

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																																																			
7125 PSEi OPEN: 6,673.18 HIGH: 6,737.03 LOW: 6,671.12 CLOSE: 6,671.12 15.75 PTS. 0.23% VOL.: 0.660 B VAL(P): 4.751 B	MARCH 6, 2023 <table border="1"> <thead> <tr> <th></th> <th>CLOSE</th> <th>NET</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>JAPAN (NIKKEI 225)</td> <td>28,237.78</td> <td>▲ 310.31</td> <td>1.11</td> </tr> <tr> <td>HONG KONG (HANG SENG)</td> <td>20,603.19</td> <td>▲ 35.65</td> <td>0.17</td> </tr> <tr> <td>TAIWAN (WEIGHTED)</td> <td>15,763.51</td> <td>▲ 155.09</td> <td>0.99</td> </tr> <tr> <td>THAILAND (SET INDEX)*</td> <td>1,606.88</td> <td>▼ -5.76</td> <td>-0.36</td> </tr> <tr> <td>S.KOREA (KSE COMPOSITE)</td> <td>2,462.62</td> <td>▲ 30.55</td> <td>1.20</td> </tr> <tr> <td>SINGAPORE (STRAITS TIMES)</td> <td>3,241.30</td> <td>▲ 9.28</td> <td>0.29</td> </tr> <tr> <td>SYDNEY (ALL ORDINARIES)</td> <td>7,328.60</td> <td>▲ 45.00</td> <td>0.62</td> </tr> <tr> <td>MALAYSIA (KLSE COMPOSITE)</td> <td>1,452.68</td> <td>▼ -0.87</td> <td>-0.06</td> </tr> </tbody> </table>		CLOSE	NET	%	JAPAN (NIKKEI 225)	28,237.78	▲ 310.31	1.11	HONG KONG (HANG SENG)	20,603.19	▲ 35.65	0.17	TAIWAN (WEIGHTED)	15,763.51	▲ 155.09	0.99	THAILAND (SET INDEX)*	1,606.88	▼ -5.76	-0.36	S.KOREA (KSE COMPOSITE)	2,462.62	▲ 30.55	1.20	SINGAPORE (STRAITS TIMES)	3,241.30	▲ 9.28	0.29	SYDNEY (ALL ORDINARIES)	7,328.60	▲ 45.00	0.62	MALAYSIA (KLSE COMPOSITE)	1,452.68	▼ -0.87	-0.06	MARCH 3, 2023 <table border="1"> <thead> <tr> <th></th> <th>CLOSE</th> <th>NET</th> </tr> </thead> <tbody> <tr> <td>Dow Jones</td> <td>33,390.970</td> <td>▲ 387.400</td> </tr> <tr> <td>NASDAQ</td> <td>11,689.006</td> <td>▲ 226.024</td> </tr> <tr> <td>S&P 500</td> <td>4,045.640</td> <td>▲ 64.290</td> </tr> <tr> <td>FTSE 100</td> <td>7,947.110</td> <td>▲ 3.070</td> </tr> <tr> <td>Euro Stoxx50</td> <td>3,924.590</td> <td>▲ 25.390</td> </tr> </tbody> </table>		CLOSE	NET	Dow Jones	33,390.970	▲ 387.400	NASDAQ	11,689.006	▲ 226.024	S&P 500	4,045.640	▲ 64.290	FTSE 100	7,947.110	▲ 3.070	Euro Stoxx50	3,924.590	▲ 25.390	FX OPEN P54.800 HIGH P54.760 LOW P54.915 CLOSE P54.880 W.AVE. P54.844 VOL. \$810.10 M SOURCE: BAP	MARCH 6, 2023 <table border="1"> <thead> <tr> <th></th> <th>LATEST BID (0900GMT)</th> <th>PREVIOUS</th> </tr> </thead> <tbody> <tr> <td>JAPAN (YEN)</td> <td>135.970</td> <td>135.860</td> </tr> <tr> <td>HONG KONG (HK DOLLAR)</td> <td>7.850</td> <td>7.849</td> </tr> <tr> <td>TAIWAN (NT DOLLAR)</td> <td>30.624</td> <td>30.498</td> </tr> <tr> <td>THAILAND (BAHT)</td> <td>34.500</td> <td>34.470</td> </tr> <tr> <td>S. KOREA (WON)</td> <td>1,298.200</td> <td>1,295.730</td> </tr> <tr> <td>SINGAPORE (DOLLAR)</td> <td>1.346</td> <td>1.344</td> </tr> <tr> <td>INDONESIA (RUPIAH)</td> <td>15,290</td> <td>15,295</td> </tr> <tr> <td>MALAYSIA (RINGGIT)</td> <td>4.474</td> <td>4.473</td> </tr> </tbody> </table>		LATEST BID (0900GMT)	PREVIOUS	JAPAN (YEN)	135.970	135.860	HONG KONG (HK DOLLAR)	7.850	7.849	TAIWAN (NT DOLLAR)	30.624	30.498	THAILAND (BAHT)	34.500	34.470	S. KOREA (WON)	1,298.200	1,295.730	SINGAPORE (DOLLAR)	1.346	1.344	INDONESIA (RUPIAH)	15,290	15,295	MALAYSIA (RINGGIT)	4.474	4.473	MARCH 6, 2023 <table border="1"> <thead> <tr> <th></th> <th>CLOSE</th> <th>PREVIOUS</th> </tr> </thead> <tbody> <tr> <td>US\$/UK POUND</td> <td>1.2022</td> <td>1.2040</td> </tr> <tr> <td>US\$/EURO</td> <td>1.0637</td> <td>1.0632</td> </tr> <tr> <td>\$/AUSTRALIAN DOLLAR</td> <td>0.6731</td> <td>0.6768</td> </tr> <tr> <td>CANADA DOLLAR/US\$</td> <td>1.3598</td> <td>1.3593</td> </tr> <tr> <td>SWISS FRANC/US\$</td> <td>0.9342</td> <td>0.9358</td> </tr> </tbody> </table>		CLOSE	PREVIOUS	US\$/UK POUND	1.2022	1.2040	US\$/EURO	1.0637	1.0632	\$/AUSTRALIAN DOLLAR	0.6731	0.6768	CANADA DOLLAR/US\$	1.3598	1.3593	SWISS FRANC/US\$	0.9342	0.9358	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$83.30/BBL \$0.45 30 DAYS TO MARCH 3, 2023
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S1/1-12 • 2 SECTIONS, 16 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • MARCH 6, 2023 (PSEi snapshot on S1/2; article on S2/2)

