

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																					
PSEi OPEN: 6,609.41 HIGH: 6,670.49 LOW: 6,556.20 CLOSE: 6,556.20 VOL.: 1.738 B VAL(P): 21.175 B 43.14 pts, 0.65% 30 DAYS TO FEBRUARY 28, 2023	FEBRUARY 28, 2023 <table border="1"> <tr><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (Nikkei 225)</td><td>27,445.56</td><td>▲ 21.60 0.08</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>19,785.94</td><td>▼ -157.57 -0.79</td></tr> <tr><td>TAIWAN (WEIGHTED)*</td><td>15,503.79</td><td>▼ -111.62 -0.71</td></tr> <tr><td>THAILAND (SET INDEX)</td><td>1,623.44</td><td>▼ -3.91 -0.24</td></tr> <tr><td>S.KOREA (KSE COMPOSITE)</td><td>2,412.85</td><td>▲ 10.21 0.42</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,264.87</td><td>▲ 1.63 0.05</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>7,258.40</td><td>▲ 33.60 0.47</td></tr> <tr><td>MALAYSIA (KLSE COMPOSITE)</td><td>1,454.19</td><td>▼ -1.31 -0.09</td></tr> </table>	CLOSE	NET	%	JAPAN (Nikkei 225)	27,445.56	▲ 21.60 0.08	HONG KONG (HANG SENG)	19,785.94	▼ -157.57 -0.79	TAIWAN (WEIGHTED)*	15,503.79	▼ -111.62 -0.71	THAILAND (SET INDEX)	1,623.44	▼ -3.91 -0.24	S.KOREA (KSE COMPOSITE)	2,412.85	▲ 10.21 0.42	SINGAPORE (STRAITS TIMES)	3,264.87	▲ 1.63 0.05	SYDNEY (ALL ORDINARIES)	7,258.40	▲ 33.60 0.47	MALAYSIA (KLSE COMPOSITE)	1,454.19	▼ -1.31 -0.09	FEBRUARY 27, 2023 <table border="1"> <tr><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>32,889.090 ▲ 72.170</td></tr> <tr><td>NASDAQ</td><td>11,466.979 ▲ 72.037</td></tr> <tr><td>S&P 500</td><td>3,982.240 ▲ 12.200</td></tr> <tr><td>FTSE 100</td><td>7,935.110 ▲ 56.450</td></tr> <tr><td>Euro Stoxx50</td><td>3,918.35 ▲ 39.180</td></tr> </table>	CLOSE	NET	Dow Jones	32,889.090 ▲ 72.170	NASDAQ	11,466.979 ▲ 72.037	S&P 500	3,982.240 ▲ 12.200	FTSE 100	7,935.110 ▲ 56.450	Euro Stoxx50	3,918.35 ▲ 39.180	FX OPEN P55.350 HIGH P55.100 LOW P55.360 CLOSE P55.330 W.AVE. P55.210 VOL. \$1,204.25 M 18.00 pts 30 DAYS TO FEBRUARY 28, 2023 SOURCE: BAP	FEBRUARY 28, 2023 <table border="1"> <tr><th>LATEST BID (0900GMT)</th><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>136.690 ▼ 136.340</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.849 ▼ 7.847</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>30.737 ▼ 30.717</td></tr> <tr><td>THAILAND (BAHT)</td><td>35.330 ▼ 35.110</td></tr> <tr><td>S. KOREA (WON)</td><td>1,321.570 ▼ 1,320.900</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.349 ▼ 1.350</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>15,245 ▼ 15,265</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.486 ▼ 4.476</td></tr> </table>	LATEST BID (0900GMT)	PREVIOUS	JAPAN (YEN)	136.690 ▼ 136.340	HONG KONG (HK DOLLAR)	7.849 ▼ 7.847	TAIWAN (NT DOLLAR)	30.737 ▼ 30.717	THAILAND (BAHT)	35.330 ▼ 35.110	S. KOREA (WON)	1,321.570 ▼ 1,320.900	SINGAPORE (DOLLAR)	1.349 ▼ 1.350	INDONESIA (RUPIAH)	15,245 ▼ 15,265	MALAYSIA (RINGGIT)	4.486 ▼ 4.476	FEBRUARY 28, 2023 <table border="1"> <tr><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.2084 ▲ 1.1963</td></tr> <tr><td>US\$/EURO</td><td>1.0617 ▲ 1.0553</td></tr> <tr><td>\$/AUSTRALIAN DOLLAR</td><td>0.6720 ▲ 0.6719</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.3592 ▲ 1.3594</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.9372 ▼ 0.9420</td></tr> </table>	CLOSE	PREVIOUS	US\$/UK POUND	1.2084 ▲ 1.1963	US\$/EURO	1.0617 ▲ 1.0553	\$/AUSTRALIAN DOLLAR	0.6720 ▲ 0.6719	CANADA DOLLAR/US\$	1.3592 ▲ 1.3594	SWISS FRANC/US\$	0.9372 ▼ 0.9420	FEBRUARY 28, 2023 FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$82.05/BBL UNCHANGED 30 DAYS TO FEBRUARY 27, 2023
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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • FEBRUARY 28, 2023 (PSEi snapshot on S1/4; article on S2/2)

