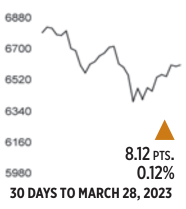
P25
IN METRO MANILA, PHILIPPINES

BusinessWorld

STOCK MARKET



PSEi

OPEN:	6,607.36
HIGH:	6,627.13
LOW:	6,603.15
CLOSE:	6,603.15
VOL.:	0.911 B
VAL(P):	5.345 B

ASIAN MARKETS

MARCH 28, 2023

	CLOSE		NET	%
Japan (Nikkei 225)	27,518.25	▲	41.38	0.15
Hong Kong (Hang Seng)	19,784.65	▲	216.96	1.11
Taiwan (Weighted)	15,701.48	▼	-128.83	-0.81
Thailand (SET Index)	1,606.08	▲	12.71	0.80
S.Korea (Kse Composite)	2,434.94	▲	25.72	1.07
Singapore (Straits Times)	3,249.84	▲	10.81	0.33
Sydney (All Ordinaries)	7,034.10	▲	72.10	1.04
Malaysia (Klse Composite)	1,409.09	▲	12.49	0.89

WORLD MARKETS

MARCH 27, 2023

	CLOSE		NET
Dow Jones	32,432.080	▲	194.550
NASDAQ	11,768.836	▼	-55.124
S&P 500	3,977.530	▲	6.540
FTSE 100	7,471.770	▲	66.320
Euro Stoxx50	3,840.320	▲	39.030

PESO-DOLLAR RATES

FX

OPEN	P54.250
HIGH	P54.250
LOW	P54.500
CLOSE	P54.450
W.AVE.	P54.376
VOL.	1,639.32 M

SOURCE : BAP

ASIAN MONIES-US$ RATE

MARCH 28, 2023

	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	131.070	▲	131.360
Hong Kong (HK dollar)	7.850	—	7.850
Taiwan (NT dollar)	30.351	▼	30.337
Thailand (baht)	34.260	▲	34.410
S. Korea (won)	1,299.560	▲	1,300.990
Singapore (dollar)	1.329	▲	1.332
Indonesia (rupiah)	15,085	▲	15,155
Malaysia (ringgit)	4.403	▲	4.420

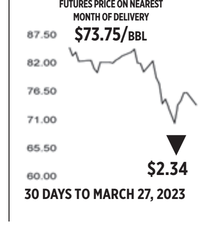
WORLD CURRENCIES

MARCH 28, 2023

	CLOSE		PREVIOUS
US$/UK pound	1.2293	▲	1.2257
US$/Euro	1.0816	▲	1.0762
$/Aust dollar	0.6672	▲	0.6649
Canada dollar/US$	1.3685	▼	1.3724
Swiss Franc/US$	0.9175	▲	0.9170

DUBAI CRUDE OIL

FUTURES PRICE ON NEAREST MONTH OF DELIVERY
$73.75/BBL



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S1/1-10 • 2 SECTIONS, 14 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • MARCH 28, 2023 (PSEi snapshot on *S1/2*; article on *S2/2*)

		Value			
SMPH	P33.850	P657,034,280	-P0.100	▼	-0.295%
SPNEC	P1.740	P504,696,280	P0.060	▲	3.571%
SM	P915.500	P328,786,660	-P2.500	▼	-0.272%
ICT	P214.200	P294,843,052	P4.200	▲	2.000%
SCC	P32.850	P223,259,850	P1.900	▲	6.139%
AC	P665.500	P209,367,975	P0.500	▲	0.075%
BDO	P125.500	P189,729,118	-P1.000	▼	-0.791%
TEL	P1,368.000	P170,164,385	P37.000	▲	2.780%
MER	P306.400	P168,317,428	P8.400	▲	2.819%
BPI	P101.800	P164,702,499	-P0.200	▼	-0.196%

Marcos pushes for MUP pension reform

By Kyle Aristophere T. Atienza
Reporter

THE FINANCE DEPARTMENT on Tuesday warned of a possible "fiscal collapse" should the government fail to reform the pension system for retired military and uniformed personnel (MUP).

At a Palace news briefing, Finance Secretary Benjamin E. Diokno said President Ferdinand R. Marcos, Jr. will push for the passage of the bill seeking to reform the MUP pension program, saying the current setup is unsustainable and could lead to "fiscal collapse."

