

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																					
PSEi OPEN: 6,642.53 HIGH: 6,658.16 LOW: 6,628.64 CLOSE: 6,628.64 VOL: 0.730 B VAL(P): 3.960 B 6.47 PTS. 0.09% 30 DAYS TO MAY 18, 2023	MAY 18, 2023 <table border="1"> <tr><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (NIKKEI 225)</td><td>30,573.93</td><td>▲ 480.34 1.60</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>19,727.25</td><td>▲ 166.68 0.85</td></tr> <tr><td>TAIWAN (TAIEX)</td><td>16,101.88</td><td>▲ 176.59 1.11</td></tr> <tr><td>THAILAND (SET INDEX)</td><td>1,530.55</td><td>▲ 7.81 0.51</td></tr> <tr><td>S. KOREA (KOSPI)</td><td>2,515.40</td><td>▲ 20.74 0.83</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,187.60</td><td>▲ 13.76 0.43</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>7,236.80</td><td>▲ 37.60 0.52</td></tr> <tr><td>MALAYSIA (KLSE COMPOSITE)</td><td>1,428.04</td><td>▲ 3.70 0.26</td></tr> </table>	CLOSE	NET	%	JAPAN (NIKKEI 225)	30,573.93	▲ 480.34 1.60	HONG KONG (HANG SENG)	19,727.25	▲ 166.68 0.85	TAIWAN (TAIEX)	16,101.88	▲ 176.59 1.11	THAILAND (SET INDEX)	1,530.55	▲ 7.81 0.51	S. KOREA (KOSPI)	2,515.40	▲ 20.74 0.83	SINGAPORE (STRAITS TIMES)	3,187.60	▲ 13.76 0.43	SYDNEY (ALL ORDINARIES)	7,236.80	▲ 37.60 0.52	MALAYSIA (KLSE COMPOSITE)	1,428.04	▲ 3.70 0.26	MAY 17, 2023 <table border="1"> <tr><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>33,420.770 ▲ 408.630</td></tr> <tr><td>NASDAQ</td><td>12,500.566 ▲ 157.513</td></tr> <tr><td>S&P 500</td><td>4,158.770 ▲ 48.870</td></tr> <tr><td>FTSE 100</td><td>7,723.230 ▼ -27.850</td></tr> <tr><td>Euro Stoxx50</td><td>4,032.360 ▼ -3.670</td></tr> </table>	CLOSE	NET	Dow Jones	33,420.770 ▲ 408.630	NASDAQ	12,500.566 ▲ 157.513	S&P 500	4,158.770 ▲ 48.870	FTSE 100	7,723.230 ▼ -27.850	Euro Stoxx50	4,032.360 ▼ -3.670	FX OPEN P56.050 HIGH P55.860 LOW P56.050 CLOSE P55.870 W.AVE. P55.967 VOL. \$1,228.15 M 33.00 CTS 30 DAYS TO MAY 18, 2023 SOURCE: BAP	MAY 18, 2023 <table border="1"> <tr><th>LATEST BID (0900GMT)</th><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>137.810 ▼ 137.030</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.828 ▲ 7.832</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>30.777 ▲ 30.822</td></tr> <tr><td>THAILAND (BAHT)</td><td>34.340 ▲ 34.240</td></tr> <tr><td>S. KOREA (WON)</td><td>1,337.150 ▼ 1,339.320</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.345 ▼ 1.344</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>14,860 ▼ 14,860</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.533 ▼ 4.522</td></tr> </table>	LATEST BID (0900GMT)	PREVIOUS	JAPAN (YEN)	137.810 ▼ 137.030	HONG KONG (HK DOLLAR)	7.828 ▲ 7.832	TAIWAN (NT DOLLAR)	30.777 ▲ 30.822	THAILAND (BAHT)	34.340 ▲ 34.240	S. KOREA (WON)	1,337.150 ▼ 1,339.320	SINGAPORE (DOLLAR)	1.345 ▼ 1.344	INDONESIA (RUPIAH)	14,860 ▼ 14,860	MALAYSIA (RINGGIT)	4.533 ▼ 4.522	MAY 18, 2023 <table border="1"> <tr><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.2436 ▲ 1.2431</td></tr> <tr><td>US\$/EURO</td><td>1.0812 ▼ 1.0823</td></tr> <tr><td>\$/AUSTRALIAN DOLLAR</td><td>0.6630 ▼ 0.6641</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.3475 ▼ 1.3504</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.9007 ▲ 0.8997</td></tr> </table>	CLOSE	PREVIOUS	US\$/UK POUND	1.2436 ▲ 1.2431	US\$/EURO	1.0812 ▼ 1.0823	\$/AUSTRALIAN DOLLAR	0.6630 ▼ 0.6641	CANADA DOLLAR/US\$	1.3475 ▼ 1.3504	SWISS FRANC/US\$	0.9007 ▲ 0.8997	DUBAI CRUDE OIL FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$73.15/BBL 1.40 30 DAYS TO MAY 17, 2023
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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • MAY 18, 2023 (PSEi snapshot on SI/4; article on SI/2)

