

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
<b>PSEI</b> OPEN: 6,543.93 HIGH: 6,593.16 LOW: 6,532.72 CLOSE: 6,593.16 VOL.: 0.600 B VAL(P): 3.294 B 62.96 pts. 0.96% 30 DAYS TO MAY 29, 2023	<b>MAY 29, 2023</b> JAPAN (Nikkei 225) 31,233.54 ▲ 317.23 1.03 HONG KONG (Hang Seng) 18,551.11 ▼ -195.81 -1.04 TAIWAN (Weighted) 16,636.30 ▲ 131.25 0.80 THAILAND (SET Index) 1,539.93 ▲ 9.09 0.59 S. KOREA (KSE Composite) 2,558.81 ▲ 4.12 0.16 SINGAPORE (Straits Times) 3,196.85 ▼ -10.54 -0.33 SYDNEY (All Ordinaries) 7,217.40 ▲ 62.60 0.87 MALAYSIA (KLC Composite) 1,404.93 ▲ 1.95 0.14	<b>MAY 26, 2023</b> DOW JONES 33,093.340 ▲ 328.690 NASDAQ 12,975.688 ▲ 277.594 S&P 500 4,205.450 ▲ 54.170 FTSE 100 7,627.200 ▲ 56.330 EURO STOXX50 4,027.710 ▲ 54.770	<b>FX</b> OPEN P55.850 HIGH P55.850 LOW P56.150 CLOSE P56.120 W.AVE. P55.986 VOL. \$1,113.20 M SOURCE: BAP 33.00 ctyvs 30 DAYS TO MAY 29, 2023	<b>MAY 29, 2023 LATEST BID (0900GMT)</b> JAPAN (YEN) 140.260 ▲ 140.620 HONG KONG (HK DOLLAR) 7.830 ▲ 7.833 TAIWAN (NT DOLLAR) 30.612 ▲ 30.681 THAILAND (BAHT) 34.730 ▲ 34.710 S. KOREA (WON) 1,322.570 ▲ 1,322.660 SINGAPORE (DOLLAR) 1.353 ▼ 1.352 INDONESIA (RUPIAH) 14,965 ▼ 14,950 MALAYSIA (RINGGIT) 4.604 ▼ 4.597	<b>MAY 29, 2023</b> US\$/UK POUND 1.2344 ▲ 1.2343 US\$/EURO 1.0716 ▲ 1.0724 \$/AUSTRALIAN 0.6543 ▲ 0.6517 CANADA DOLLAR/US\$ 1.3592 ▲ 1.3613 SWISS FRANC/US\$ 0.9033 ▼ 0.9053	<b>DUBAI CRUDE OIL</b> FUTURES PRICE ON NEAREST MONTH OF DELIVERY <b>\$75.20/BBL</b> 90.00 84.00 79.20 73.80 68.40 63.00 30 DAYS TO MAY 26, 2023

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • MAY 29, 2023 (PSEi snapshot on SI/2; article on S2/2)

AC	P692.000	SM	P920.000	SMPH	P34.250	ALI	P26.500	PCOR	P4.000	ACEN	P6.000	URC	P148.000	BDO	P135.000	ICT	P203.000	JFC	P237.000
Value	P437,868,815	Value	P320,662,720	Value	P266,607,325	Value	P150,215,200	Value	P116,943,470	Value	P115,620,938	Value	P91,865,371	Value	P90,091,436	Value	P84,291,086	Value	P83,681,536
P6.000	▲ 0.875%	P0.000	— 0.000%	P0.250	▲ 0.735%	P0.600	▲ 2.317%	-P0.650	▼ -13.978%	-P0.040	▼ -0.662%	P3.600	▲ 2.493%	P0.000	— 0.000%	P8.000	▲ 4.103%	P4.400	▲ 1.892%

# NG budget surplus balloons in April

## BSP sees significantly lower inflation in May

HEADLINE INFLATION in May will be significantly lower than 6.6% in April, putting it on track to return within the 2-4% target by September or October, the Bangko Sentral ng Pilipinas (BSP) said.

BSP Governor Felipe M. Medalla on Monday told reporters inflation is rapidly easing year on year due to high base effects.

"Year on year, (May inflation) will clearly be significantly lower because of its high base (5.4% in May) last year. So, unless there are new shocks or developments, by October or September, inflation will be below 4%," he said in mixed English and Filipino on the sidelines of a general membership meeting of the FinTech Alliance.

Inflation has been on a downtrend since hitting 8.7% in January. It cooled to 6.6% in April from 7.6% in March, but it was faster than 4.9% a year ago.

