P25 IN METRO MANILA, PHILIPPINES

BusinessWorld

HOLIDAY SCHEDULE
In observance of Holy Thursday and Good Friday, the regular print issue resumes on April 10 (Monday). Updates, however, will be available on www.bworldonline.com.

STOCK MARKET

PSEi

OPEN:	6,533.93
HIGH:	6,538.97
LOW:	6,463.98
CLOSE:	6,472.04
VOL.:	2.396 B
VAL(P):	3.990 B

▼ 57.95 PTS. 0.88%

30 DAYS TO APRIL 4, 2023

ASIAN MARKETS

APRIL 4, 2023

	CLOSE		NET	%
Japan (Nikkei 225)	28,287.42	▲	99.27	0.35
Hong Kong (Hang Seng)	20,274.59	▼	-134.59	-0.66
Taiwan (Weighted) *	15,868.06	▲	18.63	0.12
Thailand (SET Index)	1,594.05	▼	-6.32	-0.39
S.Korea (Kse Composite)	2,480.51	▲	8.17	0.33
Singapore (Straits Times)	3,311.12	▲	30.04	0.92
Sydney (All Ordinaries)	7,236.00	▲	13.00	0.18
Malaysia (Klse Composite)	1,429.61	▼	-3.78	-0.26

* CLOSING PRICE AS OF PRICE MARCH 31, 2023

WORLD MARKETS

APRIL 3, 2023

	CLOSE		NET
Dow Jones	33,601.150	▲	327.000
NASDAQ	12,189.453	▼	-32.454
S&P 500	4,124.510	▲	15.200
FTSE 100	7,673.000	▲	41.260
Euro Stoxx50	3,952.470	▲	11.370

PESO-DOLLAR RATES

FX

OPEN	P54.600
HIGH	P54.460
LOW	P54.650
CLOSE	P54.495
W.AVE.	P54.576
VOL.	$889.70 M

23.50 CTVS

30 DAYS TO APRIL 4, 2023 SOURCE : BAP

ASIAN MONIES-US$ RATE

APRIL 4, 2023

	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	132.850	▲	133.410
Hong Kong (HK dollar)	7.850	—	7.850
Taiwan (NT dollar)	30.498	▲	30.606
Thailand (baht)	34.210	▲	34.400
S. Korea (won)	1,314.620	▲	1,316.280
Singapore (dollar)	1.326	▲	1.331
Indonesia (rupiah)	14,895	▲	14,965
Malaysia (ringgit)	4.404	▲	4.417

WORLD CURRENCIES

APRIL 4, 2023

	CLOSE		PREVIOUS
US$/UK pound	1.2501	▲	1.2339
US$/Euro	1.0928	▲	1.0849
$/Aust dollar	0.6754	▲	0.6710
Canada dollar/US$	1.3412	▲	1.3481
Swiss Franc/US$	0.9115	▼	0.9168

DUBAI CRUDE OIL

FUTURES PRICE ON NEAREST MONTH OF DELIVERY $84.05/BBL

▲ $6.00

30 DAYS TO APRIL 3, 2023

VOL. XXXVI • ISSUE 180

WEDNESDAY • APRIL 5, 2023 • www.bworldonline.com

S1/1-10 • 3 SECTIONS, 18 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • APRIL 4, 2023 (PSEi snapshot on *S1/2*; article on *S2/2*)

Stock	Price	Value	Change		%
SM	P870.000	P465,446,345	-P15.000	▼	-1.695%
SMPH	P33.750	P269,968,755	P0.800	▲	2.428%
URC	P141.500	P216,356,509	-P3.500	▼	-2.414%
BDO	P125.000	P211,054,925	-P3.200	▼	-2.496%
ICT	P210.000	P209,725,346	-P3.600	▼	-1.685%
TEL	P1,280.000	P198,207,150	-P57.000	▼	-4.263%
ALI	P27.350	P195,732,495	-P0.050	▼	-0.182%
GLO	P1,840.000	P184,984,985	P15.000	▲	0.822%
MONDE	P9.120	P137,332,676	P0.120	▲	1.333%
JFC	P226.000	P131,270,986	P0.000	—	0.000%

ADB keeps 6% PHL growth outlook

THE Asian Development Bank (ADB) kept its 6% growth forecast for the Philippines this year, although it expects global headwinds, elevated inflation and tighter monetary policy to weigh on the outlook.