SMPH	P33.800	BDO	P136.500	AC	P683.000	BPI	P105.000	TEL	P1,275.000	ALI	P27.350	SM	P927.000	MEG	P2.090	JFC	P232.400	MONDE	P8.760
Value	P397,106,985	Value	P326,545,225	Value	P288,771,885	Value	P203,003,479	Value	P186,372,790	Value	P170,643,685	Value	P166,889,195	Value	P136,759,340	Value	P130,064,910	Value	P110,766,799
	-P0.200 ▼ -0.588%		P0.500 ▲ 0.368%		-P1.000 ▼ -0.146%		P0.000 — 0.000%		P30.000 ▲ 2.410%		P0.350 ▲ 1.296%		-P13.000 ▼ -1.383%		P0.070 ▲ 3.465%		P5.400 ▲ 2.379%		-P0.120 ▼ -1.351%

BSP makes 'prudent' pause from hikes

THE BANGKO SENTRAL ng Pilipinas (BSP) paused its aggressive monetary policy tightening campaign, and signaled the policy rate will remain unchanged at its next two to three meetings as inflation continues to ease.

At its policy meeting on Thursday, the Monetary Board kept its benchmark interest rate unchanged at 6.25% as expected by 13 of 18 analysts in a *BusinessWorld* poll last week.

Interest rates on the overnight deposit and lending facilities were also maintained at 5.75% and 6.75%, respectively.

This is the first time the Monetary Board left rates untouched after nine meetings. Since it began its aggressive monetary tightening cycle in May 2022, the BSP has raised borrowing costs by a total of 425 basis points (bps).

"The Monetary Board deems it prudent for the BSP to take a pause in monetary policy tight-

ening while remaining ready to respond to emerging threats to inflation," BSP Governor Felipe M. Medalla said during a briefing on Thursday.

The BSP's decision to pause its most aggressive monetary policy tightening in two decades comes after inflation slowed in April for a third month in a row, and economic growth showed signs of moderation.

Mr. Medalla noted the BSP's latest baseline projections reflect

a "gradual return of inflation to the target band of 2-4%" by the third quarter.

The BSP lowered its average inflation forecast for 2023 to 5.5%, from the 6% it gave in March. This is still beyond the BSP's 2-4% target range.

For 2024, the BSP also trimmed its average inflation projection to 2.8% from 2.9% previously.

"The downward revisions for 2023 is mainly due to the lower-than-expected inflation for

March and April, slower domestic and global growth outlook, and the impact of the additional 25-bp increase back in March by the BSP," BSP Monetary Policy Sub-Sector Officer-in-Charge Dennis D. Lapid said.

While headline inflation has continued to decelerate, Mr. Medalla said core inflation has only eased marginally.

Core inflation, which excludes volatile prices of food and fuel, slightly slowed to 7.9% in April

from 8% in March which was the highest since December 2000.

"In addition, the balance of risks to the inflation outlook remains largely tilted towards the upside owing to persistent constraints in the supply of key food items, the potential impact of El Niño on food prices and utility rates, as well as the effects of possible additional adjustments in transportation fares and wages," Mr. Medalla said.

BSP/ SI/9

Concerns raised over plan to revive state sugar company

THE MARCOS administration's plan to revive the Philippine Sugar Corp. (PHILSUCOR) has raised concerns from stakeholders, who said this may duplicate other agencies' existing programs for sugar farmers.

