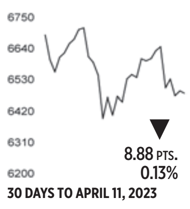
P25 IN METRO MANILA, PHILIPPINES

BusinessWorld

STOCK MARKET



PSEi

OPEN:	6,502.46
HIGH:	6,506.59
LOW:	6,473.95
CLOSE:	6,479.63
VOL.:	1.216 B
VAL(P):	5.367 B

ASIAN MARKETS

APRIL 11, 2023

	CLOSE		NET	%
Japan (Nikkei 225)	27,923.37	▲	289.71	1.05
Hong Kong (Hang Seng)	20,485.24	▲	154.04	0.76
Taiwan (Weighted)	15,913.88	▲	37.71	0.24
Thailand (SET Index)	1,597.10	▲	3.97	0.25
S.Korea (Kse Composite)	2,547.86	▲	35.78	1.42
Singapore (Straits Times)	3,297.83	▲	3.40	0.10
Sydney (All Ordinaries)	7,309.90	▲	90.90	1.26
Malaysia (Klse Composite)	1,435.89	▲	7.76	0.54

WORLD MARKETS

APRIL 10, 2023

	CLOSE		NET
Dow Jones	33,586.520	▲	101.230
NASDAQ	12,084.355	▼	-3.602
S&P 500	4,109.110	▲	4.090
FTSE 100 *	7,741.560	▲	78.620
Euro Stoxx50 *	3,981.990	▲	14.690

* CLOSING PRICES AS OF APRIL 6, 2023

PESO-DOLLAR RATES

FX

OPEN	P54.600
HIGH	P54.580
LOW	P54.955
CLOSE	P54.930
W.AVE.	P54.734
VOL.	$1,143.10 M

SOURCE : BAP

ASIAN MONIES-US$ RATE

APRIL 11, 2023

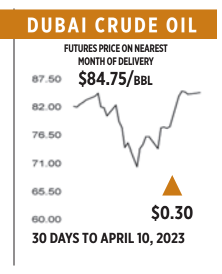
	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	133.110	▼	132.090
Hong Kong (HK dollar)	7.850	—	7.850
Taiwan (NT dollar)	30.484	▼	30.449
Thailand (baht)	34.210	▲	34.310
S. Korea (won)	1,322.220	▼	1,319.040
Singapore (dollar)	1.332	▼	1.329
Indonesia (rupiah)	14,881	▲	14,899
Malaysia (ringgit)	4.416	▼	4.406

WORLD CURRENCIES

APRIL 11, 2023

	CLOSE		PREVIOUS
US$/UK pound	1.2436	▼	1.2440
US$/Euro	1.0912	▼	1.0913
$/Aust dollar	0.6659	▼	0.6669
Canada dollar/US$	1.3500	▲	1.3494
Swiss Franc/US$	0.9041	▼	0.9056

DUBAI CRUDE OIL



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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • APRIL 11, 2023 (PSEi snapshot on *S1/4*; article on *S2/2*)

		Value			
BDO	P130.000	P529,354,683	P5.800	▲	4.670%
SMPH	P33.000	P410,295,225	-P0.500	▼	-1.493%
SM	P899.000	P379,879,220	P3.000	▲	0.335%
ICT	P210.000	P304,290,512	P0.000	—	0.000%
JFC	P216.200	P256,759,642	-P6.800	▼	-3.049%
ALI	P27.300	P207,965,050	-P0.400	▼	-1.444%
TEL	P1,251.000	P207,368,700	-P30.000	▼	-2.342%
URC	P142.000	P199,928,492	P1.000	▲	0.709%
BPI	P99.850	P155,972,454	-P1.750	▼	-1.722%
MBT	P58.300	P148,613,853	P0.750	▲	1.303%

IMF hikes Philippine growth outlook

By Keisha B. Ta-asan
Reporter

WASHINGTON — The International Monetary Fund (IMF) expects the Philippines to post the fastest growth in emerging and developing Asia this year, despite a global economic slowdown.