In its Asian Development Outlook (ADO) April 2023 Update, the ADB maintained its Philippine gross domestic product (GDP) growth forecast at 6%, which would make it the second fastest-growing economy in Southeast Asia. This is within the government's 6-7% full-year target.

"The Philippines will grow at its potential this year and next year and is on track toward its goal to become an upper middle-income country," ADB Philippines Country Director Kelly Bird said in a briefing on Tuesday.

Mr. Bird noted there is still strong growth momentum coming in from 2022, when the economy grew by 7.6%.

"It is also one of the highest growth rates in Asia-Pacific (as) domestic demand continues to remain strong," he said.

The ADB's growth forecast for the Philippines is second only to Vietnam (6.5%), and also above the 4.7% growth outlook for the Southeast Asia region.

For 2024, the ADB sees the country to expand by 6.2%. This is below the government's 6.5-8% target for next year.

The ADB's 6.2% forecast for the Philippines in 2024 is also the second-fastest among Southeast Asian economies, following Vietnam's 6.8%. This is above the ADB's 5% outlook for Southeast Asia next year as well.

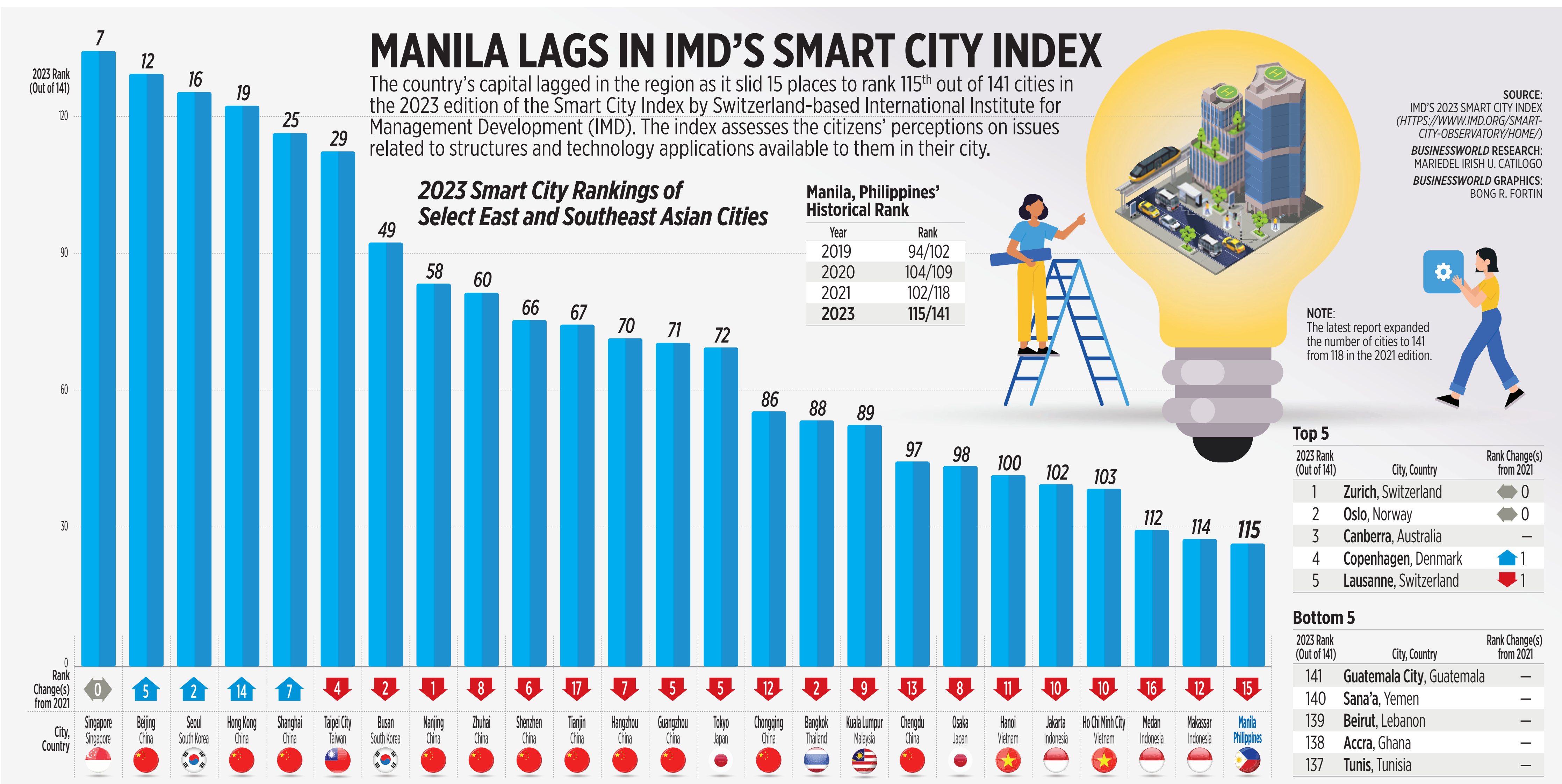
"Growth is expected to remain strong, albeit slowed by global headwinds, high inflation, and tighter monetary policy... Household spending will be buoyed by rising employment and steady remittances from Philippine workers overseas," the ADB said in its ADO update.

