

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
STOCK MARKET PSEI 7125 7000 6875 6750 6625 6500 34.90 pts. 0.51% 30 DAYS TO FEBRUARY 20, 2023 VAL(P): 3.301 B	ASIAN MARKETS FEBRUARY 20, 2023 JAPAN (NIKKEI 225) 27,531.94 ▲ 18.81 0.07 HONG KONG (HANG SENG) 20,886.96 ▲ 167.15 0.81 TAIWAN (WEIGHTED) 15,551.23 ▲ 71.53 0.46 THAILAND (SET INDEX) 1,657.69 ▲ 6.02 0.36 S.KOREA (KSE COMPOSITE) 2,455.12 ▲ 3.91 0.16 SINGAPORE (STRAITS TIMES) 3,308.75 ▲ -19.62 -0.59 SYDNEY (ALL ORDINARIES) 7,351.50 ▲ 4.70 0.06 MALAYSIA (KLSE COMPOSITE) 1,473.46 ▼ -3.44 -0.23	WORLD MARKETS FEBRUARY 17, 2023 Dow Jones 33,826.690 ▲ 129.840 NASDAQ 11,787.272 ▼ -68.562 S&P 500 4,079.090 ▼ -11.320 FTSE 100 8,004.360 ▼ -8.170 Euro Stoxx50 3,937.620 ▼ -5.450	PESO-DOLLAR RATES FX 53.50 54.00 54.50 55.00 55.50 56.00 29.00 cts 30 DAYS TO FEBRUARY 20, 2023 SOURCE: BAP	ASIAN MONIES-US\$ RATE FEBRUARY 20, 2023 LATEST BID (0900GMT) PREVIOUS JAPAN (YEN) 134.170 ▼ 134.150 HONG KONG (HK DOLLAR) 7.834 ▼ 7.845 TAIWAN (NT DOLLAR) 30.378 ▼ 30.332 THAILAND (BAHT) 34.400 ▼ 34.460 S. KOREA (WON) 1,296.340 ▼ 1,295.870 SINGAPORE (DOLLAR) 1.336 — 1.336 INDONESIA (RUPIAH) 15,155 ▲ 15,200 MALAYSIA (RINGGIT) 4.428 ▲ 4.430	WORLD CURRENCIES FEBRUARY 20, 2023 US\$/UK POUND 1.2018 ▼ 1.2035 US\$/EURO 1.0682 ▼ 1.0694 \$/AUSTRALIAN DOLLAR 0.6898 ▲ 0.6879 CANADA DOLLAR/US\$ 1.3468 ▼ 1.3470 SWISS FRANC/US\$ 0.9241 ▼ 0.9245	DUBAI CRUDE OIL FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$82.24/BBL 86.00 83.40 80.80 78.20 75.60 73.00 30 DAYS TO FEBRUARY 17, 2023

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

SM	P872.000	BDO	P124.500	ALI	P29.100	MPI	P4.210	MER	P308.000	AC	P668.000	SMPH	P36.900	GLO	P2,020.000	GTCAP	P520.000	AP	P37.750
Value	P221,507,260	Value	P207,729,295	Value	P183,723,810	Value	P143,166,810	Value	P141,974,990	Value	P121,553,875	Value	P118,193,785	Value	P92,548,280	Value	P91,280,270	Value	P88,203,270
	-P3.000 ▼ -0.343%		-P0.500 ▼ -0.400%		-P0.250 ▼ -0.852%		P0.030 ▲ 0.718%		-P2.000 ▼ -0.645%		P0.000 — 0.000%		-P0.100 ▼ -0.270%		-P20.000 ▼ -0.980%		-P9.000 ▼ -1.701%		-P0.750 ▼ -1.948%

BoP posts \$3-billion surplus in Jan.

THE PHILIPPINES' balance of payments (BoP) position swung to a surplus in January from a deficit a year ago, reflecting the proceeds of the government's global bond issuance, the Bangko Sentral ng Pilipinas (BSP) said on Monday.

Data released by the BSP showed a BoP surplus of \$3.08 billion in January, a reversal of the \$102-million deficit in January 2022. The January figure was also significantly higher than the \$612-million surplus in December 2022.

