

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEi 6725 6640 6555 6470 6385 6300 43.72 pts. 0.65% 30 DAYS TO MAY 22, 2023 OPEN: 6,651.19 HIGH: 6,651.19 LOW: 6,596.79 CLOSE: 6,620.83 VOL.: 1.726 B VAL(P): 7.030 B	MAY 22, 2023 CLOSE NET % JAPAN (NIKKEI 225) 31,086.82 ▲ 278.47 0.90 HONG KONG (HANG SENG) 19,678.17 ▲ 227.60 1.17 TAIWAN (WEIGHTED) 16,180.89 ▲ 5.97 0.04 THAILAND (SET INDEX) 1,529.58 ▲ 14.69 0.97 S.KOREA (KSE COMPOSITE) 2,527.08 ▲ 19.29 0.76 SINGAPORE (STRAITS TIMES) 3,207.01 ▲ 4.42 0.14 SYDNEY (ALL ORDINARIES) 7,263.30 ▲ -16.20 -0.22 MALAYSIA (KLSE COMPOSITE) 1,419.00 ▼ -9.54 -0.67	MAY 19, 2023 CLOSE NET Dow Jones 33,426.630 ▼ -109.280 NASDAQ 12,657.897 ▼ -30.941 S&P 500 4,191.980 ▼ -6.070 FTSE 100 7,756.870 ▲ 14.570 Euro Stoxx50 4,075.350 ▲ 22.940	FX 54.20 54.88 54.88 55.56 56.24 56.92 57.60 15.00 ctyvs 30 DAYS TO MAY 22, 2023 OPEN P55.670 HIGH P55.650 LOW P55.840 CLOSE P55.820 W.AVE. P55.797 VOL. \$981.50 M SOURCE : BAP	MAY 22, 2023 LATEST BID (0900GMT) PREVIOUS JAPAN (YEN) 137.810 ▲ 137.950 HONG KONG (HK DOLLAR) 7.823 ▼ 7.815 TAIWAN (NT DOLLAR) 30.650 ▼ 30.610 THAILAND (BAHT) 34.420 ▼ 34.280 S. KOREA (WON) 1,314.560 ▲ 1,325.200 SINGAPORE (DOLLAR) 1.345 — 1.345 INDONESIA (RUPIAH) 14,885 ▲ 14,920 MALAYSIA (RINGGIT) 4.543 ▼ 4.536	MAY 22, 2023 CLOSE PREVIOUS US\$/UK POUND 1.2444 — 1.2444 US\$/EURO 1.0815 ▲ 1.0802 \$/AUSTRALIAN DOLLAR 0.6647 ▼ 0.6650 CANADA DOLLAR/US\$ 1.3491 ▼ 1.3498 SWISS FRANC/US\$ 0.8949 ▼ 0.8996	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$75.05/BBL 90.00 84.60 79.20 73.80 68.40 63.00 30 DAYS TO MAY 19, 2023 0.27

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • MAY 22, 2023 (PSEi snapshot on SI/4; article on SI/2)

SMPH	P34.000	BDO	P139.000	BPI	P102.900	ALI	P26.500	AC	P692.000	SM	P924.000	JFC	P231.600	ACEN	P6.210	ANI	P7.380	TEL	P1,285.000
Value	P499,214,500	Value	P477,719,830	Value	P264,773,796	Value	P263,589,855	Value	P173,037,275	Value	P165,716,980	Value	P153,673,326	Value	P102,460,928	Value	P101,183,358	Value	P81,897,615
	-P0.050 ▼ -0.147%		-P1.000 ▼ -0.714%		-P2.600 ▼ -2.464%		-P0.600 ▼ -2.214%		-P2.000 ▼ -0.288%		-P5.000 ▼ -0.538%		-P1.000 ▼ -0.430%		P0.060 ▲ 0.976%		P0.090 ▲ 1.235%		-P8.000 ▼ -0.619%

Fitch upgrades PHL outlook to stable

FITCH RATINGS affirmed the Philippines' investment grade rating, while upgrading its outlook to stable from negative, reflecting its confidence in the economy's continued recovery from the pandemic.

In a statement, the rating company kept the Philippines' long-term foreign currency issuer default rating at "BBB." A "BBB" rating indicates low default risk and adequate capacity to pay, although some unfavorable economic conditions could impede this.

"The revision of the outlook to stable reflects Fitch's improved confidence that the Philippines is returning to strong medium-term growth after the coronavirus disease 2019 (COVID-19) pandemic, supporting sustained reductions in government debt/gross domestic product (GDP), after substantial increases in recent years," it said.