The unemployment rate improved to 4.8% in January from 6.4% a year ago. Also in January, cash remittances from overseas Filipinos rose by 3.5% to $2.76 billion in January.

"Key to sustaining a strong growth momentum is keeping public infrastructure spending at levels above 5% of GDP, as the government has planned for this year and in the medium term," Mr. Bird said.

He said infrastructure projects will improve connectivity in the country, as well as create jobs and boost livelihoods.

Outlook, S1/9



Charter change may not be needed if PSA law is implemented — experts

By Kyle Aristophere T. Atienza *and* **John Victor D. Ordoñez**
Reporters

ECONOMISTS and policy experts urged the Marcos administration to fully implement and harness the potential of the amended Public Service Act (PSA), which opens up the economy without changing the current Constitution.

"If Cha-cha (charter change) is off the table, then there must be a concerted effort to implement the Public Service Act to the fullest. On this score, it's not really opening up new sectors to foreign investors," Michael Henry Ll. Yusingco, a policy analyst, said in a Facebook Messenger chat.

"It's really more about doing the required work to ensure the PSA is implemented properly."

The amended PSA, signed by then-President Rodrigo R. Duterte in March 2022, allows full foreign ownership in telecommunications, domestic shipping, railways and subways, airlines, expressways and tollways, and airports.

The sectors were previously subjected to the 40% foreign ownership cap for public utilities under the Constitution.

It took almost a year for the National Economic and Development Authority to release the implementing rules and regulations of the amended PSA, which took effect on April 4.

"The PSA shows a potential way of expanding our economic opportunities without revising or amending the 1987 Constitution," Emy Ruth D. Gianan, who teaches economics at the Polytechnic University of the Philippines, said via Facebook Messenger chat.

Amending or revising the Constitution requires "a tricky balance between political and economic incentives," she said. "Lack of support from the supposed main stakeholders of the amendments on key economic provisions in the constitution should signal to Congress not to overwork the proposal."

The constitution can be modified either through amendments or revisions. Amendments would not affect the overall structure and basic principles of the Constitution, while revisions would alter the structure.