In its latest World Economic Outlook (WEO) released here on Tuesday morning, the IMF raised its 2023 gross domestic product (GDP) growth projection for the Philippines to 6%, from the 5% forecast given in January.

This would be slower than the 7.6% GDP expansion in 2022 but matched the lower end of the government's 6-7% target for this year.

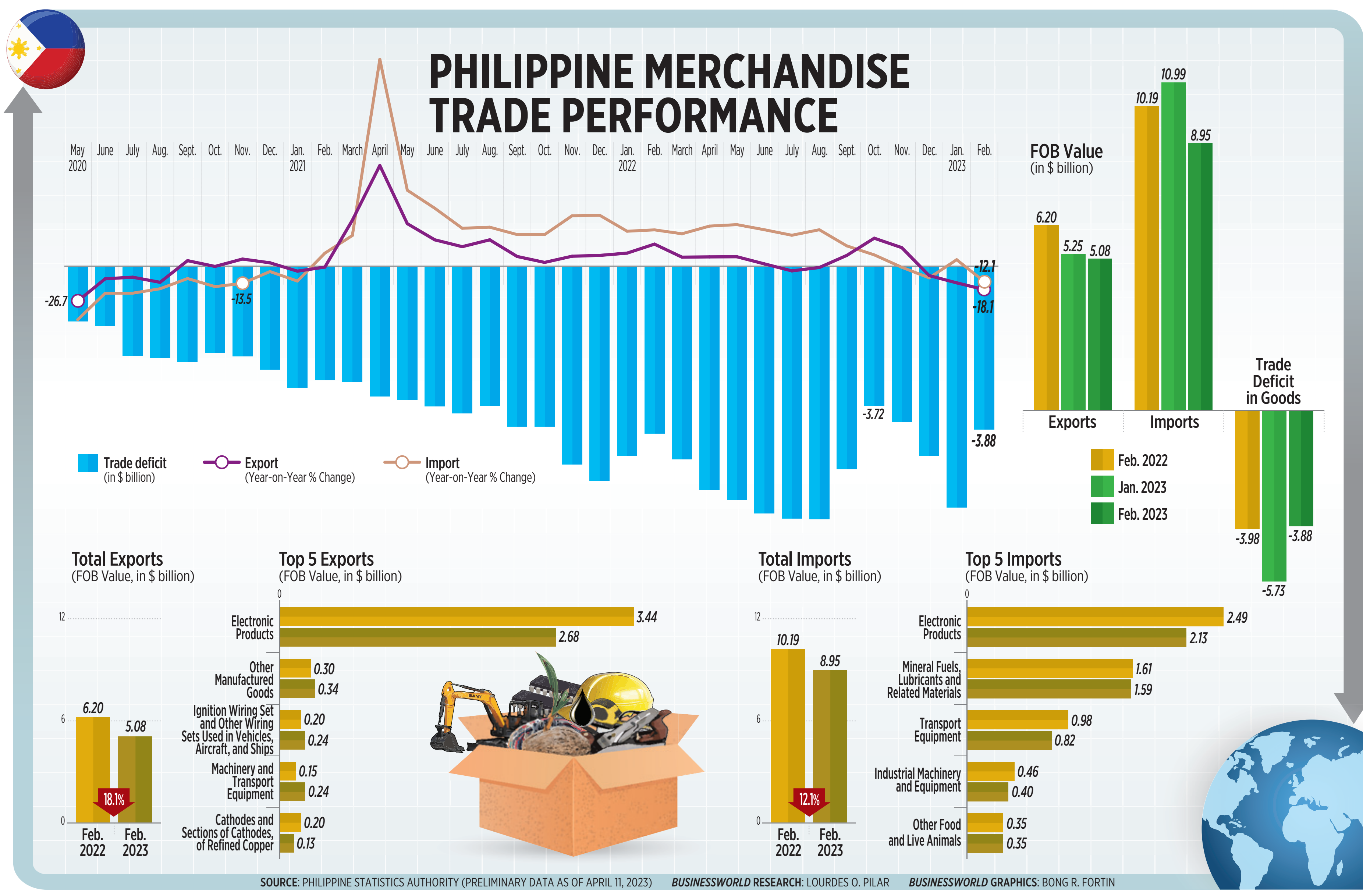
Based on IMF projections, the Philippines' 6% GDP growth outlook is the fastest among emerging and developing Asia economies. It is faster than India (5.9%), China (5.2%), Vietnam (5.8%), Indonesia (5%), Malaysia (4.5%) and Thailand (3.4%).

