

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																					
PSEi OPEN: 6,584.86 HIGH: 6,584.86 LOW: 6,512.98 CLOSE: 6,540.24 VOL.: 0.767 B VAL(P): 5,447 B 53.15 PTS 0.8% 30 DAYS TO APRIL 26, 2023	APRIL 26, 2023 <table border="1"> <tr><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (NIKKEI 225)</td><td>28,416.47</td><td>-203.60 -0.71</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>19,757.27</td><td>139.39 0.71</td></tr> <tr><td>TAIWAN (WEIGHTED)</td><td>15,374.63</td><td>3.90 0.03</td></tr> <tr><td>THAILAND (SET INDEX)</td><td>1,546.65</td><td>6.45 0.42</td></tr> <tr><td>S.KOREA (KSE COMPOSITE)</td><td>2,484.83</td><td>-4.19 -0.17</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,294.57</td><td>-1.99 -0.06</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>7,316.30</td><td>-5.70 -0.08</td></tr> <tr><td>MALAYSIA (KLSE COMPOSITE)</td><td>1,414.25</td><td>-10.94 -0.77</td></tr> </table>	CLOSE	NET	%	JAPAN (NIKKEI 225)	28,416.47	-203.60 -0.71	HONG KONG (HANG SENG)	19,757.27	139.39 0.71	TAIWAN (WEIGHTED)	15,374.63	3.90 0.03	THAILAND (SET INDEX)	1,546.65	6.45 0.42	S.KOREA (KSE COMPOSITE)	2,484.83	-4.19 -0.17	SINGAPORE (STRAITS TIMES)	3,294.57	-1.99 -0.06	SYDNEY (ALL ORDINARIES)	7,316.30	-5.70 -0.08	MALAYSIA (KLSE COMPOSITE)	1,414.25	-10.94 -0.77	APRIL 25, 2023 <table border="1"> <tr><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>33,530.830 ▼ -344.570</td></tr> <tr><td>NASDAQ</td><td>11,799.157 ▼ -238.047</td></tr> <tr><td>S&P 500</td><td>4,071.630 ▼ -65.410</td></tr> <tr><td>FTSE 100</td><td>7,891.130 ▼ -21.070</td></tr> <tr><td>Euro Stoxx50</td><td>4,071.560 ▼ -2.910</td></tr> </table>	CLOSE	NET	Dow Jones	33,530.830 ▼ -344.570	NASDAQ	11,799.157 ▼ -238.047	S&P 500	4,071.630 ▼ -65.410	FTSE 100	7,891.130 ▼ -21.070	Euro Stoxx50	4,071.560 ▼ -2.910	FX OPEN P55.570 HIGH P55.540 LOW P55.710 CLOSE P55.620 W.AVE. P55.608 VOL. \$1,233.65 M SOURCE: BAP 8.00 CTVS 30 DAYS TO APRIL 26, 2023	APRIL 26, 2023 <table border="1"> <tr><th>LATEST BID (0900GMT)</th><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>133.460 ▲ 134.010</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.850 — 7.850</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>30.705 — 30.710</td></tr> <tr><td>THAILAND (BAHT)</td><td>34.200 ▲ 34.320</td></tr> <tr><td>S. KOREA (WON)</td><td>1,336.780 ▼ 1,335.750</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.335 — 1.336</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>14,830 ▲ 14,840</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.455 ▼ 4.443</td></tr> </table>	LATEST BID (0900GMT)	PREVIOUS	JAPAN (YEN)	133.460 ▲ 134.010	HONG KONG (HK DOLLAR)	7.850 — 7.850	TAIWAN (NT DOLLAR)	30.705 — 30.710	THAILAND (BAHT)	34.200 ▲ 34.320	S. KOREA (WON)	1,336.780 ▼ 1,335.750	SINGAPORE (DOLLAR)	1.335 — 1.336	INDONESIA (RUPIAH)	14,830 ▲ 14,840	MALAYSIA (RINGGIT)	4.455 ▼ 4.443	APRIL 26, 2023 <table border="1"> <tr><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.2474 ▲ 1.2466</td></tr> <tr><td>US\$/EURO</td><td>1.1052 ▲ 1.1039</td></tr> <tr><td>\$/AUST DOLLAR</td><td>0.6604 ▼ 0.6664</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.3624 ▲ 1.3570</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.8887 ▲ 0.8865</td></tr> </table>	CLOSE	PREVIOUS	US\$/UK POUND	1.2474 ▲ 1.2466	US\$/EURO	1.1052 ▲ 1.1039	\$/AUST DOLLAR	0.6604 ▼ 0.6664	CANADA DOLLAR/US\$	1.3624 ▲ 1.3570	SWISS FRANC/US\$	0.8887 ▲ 0.8865	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$82.75/BBL ▲ \$1.85 30 DAYS TO APRIL 25, 2023
CLOSE	NET	%																																																																									
JAPAN (NIKKEI 225)	28,416.47	-203.60 -0.71																																																																									
HONG KONG (HANG SENG)	19,757.27	139.39 0.71																																																																									
TAIWAN (WEIGHTED)	15,374.63	3.90 0.03																																																																									
THAILAND (SET INDEX)	1,546.65	6.45 0.42																																																																									
S.KOREA (KSE COMPOSITE)	2,484.83	-4.19 -0.17																																																																									
SINGAPORE (STRAITS TIMES)	3,294.57	-1.99 -0.06																																																																									
SYDNEY (ALL ORDINARIES)	7,316.30	-5.70 -0.08																																																																									
MALAYSIA (KLSE COMPOSITE)	1,414.25	-10.94 -0.77																																																																									
CLOSE	NET																																																																										
Dow Jones	33,530.830 ▼ -344.570																																																																										
NASDAQ	11,799.157 ▼ -238.047																																																																										
S&P 500	4,071.630 ▼ -65.410																																																																										
FTSE 100	7,891.130 ▼ -21.070																																																																										
Euro Stoxx50	4,071.560 ▼ -2.910																																																																										
LATEST BID (0900GMT)	PREVIOUS																																																																										
JAPAN (YEN)	133.460 ▲ 134.010																																																																										
HONG KONG (HK DOLLAR)	7.850 — 7.850																																																																										
TAIWAN (NT DOLLAR)	30.705 — 30.710																																																																										
THAILAND (BAHT)	34.200 ▲ 34.320																																																																										
S. KOREA (WON)	1,336.780 ▼ 1,335.750																																																																										
SINGAPORE (DOLLAR)	1.335 — 1.336																																																																										
INDONESIA (RUPIAH)	14,830 ▲ 14,840																																																																										
MALAYSIA (RINGGIT)	4.455 ▼ 4.443																																																																										
CLOSE	PREVIOUS																																																																										
US\$/UK POUND	1.2474 ▲ 1.2466																																																																										
US\$/EURO	1.1052 ▲ 1.1039																																																																										
\$/AUST DOLLAR	0.6604 ▼ 0.6664																																																																										
CANADA DOLLAR/US\$	1.3624 ▲ 1.3570																																																																										
SWISS FRANC/US\$	0.8887 ▲ 0.8865																																																																										

