

STOCK MARKET		ASIAN MARKETS		WORLD MARKETS		PESO-DOLLAR RATES		ASIAN MONIES-US\$ RATE		WORLD CURRENCIES		DUBAI CRUDE OIL
<b>PSEi</b> OPEN: 6,622.44 HIGH: 6,630.97 LOW: 6,590.11 CLOSE: 6,630.97 ▲ 27.82 pts. (0.42%) VOL.: 2.294 B 30 DAYS TO MARCH 29, 2023 VAL(P): 13.008 B		<b>MARCH 29, 2023</b> JAPAN (NIKKEI 225) 27,883.78 ▲ 365.53 1.33 HONG KONG (HANG SENG) 20,192.40 ▲ 407.75 2.06 TAIWAN (WEIGHTED) 15,769.76 ▲ 68.28 0.43 THAILAND (SET INDEX) 1,610.52 ▲ 3.61 0.22 S.KOREA (KSE COMPOSITE) 2,443.92 ▲ 8.98 0.37 SINGAPORE (STRAITS TIMES) 3,262.54 ▲ 7.00 0.22 SYDNEY (ALL ORDINARIES) 7,050.30 ▲ 16.20 0.23 MALAYSIA (KLSE COMPOSITE) 1,420.35 ▲ 11.26 0.80		<b>MARCH 28, 2023</b> DOW JONES 32,394.250 ▼ -37.830 NASDAQ 11,716.080 ▼ -52.756 S&P 500 3,971.270 ▼ -6.260 FTSE 100 7,484.250 ▲ 12.480 Euro Stoxx50 3,841.790 ▲ 1.470		<b>FX</b> UNCHANGED VOL. 1,112.10 M SOURCE: BAP OPEN P54.450 HIGH P54.350 LOW P54.520 CLOSE P54.450 W.AVE. P54.434		<b>MARCH 29, 2023 LATEST BID (0900GMT)</b> PREVIOUS JAPAN (YEN) 131.700 131.070 HONG KONG (HK DOLLAR) 7.850 7.850 TAIWAN (NT DOLLAR) 30.397 30.351 THAILAND (BAHT) 34.160 34.260 S. KOREA (WON) 1,301.800 1,299.560 SINGAPORE (DOLLAR) 1.329 1.329 INDONESIA (RUPIAH) 15,060 15,085 MALAYSIA (RINGGIT) 4.416 4.403		<b>MARCH 29, 2023</b> CLOSE PREVIOUS US\$/UK POUND 1.2344 ▲ 1.2293 US\$/EURO 1.0852 ▲ 1.0816 \$/AUSTRALIAN DOLLAR 0.6674 ▲ 0.6672 CANADA DOLLAR/US\$ 1.3591 ▲ 1.3685 SWISS FRANC/US\$ 0.9177 ▲ 0.9175		DUBAI CRUDE OIL FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$77.80/BBL ▲ \$4.05 30 DAYS TO MARCH 28, 2023

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • MARCH 29, 2023 (PSEi snapshot on SI/5; article on SI/2)

SM	P909.000	BDO	P128.500	JFC	P219.000	TEL	P1,380.000	GLO	P1,844.000	ALI	P28.900	SMPH	P34.000	AC	P659.000	BPI	P101.100	AREIT	P32.300
Value	P467,969,915	Value	P342,626,823	Value	P242,461,354	Value	P222,697,390	Value	P221,063,250	Value	P213,936,675	Value	P185,860,170	Value	P185,238,890	Value	P144,843,026	Value	P144,168,795
	▼ -0.710%		▲ 2.390%		▼ -2.057%		▲ 0.877%		▼ -0.324%		▲ 1.582%		▲ 0.443%		▼ -0.977%		▼ -0.688%		▼ -5.831%

## PEZA Q1 investments jump by 54%

### Government to borrow P160B locally in April

THE NATIONAL GOVERNMENT (NG) plans to borrow P160 billion from the domestic market in April, the Bureau of the Treasury (BTr) said on Wednesday.

The BTr released its borrowing plan for next month that is 20% lower than this month's P200-billion program. The government raised P176.7 billion from domestic borrowings this month, 11% less than the program.

The BTr said it would borrow P60 billion in Treasury bills (T-bills) and P100 billion in Treasury bonds (T-bonds) next month.

The Treasury will offer P5 billion worth of 91-day, 182-day and 364-day T-bills on April 3, 11, 17, and 24. The T-bill auction will be held on April 11 (Tuesday), instead of April 10, which was declared a nonworking holiday in lieu of April 9 or *Araw ng Kagitingan*.

For the long-term tenors, the BTr is looking to raise P25 billion from three-year T-bonds on April 4, and P25 billion from nine-year T-bonds on April 11. It also seeks to generate P25 billion from 13-year instruments on April 18 and P25 billion in seven-year bonds on April 25.

