

New York bourse closes mixed as inflation data support rate worries

WALL STREET's stocks ended mixed on Tuesday after US consumer price data for January offered little to change expectations about the US Federal Reserve's path forward on interest rate hikes.

US consumer prices accelerated as Americans continued to be burdened by higher rental housing costs, suggesting that the Fed will maintain its fight against inflation.

"Inflation remains elevated, albeit it appears to be slowing," said Terry Sandven, chief equity strategist at US Bank Wealth Management in Minneapolis. "Looking at today's price action, I think it might be a little bit of profit taking on the heels of strong year-to-date performance."

Of the 11 S&P 500 sector indexes, seven declined, led by real estate, down 1.08%, followed by a 0.95% loss in consumer staples.

The consumer discretionary index rose 0.30%, lifted by a surge of nearly 8% in Tesla, Inc. The electric car maker has rebounded over 60% in 2023 after losing two-thirds of its value last year.

Money market traders are betting on at least two more 25 basis point rate hikes this year, with interest rates seen peaking at 5.28% by July.

Also adding to the investor angst were hawkish remarks by Richmond Fed President Thomas Barkin and Dallas Fed President Lorie Logan. Mr. Barkin said the Fed needs to prioritize quashing inflation over risks to US economic growth.

Wall Street had an upbeat start to the year, lifted by renewed interest in volatile growth stocks battered in 2022 as the Fed raised rates aggressively to bring steep prices under control.

The rally, however, stalled last week following signs of a tight labor market and hawkish commentary from Fed policymakers.

The S&P 500 is up about 8% so far in 2023, while the Nasdaq Composite Index has rebounded about 14%.

Investors will closely watch January retail sales data on Wednesday for hints on consumer spending amid worries of an economic slowdown.

The S&P 500 declined 0.03% to end at 4,136.17 points.

The Nasdaq gained 0.57% at 11,960.15 points, while Dow Jones Industrial Average declined 0.46% to 34,089.27 points.

Shares of Boeing Co. rose 1.3% to their highest in over a year after Air India unveiled a deal to buy 220 of its passenger planes.

Coca-Cola Co. slipped 1.7% despite a strong full-year profit forecast.

Marriott International, Inc. rose 4% after the hotel operator forecast first-quarter earnings above Wall Street estimates as it benefited from strong travel demand.

Palantir Technologies soared more than 21% after the data analytics firm forecast its first profitable year.

Of the more than half of S&P 500 firms that have reported results, nearly 69% have beaten profit expectations, as per Refinitiv on Friday. However, analysts expect fourth-quarter earnings to fall 2.8% from a year earlier.

Across the US stock market, decliners outnumbered advancers by a 1.1-to-1 ratio.

The S&P 500 posted 10 new highs and no new lows; the Nasdaq recorded 75 new highs and 76 new lows. — Reuters

Oil falls on hint of US crude build

BENGALURU — Oil prices settled 1% lower on Tuesday as traders worried about mounting supplies, and prices extended losses in post-settlement trading after sources said data from the American Petroleum Institute showed a large build in US crude oil and distillate inventories.

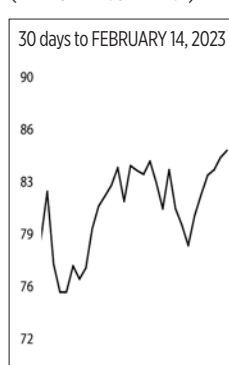
Sources said the industry group reported a crude oil build of 10.5 million barrels in the week ended Feb. 10.

The US Department of Energy said on Monday that it would sell 26 million barrels of oil from the SPR, which is already at its lowest level since 1983.

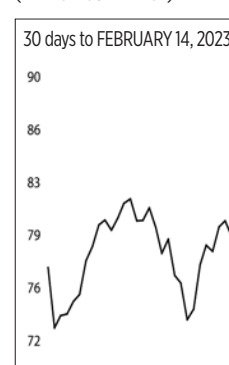
Brent futures for April delivery fell \$1.03, or 1.2%, to \$85.58 a barrel by 1:05 p.m. EST (1805 GMT). US West Texas Intermediate (WTI) crude futures for March fell by \$1.08, or 1.4%, to \$79.06 a barrel.

WTI futures slid by another 22 cents to \$78.84 a barrel in

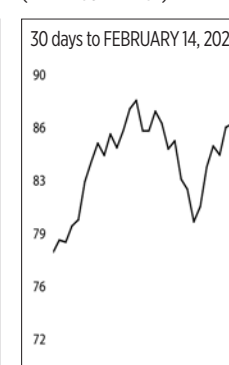
ASIA-DUBAI (FEBRUARY CONTRACT)



NEW YORK-WTI (MARCH CONTRACT)



LONDON-BRENT (APRIL CONTRACT)



Source: REUTERS

post-settlement trading. Brent futures fell by 32 cents to \$85.26 a barrel.