A stable outlook indicates that the country's rating is likely to be maintained rather than lowered or upgraded in the medium and long terms or over the next 18-24 months.

Fitch downgraded the Philippines' outlook to negative in July 2021 due to the pandemic's impact on the economy.

"Fitch's latest rating action reflects the strong economic activity which can be fostered by the improved investment climate in the country," Finance Secretary Benjamin E. Diokno said in a statement. "The country's growth is further supported by the steady improvement of our labor and employment conditions."

The Philippine economy expanded by 7.6% in 2022, and by 6.4% in the first quarter. The government is targeting 6-7% GDP growth this year.

Fitch expects the Philippines' real GDP growth at above 6% in the medium term, which is "considerably stronger" than the "BBB" median of 3%.

"The (outlook) revision also reflects our assessment that the Philippines' economic policy framework remains sound and in line with 'BBB' peers, despite its low scores on World Bank Governance indicators," it said,

noting weak scores in political stability and rule of law "may overstate relative weaknesses for creditworthiness."

The credit rater said it had upgraded the outlook to stable despite "some relative deterioration over the last years in credit metrics that previously had been strengths, including in government debt/GDP and net external debt/GDP."

Fitch expects the general government (GG) deficit to narrow to 2.8% of GDP in 2023 and 2024, and the budget deficit to 5.7% of GDP by 2024.

While debt remains high, this is expected to come down in the near term.

"We project GG debt/GDP will decline to about 52% by 2024 on strong nominal GDP growth and narrowing fiscal deficits, after inching up to 54% in 2022. This is broadly in line with our projections for the 'BBB' median, although the Philippines used to be stronger than the median," it said. — **Luisa Maria Jacinta C. Jocsos**

FULL STORY



Read the full story by scanning the QR code with your smartphone or by typing the link bit.ly/Fitch052323

UK's BII sees Philippines as priority for climate finance

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

BRITISH INTERNATIONAL Investment (BII) considers the Philippines as one of its priority markets in Southeast Asia for climate finance.

"The Philippines is an important country of destination. We definitely want to support the entrepreneurs in the country who are willing to generate renewable energy (RE)," BII Managing Director and Head of Asia Srinagarajan told *BusinessWorld* in an interview on May 17.

The United Kingdom's development finance institution is looking to partner with businesses involved in mitigating

and increasing resilience to the impact of climate change, he said.

"I think the Philippines is definitely seen as the bright spot today, given the more recent 100% foreign investments allowed in the (RE) sector," Mr. Nagarajan said.

Last year, the Philippine government opened the RE sector to full foreign ownership, as it aims to increase its share to the power generation mix to 35% by 2030 and 50% by 2040.

Meanwhile, BII on Monday announced it had reentered Southeast Asia through a \$15-million commitment to the SUSI Asia Energy Transition Fund (SAETF).

The Southeast Asia energy transition infrastructure fund would also support investments in solar energy in the Philippines.

BII, SI/5

FUEL PRICE TRACKER (week-on-week change)

GASOLINE	
May 9	▼ P2.20
May 16	▲ P0.35
May 23	▲ P0.80
DIESEL	
May 9	▼ P2.70
May 16	▲ P1.40
May 23	▲ P0.60
KEROSENE	
May 9	▼ P2.25
May 16	▲ P1.20
May 23	▼ P0.10

- May 23, 12:01 a.m. — Caltex Philippines
- May 23, 6 a.m. — Petron Corp.; Phoenix Petroleum; Philipinas Shell Petroleum Corp.; PTT Philippines Corp.; Seaoil Philippines, Inc.
- May 23, 8:01 a.m. — Cleanfuel (Shaw Autogas, Inc.)

BSP still has room for one more rate increase

THE PHILIPPINE central bank still has room for one more rate hike as the pace of disinflation is expected to slow in the next few months, according to Fitch Solutions unit BMI.

On the other hand, HSBC Global Research expects the BSP to keep rates steady for a "prolonged period of time."

In a commentary released on Monday, BMI said the Bangko Sentral ng Pilipinas (BSP) decision to leave its key policy rate untouched at 6.25% at its May 18 meeting is only a "pause, rather than an end to the monetary tightening cycle."

"For now, we are holding on to our forecast for the policy rate to be hiked at least once more by 25 bps to a terminal rate of 6.5%," it said.

BMI expects the Monetary Board to hike rates again at its June 22 meeting.

"While we think that inflation will remain on a broad downward trend through end-2023, the pace of disinflation will likely slow," it said.