For the first four months of the year, average inflation stood at 7.9%. This is still higher than the central bank's 5.5% full-year forecast and 2-4% target.

The Philippine Statistics Authority is scheduled to release its May inflation data on June 6.

Mr. Medalla said high base effects would likely affect inflation in 2024.

"The most extreme will be in January. Inflation may reach below 2% not because prices are low by January next year, but it's because of the high base. January (2023) was the worst month in terms of month-on-month inflation," he said.

Inflation hit a 14-year high of 8.7% in January, accelerating from 8.1% in December as food prices soared amid supply issues. Month on month, inflation climbed to 1.7%.

Mr. Medalla also noted that the impact of supply shocks is beginning to wane, and monetary policy tightening would bring inflation "back to normal."

At its policy meeting on May 18, the Monetary Board kept its benchmark interest rate unchanged at 6.25%. This was after raising policy rates by 425 basis points (bps) since May last year to tame inflation.

*Inflation, SI/9*

## No issues with Maharlika Investment Fund — Medalla

THE BANGKO SENTRAL ng Pilipinas (BSP) has no issues with the current version of the bill seeking to establish the Maharlika Investment Fund (MIF), its governor said on Monday.

"The bill, as it is now, is okay. This is the product of long periods of discussions on the bill," BSP Governor Felipe M. Medalla told reporters on the sidelines of the FinTech Alliance's general membership meeting.

He said the fact that it is more of a development rather than a sovereign wealth fund is good.

"It is no longer a sovereign wealth fund. It is now more of a national development, investment fund. I don't know what it will be used for. But the way it's evolving now, it will be very targeted, and it will have many good governance principles," he added.

The requirement for the BSP to contribute 100% of its dividends to the fund's first two years is also not an issue, Mr. Medalla said.

"The balance sheet of the central bank is quite strong. The postponement of the capital infusion by the National Government

to the BSP is not a critical issue," he said.

After the first two years, the central bank's contribution to the fund will be brought down to 50% of its dividends. The remaining 50% will then be remitted to the National Government for the increase in capitalization of the BSP.

The fund will also draw initial capital from Land Bank of Philippines, Development Bank of the Philippines, Philippine Amusement and Gaming Corp. and proceeds from the privatization and transfer of government assets.

"The Maharlika Investment Fund is for a more strategic focus on investments. (It can) focus on climate change, for instance. (It offers) a more focused fund that can help achieve the national agenda," Mr. Medalla added.

Senate President Juan Miguel F. Zubiri last week said the MIF bill would likely be approved this week.

President Ferdinand R. Marcos, Jr. has certified Senate Bill No. 2020 as urgent, which means it can be approved on second and third reading on the same day. — **Keisha B. Ta-asan**