GLO	P1,775.000	ACEN	P6.340	MER	P317.800	SMPH	P34.050	BDO	P123.400	SM	P852.000	ALI	P28.500	BPI	P109.800	AC	P625.000	MBT	P58.200
Value	P6,527,990,650	Value	P3,578,626,338	Value	P1,341,138,662	Value	P1,038,033,820	Value	P934,886,822	Value	P816,307,790	Value	P622,271,055	Value	P583,631,959	Value	P434,366,095	Value	P427,645,208
	-P96.000 ▼ -5.131%		-P0.260 ▼ -3.939%		P3.000 ▲ 0.953%		-P1.050 ▼ -2.991%		-P0.700 ▼ -0.564%		-P42.500 ▼ -4.751%		P0.000 — 0.000%		P6.800 ▲ 6.602%		-P23.000 ▼ -3.549%		-P1.700 ▼ -2.838%

Inflation may breach 9% in Feb. — BSP

IT-BPM sector revenues increase by 10% in 2022

THE INFORMATION TECHNOLOGY and business process management (IT-BPM) sector saw its revenues jump by 10.3% in 2022, driven by key segments such as banking, financial services, and healthcare.

In a statement, the IT and Business Process Association of the Philippines (IBPAP) said the sector posted \$32.5 billion in revenues last year, higher than the \$29.5 billion in 2021.

The IT-BPM sector also saw an 8.4% increase in the number of full-time employees to 1.57 million.

IBPAP said the sector had "outperformed the aggressive targets" — 8-10% rise in revenues and 7-8% increase in full-time employees — set under the Philippine IT-BPM industry roadmap 2028.

"The boost in headcount and revenue may be attributed to growth in Banking, Financial Services & Insurance (BFSI), Healthcare, Retail, Technology, and Telecommunications," IBPAP said.

For 2023, the IBPAP said it is targeting to increase the number of full-time employees by at least 8% to 1.7 million, and revenues by 10% to \$35.9 billion.

The industry group said there was "significant expansion" in areas outside of Metro Manila last year such as in Cebu, Davao, Bacolod, Pampanga, and Laguna.

"Over 70,000 new jobs were created in locations outside Metro Manila — a 17% increase from the previous year. By the end of 2022, 31% of the sector's total headcount or 486,000 (full-time employees) were in the countryside," the IBPAP said.

The sector's positive performance came as many IT-BPM firms shifted their registration to the Board of Investments from the Philippine Economic Zone Authority, in order to continue conducting work-from-home arrangements while enjoying fiscal incentives.

IT-BPM, S1/5



PHILIPPINE STAR/WALTER BOLLOZOS

THE PHILIPPINE ECONOMY is expected to expand by 6-7% this year, slower than the 7.6% growth in 2022.

