

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																					
PSEI OPEN: 6,459.54 HIGH: 6,530.75 LOW: 6,459.54 CLOSE: 6,530.75 VOL: 0.546 B VAL(P): 4,780 B 79.73 pts, 1.23% 30 DAYS TO MARCH 21, 2023	MARCH 21, 2023 <table border="1"> <tr><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (NIKKEI 225)*</td><td>26,945.67</td><td>-388.12 -1.42</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>19,258.76</td><td>▲ 258.05 1.36</td></tr> <tr><td>TAIWAN (WEIGHTED)</td><td>15,513.45</td><td>▲ 93.48 0.61</td></tr> <tr><td>THAILAND (SET INDEX)</td><td>1,579.26</td><td>▲ 23.81 1.53</td></tr> <tr><td>S.KOREA (KSE COMPOSITE)</td><td>2,388.35</td><td>▲ 9.15 0.38</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,179.02</td><td>▲ 39.26 1.25</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>6,955.40</td><td>▲ 56.90 0.82</td></tr> <tr><td>MALAYSIA (KLCSE COMPOSITE)</td><td>1,406.55</td><td>▲ 4.74 0.34</td></tr> </table>	CLOSE	NET	%	JAPAN (NIKKEI 225)*	26,945.67	-388.12 -1.42	HONG KONG (HANG SENG)	19,258.76	▲ 258.05 1.36	TAIWAN (WEIGHTED)	15,513.45	▲ 93.48 0.61	THAILAND (SET INDEX)	1,579.26	▲ 23.81 1.53	S.KOREA (KSE COMPOSITE)	2,388.35	▲ 9.15 0.38	SINGAPORE (STRAITS TIMES)	3,179.02	▲ 39.26 1.25	SYDNEY (ALL ORDINARIES)	6,955.40	▲ 56.90 0.82	MALAYSIA (KLCSE COMPOSITE)	1,406.55	▲ 4.74 0.34	MARCH 20, 2023 <table border="1"> <tr><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>32,244.580 ▲ 382.600</td></tr> <tr><td>NASDAQ</td><td>11,675.538 ▲ 45.025</td></tr> <tr><td>S&P 500</td><td>3,951.570 ▲ 34.930</td></tr> <tr><td>FTSE 100</td><td>7,403.850 ▲ 68.450</td></tr> <tr><td>Euro Stoxx50</td><td>3,777.94 ▲ 37.300</td></tr> </table>	CLOSE	NET	Dow Jones	32,244.580 ▲ 382.600	NASDAQ	11,675.538 ▲ 45.025	S&P 500	3,951.570 ▲ 34.930	FTSE 100	7,403.850 ▲ 68.450	Euro Stoxx50	3,777.94 ▲ 37.300	FX OPEN P54.300 HIGH P54.260 LOW P54.480 CLOSE P54.440 W.AVE. P54.353 VOL. 1,076.65 M 23.50 cvs SOURCE: BAP	MARCH 21, 2023 <table border="1"> <tr><th>LATEST BID (0900GMT)</th><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>132.240 ▼ 131.100</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.844 — 7.844</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>30.497 ▲ 30.549</td></tr> <tr><td>THAILAND (BAHT)</td><td>34.300 ▼ 34.100</td></tr> <tr><td>S. KOREA (WON)</td><td>1,307.970 ▲ 1,312.570</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.338 ▲ 1.342</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>15,340 ▲ 15,355</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.472 ▲ 4.483</td></tr> </table>	LATEST BID (0900GMT)	PREVIOUS	JAPAN (YEN)	132.240 ▼ 131.100	HONG KONG (HK DOLLAR)	7.844 — 7.844	TAIWAN (NT DOLLAR)	30.497 ▲ 30.549	THAILAND (BAHT)	34.300 ▼ 34.100	S. KOREA (WON)	1,307.970 ▲ 1,312.570	SINGAPORE (DOLLAR)	1.338 ▲ 1.342	INDONESIA (RUPIAH)	15,340 ▲ 15,355	MALAYSIA (RINGGIT)	4.472 ▲ 4.483	MARCH 21, 2023 <table border="1"> <tr><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.2238 ▲ 1.2185</td></tr> <tr><td>US\$/EURO</td><td>1.0734 ▲ 1.0650</td></tr> <tr><td>\$/AUST DOLLAR</td><td>0.6677 ▲ 0.6667</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.3673 ▼ 1.3735</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.9277 ▼ 0.9299</td></tr> </table>	CLOSE	PREVIOUS	US\$/UK POUND	1.2238 ▲ 1.2185	US\$/EURO	1.0734 ▲ 1.0650	\$/AUST DOLLAR	0.6677 ▲ 0.6667	CANADA DOLLAR/US\$	1.3673 ▼ 1.3735	SWISS FRANC/US\$	0.9277 ▼ 0.9299	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$70.29/bbl 88.50 83.00 79.50 76.00 72.50 69.00 30 DAYS TO MARCH 20, 2023 \$4.56
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VOL. XXXVI • ISSUE 170 **WEDNESDAY • MARCH 22, 2023 • www.bworldonline.com** SI/1-10 • 2 SECTIONS, 14 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • MARCH 21, 2023 (PSEi article on S2/2)