The government has set aside P120-130 billion for the pension program for this year alone, Mr. Diokno said.

"Right now, the situation is so bleak. For example, if you compare the current operating expenditures, the maintenance and operating expenditures of the whole AFP (Armed Forces of the Philippines) with the capital outlays... it is actually much less than the amount of pension that we are allocating for the retirees," he said.

Mr. Diokno warned that the pension for retired military and uniformed personnel could account for as much as one-third or one-fourth of the AFP's budget in the future.

"It's not sustainable. I said if this goes on, there will be a fiscal collapse," he added.

The MUP pension program covers members of the AFP, Bureau of Jail Management and Penology, Bureau of Fire Protection, Philippine National Police, Philippine Public Safety College, Coast Guard, and Bureau of Corrections.

Pension, S1/9

MANILA DROPS FURTHER IN FINANCIAL CENTERS LIST

The Philippine capital fell five places to 108th out of 120 global financial centers in the 33rd iteration of the biannual Global Financial Centers Index (GFCI). The Index provides evaluations of future competitiveness of financial centers around the world. Manila's GFCI rating also inched down by a point to 583. In a separate assessment of financial technology (fintech), Manila retained its 77th rank (out of 114 financial centers) and improved its rating by four points to 613.

Top 10

GFCI 33 Rank (Out of 120)	Financial Center (Country)	GFCI 33 Rating (March 2023)
1	**New York**, United States	*760*
2	**London**, United Kingdom	*731*
3	**Singapore**, Singapore	*723*
4	**Hong Kong**, China	*722*
5	**San Francisco**, United States	*721*
6	**Los Angeles**, United States	*719*
7	**Shanghai**, China	*717*
8	**Chicago**, United States	*716*
9	**Boston**, United States	*715*
10	**Seoul**, South Korea	*714*

Bottom 10

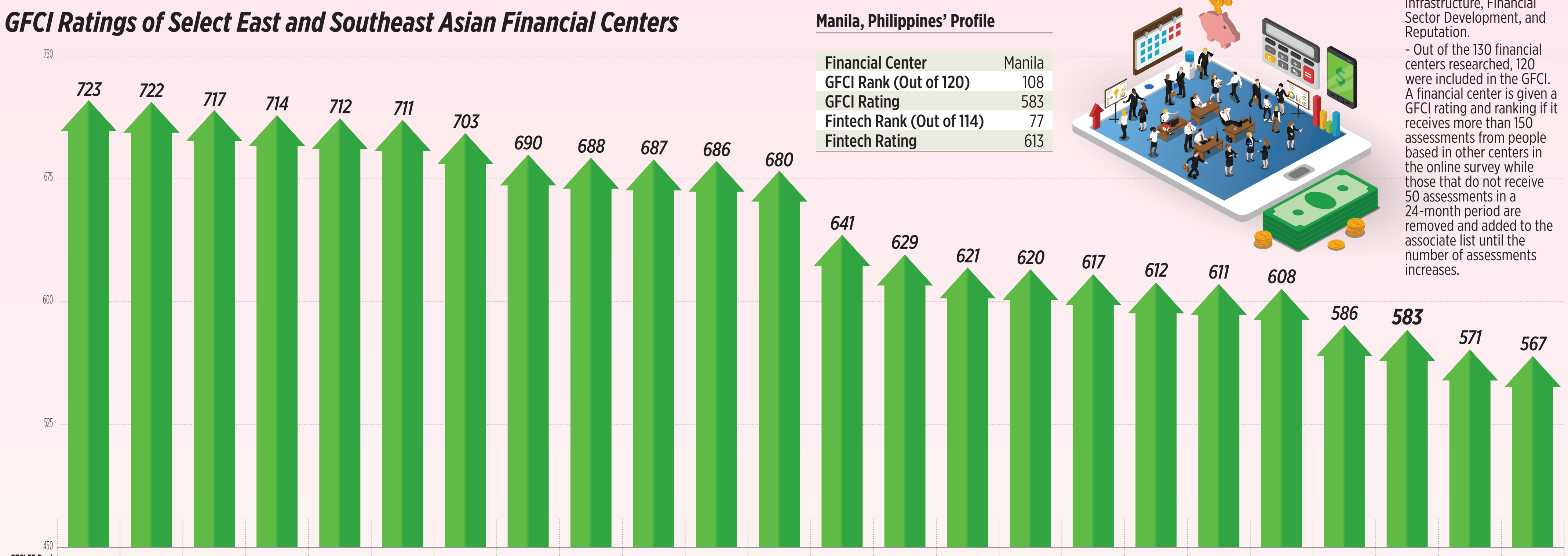
GFCI 33 Rank (Out of 120)	Financial Center (Country)	GFCI 33 Rating (March 2023)
120	**Barbados**, Barbados	*541*
119	**Trinidad and Tobago**, Trinidad and Tobago	*547*
118	**Tehran**, Iran	*549*
117	**Buenos Aires**, Argentina	*557*
116	**Baku**, Azerbaijan	*558*
115	**St. Petersburg**, Russia	*563*
114	**Bahamas**, The Bahamas	*564*
113	**Bogota**, Colombia	*566*
112	**Ho Chi Minh City**, Vietnam	*567*
111	**Wuhan**, China	*571*