This was also the largest BoP surplus in 26 months or since the \$4.24-billion surfeit in December 2020.

"The BoP surplus in January 2023 reflected inflows arising mainly from the National Government's net foreign currency deposits with the BSP, which include proceeds from its issuance of ROP (Republic of the Philippines) Global Bonds, and net income from the BSP's investments abroad," the central bank said in a statement.

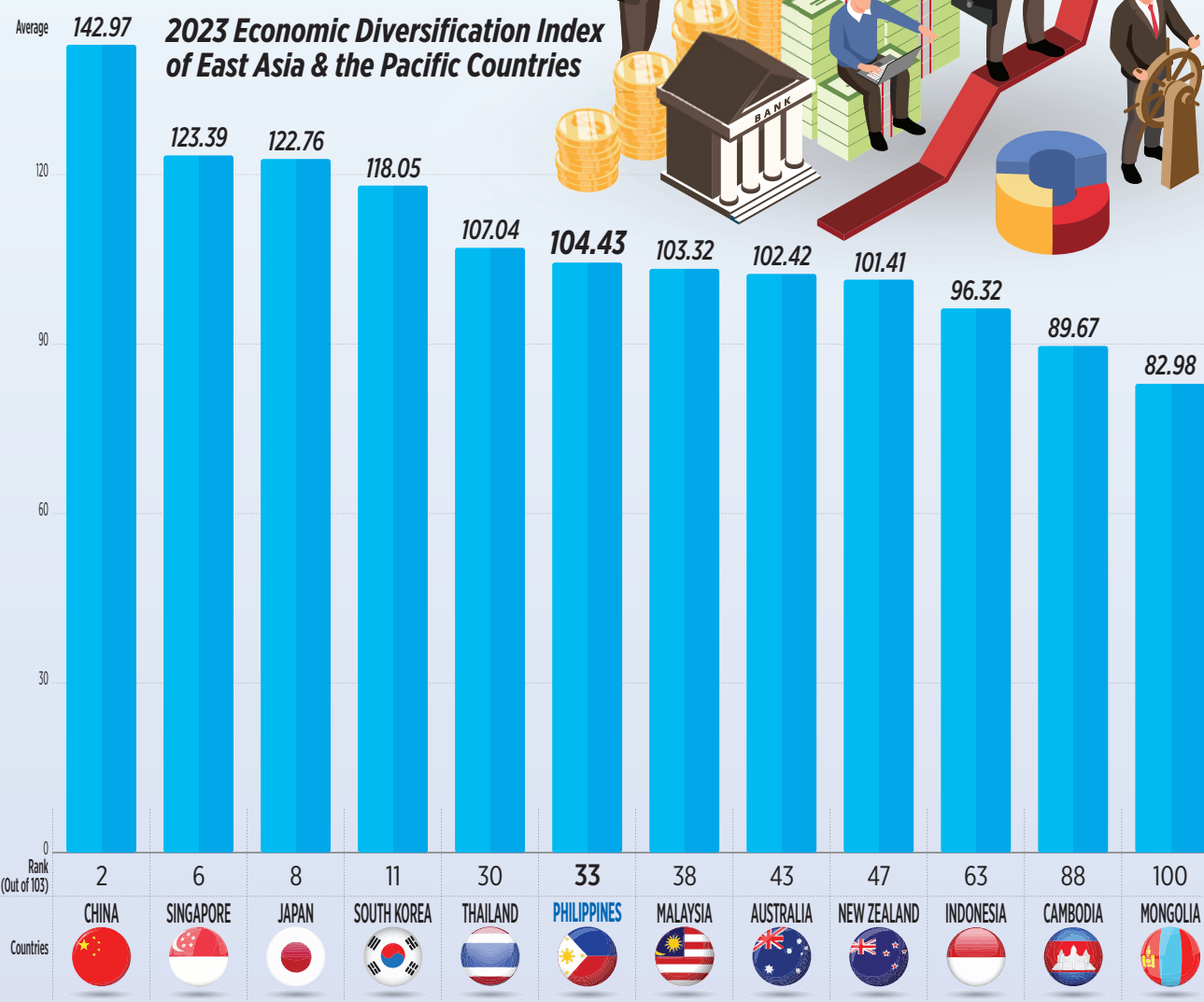
In January, the Philippines raised \$3 billion from the Marcos administration's second US dollar bond issuance. The government sold \$500 million worth of the 5.5-year notes, \$1.25 billion worth of the 10.5-year papers, and \$1.25 billion worth of the 25-year sustainability bonds.