SM	P900.000	SMPH	P34.000	ICT	P202.000	MBT	P58.500	MER	P308.000	GLO	P1,816.000	ALI	P28.000	DMC	P11.660	BDO	P124.000	SPNEC	P1.680
Value	P499,812,880	Value	P495,553,590	Value	P356,520,458	Value	P261,086,137	Value	P217,040,174	Value	P185,727,395	Value	P184,241,965	Value	P132,241,866	Value	P130,699,097	Value	P128,202,500
P16.500	▲ 1.868%	P0.000	— 0.000%	P4.100	▲ 2.072%	P0.500	▲ 0.862%	-P1.000	▼ -0.324%	P71.000	▲ 4.069%	P1.000	▲ 3.704%	P0.080	▲ 0.691%	P2.500	▲ 2.058%	P0.010	▲ 0.599%

BoP deficit widens to \$895M in Feb.

Moody's Analytics slashes PHL GDP forecast to 5.7%

MOODY'S ANALYTICS slashed its growth projection for the Philippine economy to 5.7% this year, as household consumption is seen to weaken due to elevated inflation and rising interest rates.

In a research note dated March 20, Moody's Analytics Chief Asia-Pacific Economist Steven Cochrane said the Philippines had the largest downward revision to its growth outlook across the region.

Moody's latest Philippine gross domestic product (GDP) estimate is much lower than the 7.1% it gave in February, and below the government's 6-7% full-year target.

"Inflation has come in higher than expected in the opening months of 2023, adding to expectations that the central bank will continue tightening borrowing costs. This will have a greater downward impact on domestic demand, particularly household consumption," Mr. Cochrane said.

Headline inflation eased to 8.6% in February from the 14-year high of 8.7% in January. Core inflation, however, accelerated to 7.8% in February from 7.4% in January, its fastest pace in over 22 years.

Moody's Analytics also raised its Philippine inflation forecast to 6.8% this year, from the 5.3% estimate given in February. It also revised upwards its inflation projection for 2024 to 4.1% from 3% previously.

The Bangko Sentral ng Pilipinas (BSP) expects inflation to average 6.1% this year, and 3.1% in 2024.

According to Mr. Cochrane, central banks in the region may continue their tightening cycle, especially in countries where inflation is still running hot, such as the Philippines, Australia, India, and Vietnam.

The BSP has raised borrowing costs by 400 basis points (bps) since May 2022, bringing the key policy rate to a near 16-year high of 6%. A *BusinessWorld* poll last week showed 12 out of 14 analysts expect the BSP to hike rates by 25 basis points (bps) on Thursday.

"With the weaker global economy this year, growth of remittances also will soften, adding another hit to private consumption and housing investment," Mr. Cochrane said.

Moody's, SI/2

Business groups urge gov't to resolve issue on VAT zero-rating

THE FAILURE of the government to resolve the value-added tax (VAT) zero-rating issue will have a detrimental impact on the growth of key export sectors such as information technology and business process management, electronics, and garments, according to business groups.

The IT and Business Process Association of the Philippines, Inc., Semiconductor and Electronics Industries in the Philippines Foundation, Inc., and Confederation of Wearables Exporters of the Philippines said they are awaiting the Fiscal Incentives Review Board's resolution of the VAT zero-rating issue by the end of the month.

"The inability to address this serious and pressing matter by the end of March will have detrimental effects to these three sectors particularly in sustaining their growth potential," they said.