BDO	P127.000	ICT	P207.000	ALI	P28.650	SMPH	P35.550	URC	P135.100	RLC	P14.800	BPI	P105.800	MPI	P4.520	SM	P886.000	GLO	P1,874.000
Value	P783,010,573	Value	P386,583,660	Value	P214,132,750	Value	P178,873,570	Value	P161,811,030	Value	P151,387,838	Value	P143,414,603	Value	P139,624,520	Value	P133,707,380	Value	P132,708,950
P1.200	▲ 0.954%	P7.000	▲ 3.500%	P0.300	▲ 1.058%	P0.050	▲ 0.141%	P0.100	▲ 0.074%	-P0.100	▼ -0.671%	-P2.100	▼ -1.946%	P0.020	▲ 0.444%	-P10.000	▼ -1.116%	P24.000	▲ 1.297%

Gov't raises PERA contribution ceiling

PHL bank executives see more rate hikes

By Keisha B. Taasan
Reporter

PHILIPPINE BANK executives expect the Bangko Sentral ng Pilipinas (BSP) to deliver two more rate hikes this year to tame inflation and to mirror the US Federal Reserve's adjustments.

Bank of the Philippine Islands (BPI) President and Chief Executive Officer (CEO) Jose Teodoro K. Limcaoco said he sees two more 25-basis-point (bp) rate hikes by the BSP this year.

"The BSP has to act in parallel with the Fed. Otherwise, the peso will weaken. If the peso weakens then that's a cost for inflation so they've got to watch that," Mr. Limcaoco told *BusinessWorld* on the sidelines of the annual reception for the banking community.

"If the Fed pivots, then I see the BSP pivoting also," he added.

The US Federal Reserve raised the target interest rate by 25 bps

last month, bringing its key rate to between 4.5% and 4.75% — the highest since 2007. Its next policy review is on March 21-22.

