

## N. Korea's Kim oversees simulated nuclear counterattack vs US

SEOUL — North Korean leader Kim Jong Un has overseen drills simulating a nuclear counterattack against the US and South Korea in a warning to the allies who are scaling up their joint military exercises, state media KCNA said on Monday.

The North's drills involved a short-range missile launch but - unusually — the missile flew from a buried silo, which analysts say would help improve speed and stability in future tests of intercontinental ballistic missiles (ICBM).

KCNA said the exercises on Saturday and Sunday were designed to boost the country's "war deterrence and nuclear counterattack capability," accusing Washington and Seoul of making an "explicit attempt to unleash a war" against it.

"The drill also aimed to demonstrate our

tougher will to make an actual war response and send a stronger warning to the enemy who expand their war drills for aggression," KCNA said.

In the exercises, a ballistic missile equipped with a mock nuclear warhead flew 800 km (497 miles) before hitting a target under the scenario of a tactical nuclear attack, KCNA said.

KCNA photos showed Mr. Kim attended the test, again with his young daughter, as flames roared from the soaring missile before it hit the target.

Analysts said the photos suggested the launch involved a KN-23 short-range ballistic missile (SRBM), but unlike past tests, the engine exhaust appeared to be vented either side at the moment of liftoff, which could mean that a silo was used. — Reuters

### FULL STORY



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Diokno,  
from SI/1

"Maybe before we talked about 25 bps, and even a likelihood of a hold or steady. We will hold it for a while knowing there are many uncertainties. That will depend on the MB board," Mr. Diokno said.

The Monetary Board raised its benchmark interest rate by 50 bps for a second straight meeting in February, bringing the key rate to a near 16-year high of 6%. Since May, the central bank hiked rates by a total of 400 bps.

A *BusinessWorld* poll last week showed 12 out of 14 analysts expect the Monetary Board to hike rates by 25 bps at its March 23 meeting.

In its Market Call report on Monday, First Metro Investment Corp. (FMIC) and the University of Asia and the Pacific (UA&P) said they expect the BSP to raise its rates by 25 bps at its next two meetings amid expectations of easing inflation.

"There is an upside risk if the Fed hikes its policy rates by 50 bps in the March 21-22 meeting. BSP will likely not want to extinguish the economic recovery momentum," FMIC and UA&P said.

At the same time, Mr. Diokno said he is "optimistic" that inflation could ease to 4% by the end of the third quarter.

"The price of oil has been declining, the peso has been appreciating and we have put in place mechanisms to control the price of food items, which is a major trigger of inflation," he added.

Inflation eased to 8.6% in February from a 14-year high of 8.7% in January.

BSP Governor Felipe M. Medalla earlier said inflation will ease to within the 2-4% target by November or December this year.

The BSP sees inflation averaging 6.1% this year, and easing to 3.1% in 2024.

PHL banks,  
from SI/1

The US Federal Reserve has raised its target federal funds rate by 450 basis points (bps) since March last year to 4.5-4.75% from just 0-0.25%, while the BSP overnight reverse repurchase rate was hiked by 400 bps since May 2022 to 6% from just 2%.

Moreover, the Philippine yield curve did not invert like the US yield curve, the BSP said.

The BSP also noted that US banks' bond holdings have longer tenors, some as long as 30 years, compared with Philippine banks, which mostly hold government securities with residual maturity of up to 15 years.

"(Philippine banks) maintain a diversified lending base across counterparties and industry types and their loan quality is manageable," the BSP said.

Based on preliminary data from the central bank, bad loans reached P405.138 billion in January, up by 1.6% from P398.79 billion in December 2022. Still, this is 12.2% lower than P461.66 billion a year earlier. This brought the industry's nonperforming loan ratio to 3.28%, inching up from the 3.16% in December but lower than the 4.14% in January 2022.

According to the central bank, Philippine lenders have strong risk governance and risk management systems. The industry could also maintain enough capital to absorb unexpected losses from local policy rate increases.

Philippine banks are also highly liquid and tend to rely on a wide depositor base compared with US banks, the BSP said. It also reiterated that lenders do not have material exposure to developments outside the country.

Universal and commercial banks' liquidity coverage ratio stood at 185.7% on solo basis as of end-December last year. This is higher than the 100% minimum requirement of the BSP.

The minimum liquidity ratios of standalone thrift banks, rural banks, and cooperative banks were at 29.9%, 63.7%, and 44.4%, respectively. All were above the 20% requirement of the central bank.

The BSP said it has implemented structural reforms, such as the adoption of risk management standards and prudential limits and requirements, to ensure the safety of banks.

Additionally, the BSP said it has strengthened its surveillance mechanisms and coordination efforts in order to closely monitor any developments that may negatively affect the financial system.

"The BSP also has in place Emergency Loan Facilities which can be tapped by solvent banks experiencing serious liquidity problems (and) was given enhanced resolution authority through the amendments to the Charter of the Philippine Deposit Insurance Corporation," it said. — Keisha B. Ta-asan

# Asia better placed than developed economies, Morgan Stanley says

ASIAN economies are in a better position than their developed-world counterparts to absorb shocks from a banking crisis that has roiled global financial markets, according to analysts at Morgan Stanley.

"We saw a number of factors which would keep Asia's domestic demand robust, hence helping in its growth outperformance," analysts led by Chetan Ahya wrote in a research note. They highlighted strong liquidity coverage ratios at Asian

banks and "relatively stable" debt-to-GDP (gross domestic product) ratios. On top of that, monetary policy is not as restrictive yet as it is in the US, they said. As a result, "the downside risk to Asia's growth will be more muted."

Morgan Stanley does expect some tightening in lending standards to occur in Asia in response to US bank stress, though "the magnitude and persistence are likely to be less intense than what is likely to transpire in the US."

Whether Asia's growth can outperform the developed world will depend on how the US economy evolves, they said, laying out two potential scenarios:

A deep slowdown or mild recession in the US: Growth impact to Asia will likely be manageable

US hard landing: Asia's growth will be weighed down but the net impact will be less than in developed markets and the region will recover faster than the US and Europe.

Policymakers are racing to ease growth strains and a loss of confidence in the global financial system after the collapse of Silicon Valley Bank and as UBS Group AG agreed to buy Credit Suisse Group AG in a government-brokered deal.

Over the weekend, the Federal Reserve and five other central banks announced coordinated action to boost liquidity in US dollar swap arrangements. — Bloomberg



Republic of the Philippines  
Department of Transportation  
CIVIL AERONAUTICS BOARD



CAB Case No.: EP-009294-P-AORD-012023

28 February 2023

MRS. GLAIZALIN GARCIA

Airport Duty Officer  
Gulf Air  
RM 419 IPT Building  
NAIA Terminal 1  
Parañaque City  
Metro Manila  
Philippines 1300

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Request Version	Carrier IATA Code	Flight Number	Effective From	Effective To	DOP	Dep Apt	Dep Time (LT)	Arr Apt	Arr Time (LT)	Seats	Aircraft Code	Service Type	Code Share
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O	GF	155	27-Mar-23	28-Oct-23	1234567	MNL	1245	BAH	1705	281	789/26000	J	PR
O	GF	813	01-Jul-23	28-Oct-23	16	BAH	1010	MNL	0045+1	281	789/26000	J	PR
O	GF	814	02-Jul-23	24-Oct-23	27	MNL	0215	BAH	0635	281	789/26000	J	PR

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Executive Direc