However, the multilateral lender also lowered its 2024 growth projection for the Philippines to 5.8%, from 6% previously. The government targets 6.5-8% GDP growth for 2024.

In the WEO report, the IMF said high uncertainty continues to cloud the global economic outlook this year, citing downside risks from central banks' tight monetary stance, high debt levels, limited fiscal buffers, commodity price spikes and geopolitical tensions.

"But these forces are now overlaid by and interacting with new financial stability concerns. A hard landing — particularly for advanced economies — has become a much larger risk. Policymakers may face difficult trade-offs to bring sticky inflation down and maintain growth while also preserving financial stability," the IMF said.

IMF, S1/3



SOURCE: PHILIPPINE STATISTICS AUTHORITY (PRELIMINARY DATA AS OF APRIL 11, 2023) *BUSINESSWORLD* RESEARCH: LOURDES O. PILAR *BUSINESSWORLD* GRAPHICS: BONG R. FORTIN

Feb. trade deficit narrows to smallest in three months

By Lourdes O. Pilar *Researcher*

THE Philippines' trade deficit in goods narrowed in February to the smallest in three months, as imports and exports slumped to their lowest levels in over two years.

Preliminary data from the Philippine Statistics Authority (PSA) showed the trade gap shrank to $3.88 billion in February, from the $5.73 billion gap in January and the $3.98 billion deficit in February last year.

February saw the slimmest trade gap since the $3.72 billion deficit in November 2022.

The country has recorded a trade-in-goods deficit for almost eight years or since the trade surplus of $64.95 million in May 2015.

Merchandise exports fell 18.1% annually to $5.08 billion, faster than the revised 13.1% drop in January and a reversal of the 15.7% growth in February last year.

The export decline in February was the steepest in 33 months or since the 26.7% fall in May 2020. Export receipts also fell to the lowest level since $4.54 billion in May 2020.

Meanwhile, imports returned to negative territory, as it slipped 12.1% to $8.95 billion from a year earlier. This was a reversal of the 4.1% uptick in January and 26.3% growth in February 2022.

The drop in imports was the sharpest in 27 months or since the 13.5% decline in November 2020. By value, it was the smallest import bill in 22 months or since $8.88 billion in April 2021.

In the first two months, the trade deficit widened to $9.61 billion from $8.50 billion gap a year ago.

Year to date, exports slid 15.6% to $10.33 billion, while imports dropped 3.9% to $19.94 billion.

The Development Budget and Coordination Committee is projecting a 3% growth for exports and a 4% increase for imports this year.

"We can expect exports to revert to modest expansion as shipments to China resume after a holiday. Meanwhile, imports can be expected to rise but by single digits," ING Bank N.V. Manila Senior Economist Nicholas Antonio T. Mapa said in an e-mail.

"The overall trade balance will stay in deficit of roughly $5 billion, which means the current account will also remain deficit. This should mean that the peso will lag any regional rally as outflows of foreign currency continue to outpace inflows at least for the real sector," Mr. Mapa added.