Since March 2022, the US central bank has raised borrowing costs by 450 bps. This has caused significant volatility in foreign exchange markets, causing the peso and other currencies to weaken against the dollar.

In October 2022, the peso slumped to a record low of P59 versus the greenback. It has since rebounded, closing at P54.82 on Friday.

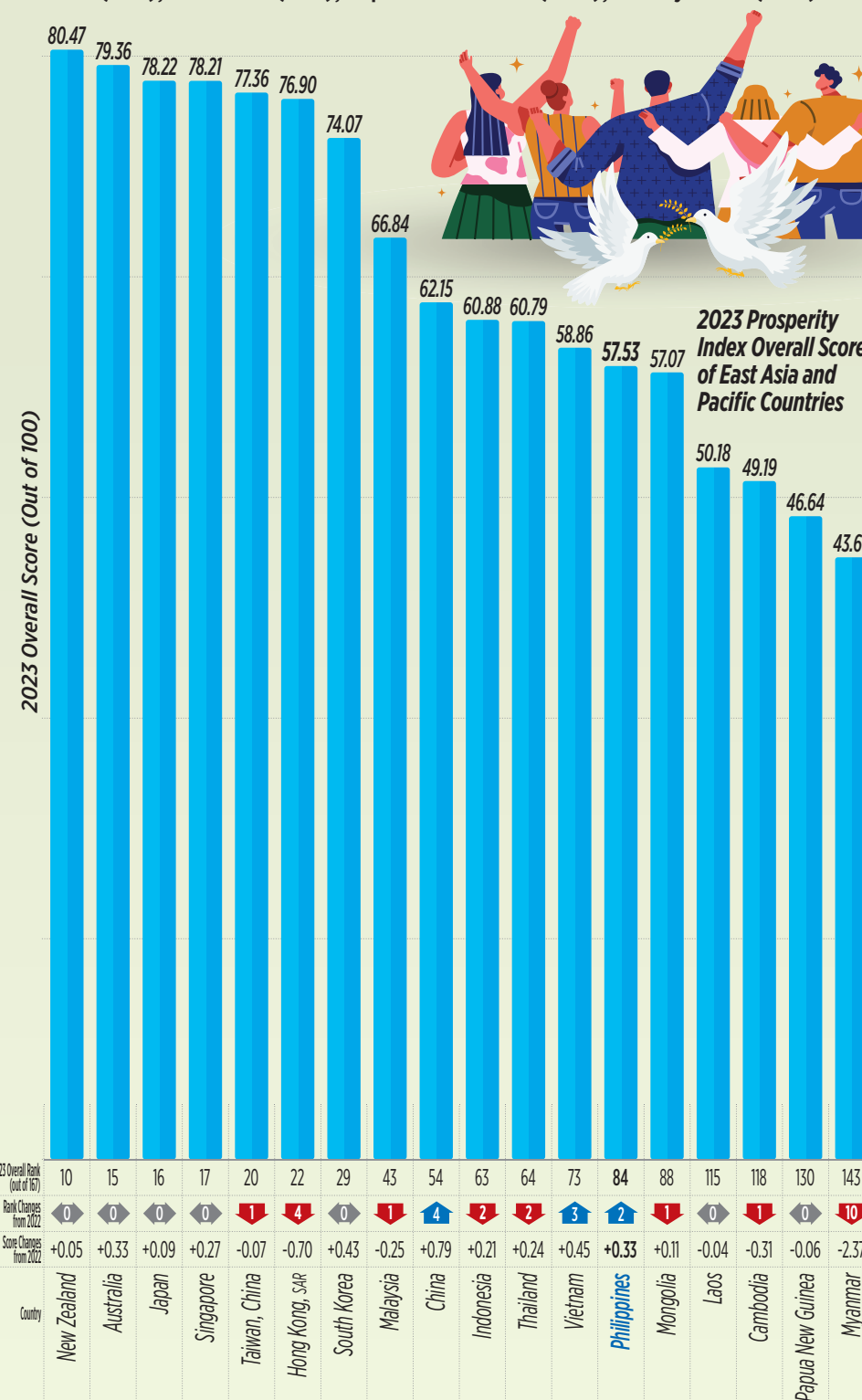
"Our economists are saying maybe, possibly, up to 50 (bps) more (this year) before going down," Union Bank of the Philippines President and CEO Edwin R. Bautista said.