President Ferdinand R. Marcos, Jr. has not included Cha-cha in his list of legislative priorities, but some of his allies in Congress continue to push for it.

The House of Representatives last month passed a resolution calling for a constitutional convention (con-con) that would propose amendments to the economic provisions of the Constitution.

Senate committee on constitutional amendments Chair Robinhood Ferdinand "Robin" C. Padilla, on the other hand, wants to amend the charter through a constituent assembly.

Charter change, S1/9

WHAT'S INSIDE

Gov't downplays impact of OPEC+ cuts

FINANCE Secretary Benjamin E. Diokno said on Tuesday it is too early to assess the impact of the surprise output cut by the world's largest oil exporting countries on Philippine inflation.

"I think the OPEC countries are kind of anticipating that oil prices, if they do not do anything, will go lower than what it is right now... I assume this was done to anticipate that reduction... It's also because of some forecasts for a global slowdown. So the demand for oil can slow down while there's a cutback," he said during a press briefing on Tuesday.

The Organization of the Petroleum Exporting Countries and their allies including Russia (OPEC+)on Sunday announced further output targets cuts of around 1.16 million barrels per day (bpd) from May through the rest of the year.

Analysts warned these OPEC+ production cuts may drive global oil prices to above $100 per barrel this year.

"So we don't know yet the impact on Philippine inflation... As far as I know, (based on) the NEDA (National Economic and Development Authority) and BSP (Bangko Sentral ng Pilipinas (BSP) forecasts, the threshold for oil is $90 per barrel," Mr. Diokno said.

The Finance chief made the statement ahead of the release of March inflation today (April 5). The BSP earlier said inflation likely eased to between 7.4-8.2% in March, from 8.6% in February, although this is still above the 2-4% target range.

The BSP projects average inflation to settle above the 2-4% target range at 6% this year.

Mr. Diokno said as an oil-importing country, the Philippine can only manage the demand for oil.

"There are many moves to conserve the use of energy. Like we're shifting now to EVs (electric vehicles). That's what I mean by there's many moving parts. It's hard to forecast what will happen next," he added.

Ruben Carlo O. Asuncion, chief economist at UnionBank of the Philippines, Inc. said that the global oil output cut is an "inflation risk" moving forward.

"The impact of this event will not be seen in March's inflation print. It will be felt, however, in the April round of CPI (consumer price index) print release. Hopefully, this will just be a one-off since prices seemed to have steadied already after the OPEC+'s announcement a few days ago," Mr. Asuncion said in a Viber message.

OPEC+, S1/9

ADB earmarks $4-B lending program for Philippines

THE Asian Development Bank (ADB) is earmarking $4 billion worth of loan financing for the Philippines this year to support development projects.

In a press briefing on Tuesday, ADB Philippines Country Director Kelly Bird said this year's lending program will be focused on eight projects and programs.

"Our 2023 lending program will be approximately $4 billion and we are focusing on eight programs and projects for approval this year, four of which are what we call policy-based loans," Mr. Bird said.

The first two projects of the ADB were approved earlier in January, in which the lender aimed to support post-pandemic business recovery, and reforms in the agriculture sector.

"We have two policy-based loans that are going through consideration, the next one is the 'Inclusive Finance Development Program' of $300 million. This is the third and final program in our inclusive finance," Mr. Bird said.

The loan aims to boost financial inclusion, specifically for the bottom 30% households in the country.

The next policy-based loan is the ADB's Build Universal Healthcare Program Subprogram 2 worth $400 million. The first subprogram was approved in 2020 and this would support the government's reforms in the health sector.

Also, the ADB is looking to finance four infrastructure programs. These include the Davao City Public Transport Modernization Project ($1 billion), Integrated Floods Protection Resilience and Adaptation Project – Phase 1 ($303 million), the Bataan Cavite Interlink Bridge Project, and the Infrastructure Preparation and Innovation Facility ($300 million).

Lending, S1/9