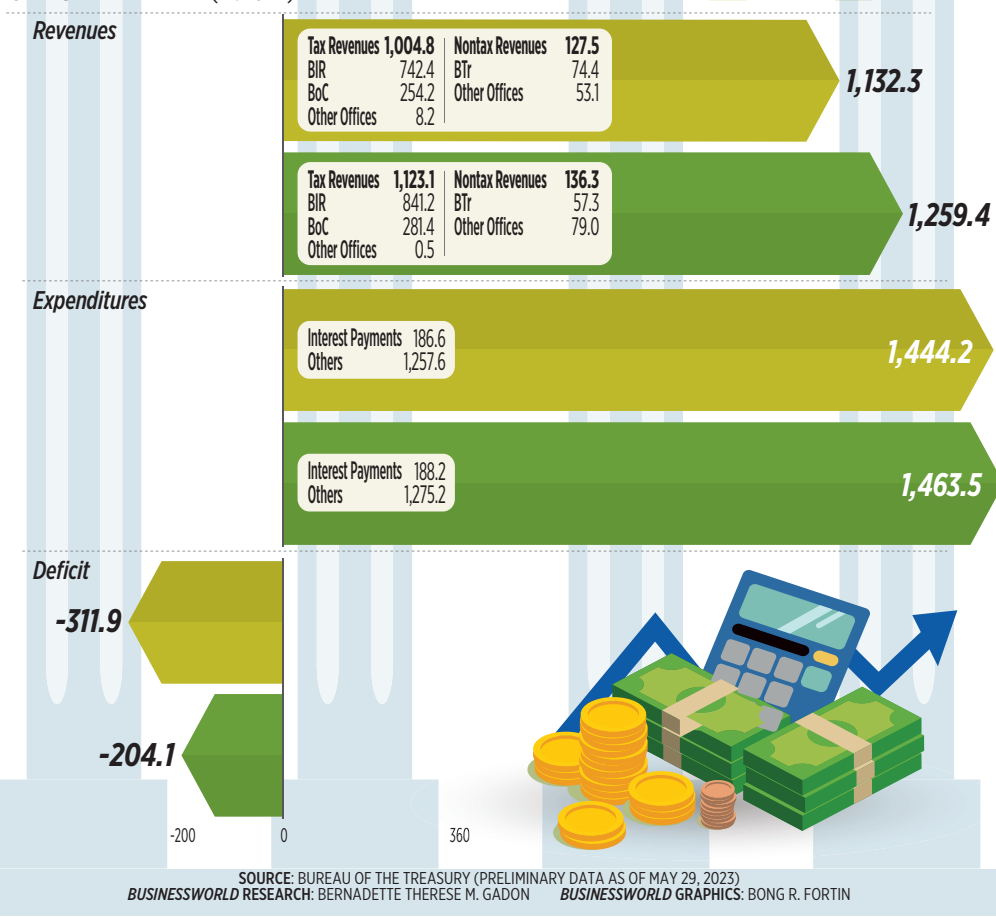
## NATIONAL GOVERNMENT FISCAL PERFORMANCE

(in billion pesos)

APRIL (PRELIMINARY)



JANUARY-APRIL (ACTUAL)



SOURCE: BUREAU OF THE TREASURY (PRELIMINARY DATA AS OF MAY 29, 2023) BUSINESSWORLD RESEARCH: BERNADETTE THERESA M. GADON BUSINESSWORLD GRAPHICS: BONG R. FORTIN

*Budget, SI/9*

## FUEL PRICE TRACKER

(week-on-week change)

Fuel Type	May 16	May 23	May 30
<b>GASOLINE</b>			
May 16	▲ P0.35		
May 23	▲ P0.80		
May 30	▲ P1.10		
<b>DIESEL</b>			
May 16	▲ P1.40		
May 23	▲ P0.60		
May 30	— P0.00		
<b>KEROSENE</b>			
May 16	▲ P1.20		
May 23	▲ P0.10		
May 30	▼ P0.35		

• May 30, 12:01 a.m. — Caltex Philippines  
 • May 30, 6 a.m. — Petron Corp.; Phoenix Petroleum; Pilipinas Shell Petroleum Corp.; PTT Philippines Corp.; Seacell Philippines, Inc.  
 • May 30, 8:01 a.m. — Cleanfuel (Shaw Autogas, Inc.)

# Senate approves bill expanding estate tax amnesty coverage

THE SENATE on Monday approved on third and final reading a bill expanding the coverage of the estate tax amnesty and extending the period of availment by another two years.

All 24 senators voted to approve Senate Bill No. 2219 which extends the availment period for the estate tax amnesty for two years or from June 15, 2023 to June 15, 2025.

The bill also expands the coverage to include the estates of those who died on or before May 31, 2022.

The current amnesty gives taxpayers a one-time opportunity to

settle unpaid tax obligations covering the estates of people who died on or before Dec. 31, 2017.

"Whether their estate taxes have remained unpaid or accrued as of the said date, this extension will provide much-needed relief to our taxpayers, particularly those who have suffered the loss of their loved ones amidst the circumstances brought about by the coronavirus pandemic," Senate Ways and Means Committee Chairman Sherwin T. Gatchalian said in his sponsorship speech on May 22.

Earlier this month, the House Representatives approved its

own version, which expands the amnesty coverage to include the estates of those who died on or before Dec. 31, 2021.

Once enacted, this would be the second extension of the estate tax amnesty under Republic Act (RA) 11213, which initially ran from 2019 to June 14, 2021. The amnesty period was later extended for two years until June 14, 2023.

Under the bill, the payment of the estate tax may also be done in installment within two years without civil penalty or interest.

The measure also allows taxpayers to pay the amnesty

tax either manually or electronically through any authorized agent bank, revenue district office or an authorized tax software provider.

"This measure specifically enumerates the specific list of documentary requirements that should be required by the (Bureau of Internal Revenue) from the availers of the estate tax amnesty, and explicitly excluding the submission of proof of settlement of the estate, whether judicial or extrajudicial," Mr. Gatchalian said.

Meanwhile, the House approved on third and final reading

a measure that defines the crime of tax racketeering and imposes higher fines on violators.

Under House Bill 8144, which will amend the Tax Code, tax racketeering is engaging in any coordinated scheme or operation to evade any tax imposed through the fraudulent use of receipts, returns and other records with a minimum amount of P10 million.

Under the bill, offenders will face fines of up to P10 million, from the current maximum penalty of P100,000.

Offenders also face imprisonment of up to 20 years. — **BMDC**