He said the BSP might deliver an aggressive 50-bp rate hike at its March 23 meeting before pausing its tightening cycle, or it may opt for two 25-bp rate increases at its March and May meetings.

Rate hikes, S1/10

PHILIPPINES IMPROVES IN PROSPERITY RANKING

The Philippines rose two places to 84th out of 167 countries with a score of 57.53 in the latest edition of the Prosperity Index by London-based think tank Legatum Institute. However, it trailed behind its peers in the region, only ahead of Mongolia (88th overall), Laos (115th), Cambodia (118th), Papua New Guinea (130th), and Myanmar (143rd).



Philippines' 2023 Pillar Performance

Pillars	Score (/100)	Rank (/167)
Safety and Security	46.23	146
Personal Freedom	57.20	83
Governance	45.69	93
Social Capital	64.66	22
Investment Environment	52.43	82
Enterprise Conditions	55.29	71
Infrastructure and Market Access	58.16	78
Economic Quality	57.79	53
Living Conditions	64.56	109
Health	70.06	96
Education	61.55	86
Natural Environment	56.67	71

Top 5

2023 Overall Rank (Out of 167)	Country	Rank Changes from 2022	2023 Overall Score (Out of 100)	Score Changes from 2022
1	Denmark	0	84.55	+0.44
2	Sweden	1	83.67	+0.26
3	Norway	1	83.59	+0.01
4	Finland	0	83.47	+0.12
5	Switzerland	0	83.42	+0.11

Bottom 5

2023 Overall Rank (Out of 167)	Country	Rank Changes from 2022	2023 Overall Score (Out of 100)	Score Changes from 2022
167	South Sudan	0	30.40	+0.65
166	Yemen	1	32.65	-0.28
165	Central African Rep.	1	32.83	-0.08
164	Afghanistan	2	34.18	-0.69
163	Somalia	0	34.39	-0.07

Philippines' Historical Performance

Year	Rank (/167)	Score (Out of 100)
2007	85	54.19
2008	87	54.30
2009	89	54.02
2010	86	54.38
2011	88	54.49
2012	85	55.20
2013	81	55.75
2014	78	56.61
2015	72	57.38
2016	71	57.76
2017	81	57.02
2018	83	56.78
2019	79	57.28
2020	84	57.27
2021	84	57.33
2022	86	57.20
2023	84	57.53

NOTE: The index assesses countries based on 12 pillars of prosperity under three domains: inclusive societies (safety and security, personal freedom, governance, and social capital), open economies (investment environment, enterprise conditions, infrastructure and market access, and economic quality), and empowered people (living conditions, health, education, and natural environment).

SOURCE: 2023 LEGATUM PROSPERITY INDEX (HTTPS://WWW.PROSPERITY.COM/) ABIGAIL MARIE P. YRACOLA BUSINESSWORLD RESEARCH BUSINESSWORLD GRAPHICS: BONG R. FORTIN

FINANCIAL REGULATORS have doubled the maximum yearly contributions to the Personal Equity and Retirement Account (PERA) to encourage more Filipinos to prepare for retirement through the voluntary program.

In a statement on Monday, the Bangko Sentral ng Pilipinas (BSP) said the annual maximum contribution has been increased to P200,000 from P100,000 for locally employed and self-employed individuals. For overseas Filipino workers (OFW), the yearly contribution allowed was raised to P400,000 from P200,000.

"The increase in the limits provides our kababayans with greater opportunities to ensure their financial security," BSP Governor Felipe M. Medalla said. "It also supports the government's broader thrusts of mobilizing individual savings for capital market development and generating funds for long-term projects."

Upon the PERA Inter-Agency Board's recommendation, Finance Secretary Benjamin E. Diokno approved the increase in allowable annual contributions effective immediately this year.

The BSP is the lead agency of the PERA Inter-Agency Board, with representatives from the Securities and Exchange Commission, Insurance Commission and the Bureau of Internal Revenue as members.

"Increasing the allowable PERA contribution is welcome news as it provides consumers with a higher-yielding savings vehicle while also encouraging savings behavior among Filipinos," China Banking Corp. Chief Economist Domini S. Velasquez said in a Viber message.

The PERA also allows consumers to diversify their savings, she added.

