

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEi OPEN: 6,449.97 HIGH: 6,512.01 LOW: 6,449.97 CLOSE: 6,512.01 VOL.: 1.212 B VAL(P): 4.876 B 81.43 pts. 1.26% 30 DAYS TO JUNE 2, 2023	JUNE 2, 2023 JAPAN (NIKKEI 225) 31,524.22 ▲ 376.21 1.21 HONG KONG (HANG SENG) 18,949.94 ▲ 733.03 4.02 TAIWAN (TAIEX) 16,706.91 ▲ 194.26 1.18 THAILAND (SET INDEX) 1,531.20 ▲ 9.80 0.64 S. KOREA (KOSPI) 2,601.36 ▲ 32.19 1.25 SINGAPORE (STRAITS TIMES) 3,166.30 ▲ 7.50 0.24 SYDNEY (ALL ORDINARIES) 7,145.10 ▲ 34.30 0.48 MALAYSIA (KLSE COMPOSITE) 1,381.26 ▼ -1.75 -0.13 <small>* CLOSING PRICE AS OF JUNE 1, 2023</small>	JUNE 2, 2023 DOW JONES 33,762.760 ▲ 701.190 NASDAQ 13,240.766 ▲ 139.784 S&P 500 4,282.370 ▲ 61.350 FTSE 100 7,607.280 ▲ 117.010 EURO STOXX50 3,998.510 ▲ 47.780	FX OPEN P56.100 HIGH P55.890 LOW P56.100 CLOSE P55.890 W.AVE. P55.961 VOL. \$898.50 M SOURCE : BAP 37.00 ctyvs 30 DAYS TO JUNE 2, 2023	JUNE 2, 2023 LATEST BID (0900GMT) PREVIOUS JAPAN (YEN) 139.940 ▼ 139.810 HONG KONG (HK DOLLAR) 7.838 ▼ 7.833 TAIWAN (NT DOLLAR) 30.667 ▼ 30.723 THAILAND (BAHT) 34.770 ▼ 34.830 S. KOREA (WON) 1,305.920 ▼ 1,321.880 SINGAPORE (DOLLAR) 1.350 ▼ 1.353 INDONESIA (RUPIAH) 14,985 ▼ 14,985 MALAYSIA (RINGGIT) 4.575 ▼ 4.614	JUNE 2, 2023 CLOSE PREVIOUS US\$/UK POUND 1.2448 ▲ 1.2432 US\$/EURO 1.0705 ▲ 1.0691 \$/AUSTRALIAN DOLLAR 0.6611 ▲ 0.6505 CANADA DOLLAR/US\$ 1.3423 ▼ 1.3574 SWISS FRANC/US\$ 0.9086 ▼ 0.9092	DUBAI CRUDE OIL FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$71.68/BBL 30 DAYS TO JUNE 1, 2023

VOL. XXXVI • ISSUE 221 MONDAY • JUNE 5, 2023 • www.bworldonline.com S1/1-22 • 2 SECTIONS, 28 PAGES

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

BDO P139.400	AC P658.000	MPI P4.350	SMPH P32.850	ICT P202.800	MONDE P7.850	BPI P100.000	ALI P25.950	LTG P9.500	CTS P0.840
Value P491,907,250	Value P432,889,285	Value P303,278,690	Value P294,706,725	Value P267,074,506	Value P182,171,549	Value P160,491,102	Value P155,921,865	Value P146,171,994	Value P139,932,640
P2.400 ▲ 1.752%	P13.000 ▲ 2.016%	-P0.020 ▼ -0.458%	P0.350 ▲ 1.077%	P1.800 ▲ 0.896%	-P0.130 ▼ -1.629%	P0.000 — 0.000%	P0.100 ▲ 0.387%	P0.090 ▲ 0.956%	P0.020 ▲ 2.439%

Inflation seen easing to 6.1% in May

By Keisha B. Ta-asan
Reporter

INFLATION likely slowed for a fourth straight month in May due to favorable base effects and a decline in prices of energy and some food items, analysts said.

A *BusinessWorld* poll of 15 analysts last week yielded a median

estimate of 6.1% for May inflation, settling near the lower end of the 5.8-6.6% forecast range by the Bangko Sentral ng Pilipinas (BSP).

If realized, the May inflation rate would be slower than 6.6% in April but quicker than the 5.4% print in the same month a year earlier. Inflation has been on a downtrend since the 8.7% print seen in January.

The consumer price index (CPI) in May would also exceed the BSP's annual 2-4% target range for the 14th consecutive month. The BSP sees inflation averaging 5.5% for the full year.

The Philippine Statistics Authority will release inflation data on June 6.

"Favorable base effects coupled with moderating prices for select food and energy items should push headline inflation

closer towards target," ING Bank N.V. Manila Senior Economist Nicholas Antonio T. Mapa said in an e-mail.

Philippine National Bank economist Alvin Joseph A. Arogo said in an e-mail that the lower Manila Electric Co. (Meralco) electricity rates would also be a dominant factor in the slower inflation in May.