The market appetite for next month's auctions would depend on the March inflation data, a trader said by phone.

Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said in a Viber message T-bond yields could go down, especially if inflation further eases in the Philippines and the United States.

The Bangko Sentral ng Pilipinas (BSP) last week raised key interest rates by 25 basis points (bps) to 6.25%, but said its next policy decision would depend on upcoming inflation data.

Headline inflation slowed to 8.6% in February from a 14-year high of 8.7% in January, bringing the two-month average to 8.6%.

March inflation data will be released on April 5.

The BSP lowered its inflation forecast to 6% from 6.1% for this year, and to 2.9% from 3.1% for 2024. It said it is prepared to act if needed to slow inflation within its 2%-4% target.

Mr. Ricafort said T-bill yields could go up on market expectations that the US Federal Reserve will opt for a 25-bp rate hike or a pause at its May meeting.

The Fed last week raised interest rates by 25 bps to the 4.75%-5% range. Since March 2022, the US central bank has raised rates by 475 bps.

"Treasury bill yields could still go up or have yet to reach the peak by April 2023, in view of market expectations, and could still lead to some rejection of high bid yields and partial awards," Mr. Ricafort said.

The gross domestic borrowing program this year is set at P1.654 trillion, composed of P54.1 billion in T-bills and P1.6 trillion in fixed-rate T-bonds.

The government borrows from local and external sources to help fund a budget deficit capped at 6.1% of the gross domestic product this year. — **Aaron Michael C. Sy**

### Monetary tightening won't risk financial stability — BSP

FURTHER MONETARY tightening to tame inflation would not risk financial stability, Bangko Sentral ng Pilipinas (BSP) Governor Felipe M. Medalla said on Wednesday.

During a forum organized by Bank Indonesia, Mr. Medalla said the central bank has pursued an aggressive policy stance in its fight against inflation, but this is unlikely to have any negative effects on financial stability.

"We are confident that 425 [basis points] and probably even more [monetary tightening] can be done without risking financial stability," he said, adding that Philippine banks are strong.

"All things considered, the BSP's policies have been supportive of economic growth. Future decisions will be guided by our assessment of the latest information," he added.

The Monetary Board last week raised the benchmark policy rate by 25 bps, bringing it to 6.25% — the highest in nearly 16 years.

The BSP governor said the central bank had to deal with a

depreciating peso and persistent inflationary pressures during its current tightening cycle.

"Inflation remains a top concern, and in fact — from the point of view of policy rates — the only concern," Mr. Medalla said.

Headline inflation slowed to 8.6% in February from a 14-year high of 8.7% in January. For the first two months of the year, inflation averaged 8.6%.

Although month-on-month inflation has been stabilizing, Mr. Medalla said the BSP is confident the downward trend would continue until it reaches its 2%-4% target by October.

The central bank sees inflation averaging 6% this year before easing to 2.9% in 2024.

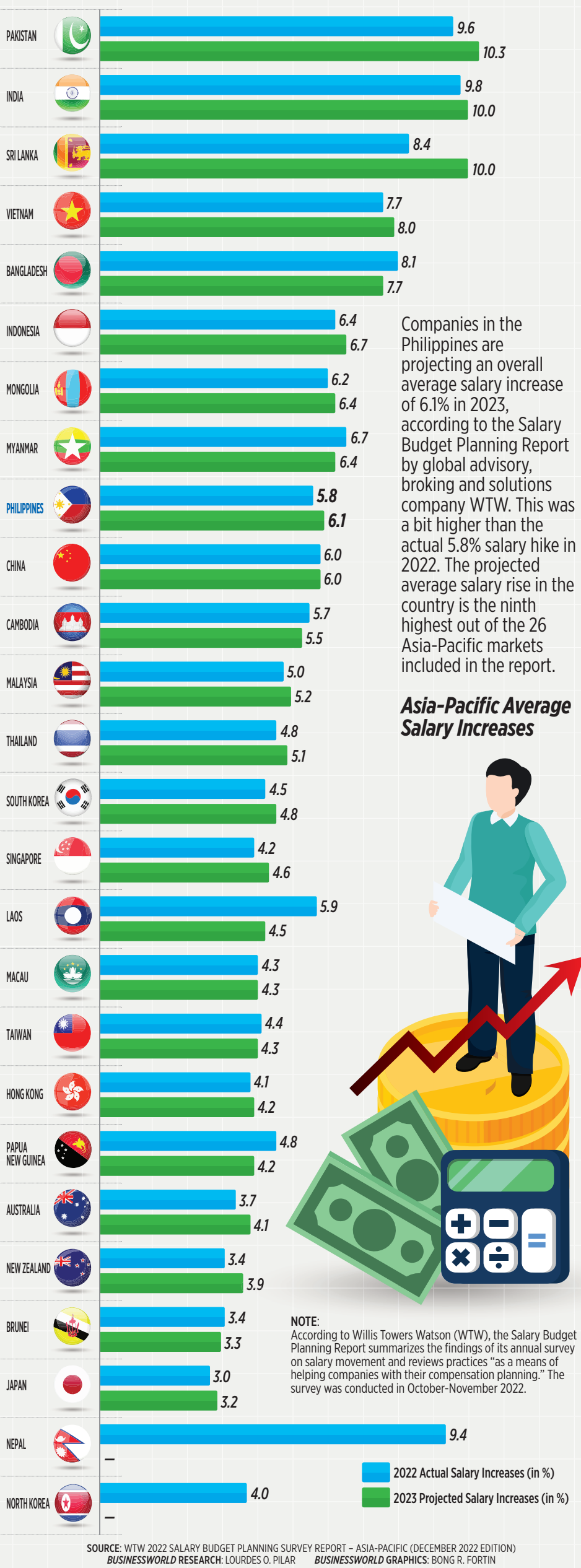
The local statistics agency will release March inflation data on April 5.

