy Governor Francisco G. Dakila, Jr. said that the Monetary Board "will take the January inflation into account" as they hold a policy meeting today (Feb. 16).

"The January inflation was higher than what we had projected. The BSP's projection for January was only up to 8.3%, but inflation rose to 8.7%, so it was above our projected range," Mr. Dakila said in mixed English and Filipino.

Asked if the 4.5% inflation forecast for 2023 will be increased, Mr. Dakila said: "Most likely."

Headline inflation quickened to 8.7% in January from the 8.1% in December, marking the highest in 14 years or since the 9.1% in November 2008.

It was above the BSP's forecast range of 7.5-8.3% and marked the 10th consecutive month inflation was above the central bank's 2-4% target.

The BSP is widely expected to hike borrowing costs today. In a *BusinessWorld* poll conducted last week, nine

analysts said they expect a 50-basis-point (bp) rate increase, while eight analysts anticipate a 25-bp increase.

"By next year, our projection is that inflation would be within target because our sources of inflation are driven by supply, but we still see some spillovers to the demand (side)," Mr. Dakila added.

At the last Monetary Board meeting in December 2022, the BSP said it expects inflation to ease to 2.8% in 2024.

The BSP raised interest rates by 350 bps since May 2022, bringing the overnight repurchase rate to a 14-year high of 5.5% last year.

The central bank is also ready to adjust policy stance as necessary "to keep further second-round effects at bay and prevent inflation expectations from becoming disanchored," BSP Governor Felipe M. Medalla said earlier.

THREAT TO RECOVERY

Meanwhile, the government should manage inflation before it threatens economic recovery, Philippine Chamber of Commerce and Industry (PCCI) President George T. Barcelon said.

Inflation, S1/8

CASH REMITTANCES hit a record high in 2022, as overseas Filipino workers (OFWs) sent more money to their families who are struggling with soaring prices.

Money sent by OFWs through banks jumped by 3.6% to \$32.54 billion last year, according to data released by the Bangko Sentral ng Pilipinas (BSP) on Wednesday. It exceeded the previous record of \$31.42 billion in 2021.

However, the 3.6% annual remittance increase fell short of the BSP's 4% projection. It was also

slower than the 5.1% expansion in 2021.

In December alone, cash remittances jumped by 5.8% to a record \$3.16 billion, from \$2.99 billion a year earlier. The growth in remittances for December was also the fastest since the 7% seen in June 2021.

"The expansion in cash remittances in December 2022 was due to the growth in receipts from land- and sea-based workers," the BSP said.

Land-based OFWs sent \$2.514 billion in December, up by 5.8% in

the same month last year. Remittances from sea-based workers grew by 5.6% to \$644.91 million from a year ago.

Remittances usually surge in December as OFWs typically send more money to their relatives during the holidays, Union Bank of the Philippines, Inc. (UnionBank) Chief Economist Ruben Carlo O. Asuncion said in a Viber message.

"(This was) Christmas exuberance... Our OFWs were probably just in the mood to spend and spend so much. This December has

been the most 'open' one in the last three years," Mr. Asuncion said.

The Philippine economy grew by 7.2% in the fourth quarter, as household consumption rose amid Filipinos' "revenge spending" during the holidays. This brought full-year economic growth to 7.6% in 2022, the fastest since 1976.

China Banking Corp. Chief Economist Domini S. Velasquez said elevated inflation may have also prompted OFWs to send more money to help their families.

Remittances, S1/8

Gov't raises P283.7B from retail T-bonds

THE GOVERNMENT raised P283.711 billion from its offering of five-and-a-half-year retail Treasury bonds (RTBs) that ended two days earlier than initially scheduled after exceeding the Bureau of the Treasury's target.

"The total volume was P283.711 billion... thanks to the overwhelming support. (We) exceeded the target," National Treasurer Rosalia V. de Leon told reporters via Viber on Wednesday.

"We capped at P250 billion but given strong demand we accepted more. It is a decision to reduce volume compared to last year."

Of the total amount, the government raised P31.671 billion from the bond exchange offer program.

Under the bond exchange offer, holders of fixed-rate Treasury notes maturing in 2023 can swap their holdings for the new RTBs.

The RTBs were launched on Feb. 7 and raised an initial P162.180 billion from the rate-setting auction. The offer period was initially scheduled to end on Feb. 17.

The five-and-a-half-year RTBs fetched a coupon rate of 6.125%, 37.5 basis points (bps) higher than the 5.75% set for the previous RTB offering in August last year.

A trader said in a Viber message that the amount raised by the government was below the market's estimate of P300 billion, likely due to the 14-year high inflation print in January.

"It is way below the past RTB issuance and probably because of the higher CPI data which in turn is leading markets to call a 50-basis-point (bp) hike from the Monetary Board," a trader said.

T-bonds, S1/8

Marcos OK's adoption of hybrid rice

PRESIDENT Ferdinand R. Marcos, Jr. has approved the adoption of hybrid rice to increase rice production in the country, according to Malacañang.

He made the decision after a meeting with top executives of SL Agritech Corp., which the Presidential Communications Office (PCO) said had proposed to use hybrid rice seeds in 1.9 million hectares of land that are currently planted with certified seeds.

"President Marcos said he will implement a program to promote the shift by providing subsidies and facilitating loan financing to farmers," the PCO said in a statement.

The company, which was represented by its

Chairman and Chief Executive Officer Henry Lim Bon Liong during the meeting, is engaged in the development, production, and distribution of hybrid rice seeds and "premium quality rice," the Palace said.

During the meeting, Mr. Lim Bon Liong said hybrid technology will give farmers better income and help the country achieve rice sufficiency.

Hybrid farmers have harvested around 7 to 15 metric tons (MT) per hectare as compared with the average 3.6 MT per hectare for inbred seeds, according to the Palace. — **Kyle Aristophere T. Atienza**

FULL STORY



Read the full story by scanning the QR code with your smartphone or by typing the link bit.ly/Rice021623