Inflation has been on a downward trend since the peak of 8.7% in January. In April, inflation eased to 6.6% from 7.6% in March. This brought the four-month average to 7.9%, well above the central bank's 2-4% target.

Last week, the BSP cut its inflation rate projections to 5.5% this year from 6% previously.

BMI said inflation would only likely subside by the fourth quarter of this year.

"On the downside, if inflation remains on a downward trend and the US Federal Reserve raises its rate hiking cycle, the BSP may decide to keep rates on hold for the rest of the year," it said.

BMI also flagged growing upside risks to inflation, such as the looming El Niño weather event that may disrupt food supply and push prices higher.

The state weather bureau forecasts that the El Niño weather pattern has a high likelihood of occurring in the next three months and will persist until the first quarter of next year.

Rate, SI/5

PHILIPPINES 42ND MOST AFFECTED GLOBALLY BY DATA BREACHES IN Q1

The Philippines ranked 42nd out of 250 countries and territories with a total of 48,747 leaked accounts in the first quarter of 2023, based on the latest data breach statistics produced by virtual private network service provider Surfshark. This was down by 78.5% from 226,970 tallied in the fourth quarter of 2022.



Top 10

Q1 2023 Global Ranking (/250)	Country/Territory	Q1 2023 Total breaches
1	Russia	6,626,327
2	United States	5,030,058
3	Taiwan	3,996,082
4	France	3,161,119
5	Spain	3,118,639
6	India	2,134,491
7	Czechia	1,969,998
8	South Korea	1,299,167
9	Italy	947,874
10	Japan	809,645

Bottom 10

Q1 2023 Global Ranking (/250)	Country/Territory	Q1 2023 Total breaches
250	Bonaire, Sint Eustatius and Saba	11
249	St. Barthélemy	103
248	St. Martin	134
247	Solomon Islands	136
246	Heard and McDonald Islands	155
245	Kiribati	167
244	Pitcairn	174
243	Faroe Islands	177
242	Eswatini	179
241	British Indian Ocean Territory	182

NOTES:
- Data breach is an incident in which data held by some party — a person, a company, etc. — are accessed, viewed, and potentially stolen by unauthorized third parties. For Surfshark, a data breach means that the intruder copied and leaked user data such as names, surnames, e-mail addresses, passwords, etc.
- Latest update of the report was on April 4, 2023.

SOURCE: SURFSHARK'S DATA BREACH STATISTICS
BUSINESSWORLD RESEARCH: LOURDES O. PILAR and ABIGAIL MARIE P. YRAOLA
BUSINESSWORLD GRAPHICS: BONG R. FORTIN

Total Breaches in Q1 2023 of Select East and Southeast Asian Countries/Territories



Q1 2023 Global Ranking (/250)	Country/Territory	% Change from Previous Quarter
3	Taiwan	1,991.4
8	South Korea	1,148.4
10	Japan	237.1
12	China	-96.5
14	Vietnam	69.3
25	Hong Kong	80.3
27	Indonesia	-64.5
33	Singapore	-51.3
35	Thailand	-75.0
42	Philippines	-78.5
44	Brunei	2,170.7
45	Malaysia	-58.7
92	Macao	201.0
103	Laos	-2.2
137	Myanmar	-56.8
152	Cambodia	-72.7
157	Mongolia	-70.4
173	North Korea	-84.6
226	Timor-Leste	-89.9

Marcos vows to make gov't infrastructure projects climate-proof

THE PHILIPPINES would ensure that all phases of its ambitious "Build, Better, More" infrastructure program are sustainable, climate resilient and disaster-proof, President Ferdinand R. Marcos, Jr. told the Asian Development Bank (ADB) on Monday.

"As we ramp up annual public infrastructure spending to 6% of GDP (gross domestic product) consistent with the 'Build, Better, More' program, we will incorporate the elements of sustainability, climate resilience and disaster proofing in all phases of societal and infrastructural planning, design, construction up to operation and maintenance," he said in a speech during his visit to the ADB headquarters in Mandaluyong City.

Mr. Marcos said this would be implemented in projects involving water supply, sanitation, energy, transportation, agriculture and other essential areas.

The Marcos administration aims to sustain infrastructure annual spending at 5-6% of GDP through 2028. In 2022, infrastructure spending was equivalent to 5.8% of GDP.

Mr. Marcos said climate change continues to pose a threat to the Philippines, along with the El Niño phenomenon and a possible major earthquake.

The Philippines had the highest disaster risk, followed by India and Indonesia, according to the World Risk Index 2022.

Infrastructure, SI/5