Official inventory figures from the Energy Information Administration are due on Wednesday. If the data shows a

build in crude oil inventories, it will be the eighth straight week of rising US stocks.

Both benchmarks had sunk more than \$2 during the session, but pared losses after data showed the slowest pace of ac-

Gold bullion cedes gains on hawkish Fed; palladium sinks to near 4-year low

GOLD PRICES gave up gains accrued due to dollar weakness on Tuesday to end the session nearly unchanged as US Federal Reserve officials remained hawkish on rate hikes, while demand concerns sent auto-catalyst palladium sliding to its weakest since August 2019.

Spot gold was nearly flat at \$1,852.94 per ounce by 2:33 p.m. ET (1933 GMT). US gold futures gained 0.1% to settle at \$1,851.80.

Data showed US consumer price index (CPI) rose 6.4% in the 12 months through January — the smallest gain since October 2021. Last month, CPI increased 0.5%, also in line with expectations.

The Fed is expected to raise its policy rate at least twice more to the 5%-5.25% range, with financial markets retaining about even odds for a further quarter-point hike in the summer.

Bullion is highly sensitive to rising US interest rates, which increase the opportunity cost of holding the zero-yield asset. Benchmark 10-year Treasury yields rose, weighing on gold.

Palladium dropped 4.2% to \$1,500.18 per ounce, after earlier touching \$1,468.94, its lowest since late-August 2019.

"As palladium is being increasingly substituted by platinum and the number of electric cars is growing, less palladium is likely to be needed to produce the new vehicles," Commerzbank analysts wrote in a note.

Spot silver fell 0.6% to \$21.84, and platinum XPT= slipped 2.3% to \$931.61. — Reuters

AboitizPower, EPI sign supply deal



AboitizPower and EPI partners anew. (L-R) AboitizPower Head of Retail James Byron Yu, AboitizPower Senior Vice President for Commercial Operations Sandro Aboitiz, EPI President and CEO Ronaldo Ibasco, and NAC President and CEO Martin Antonio G. Zamora.

Aboitiz Power Corporation (AboitizPower) expanded its partnership with Emerging Power, Inc. (EPI), the renewable arm of Nickel Asia Corp. (NAC), through its subsidiary Jobin SQM Inc. (JSI), via a power supply agreement (PSA) that will provide solar energy to its retail electricity entities.

"We thank EPI for this partnership that puts AboitizPower's retail business in a stronger position for growth," said Sandro Aboitiz, AboitizPower's Senior Vice President for Commercial Operations. "We also hope to continue strengthening our ties with other industry players to achieve energy security."

Under the PSA, JSI will provide solar power capacity from its recently

completed 100-megawatt (MW) Sta. Rita Solar Power Plant in Subic, Zambales to AboitizPower's retail electricity companies, Aboitiz Energy Solutions, Inc. (AESI) and Adventenergy Inc., to support the retailers' growing portfolio.

The partnership between EPI and AboitizPower started in 2020 when the two sealed a deal for EPI to supply power to AboitizPower RES entities AESI and Adventenergy, Inc.

AboitizPower Retail aims to grow its portfolio of renewable energy supply to cater to its customers. Overall, AboitizPower is looking to expand its renewable capacities to 4,600 MW or 50% of its energy portfolio by 2030.

Rents push up US consumer prices in Jan.

WASHINGTON — US consumer prices accelerated in January as Americans continued to be burdened by higher costs for rental housing and food, suggesting that the Federal Reserve was far from pausing its interest rate hiking campaign.

The report from the Labor department on Tuesday also showed the pace of disinflation in the annual consumer price measures slowing last month.

Still, the continued gradual slowdown in inflation likely keeps the Fed on a moderate interest rate hiking path. Sticky inflation and a stubbornly tight labor market have led some economists to expect that the US central bank could continue hiking rates through summer.

"Inflation is easing but the path to lower inflation will not likely be smooth," said Jeffrey Roach, chief economist at LPL Financial in Charlotte, North Carolina. "The Fed will not make decisions based on just one report but clearly the risks are rising that inflation will not cool fast enough for the Fed's liking."

The consumer price index (CPI) increased 0.5% last month after gaining 0.1% in December. A 0.7% rise in the cost of shelter, which mostly reflected rents, accounted for nearly half of the monthly increase in the CPI.

Inflation was also boosted by rising gasoline prices, which rebounded 2.4% after declining for two straight months. Americans also paid more for natural gas and electricity.

There were also increases in prices of food, which rose 0.5% after advancing 0.4% in December. The cost of food consumed at home climbed 0.4%, lifted by rising prices for meat, fish and eggs. Prices for cereals and bakery goods rose as did nonalcoholic

beverages, but fruits and vegetables cost less.