VOL. XXXVI • ISSUE 194

THURSDAY • APRIL 27, 2023 • www.bworldonline.com

S1/1-16 • 3 SECTIONS, 24 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • APRIL 26, 2023 (PSEi snapshot on S1/3; article on S2/2)

BDO	P138.000	SM	P898.000	MPI	P4.260	ALI	P26.400	SMPH	P33.600	ICT	P218.800	AC	P626.000	URC	P141.500	BPI	P108.000	TEL	P1,214.000
Value	P1,117,736,092	Value	P353,571,775	Value	P279,148,460	Value	P229,155,655	Value	P199,345,940	Value	P199,164,312	Value	P168,676,405	Value	P166,767,235	Value	P163,162,879	Value	P142,555,575
	-P1.700 ▼ -1.217%		-P2.000 ▼ -0.222%		P0.180 ▲ 4.412%		P0.050 ▲ 0.190%		-P0.100 ▼ -0.297%		P0.800 ▲ 0.367%		-P22.000 ▼ -3.395%		-P4.500 ▼ -3.082%		-P1.500 ▼ -1.370%		-P16.000 ▼ -1.301%

Medalla says

'Dangerous' to cut rates faster than Fed

By Keisha B. Taasan
Reporter

BANGKO SENTRAL ng Pilipinas (BSP) Governor Felipe M. Medalla said on Wednesday it is "dangerous" to cut benchmark rates faster than the US Federal

Reserve's easing because it might cause the peso to further depreciate against the dollar.