NOTES:
- The index is updated every March and September of the year. The latest GFCI edition uses 61,449 assessments provided by 10,252 respondents.
- The GFCI 33 was compiled using 153 instrumental factors which are then grouped into five "broad areas of competitiveness": Business Environment, Human Capital, Infrastructure, Financial Sector Development, and Reputation.
- Out of the 130 financial centers researched, 120 were included in the GFCI. A financial center is given a GFCI rating and ranking if it receives more than 150 assessments from people based in other centers in the online survey while those that do not receive 50 assessments in a 24-month period are removed and added to the associate list until the number of assessments increases.

Manila, Philippines' Profile

Financial Center	Manila
GFCI Rank (Out of 120)	108
GFCI Rating	583
Fintech Rank (Out of 114)	77
Fintech Rating	613

GFCI Ratings of Select East and Southeast Asian Financial Centers



Financial Center	Country	GFCI 33 Rank (Out of 120)	Rank change(s) from GFCI 32 (Sept. 2022)	Rating change(s) from GFCI 32 (Sept. 2022)
Singapore	Singapore	3	↔	-3
Hong Kong	China	4	↔	-3
Shanghai	China	7	▼ 1	-6
Seoul	South Korea	10	▲ 1	-4
Shenzhen	China	12	▼ 3	-8
Beijing	China	13	▼ 5	-10
Tokyo	Japan	21	▼ 5	-10
Guangzhou	China	34	▼ 9	-14
Qingdao	China	36	↔	-5
Busan	South Korea	37	▼ 8	-13
Osaka	Japan	38	▼ 1	-6
Chengdu	China	44	▼ 10	-15
Kuala Lumpur	Malaysia	58	▼ 2	-31
Taipei	Taiwan	63	▼ 8	-44
Bangkok	Thailand	71	▲ 8	+13
Dalian	China	72	▲ 8	+13
Nanjing	China	75	▲ 8	+13
Tianjin	China	79	▲ 8	+12
Hangzhou	China	80	▲ 5	+9
Jakarta	Indonesia	83	▲ 12	+16
Xi'an	China	105	▲ 13	+55
Manila	**Philippines**	**108**	▼ 5	**-1**
Wuhan	China	111	▲ 8	+70
Ho Chi Minh City	Vietnam	112	▼ 8	-11

SOURCE: Z/YEN GROUP'S LONG FINANCE'S GLOBAL FINANCIAL CENTERS INDEX 33 (MARCH 2023) *BUSINESSWORLD* RESEARCH: ABIGAIL MARIE P. YRAOLA *BUSINESSWORLD* GRAPHICS: BONG R. FORTIN

RCEP to take effect in PHL by June — official

THE REGIONAL Comprehensive Economic Partnership (RCEP) will likely take effect for the Philippines around June, a Trade official said on Tuesday.

This as the Department of Trade and Industry (DTI) aims to deposit the instrument of ratification for the Philippines' participation in the mega-trade deal by April 3.