Security Bank Corp. Chief Economist Robert Dan J. Roces said the higher inflows of remittances from overseas Filipino workers (OFWs) was also a key factor in the higher BoP surplus.

BoP, S1/9

PHILIPPINES RANKS 33RD IN ECONOMY DIVERSIFICATION

The Philippines ranked 33rd out of 103 countries, with an average of 104.43 in the 2023 edition of the Global Economic Diversification Index by Mohammed bin Rashid School of Government.



Philippines' Profile

Rank (Out of 103)	33 rd
Average	104.43
Subindices (Weight)	
Revenue subindex (33%)	98.21
Output subindex (33%)	105.58
Trade subindex (33%)	109.50

Top 10

Rank (Out of 103)	Countries	Average
1	United States	150.13
2	China	142.97
3	Germany	136.64
4	United Kingdom	125.43
5	France	124.16
6	Singapore	123.39
7	Ireland	122.79
8	Japan	122.76
9	Switzerland	121.33
10	Netherlands	119.68

Bottom 10

Rank (Out of 103)	Countries	Average
103	Angola	79.71
102	Rep. of the Congo	81.09
101	Azerbaijan	82.30
100	Mongolia	82.98
99	Niger	82.98
98	Kuwait	83.14
97	Nigeria	84.69
96	Zambia	87.64
95	Oman	87.65
94	Ghana	87.96

SOURCE: MOHAMMED BIN RASHID SCHOOL OF GOVERNMENT (MBRSO) GLOBAL ECONOMIC DIVERSIFICATION INDEX (HTTPS://ECONOMICDIVERSIFICATION.COM/THE-INDEX/) BUSINESSWORLD RESEARCH: BERNADETTE THERESE M. GADON BUSINESSWORLD GRAPHICS: BONG R. FORTIN

Philippines counts cost of teenage pregnancies

By Kyle Aristophere T. Atienza Reporter

TACLOBAN CITY — Christine Homeres Villanueva, 16, and her 19-year-old husband were among the hundreds of thousands of young Filipinos who had to drop out of school due to early teenage pregnancy.

Ms. Villanueva, who lives in the central Philippine province of Southern Leyte, got pregnant last year and is expected to give birth in March.

"I almost lost hope when we found out that I was pregnant," she said by telephone. "I was thinking of my future and the challenges of raising my child."

Teenage pregnancy poses serious threats to Philippine economic growth particularly on its labor force, according to experts from the World Health Organization (WHO) and the United Nations (UN).

One of 10 births in the Southeast Asian nation are from mothers under the age of 19, Leila Joudane, country representative of the UN Population Fund, said at the launch of

a campaign against teen pregnancy in the central Philippine city of Tacloban on Monday.

The Philippines is estimated to lose P33 billion a year due to adolescent pregnancy, which the Philippine government considers a national priority, she told a news briefing. Foregone income of teenage girls who get pregnant is P83,000 a year.

"When she gets pregnant early, she would earn much less than people who continue to study," Ms. Joudane said. "The issue of adolescent pregnancy affects her potential future."

The Philippine Health department, WHO, UN and Korea International Cooperation Agency launched a campaign against teen pregnancy in Samar and Southern Leyte — two poor provinces in Eastern Visayas, which have one of the highest teenage pregnancy rates in the country.

The \$1-million program targets 275,538 adolescents and will train 150 health service providers, 150 public school teachers and 360 local government units in 20 towns in these provinces.

Pregnancy, S1/9



FOCUS

BSP may continue rate hikes amid stubborn inflation

THE PHILIPPINE central bank may continue hiking interest rates to a peak of 6.5% in the first half as inflationary pressures persist, analysts said.

"At Fitch Solutions, we now think that interest rates in the Philippines will peak at 6.5%, upwardly revised from our previous forecast of 6%," Fitch Solutions Country Risk & Industry Research said in a report on Monday.