Mr. Medalla also reiterated that Philippine banks are well-capitalized amid the recent turmoil in global financial markets.

"The banking system has withstood the challenges of the pandemic and remains resilient moving forward," he said.

Stability, SI/8

### PHILIPPINE COMPANIES SEEN TO HIKE SALARIES BY 6.1% THIS YEAR



NOTE: According to Willis Towers Watson (WTW), the Salary Budget Planning Report summarizes the findings of its annual survey on salary movement and reviews practices "as a means of helping companies with their compensation planning." The survey was conducted in October-November 2022.

SOURCE: WTW 2022 SALARY BUDGET PLANNING SURVEY REPORT — ASIA-PACIFIC (DECEMBER 2022 EDITION)  
BUSINESSWORLD RESEARCH: LOURDES O. PILAR BUSINESSWORLD GRAPHICS: BONG R. FORTIN

THE PHILIPPINE Economic Zone Authority (PEZA) reported a 54% increase in approved investments in the first quarter from a year earlier, putting it on track to hit its full-year growth target.

The investment promotion agency on Wednesday said it approved P12.54 billion worth of investments in January to March from P8.14 billion in the same period last year.

These investments consist of 42 new and expansion projects of economic zone (ecozone) locators and developers, 45% higher than the 29 projects greenlit by the PEZA in the first quarter of 2022.

Of the 42 projects, the PEZA said about P8.19 billion came from 40 locator projects, while the remaining P4.35 billion came from two developer projects. The projects are expected to produce \$616.59 million worth of exports and generate 5,236 direct jobs.

"This surge in investments that gained more than 50% compared with January to March 2022 is an indication that we are on the right track in achieving our 10% target this year," PEZA Director-General Tereso O. Panga said in a statement.

For March alone, the PEZA Board gave the go signal for 12 new and expansion projects that are projected to generate P2.34 billion worth of investments.

"We have achieved positive investments for this year's first quarter and we can sustain this momentum in the coming months as we expect more inbound delegations of foreign investors," Mr. Panga said.

He said the PEZA has seen new investment leads across emerging technologies and sectors from new ecozone locator applicants and investor delegations.

PEZA, SI/8

### PHL urged to prepare for 'The Big One'

THE PHILIPPINE GOVERNMENT should ramp up investments in disaster response programs as well as the health-care system to ensure their readiness in the event of a catastrophic earthquake along the West Valley Fault in Metro Manila, the World Bank said.

"A Metro Manila risk assessment estimated that a magnitude 7.2 earthquake on the West Valley Fault (a probable maximum scenario, so-called 'The Big One'), could result in an estimated 48,000 fatalities and \$48 billion in economic losses," according to a World Bank blog.

"It also poses a severe threat to urban mobility in the metropolitan area and the provision of key public services, including the health system, as well as lifeline infrastructure like water and energy supply."

The World Bank said the West Valley Fault line "poses the most serious threat" out of multiple earthquake generators in Metro Manila.

The West Valley Fault traverses the cities of Taguig, Muntinlupa, Parañaque, Quezon City, Pasig, Makati and Marikina, as well as the provinces of Rizal, Laguna, Cavite and Bulacan.

The fault moves every 200 to 400 years, according to the Philippine Institute of Volcanology and Seismology. Its last recorded movement was in 1658 or 365 years ago.

"Targeting critical road segments and neighborhoods for emergency preparedness and response investments can accelerate recovery times and strengthen people's access to essential public services during a disaster and in its immediate aftermath," it said.

'The Big One,' SI/8