Gov't sticks to 6-7% growth goal this year

THE DEVELOPMENT Budget Coordination Committee (DBCC) will likely retain the economic growth target and inflation assumption for this year, economic managers said.

Asked if the DBCC would revise or maintain its targets at its next meeting in April, Finance chief Benjamin E. Diokno told reporters it would be "maintained."

The DBCC has set a gross domestic product (GDP) growth target of 6-7% this year, slower than the 7.6% expansion in 2022. It also assumes inflation will settle between 2.5% and 4.5% this year.

National Economic and Development Authority (NEDA) Secretary Arsenio M. Balisacan said it may be too early to even think of revising the GDP target.

"It's only the end of February. We will stick with the 6-7%, even if it's just at the lower end," he told reporters on the sidelines of the economic managers' briefing at the House of Representatives.

At its December meeting, the DBCC lowered the GDP growth target for 2023 to 6-7%, a narrower range from 6.5-8% previously, citing a possible slowdown in major economies.

During the House hearing, Mr. Diokno said that the country will also still be able to achieve

its goals under the Medium-Term Fiscal Framework.

"The forecast of the Bangko Sentral ng Pilipinas (BSP) is that average inflation will be 6.1%... next year it will be slightly higher than 3%, it is more or less within the (2-4%) range. It's still on track this year," he said.

The BSP earlier this month revised its average inflation forecast this year to 6.1% from 4.5% previously. It expects inflation to ease to 3.1% in 2024.

Headline inflation accelerated to 8.7% in January, its fastest pace in 14 years. February inflation data is set to be released on March 7.

Mr. Diokno said there is a possibility that revenue targets may be revised at the next DBCC meeting.

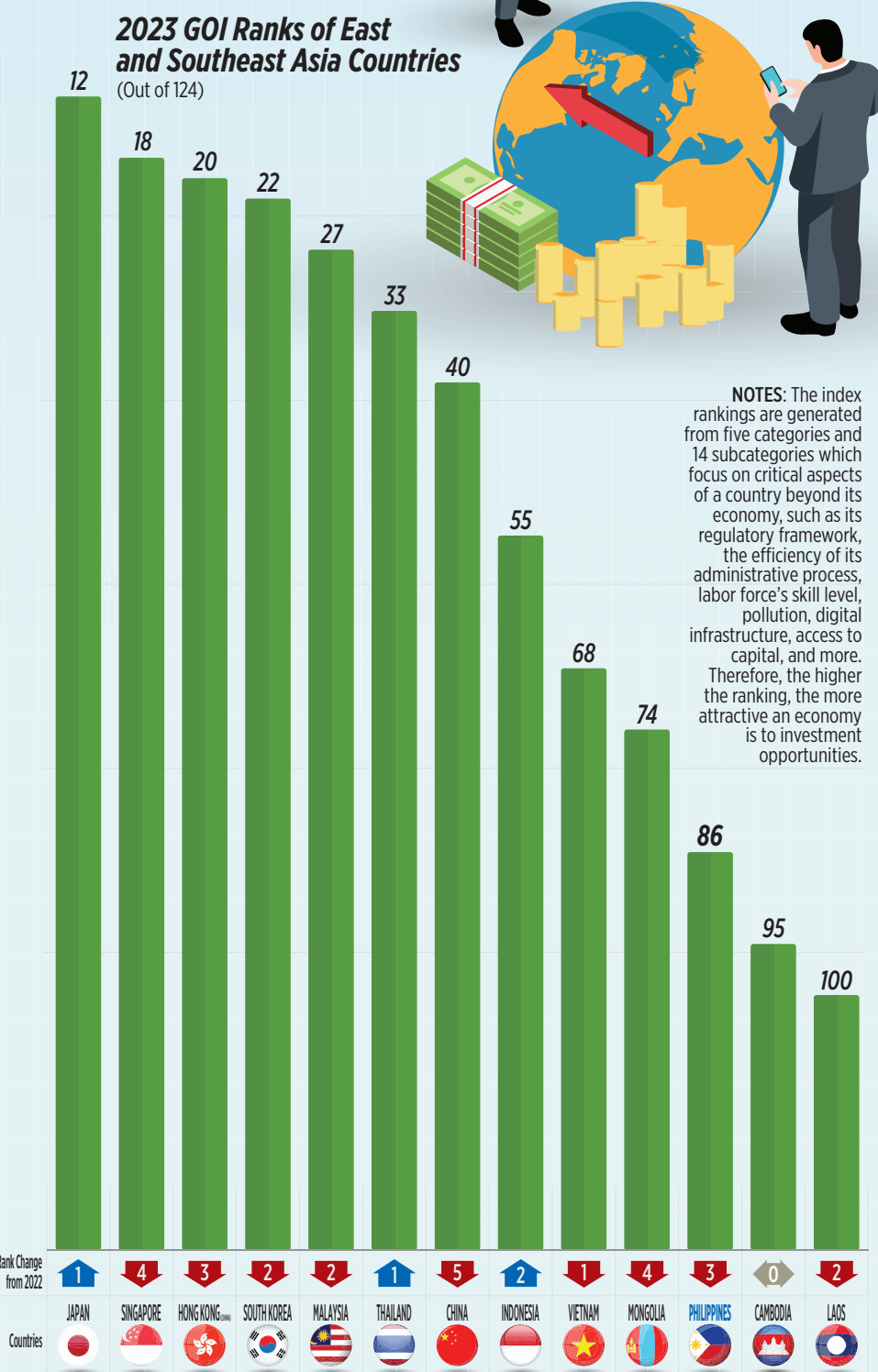
"We constantly update the numbers. In the light of recent figures on inflation, we will update it. The DBCC meets every quarter (to adjust targets)," he said.