Trade deficit, S1/9

Higher oil prices unlikely to 'disturb' BSP inflation outlook, says Medalla

By Keisha B. Ta-asan
Reporter

WASHINGTON — The Bangko Sentral ng Pilipinas (BSP) is confident headline inflation will return to within its 2-4% target by the fourth quarter this year amid a recent spike in global oil prices and still-elevated core inflation.

BSP Governor Felipe M. Medalla told *BusinessWorld* that even though higher global oil prices is an upside risk to inflation, it won't "disturb" the central bank's main scenario.

"(Higher global oil prices) is one of our upsides. The risk is still there. If something happens… oil becomes the battleground again. But our main scenario won't be disturbed by this event," Mr. Medalla said in an interview at the sidelines of the International Monetary Fund and World Bank spring meetings here.

He said the central bank still sees inflation going below 4% by November or December this year, before normalizing in 2024.

"Why the confidence? In the past, inflation has a natural tendency to normalize precisely because the central bank is acting on it. In fact, inflation has normalized starting February," he said in mixed English and Tagalog.

Inflation slowed for a second straight month to 7.6% in March from 8.6% in February. Still, March marked the 12th month in a row that inflation exceeded the central bank's 2-4% target band.

The average inflation rate in the first quarter stood at 8.3%, still above the BSP's full-year forecast of 6%.

Since May last year, the Monetary Board raised benchmark interest rates by 425 basis points (bps), bringing the key policy rate to a near 16-year high of 6.25%.

Medalla, S1/9

WHAT'S INSIDE

FDI net inflows fall to 20-month low

By Luisa Maria Jacinta C. Jocson *Reporter*

FOREIGN direct investment (FDI) net inflows slumped to a 20-month low in January as heightened global economic uncertainty weighed on investor sentiment.

FDI net inflows plunged 45.7% to $448 million in January from $824 million in the same month a year ago, data from the Bangko Sentral ng Pilipinas (BSP) showed.

The January figure was the lowest monthly FDI inflow since the $426 million recorded in May 2021.

"FDI net inflows declined during the month amid global economic uncertainties and high inflation, which continued to weigh on investor decisions," the BSP said in a statement.

The BSP data showed a decline in non-residents' net investments in debt instruments and equity capital in January.

Non-residents' net investments in debt instruments of local affiliates fell by 56.6% to $280 million from $645 million in the same month a year ago.

Investments in equity and investment fund shares slipped 6.2% to $168 million in January from $179 million a year ago.

January saw equity other than reinvested earnings decline by 13.1% to $93 million from $107 million.

Broken down, gross placements jumped by 26.3% to $149 million while withdrawals surged by 413.6% to $56 million.

Equity capital placements were mainly from Japan, Singapore, and the United States. These were mostly invested in manufacturing, financial and insurance, and real estate industries.

FDI, S1/3

Unemployment rate holds steady at 4.8% in Feb.

By Mariedel Irish U. Catilogo
Researcher

THE country's unemployment rate held steady at 4.8% in February while job quality improved, the Philippine Statistics Authority (PSA) reported on Tuesday.

Preliminary results of the statistic agency's February round of the Labor Force Survey (LFS) showed the unemployment rate remained at the same level as January, but lower than the 6.4% jobless rate in February 2022.

However, the number of unemployed Filipinos increased by 4.3% or 102,000 to 2.48 million in February from 2.37 million in January. It was also 21% or 651,000 lower than the 3.13 million jobless a year ago.

February's jobless rate was the lowest since 4.3% in December 2022.

On the other hand, the underemployment rate stood at 12.9% in February, improving from 14.1% in January and 14% in the same month last year.

This translated to 6.29 million Filipinos looking for an additional job or longer working hours, 5.5% lower than January's 6.65 million. On an annual basis, this was 1.5% lower than the 6.38 million underemployed in February 2022.

The underemployment rate in February was also the lowest since the 12.6% recorded in December last year.

Unemployment, S1/9