January's increase in the CPI was in line with economists' expectations. Economists said some of the rise in the monthly CPI reflected price increases at the start of the year, mostly evident in the 2.1% surge in prescription drugs and 1.2% jump in motor vehicle fees.

The Labor Department's Bureau of Labor Statistics (BLS) also updated the seasonal adjustment factors, the model that it uses to strip out seasonal fluctuations from the data.

Spending weights used to calculate the CPI were also updated effective with January's report. The new weights, reflecting consumer spending in 2021, were seen as inflationary for January's report. Housing now has a bigger share in the CPI, while weights for transportation and food were lowered.

In the 12 months through January, the CPI increased 6.4%. That was the smallest gain since October 2021 and followed a 6.5% rise in December.

The revisions to 2022 CPI account for the modest slowdown in the year-on-year CPI. The annual CPI peaked at 9.1% in June, which was the biggest increase since November 1981.

US President Joseph R. Biden, Jr. said in a statement that the CPI report "reinforces that we have made historic progress and are on the right track, and now we need to finish the job."

GOODS DEFLATION PAUSES

The moderation in annual inflation reflects tighter monetary policy, which is weighing on demand, as well as improved supply chains. But it will be a while before inflation moves back to the Fed's 2% target.

The Fed has raised its policy rate by 450 basis points (bps) since last March from near zero to a 4.50%-4.75% range, with the bulk of the increases between May and December. Two additional rate hikes of 25 bps are expected in March and May. Financial markets are betting on another increase in June.

Excluding the volatile food and energy components, the CPI increased 0.4% after rising 0.4% in December. In addition to the 0.7% advance in owners' equivalent rent (OER), a measure of the amount homeowners would pay to rent or would earn from renting their property, the so-called core CPI was also supported by higher prices for apparel. OER increased 0.8% in December.

Independent measures, however, suggest rental inflation is cooling, leading many economists to believe that price pressures could decelerate considerably in the second half. The rent measures in the CPI tend to lag the independent gauges.

Healthcare costs fell 0.4%. Excluding food, shelter and energy, the CPI rose 0.2% after gaining 0.1% in December. Prices for used cars and trucks fell 1.9%, while the cost of apparel increased 0.8%, the largest gain since December 2021. Core goods prices rose 0.1%, increasing for the first time since August.

In the 12 months through January, the core CPI advanced 5.6%, the smallest gain since December 2021, after rising 5.7% in December.

"We continue to look for inflation to trend lower, but we believe getting back to an inflation rate the Fed can live with on a sustained basis will neither be quick nor painless," said Sarah House, a senior economist at Wells Fargo in Charlotte, North Carolina. — Reuters

All set for the 58th ANVIL Awards Gabi ng Parangal

Nearly 400 entries vie for top honors in the first physical Anvil Awards night since 2019

The stage is set for the much anticipated return of the physical event of the 58th ANVIL Awards Gabi ng Parangal by the Public Relations Society of the Philippines (PRSP) happening on March 8, 2023, Wednesday, at the Marriott Grand Ballroom in Newport City.

Held virtually for the past three years due to the pandemic, almost 400 entries are vying for the Philippines' most prestigious Public Relations recognitions from the ANVIL Awards. To be honored during the event are outstanding PR programs and tools spearheaded by the country's top organizations.

"We are very excited to see and welcome everyone physically once again, especially since this is the first Gabi ng Parangal that the PRSP is hosting since the start of the pandemic. We are particularly delighted to share the stage and the spotlight with a big contingent of winners, especially since over 100 companies and organizations are receiving well-deserved honors during the event," says Harold C. Geronimo, APR, PRSP President.

Presented annually by the PRSP, the ANVIL Awards is dubbed the "Oscars of Public Relations" and is considered as the symbol of excellence in Public Relations in the Philippines. Taking part in this flagship industry event of the PRSP are about 800 participants from the private sector, government, academe, and other allied industries.

This year, the 58th ANVIL Awards Gabi ng Parangal carries the theme "Isang Hab" or "One Weave," which reflects the intersection of all resources and materials to create a useful and meaningful whole — much like the role of PR in helping realize an organization's goals.



The ANVIL is awarded to outstanding public relations programs and tools after careful screening by select PR professionals and judging by senior PR professionals and a distinguished multi-sectoral jury. Entries were submitted under the categories of PR Programs (on a Sustained Basis, or as Specialized PR Programs) or PR Tools (publications, multimedia tools, or special events, and exhibits).

The submitted entries from organizations from the public and private sectors are now vying for the Grand Anvil, Platinum Anvil, Gold Anvil, and Silver Anvil Awards. Also to be given away during the evening are the Hall of Fame, Company of the Year, and Agency of the Year Awards.

You may reserve the best seats and tables at the event by contacting the PRSP Secretariat at secretariat@prsp.ph. You may email Ms. Camille Orcuse at 58thAnvilAwards@gmail.com, or call 7751-4506 or 0917-179.6464 for sponsorship opportunities.