Meralco raised the overall rate for a typical household by

P0.1761 to P11.4929 per kilowatt-hour in May.

Lower prices of some food items like fish and poultry may have contributed to the decelerating inflation in May, Hongkong and Shanghai Banking Corp. (HSBC) economist for the Association of Southeast Asian Nations (ASEAN) Aris Dacanay said.

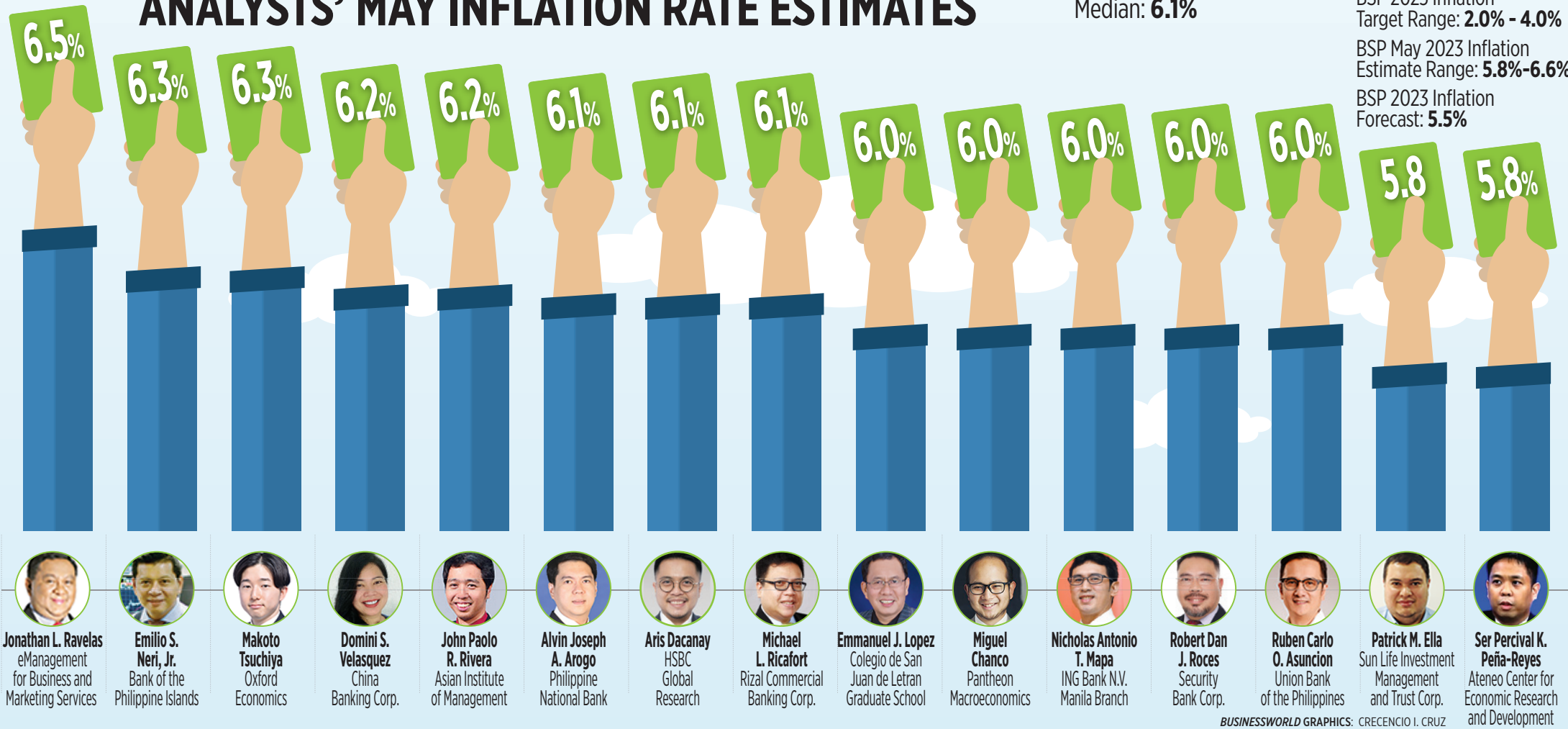
"(This,) as the government's efforts to augment the food sup-

ply through imports continued to work their way through the economy, and ultimately, to prices," Mr. Dacanay said.

The average price of *bangus* fell to P120-P240 per kilogram by end-May from P150-P240 by end-April, while the price of tilapia ranged at P100-P200 per kilogram during the month, data from the Department of Agriculture (DA) showed.

Inflation, S1/3

ANALYSTS' MAY INFLATION RATE ESTIMATES



Gov't targeting to privatize P2.5-B assets this year

THE DEPARTMENT of Finance's (DoF) Privatization and Management Office (PMO) is targeting to dispose of at least 143 properties worth P2.5 billion for the rest of the year.