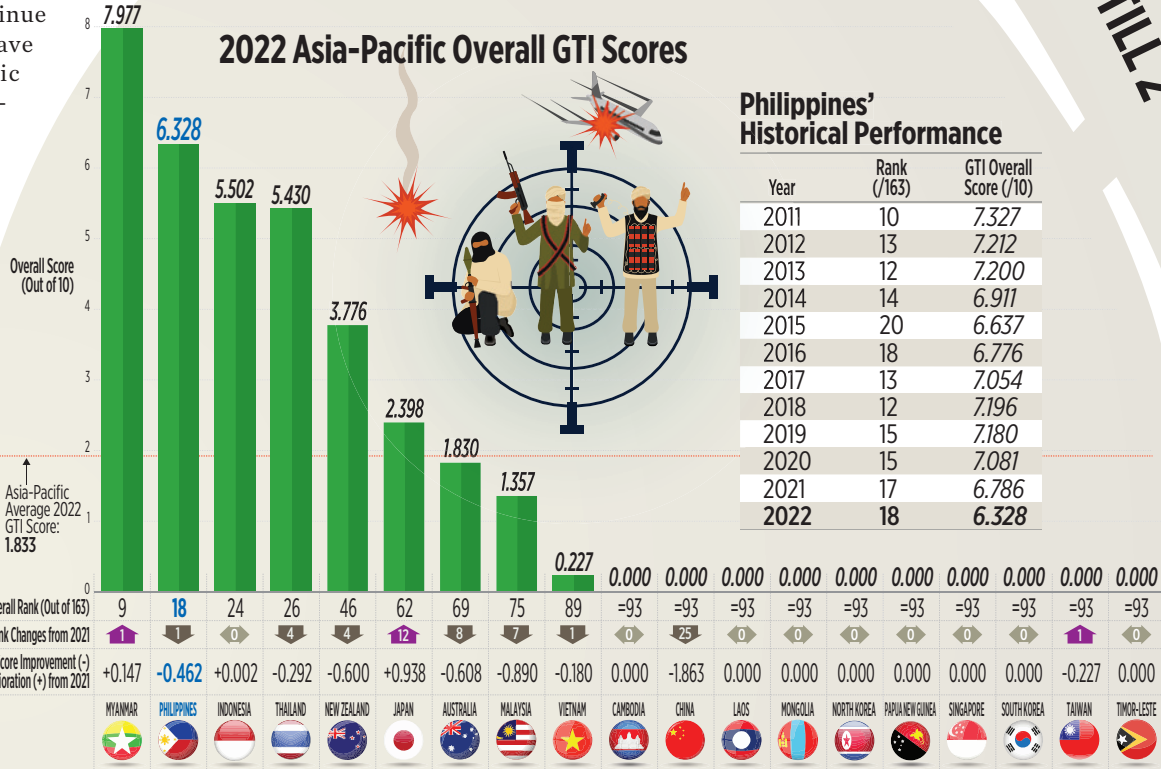
The issue stems from the Corporate Recovery and Tax Incentives for Enterprises Act, which took effect on April 11, 2021. The law required registered business enterprises to prove local purchases of goods and services directly and exclusively used in their registered activities to be given a VAT zero-rating. Otherwise, the purchase of such goods would be subject to 12% VAT.

VAT, SI/9

Philippines' 2022 Snapshot

Overall Score (/10)	6.328
Overall Rank (/163)	18
Indicators	
Total Number of Terrorist Incidents	20
Total Number of Deaths Due to Terrorist Attacks	18
Total Number of Injuries Caused by Terrorists	38
Total Number of Hostages Caused by Terrorists	0

On a scale from 0 to 10 (10 being most impacted), the Philippines' overall score improved to 6.328 in the 2023 edition of the Global Terrorism Index (GTI) by the Institute for Economics and Peace. It was also higher than the 1.833 average score of the region. The country's rank went down by a notch to 18th out of 163 countries in the index. Despite this, the Philippines remained the second highest in Asia-Pacific after Myanmar (9th overall). The GTI analyzes the impact of terrorism of the countries based on four factors: total number of terrorist incidents, fatalities, injuries, and hostages.



Philippines' Historical Performance

Year	Rank (/163)	GTI Overall Score (/10)
2011	10	7.327
2012	13	7.212
2013	12	7.200
2014	14	6.911
2015	20	6.637
2016	18	6.776
2017	13	7.054
2018	12	7.196
2019	15	7.180
2020	15	7.081
2021	17	6.786
2022	18	6.328

Countries Most Impacted by Terrorism

2022 Overall Rank (Out of 163)	Country	2022 Overall Score (Out of 10)
1	Afghanistan	8.822
2	Burkina Faso	8.564
3	Somalia	8.463
4	Mali	8.412
5	Syria	8.161
6	Pakistan	8.160
7	Iraq	8.139
8	Nigeria	8.065
9	Myanmar	7.977
10	Niger	7.616

NOTES:
 - Based on the report, the country's GTI score is based on a unique scoring system to account for the relative impact of incidents in the year. The following are the four factors and their corresponding index weights: total number of terrorist incidents (1); total number of fatalities (3); total number of injuries (0.5); and total number of hostages (0.5). A five-year weighted average is then applied in a bid to reflect the latent psychological effect of terrorist acts over time.
 - The report is produced using data from Dragonfly's TerrorismTracker database and uses Dec. 31, 2022 as the cut-off date.