Last week, the Monetary Board raised the key interest rate by 50 basis points (bps) to a near

16-year high of 6%. The rates on the overnight deposit and lending facilities were also increased to 5.5% and 6.5% respectively.

"The latest decisions were mainly driven by concerns over persistently high inflation, and we think that the BSP's tightening cycle will continue into the first half to tame inflationary pressures," Fitch Solutions said.

In a note, Nomura Global Markets Research Chief ASEAN (Association of Southeast Asian Nations) Economist Euben

Paracuelles and analyst Rangga Cipta said they now expect the BSP to deliver two 25-bp hikes at its March and May meetings, to bring the terminal rate to 6.5%.

Nomura also pushed back the timing of BSP rate cuts to the first quarter of 2024, from fourth quarter of 2023 previously.

"This implies, in our view, that BSP will look to ensure inflation has become further entrenched within its 2-4% target, and so it will take longer to unwind some of its policy rate hikes. We there-

fore now revise our policy rate forecast to 6.50% by end-2023 (from 5.50%) and to 5.50% by end-2024 (from 4.50%), which implies we now expect only 100 bps of total rate cuts (from 150 bps)," Nomura said.

The BSP's latest rate hike came after inflation quickened to a 14-year high of 8.7% in January, from 8.1% in December. It marked the 10th straight month inflation was above the BSP's 2-4% target range.

Rate hikes, S1/9

Government losing P500 billion to tax evasion — BIR

THE GOVERNMENT loses around P500 billion annually to tax evasion, according to a top Bureau of Internal Revenue (BIR) official.

"There is a lot, especially if we include those involved in illicit trade. In cigarettes alone, there's around P100 billion," BIR Commissioner Romeo D. Lumagui, Jr. said, when asked about revenue losses from tax evasion.

"Leakages aren't part of that yet, like petroleum or vape products that aren't registered, as well as fake receipts. I think it won't go below P500 billion if you add everything up," he added.

Mr. Lumagui said the BIR will have an easier time achieving its collection targets if it addresses tax evasion.

Earlier this month, the BIR filed 74 tax evasion complaints worth P3.5 billion against several companies.

"We will tailor efforts to improve digital services so businesses will leave the shadow economy and join the tax net. We will now focus on enforcement activities against tax evaders, put emphasis on tapping uncollected taxes through illegal activities," Mr. Lumagui said.

The BIR is currently monitoring and investigating a number of suspected tax evaders.

"The most important right now is the selling of fake receipts and we know who (they are). We are investigating so we can file a case against those involved," Mr. Lumagui said.

The BIR is targeting to collect P2.6 trillion in revenues this year.

"With all our activities and efforts we are making, we will be able to achieve the tax collection target," he said.

In 2022, the agency collected a total of P2.34 trillion, surpassing its P2.1-trillion target.

Meanwhile, Mr. Lumagui said the agency will also review its policies after the Supreme Court declared void its regulations that require firms to disclose the personal information of investors.

"We must respect the privacy (of these investors) but when it comes to the correct amount of taxes, the BIR has auditing power. There is still a need to pay taxes and the compliance of these businesses needs to be monitored. When it comes to determining the correct amount of taxes, we can investigate that," he added.

The Supreme Court declared that the BIR Revenue Regulations No. 1-2014 and Revenue Memorandum Circular (RMC) No. 5-2014 "void for being unconstitutional" as it violated the right to privacy. — Luisa Maria Jacinta C. Jocsos

FUEL PRICE TRACKER

(week-on-week change)

GASOLINE	
Feb. 7	▼ P2.10
Feb. 14	▲ P0.00
Feb. 21	▲ P0.90
DIESEL	
Feb. 7	▼ P3.00
Feb. 14	▼ P2.20
Feb. 21	▲ P1.05
KEROSENE	
Feb. 7	▼ P2.30
Feb. 14	▼ P2.50
Feb. 21	▼ P0.25

• Feb. 21, 12:01 a.m. — Caltex Philippines
 • Feb. 21, 6 a.m. — Petron Corp.; Phoenix Petroleum; Pilipinas Shell Petroleum Corp.; PTT Philippines Corp.; Seoil Philippines, Inc.
 • Feb. 21 8:01 a.m. — Cleanfuel (Shaw Autogas, Inc.)