"On or before April 3, we plan to deposit the instrument of ratification. We still have to deposit the instrument of ratification and then you'll have to count 60 days from deposit and then the RCEP will take effect for the Philippines," Trade Assistant Secretary and Philippines' lead negotiator for RCEP Allan B. Gepty told reporters on the sidelines of an event in Makati City.

The Philippines was the last participating country to ratify the RCEP after the Senate gave its concurrence on Feb. 21. The ratification faced delays due to concerns over the safeguards for the local agriculture sector.

Mr. Gepty said the RCEP will take effect in the Philippines around June if the instrument of ratification is sent to the Association of Southeast Asian Nations (ASEAN) secretary-general by April 3.

Asked about the delay, Mr. Gepty said the Philippines has yet to finish the domestic preparations needed before the RCEP's implementation. Previously, the DTI said the RCEP is expected to take effect around May.

"When RCEP takes effect, we should be done with the necessary issuances. We have to make all the necessary issuances like executive order (EO) and Customs memorandum order so that we will have no problems in the implementation part. The preparations should jibe," he added.

Mr. Gepty previously said President Ferdinand R. Marcos, Jr. will issue an EO that will contain the schedule of the country's tariff commitments. This EO will be used by the Bureau of Customs as a basis to apply the tariffs under the RCEP.

RCEP, S1/9

LANDBANK-DBP merger eyed before yearend

PRESIDENT Ferdinand R. Marcos, Jr. supports the merger of state-run lenders Land Bank of the Philippines (LANDBANK) and Development Bank of the Philippines (DBP), Finance Secretary Benjamin E. Diokno said.

"The merger will take effect before the end of the year," he told a Palace briefing after a meeting with Mr. Marcos on Tuesday.

Mr. Diokno said the merger of the two state-run banks would create the "number one bank in the Philippines," overtaking Sy-led BDO Unibank, Inc. (BDO) as the largest lender in terms of assets.

"The President expressed the desire to merge the two [banks], to make it the biggest bank of the country because of the recent financial developments abroad. And that's really the best practice: the biggest bank is usually owned by the state," he said.

Mr. Diokno said the President instructed them to ensure "none of the services provided by either bank will be lost" during the merger process.

"We assured him that with the merger, because both the LANDBANK and DBP are universal banks, they do almost the same, except that one is focused on agriculture and the other one on industrial projects," the Finance official said.

Mr. Diokno said the merger will result in savings for the government of about P5.3 billion per year or at least P20 billion for the next four years.

"This is even understated because this does not include revenues that can be derived from the sale of redundant assets of DBP's various properties such as its head office in Makati, a property in BGC (Bonifacio Global City), various branch properties, equipment and licenses, and income that can be derived from the proceeds of such sale," he added.

LANDBANK, which would be the surviving entity, has 752 branches nationwide while DBP has 147 branches.

Only 22 branches of the DBP will be retained, Mr. Diokno said.

However, the merger of the two banks would lead to retrenchment of workers.

Merger, S1/9

BSP sees cross-border payment connectivity in 2-3 years

CROSS-BORDER PAYMENT connectivity may be implemented in two or three years in the Philippines as it seeks to keep up with its Association of Southeast Asian Nations (ASEAN) peers, the Bangko Sentral ng Pilipinas (BSP) chief said on Tuesday.

BSP Governor Felipe M. Medalla said he is looking forward to working with other central banks in the region to ensure cross-border payment connectivity is implemented.

"Our vision really is to be one with ASEAN-5 to have cross-border payments," Mr. Medalla said in a seminar hosted by Bank Indonesia (BI) in Bali, Indonesia.

In November 2022, the BSP signed a memorandum of understanding (MoU) with other central banks in the ASEAN region to strengthen collaboration on payment connectivity.

The MoU on Cooperation in Regional Payment Connectivity (RPC) was signed with the BI, Bank Negara Malaysia (BNM), Monetary Authority of Singapore (MAS), and Bank of Thailand (BoT) on Nov. 14.

The RPC is expected to contribute in accelerating economic recovery and promoting growth as it aims to foster a more inclusive financial ecosystem by enabling fast, seamless, and cheaper cross-border payments across the region.

Implementation of cross-border payment connectivity will support and facilitate international trade, investment, and other economic activities.

BSP, S1/9

WHAT'S INSIDE

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ARTS & LEISURE
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