"If US inflation is sticky and the cuts are slow, it's very dangerous for the Philippine central bank to cut faster than the US even if its inflation is falling faster," he told reporters on the sidelines of a BSP event in Pasay City.

If the Philippines' benchmark interest rate is lower than the US Fed, Mr. Medalla noted investors might flock to the dollar, putting more pressure on the peso.

The Monetary Board has raised borrowing costs by 425 basis points (bps) since May last year, bringing the key rate to 6.25%.

The US Federal Reserve, on the other hand, hiked the Fed fund rate by 25 bps to 4.75-5% last month. The Fed has raised the rate by 475 bps since March 2022.

Asked if the BSP will raise interest rates next month if the Fed continues its tightening cycle, Mr. Medalla said there is

no need to mirror the US Fed because Philippine inflation is seen to slow within the target by year-end.

Headline inflation eased to a six-month low of 7.6% in March from 8.6% in February. This brought the first-quarter inflation average to 8.3%.

The BSP's full-year inflation forecast is 6%, although it expects inflation to return to the 2-4% target by the fourth quarter.

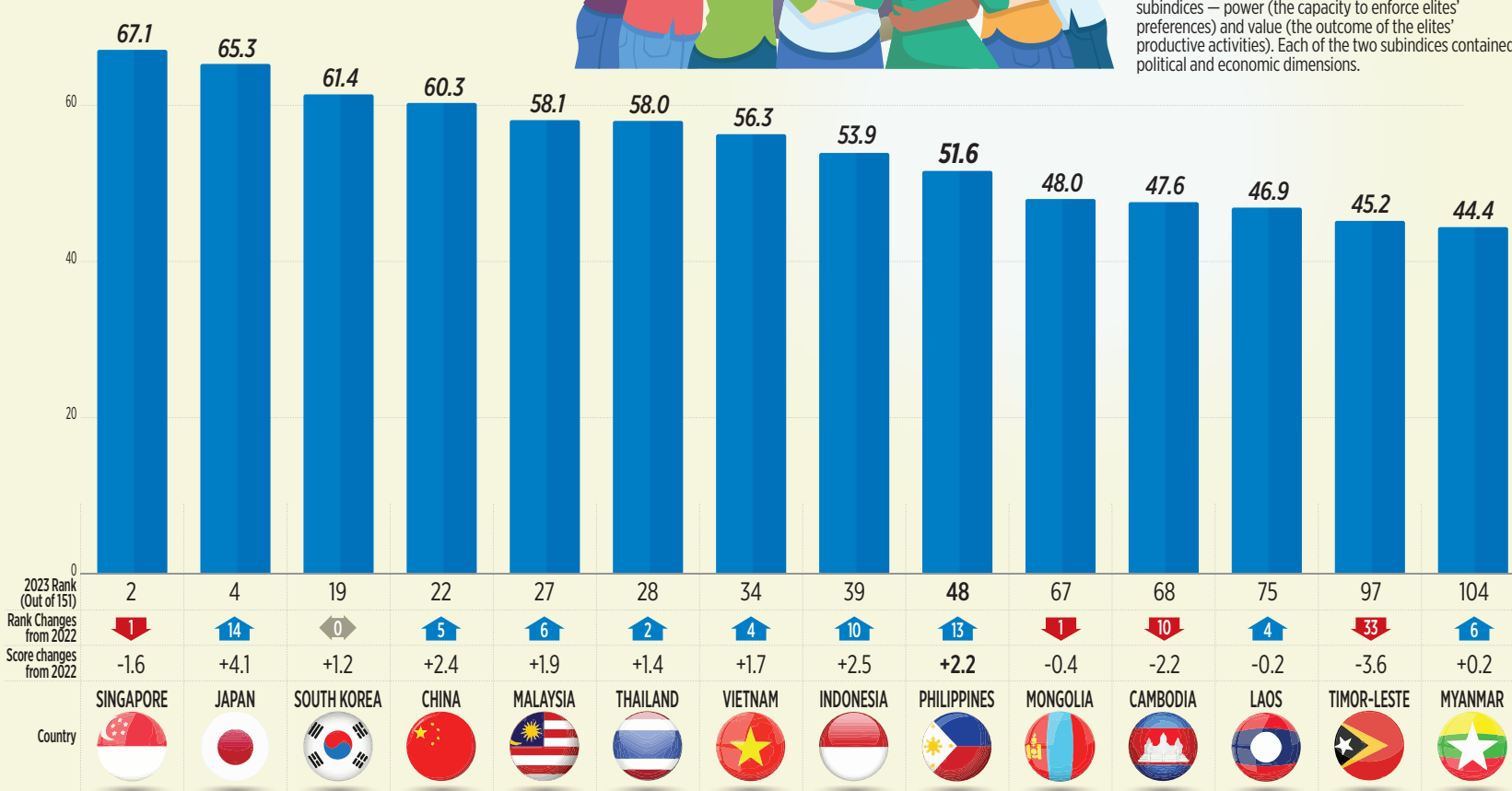
The Monetary Board is scheduled to meet on May 18, while the US Federal Reserve is set to discuss policy on May 2-3.