The Bureau of Internal Revenue (BIR) is tasked to collect P2.599 trillion this year, while the Bureau of Customs (BoC) has set a target of P901.3 billion.

The BIR and BoC are the government's main revenue-generating agencies, with the BIR collecting about 70% of government revenues. — **Luisa Maria Jacinta C. Joeson** with inputs from **Beatriz Marie D. Cruz**

PHILIPPINES DOWN 3 SPOTS IN GLOBAL INVESTMENT OPPORTUNITY LIST

The Philippines dropped three notches to 86th place out of 124 economies in the Global Opportunity Index 2023 (GOI) by nonprofit think tank Milken Institute. It lagged behind its peers in the East and Southeast Asia region. The index measures an economy's investment opportunity for global investors to deploy capital. The Philippines ranked highest in economic fundamentals which focus on a country's macroeconomic outlook, its readiness for future growth, and the quality and diversity of its labor force.



NOTES: The index rankings are generated from five categories and 14 subcategories which focus on critical aspects of a country beyond its economy, such as its regulatory framework, the efficiency of its administrative process, labor force's skill level, pollution, digital infrastructure, access to capital, and more. Therefore, the higher the ranking, the more attractive an economy is to investment opportunities.

Philippines Profile (2023)

Overall Rank (Out of 124)	86th
Factors	Rank (Out of 124)
Economic Fundamentals	72 nd
International Standards & Policy	73 rd
Business Perception	84 th
Financial Services	92 nd
Institutional Framework	96 th

Historical

Year	Rank
2017	84 th (Out of 144)
2018	80 th (Out of 145)
2019	106 th (Out of 144)
2020	84 th (Out of 144)
2021	82 nd (Out of 145)
2022	83 rd (Out of 126)
2023	86 th (Out of 124)

Top 10

Countries	2023 Rank (Out of 124)	Rank Change from 2022
Sweden	1	0
United Kingdom	2	0
Denmark	3	0
Finland	4	0
United States	5	4
Germany	6	4
New Zealand	7	1
Netherlands	8	3
Norway	9	2
Switzerland	10	2