President Ferdinand "Bongbong" R. Marcos, Jr. said the revival of PHILSUCOR, which was abolished by his predecessor in 2018, was one of the suggestions made during a meeting with industry stakeholders on Wednesday.

Former Agriculture secretary Leonardo Q. Montemayor said Mr. Marcos has not given enough reasons to justify the revival of PHILSUCOR, which was flagged by state auditors for failing to make progress on the abolition order by former president Rodrigo R. Duterte.

"What have the Sugar Regulatory Administration (SRA), Land Bank of the Philippines (LANDBANK), and Development Bank of the Philippines (DBP) been doing all these years to modernize our sugar mills and refineries?" Mr. Montemayor said in a Facebook Messenger chat.

"If they have been unable to do so, what's the track record of PHILSUCOR that would justify its revival?"

Created under a 1983 presidential decree, the PHILSUCOR was tasked to finance the acquisition, rehabilitation and expansion of sugar mills, refineries and other facilities.

Mr. Duterte had ordered the abolition of PHILSUCOR in October 2018, citing the overlapping functions with the SRA. — **Kyle Aristophere T. Atienza**

DoE issues rules to expedite offshore wind energy projects

THE DEPARTMENT of Energy (DoE) is adopting a whole-of-government approach to expedite the processing of permits and requirements for offshore wind (OSW) energy projects.

The DoE issued the implementing rules and regulations (IRR) for Executive Order (EO) 21, which establishes the policy for OSW development.

Energy Secretary Raphael P.M. Lotilla signed the IRR on May 18, the department said in a statement. The rules will take effect 15 days after these are published in two newspapers.

"The DoE shall adopt a whole-of-government approach for the expeditious and reasonable realization of OSW projects," the IRR stated.

The Department of Interior and Local Government (DILG) will mandate a uniform set of local government unit (LGU) requirements, procedures, permits and fees in relation to OSW development activities and grid interconnection.

Under the IRR, all permitting agencies should come up with a complete list of permits and clearances related to OSW development projects to the DoE on or before June 18.

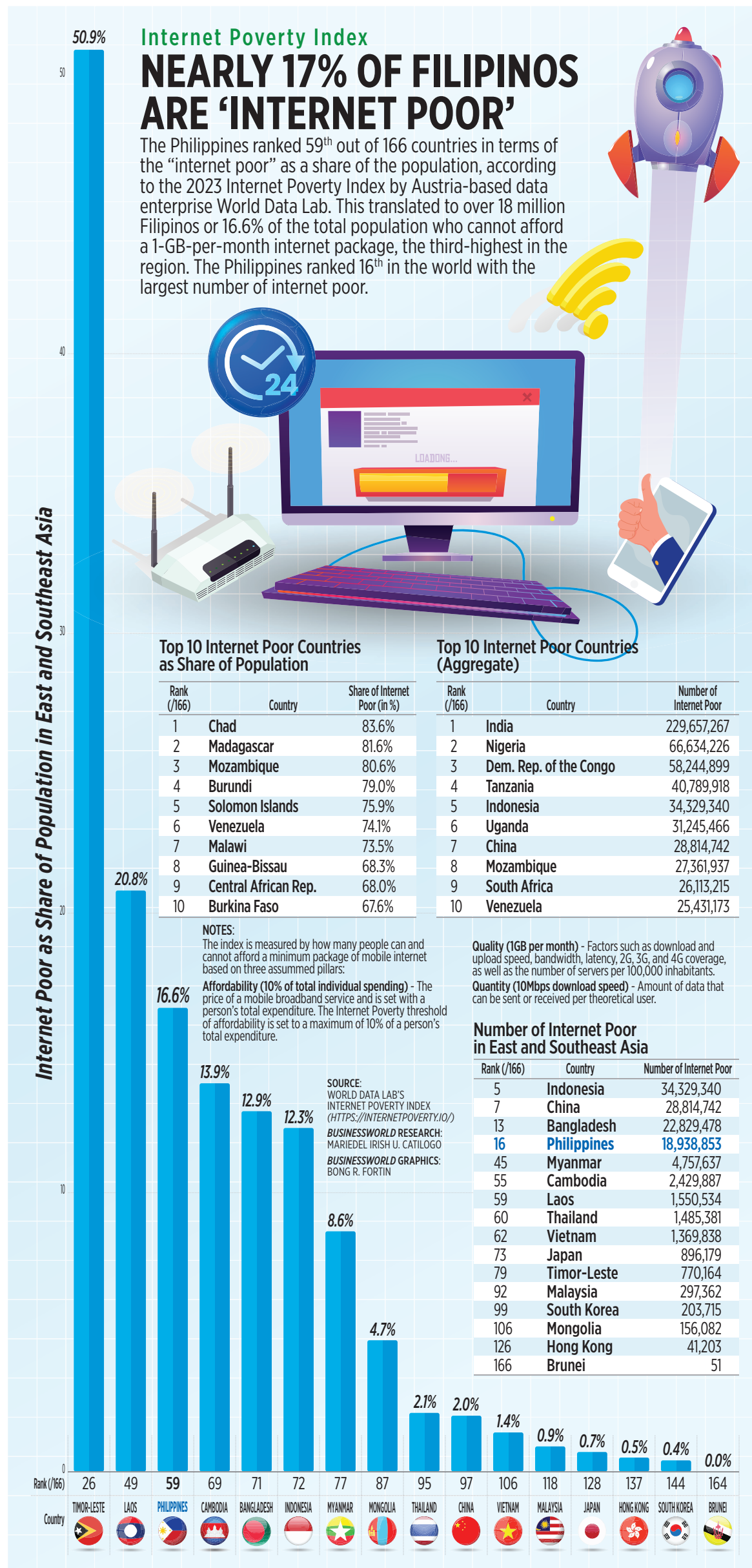
"Permitting agencies shall review and revise existing programs, and/or formulate new processes, if necessary, to institute an expedited, streamlined and consistent process for OSW Development Activities permits and clearances," the IRR stated.