Medalla, S1/11

PHILIPPINES JUMPS TO 48TH SPOT IN 2023 ELITE QUALITY INDEX

The Philippines rose 13 places to 48th out of 151 countries in the 2023 edition of the Elite Quality Index (EQx) by Switzerland-based Foundation for Value Creation Activities. The country's EQx score improved by 2.2 points to 51.6 (out of 100) from 49.4 in 2022. Despite this, the Philippines placed sixth lowest among its peers in the region. The EQx assesses the elites' contribution in wealth creation and society development in a country.

2023 EQx Scores of Select East and Southeast Asian Countries



Philippines' Historical Ranks and EQx Scores

Year	Rank (/151)	EQx Score (/100)
2021	67	48.8
2022	61	49.4
2023	48	51.6

NOTES:

- The report defines elites as "narrow, coordinated groups that run the largest income-generating business models in an economy and which successfully accumulate wealth."
- The index covered 120 indicators divided into two main subindices — power (the capacity to enforce elites' preferences) and value (the outcome of the elites' productive activities). Each of the two subindices contained political and economic dimensions.

Philippines' 2023 Profile

	Rank (/151)	Score (/100)
Overall	48	51.6
Subindices and Pillars		
Power	52	51.5
Political Power	67	49.5
Human Capture	59	56.8
State Capture	63	49.5
Regulatory Capture	77	44.3
Economic Power	45	52.5
Creative Destruction	41	55.5
Coalition Dominance	65	52.6
Firm Dominance	113	45.1
Value	51	51.6
Political Value	68	51.0
Taking Income	13	62.6
Giving Income	106	44.4
Unearned Income	114	44.4
Economic Value	56	52.0
Labor Value	43	58.4
Producer Value	82	48.1
Capital Value	82	48.2

Top 5

Rank (Out of 151)	Country	2023 EQx Score (Out of 100)
1	Switzerland	68.0
2	Singapore	67.1
3	New Zealand	65.7
4	Japan	65.3
5	Israel	64.9

Bottom 5

Rank (Out of 151)	Country	2023 EQx Score (Out of 100)
151	Sudan	25.4
150	Afghanistan	29.6
149	Haiti	32.1
148	Syria	32.2
147	Yemen	32.4

SOURCE: FOUNDATION FOR VALUE CREATION'S ELITE QUALITY REPORT 2023 (HTTPS://ELITEQUALITY.ORG/) BUSINESSWORLD RESEARCH, BERNADETTE THERESE M. GADON AND ABIGAIL MARIE P. YRAOLA BUSINESSWORLD GRAPHICS: BONG R. FORTIN

Proposed withholding tax on online sellers expected to boost compliance

By Luisa Maria Jacinta C. Jocsion
Reporter

THE BUREAU of Internal Revenue's (BIR) proposal to require online platform providers to impose a creditable withholding tax on their partner merchants is expected to improve tax compliance, experts said. "The withholding tax system is a good control mechanism to ensure that all income earned by individuals or businesses is properly taxed. It allows the BIR to secure information from

withholding agents and compare it with the income declared by sellers in their tax returns," Richard R. Ibarra, a tax director at P&A Grant Thornton, said in a phone interview.