Bottom 10

Countries	2023 Rank (Out of 124)	Rank Change from 2022
Chad	124	2
Mauritania	123	1
Mali	122	1
Burundi	121	-
Cameroon	120	1
Burkina Faso	119	3
Benin	118	2
Bangladesh	117	5
Gabon	116	3
Cote d'Ivoire	115	3

SOURCE: MILKEN INSTITUTE'S GLOBAL OPPORTUNITY INDEX 2023 (HTTPS://MILKENINSTITUTE.ORG/REPORT/GLOBAL-OPPORTUNITY-INDEX-2023-MIDDLE-INCOME-G20) BUSINESSWORLD RESEARCH: ANA OLIVIA A. TIRONA BUSINESSWORLD GRAPHICS: BONG R. FORTIN

By Keisha B. Ta-asan
Reporter

HEADLINE INFLATION may have breached the 9% level in February, amid higher prices of cooking gas, pork, fish, and eggs, the Bangko Sentral ng Pilipinas (BSP) said on Tuesday.

In a statement, the BSP said February inflation likely settled within the 8.5% to 9.3% range in February. This would follow January's 8.7% print, which was the quickest since November 2008.

If realized, February would mark the 11th straight month that inflation would exceed the BSP's 2-4% target range.

The upper end of the forecast or 9.3% would be the fastest pace recorded in more than 14 years or since the 9.7% recorded in October 2008.

"Upward price pressures for the month are expected to emanate from higher LPG (liquefied petroleum gas) prices as well as elevated prices of key food items, such as pork, fish, egg, and sugar," the BSP said in a statement.

Cooking gas prices increased by P10.00-11.20 per kilogram in February, while the price of eggs rose to P8-9 per piece from P6 a year ago.

Refined sugar prices reached as high as P110 per kilogram in February, nearly double the P65 per kilogram seen a year ago.

"Meanwhile, the lower prices for domestic petroleum, fruits and vegetables, chicken, and beef, along with the peso appreciation could contribute to easing price pressures during the month," the central bank said.

In February alone, pump price adjustments stood at a net decrease of P0.50 a liter for gasoline, P5.45 a liter for diesel and P6.85 a liter for kerosene.

The peso depreciated by 1.25% or P0.69 in February, closing the month at P55.33 against the dollar on Tuesday from its P54.64 close on Jan. 31.

Elevated inflation will put more pressure on the central bank to continue its aggressive monetary tightening.

BSP Governor Felipe M. Medalla said the Monetary Board may continue to hike policy rates to tame inflation.

"We cannot rule out (rate) increases. Exactly how many, we don't know. We need more data," Mr. Medalla told *BusinessWorld* on the sidelines of the House Appropriations Committee hearing on Tuesday.

The BSP raised its benchmark interest rate by 50 basis points (bps) at its first policy meeting of the year, bringing the key benchmark rate to 6%, the highest in nearly 16 years.

Since May 2022, the BSP has raised policy rates by a total of 400 bps.

"I think there is room for a few more (rate hikes) that will not affect growth. Because our calculation is (that for) every 25-bp rate increase, the impact on growth is 0.01-0.02%, so (our 6-7% growth target is) achievable," Mr. Medalla said.

"(However,) if you take a longer view that's no longer the case. Most of the increases don't have to be necessarily permanent," he added, indicating that a policy rate cut is possible in the long term.

Mr. Medalla earlier said the Monetary Board is considering an interest rate hike by 25-50 bps at its March meeting.

BSP Senior Assistant Governor Illuminada T. Sicat said February inflation is "still elevated" and the central bank will "make use of all available tools in order to stabilize and bring back inflation trend back to the target range."

Inflation, S1/5



CORPORATE NEWS
Merco to negotiate lower rate for new emergency power supply deal S1/5

THE WORLD
High airfares here to stay, AirAsia's Fernandes says S1/9

ARTS & LEISURE
Warp and weft of life S1/11



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