SOURCE:
 INSTITUTE FOR ECONOMICS AND PEACE'S GLOBAL TERRORISM INDEX 2023
 (HTTPS://WWW.VISIONOFHUMANITY.ORG/MAAPS/GLOBAL-TERRORISM-INDEX/#/)
 BUSINESSWORLD RESEARCH:
 ABIGAIL MARIE P. YRAOLA and BERNADETTE THERESA M. GADON
 BUSINESSWORLD GRAPHICS:
 BONG R. FORTIN

Labor coalition seeks to hike NCR wage to P1,100

A LABOR COALITION on Tuesday asked the regional wage board to increase the daily minimum wage in Metro Manila to P1,100 to help workers cope with the rising prices of basic goods.

The Unity for Wage Increase Now! (UWIN) filed a petition seeking to raise the current P570 daily minimum wage for nonagricultural workers in the National Capital Region (NCR) to P1,100.

"The current meager P570 minimum wage does not correspond to workers/employees necessary essential expenditures such as food consumed at home, clothing and footwear, transportation expenses, education...

among others," UWIN said in its petition.

The Metro Manila wage board approved a P33 hike in minimum wages in June 2022. Wage boards can only act on wage petitions a year after a region's last wage order.

Citing data from the think tank Ibon Foundation, UWIN said the minimum living wage in NCR for a family of five should be at least P1,008.

UWIN said there is an urgent and compelling argument for the review of the current wages in NCR, and for the implementation of a living wage of P1,100.

"This petition was made for workers in the region to eventu-

DOLLAR OUTFLOWS rose in February, driving the balance of payments (BoP) position to its biggest deficit in five months, on the back of foreign loan payments and a wider trade gap, the Bangko Sentral ng Pilipinas (BSP) said.

Data released by the BSP late on Monday showed the BoP position widened to an \$895-million deficit in February, from the \$157-million shortfall a year ago.

It was also a reversal from the \$3.08-billion surplus in January, which reflected the National Government's \$3-billion global bond issuance.

The BoP deficit in February was the biggest in five months or since the \$2.34-billion gap in September 2022.

"The BoP deficit in February 2023 reflected outflows arising mainly from the National Government's (NG) net foreign currency withdrawals from its deposits with the BSP to settle its foreign currency debt obligations and pay for its various expenditures," the central bank said in a statement.

Latest data from the Bureau of the Treasury showed the National Government's outstanding debt hit P13.698 trillion as of end-January, 2.1% higher than the P13.419 trillion at end-December. As of end-January, external debt increased by 17.8% to P4.314 trillion from a year ago.

The BoP measures the country's transactions with the rest of the world at a given time. A deficit means more funds left the economy than what went in, while a surplus shows that more money entered the Philippines.

Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said in a note that the BoP deficit was largely due to the significantly wider trade gap. He noted imports have been bloated by relatively higher global commodity prices, and also reflected increased demand due to the further reopening of the economy.

The trade deficit ballooned to \$5.74 billion in January from the \$4.50-billion deficit in December. This was driven by the 3.9% increase in imports to \$10.97 billion, while exports fell by 13.5% to \$5.23 billion in January, latest data from the statistics agency showed.

ING Bank N.V. Manila Senior Economist Nicholas Antonio T. Mapa said BoP swung to a deficit from January's surplus as both the current and financial accounts were likely in a shortfall.

"Current account woes likely on the back of the chronic trade deficit with remittances and BPO (business process outsourcing) call center receipts unable to compensate," Mr. Mapa said.

Deficit, SI/2

However, analysts said wage hikes may further stoke inflation.

"The recent (wage hike) proposal would not only be inflationary but would likely cause companies to lay off workers, leading to higher unemployment and increase in poverty," China Banking Corp. Chief Economist Domini S. Velasquez said in a Viber message.

Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said that companies may have difficulty complying with wage hikes as many are still recovering from the coronavirus pandemic.

Inflation eased to 8.6% in February, from a 14-year high of 8.7% in January as prices of food and utilities remain elevated. The Bangko Sentral ng Pilipinas (BSP) expects inflation to average 6.1% this year.

Wage hike, SI/9