"The online platform providers will be mandated to withhold and remit tax to the BIR. As such, the online sellers will have no choice but to correctly declare their sales transactions," he added.

Last week, the BIR announced its plan to amend Revenue Regulation No. 2-98, which sets the rules for withholding tax on income. The rules do not

cover transactions by online platforms.

The draft rule calls for a creditable withholding tax of 1% on one-half of the gross remittances of online platforms to their partner sellers or merchants.

It defined an online platform as any entity that serves as an intermediary, where sellers and buyers of goods and services transact through the use of information technology and other electronic means, and deputized it to act as the government's withholding agent.

These include marketplaces, food delivery services, lodging accommodation, travel or

transportation, payment or remittances such as e-wallets, and other services.

The proposed withholding tax will also be imposed in addition to other existing withholding tax obligations, the BIR said.

Online platforms that do not require business registration from sellers will only collect withholding tax on single transactions of goods or services worth P10,000 and if the same buyer and seller have engaged in at least six transactions, regardless of amount per transaction, in the previous or current year.

Withholding tax, S1/11

Budget utilization at 98% as of end-March

THE CASH utilization rate of government agencies reached 98% at the end of the first quarter, the Department of Budget and Management (DBM) said on Wednesday.

Data from the DBM showed that the National Government, local governments and state-owned companies used 98% or P835.5 billion of the P852.79 billion in notice of cash allocation issued in January to March.

This was slightly lower than the usage rate of 99% a year earlier.

At the end of March, the remaining unspent allocations totaled P17.29 billion.

Notice of cash allocations are a quarterly disbursement authority that the DBM issues to agencies, allowing them to withdraw funds from the Bureau of the Treasury to support their spending needs.

"This may have to do with the early approval of the 2023 national budget, as well as the further reopening of the economy towards greater normalcy with no more large lockdowns since 2022 and as a policy priority going forward," Rizal Commercial Banking

Corp. Chief Economist Michael L. Ricafort said in a Viber message.

President Ferdinand R. Marcos, Jr. signed the P5.286-trillion 2023 national budget on Dec. 16, 2022. This was the "fastest and earliest date that a national budget had been signed," according to the DBM.

"Agencies are aggressive in spending due to less constraints and greater avenues for productive spending," John Paolo R. Rivera, an economist at the Asian Institute of Management, said in a Viber message.

Mr. Ricafort noted rising prices and financing costs might have led to the increased funding requirements of the government.

In March, the government said it would allot P9.3 million for a two-month subsidy for more than nine million poor households to help mitigate the impact of inflation.

The last payout of the government's targeted earlier cash transfer program ended in January. The program provided P18.3 billion in subsidies to about 9.2 million beneficiaries.

Budget, S1/11

Government sets P175-B borrowing plan for May

THE NATIONAL GOVERNMENT (NG) plans to borrow P175 billion from the domestic market in May, the Bureau of the Treasury (BTr) said on Wednesday.

The BTr released its borrowing plan for next month that is 9.38% higher than the programmed P160 billion for April.

The government raised P140.922 billion this month, 12% below the program.

Next month, the BTr plans to borrow P75 billion in Treasury bills (T-bills) and P100 billion in Treasury bonds (T-bonds).

The Treasury will offer P5 billion worth of 91-day, 182-day and 364-day T-bills on May 2, 8, 15, 22, and 29.

The T-bill auction will be held on May 2 (Tuesday) since May 1 or Labor Day is a nonworking holiday.

For the long-term tenors, the BTr is looking to raise P25 billion from six-year T-bonds on May 2, and P25 billion from nine-year T-bonds on May 9.

It also seeks to generate P25 billion from 13-year instruments on May 16 and P25 billion in seven-year bonds on May 23.

A trader said in a Viber message it's too early to tell how rates would move next month.

"But these will probably stay above 6% for these tenors given fundamentals (high inflation and overnight policy rate)," the trader said.

Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said in a Viber message the rates for long-term tenors have gone down since peaking in November 2022, while the short-term debt has increased by 60-80 basis points (bps) since the start of this month.

Next month's auctions could be affected by an anticipated slowdown in April inflation, which may lead to a possible pause in tightening by the Bangko Sentral ng Pilipinas (BSP), he said. — A.M.C.Sy