"The aggressive disposition of nonperforming assets will provide much-needed revenues for priority projects. It will also clear the National Government's books of stagnant assets," Finance Secretary Benjamin E. Diokno said in a press chat on Friday.

Mr. Diokno said that the government last week approved the sale of six properties worth P152.8 million, which will be bid out by the PMO. These include a P25 million worth property owned by

the Al-Amanah Islamic Investment Bank of the Philippines in Davao City and two lots worth P25.34 billion in Davao City also owned by the bank.

Also included is a P1.92-million property owned by the Central Bank Board of Liquidators in Pasay City; and two lots in Visayas owned by the Technology Resource Center worth P50.4 million and P50.2 million.

In the first quarter, the PMO approved the disposition of 31 properties worth P912.17 million via public auction. It plans to sell 19 properties worth P799.05 million in the second quarter.

Assets, S1/5



BPI holds sustainability fair

The Bank of the Philippine Islands (BPI) held its first "Green and Beyond Sustainability Fair" at the Glorietta Activity Center in Makati City from June 2-4. In photo (left to right): BPI Head of Consumer Marketing, Platforms, and Digital Activation Mariana Zobel de Ayala; Makati Vice Mayor Monique Lagdameo; Bangko Sentral ng Pilipinas Assistant Governor Lyn Javier; BPI Advisory Council Member Fernando Zobel de Ayala; BPI's sustainability ambassador and actress Bea Alonzo; BPI Chief Sustainability Officer Eric Luchangco; and BPI Head of Consumer Banking and Digital Platforms Maria Cristina Go.

Debt service bill more than doubles in March

By Luisa Maria Jacinta C.
Jocson Reporter

THE NATIONAL Government's (NG) debt service bill more than doubled in March from a year ago, data from the Bureau of the Treasury (BTr) showed.

The government's debt payments surged by 111% to P142.171 billion in March from P67.389 billion in the same month a year ago.

Month on month, debt service payments fell by 62.2% from P375.714 billion in February.

In March, more than half or 57.17% of debt servicing went to amortization.

Overall principal payments jumped by more than sixfold to P81.273 billion from P11.841 billion in the same month a year ago.

The BTr settled P73.361 billion with domestic lenders and P7.912 billion to foreign creditors.

Meanwhile, interest payments rose by 9.6% to P60.898 billion in March from P55.548 billion in the same month in 2022.

Broken down, interest paid on domestic debt slipped by 1.22% to P46.754 billion from P47.332 billion last year.

Domestic debt consisted of P25.62 billion in retail Treasury bonds, P19.671 billion in fixed-

rate Treasury bonds, and P1.435 billion in Treasury bills.

Interest on foreign debt increased by 72.2% to P14.144 billion from P8.216 billion a year ago.

For the first quarter, debt service payments surged by 80.4% to P565.716 billion from P313.65 billion a year ago.

Principal repayments made up three-fourths (74.9%) of the debt service bill in the January-March period.

Amortization payments climbed by 157.9% to P423.739 billion in the first quarter.

Total interest payments went down by 4.9% to P141.977 billion in the first three months from P149.329 billion in the same period last year.

ING Bank N.V. Manila Senior Economist Nicholas Antonio T. Mapa said that the rise in debt servicing in March can be attributed to higher borrowing costs.

"Higher debt stock plus higher interest rates contributed to this after global central banks hiked rates aggressively over the past few months," Mr. Mapa said in a Viber message.

Since March last year, the US Federal Reserve raised borrowing costs by 500 basis points (bps), bringing the Fed funds rate to 5-5.25%.

The Bangko Sentral ng Pilipinas raised key interest rates by a total of 425 basis points to 6.25% since May 2022.

Debt, S1/5

BoI approves P532B worth of investment pledges

INVESTMENT APPROVALS by the Board of Investments (BoI) more than doubled as of mid-May, led by renewable energy projects.

The Board of Investments (BoI) said it approved investment pledges worth P532.27 billion from 106 projects as of May 18, 158.72% higher than the pledges worth P205.73 billion from 86 projects a year ago.

This puts the BoI on track to hit its target of P1.5 trillion worth

of investment approvals for this year.

Ceferino S. Rodolfo, BoI managing head and Trade undersecretary, said the new investment pledges were mostly in renewable energy projects as the government allowed 100% foreign ownership in the sector.

"Most of the projects registering with us are renewable energy projects. The Department of Energy (DoE) is no longer endors-

ing coal projects," Mr. Rodolfo told reporters in Makati City last week.

Last year, the Philippines opened its renewable energy sector to full foreign ownership. Prior to this policy, foreign ownership of renewable energy projects was capped at 40%.

"When President (Marcos) instructed, and the DoE removed the ceiling on foreign equity participation in renewable energy,

(the investments increased)," Mr. Rodolfo said.

Some of the renewable energy projects approved by the BoI include a P95-billion project by German-owned company wpd; renewable energy projects in Negros Occidental, Cavite, and Guimaras; solar projects in Pangasinan; a hydropower project in Kalinga; and a solar power project in Isabela.

BoI, S1/5