However, Ms. Velasquez said the government should also conduct more financial literacy or education campaigns to get more Filipinos to maximize the account.

Latest central bank data showed PERA contributions climbed by 30% to P329.55 million last year from P253.35 million in 2021.

The number of PERA contributors also jumped by 16% to 5,100 in 2022 from 4,382 in 2021. About 3,600 employed individuals contributed P223.71 million to the fund last year, while OFWs (721) and self-employed individuals (785) invested P60.58 million and P45.25 million, respectively.

Unlike advanced economies, the Philippines does not have extensive social safety nets such as retirement benefits and social security," Ms. Velasquez said. This means Filipinos will have to save more for the "rainy days."

PERA, S1/10

Lenders face higher asset quality risks — Fitch

PHILIPPINE BANKS are facing increasing asset quality risks amid high interest rates, but any deterioration will likely be manageable, Fitch Ratings said on Monday.

"Banks' asset quality risks are rising due to high inflation and rising interest rates... However, Fitch Ratings expects the sector's nonperforming loan (NPL) ratio to remain steady at around 3.5% by end-2023, as risks are largely offset by the adequate financial buffers of large corporate borrowers and a supportive economy," it said in a commentary by its directors Tamma Febrian and Willie Tanoto.

The benchmark policy rate is at a near 16-year high of 6%, after the Bangko Sentral ng Pilipinas (BSP) raised key borrowing rates

by 400 basis points (bps) since May 2022.

The banking industry's bad loan ratio fell to 3.17% at the end of December from 3.35% a month earlier, based on preliminary BSP data. This was also lower than the NPL ratio of 3.97% at the end of 2021, and the lowest since 2.84% in August 2020.

Fitch said large corporate borrowers are in "relatively strong positions to weather higher financing costs." Corporations make up over three-quarters of Philippine banks' loan portfolios.

"Earnings buffers are more than sufficient to cover the expected increase in interest expenses for the vast majority of debt among listed corporates," Fitch said.

Fitch, S1/11

Bill condoning CARP loans gets Senate nod

THE SENATE on Monday approved on third and final reading a measure seeking to condone all unpaid loans, amortization and penalties of farmers who were awarded lands under the Comprehensive Agrarian Reform Program (CARP).

With 23 affirmative votes and no negative votes or abstentions, the Senate passed Senate Bill No. 1850 or the New Agrarian Emancipation Act during its plenary session.

The measure will cover the condonation of about P58 billion worth of principal debt of 610,054 agrarian reform beneficiaries who were awarded 1.18 million hectares of land.

Of the amount, the principal loan worth P14.5 billion of

263,622 beneficiaries will be immediately written off by the Land Bank of the Philippines (LANDBANK), Senator Cynthia A. Villar said in a sponsorship speech on Feb. 8.

The inclusion of the remaining P43 billion worth of loans will only take effect once the LANDBANK and Department of Agrarian Reform (DAR) submit details of actual loans of 346,432 beneficiaries to the government.

All direct payments of compensation worth P119.61 million by 92,824 beneficiaries to land owners under the Voluntary Land Transfer Scheme will also be terminated under the measure.

CARP, S1/11



PROPERTY & INFRASTRUCTURE
PHL economic gains to trickle down to property S1/3

THE ECONOMY
PHL cleared to resume exports of pili nuts to EU S1/4

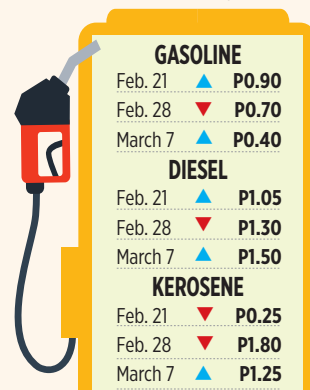
THE NATION
First day of transport strike caused minimal disruption, says gov't S1/7



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FUEL PRICE TRACKER

(week-on-week change)



• March 7, 12:01 a.m. — Caltex Philippines
 • March 7, 6 a.m. — Petron Corp.; Phoenix Petroleum; Pilipinas Shell Petroleum Corp.; PTT Philippines Corp.; Seaoil Philippines, Inc.
 • March 7, 8:01 a.m. — Cleanfuel (Shaw Autogas, Inc.)