To fast-track the project rollout, the DoE will harmonize and streamline the process by integrating the identified processes to its Energy Virtual One-Stop Shop (EVOSS).

EVOSS is DoE's current system that aims to hasten the processing of applications for energy projects.

Information integrated in the EVOSS system will then be used by the LGUs and agencies to process the permits from OSW developers.

Energy Assistant Secretary Mylene C. Capongcol said this administrative framework is needed as offshore wind technology is still new in the Philippines. — **AEOJ**



El Niño may derail agri sector recovery

By **Luisa Maria Jacinta C. Jocson**
Reporter

EL NIÑO may weigh on Philippine economic growth this year, as the agriculture sector is vulnerable to severe dry spells brought by the weather phenomenon, analysts said.

"The El Niño phenomenon's impact is big (on) the agriculture sector but has economy-wide effects as well. Strong El Niño events lead to GDP (gross domestic product) losses, while strong La Niña events lead to smaller GDP gains," Union Bank of the Philippines, Inc. Chief Economist Ruben Carlo O. Asuncion said in a Viber message.

National GDP losses during a strong El Niño event could reach up to \$3.3 billion, he said.

National Economic and Development Authority (NEDA) Secretary Arsenio M. Balisacan last week said that while El Niño will directly affect agricultural production, it "may not deeply impact the economy."

"During the strong El Niño years, rice production could decrease by double digits. Even a slight El Niño could cause agricultural production to decrease by 1-2%," he said.

According to the state weather agency, the El Niño weather pattern may emerge in the next three months with an 80% probability and likely to persist until the first quarter of 2024. This would increase the likelihood of below-normal rainfall conditions, which could bring dry spells in some areas.

"The El Niño drought later this year up to early 2024 is seen to reduce agricultural output and could lead to some pick up in prices and inflation but would not have a significant drag on GDP growth," Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said in a Viber message.

Economic managers are targeting 6-7% GDP growth this year. In the first quarter, agricultural output expanded by 2.1%, a turnaround from the 0.3% decline in the same quarter a year ago.

An El Niño weather event hit the Philippines in 2019, with agricultural damage reaching up to P8 billion.

"The impact of El Niño will be very significant. The worst recorded in Philippine history was back in 1997-1998, when rainfall was only at half of historical levels, causing the lack of rainfall in two-thirds of the country. Forest fires ensued, and 10,000 hectares of natural forests went up in flames," Mr. Asuncion said.

During the country's worst El Niño episode in 1998, the economy shrank by 0.5% as agricultural production contracted by 7%.

El Niño, SI/9