

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
<b>PSEi</b> OPEN: 6,491.85 HIGH: 6,491.85 LOW: 6,422.11 CLOSE: 6,450.34 VOL.: 0.484 B VAL(P): 4.224 B 58.00 PTS. 0.89% 30 DAYS TO JUNE 19, 2023	<b>JUNE 19, 2023</b> JAPAN (Nikkei 225) 33,370.42 ▼ -335.66 -1.00 HONG KONG (HANG SENG) 19,912.89 ▼ -127.48 -0.64 TAIWAN (TAIEX) 17,274.56 ▼ -14.35 -0.08 THAILAND (SET INDEX) 1,556.92 ▼ -2.47 -0.16 S. KOREA (KOSPI) 2,609.50 ▼ -16.29 -0.62 SINGAPORE (STRAITS TIMES) 3,241.17 ▼ -18.86 -0.58 SYDNEY (ALL ORDINARIES) 7,294.90 ▲ 43.70 0.60 MALAYSIA (KLCSE COMPOSITE) 1,387.33 ▼ -1.28 -0.09	<b>JUNE 16, 2023</b> DOW JONES 34,299.120 ▼ -108.940 NASDAQ 13,689.571 ▼ -93.250 S&P 500 4,409.590 ▼ -16.250 FTSE 100 7,642.720 ▲ 14.460 EURO STOXX50 4,033.400 ▲ 25.320	<b>FX</b> OPEN P55.845 HIGH P55.700 LOW P55.970 CLOSE P55.740 W.AVE. P55.844 VOL. \$1,109.70 M SOURCE: BAP 12.00 CTVS 30 DAYS TO JUNE 19, 2023	<b>JUNE 19, 2023 LATEST BID (0900GMT)</b> JAPAN (YEN) 141.950 ▼ 141.820 HONG KONG (HK DOLLAR) 7.816 ▲ 7.820 TAIWAN (NT DOLLAR) 30.788 ▼ 30.674 THAILAND (BAHT) 34.780 ▼ 34.670 S. KOREA (WON) 1,281.100 ▼ 1,276.150 SINGAPORE (DOLLAR) 1.340 ▼ 1.337 INDONESIA (RUPIAH) 14,990 ▼ 14,930 MALAYSIA (RINGGIT) 4.625 ▼ 4.611	<b>JUNE 19, 2023</b> US\$/UK POUND 1.2810 ▼ 1.2817 US\$/EURO 1.0919 ▼ 1.0933 \$/AUSTRALIAN 0.6857 ▼ 0.6877 CANADA DOLLAR/US\$ 1.3200 ▲ 1.3196 SWISS FRANC/US\$ 0.8953 ▲ 0.8937	<b>FUTURES PRICE ON NEAREST MONTH OF DELIVERY</b> <b>\$75.45/BBL</b> 80.00 77.00 75.00 72.00 70.00 68.00 30 DAYS TO JUNE 16, 2023

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JUNE 19, 2023 (PSEi snapshot on S1/2; article on S2/2)

AC	P615.000	SMPH	P33.500	BDO	P140.000	BPI	P106.300	ALI	P24.400	RLC	P14.300	ACEN	P5.030	MBT	P53.100	TEL	P1,286.000	EMI	P21.650
Value	P588,393,005	Value	P321,362,815	Value	P240,662,253	Value	P237,018,446	Value	P230,904,955	Value	P207,431,888	Value	P184,592,372	Value	P178,417,771	Value	P145,945,400	Value	P130,832,575
PO.000	0.000%	-P0.500	-1.471%	PO.000	0.000%	-P0.700	-0.654%	-P0.050	-0.204%	-P0.200	-1.379%	-P0.270	-5.094%	-P0.600	-1.117%	P26.000	2.063%	PO.100	0.464%

## Easing prices a reason to pause — BSP

### PHL competitiveness ranking dips — report

By Justine Irish D. Tabile  
Reporter

THE PHILIPPINES dropped four spots in an annual global competitiveness report amid global inflation, public health crises, and geopolitical concerns.

In its 2023 World Competitiveness Yearbook, Switzerland-based International Institute for Management Development (IMD) placed the Philippines 52<sup>nd</sup> out of 64 economies, from 48<sup>th</sup> in 2022.

This year's drop marked the sixth year that the Philippines stayed in 13<sup>th</sup> place out of 14 economies in the Asia-Pacific region.

IMD ranked the economies using 255 indicators spread across four competitiveness factors: economic performance, government efficiency, business efficiency, and infrastructure.

"The Philippines suffered declines in three out of the four

main factors or dimensions of Competitiveness," the Asian Institute of Management (AIM) Rizalino S. Navarro Policy Center for Competitiveness said in a statement.

The center has been the IMD's Philippine partner institute in producing the competitiveness yearbook since 1997.

The Philippines declined a notch to 58<sup>th</sup> in 2023 in the infrastructure factor, which the IMD described as a perennial challenge for the country.

Foundation for Economic Freedom (FEF) President Calixto V. Chikiamco said the decline is "not surprising and that the comments are valid."

"Infrastructure remains poor and inefficient, like the Ninoy Aquino International Airport. Power availability is uncertain. Water will be rationed. The poor infrastructure and services are turning off investors," Mr. Chikiamco said in a Viber message.

Competitiveness, S1/9

### Farm output subsidies in PHL regressive, says WB

THE PHILIPPINES has one of the most regressive agricultural output subsidies, the World Bank (WB) said.

In a report, the Philippines ranked first among 16 countries in terms of regressive output subsidies, followed by Mexico, Canada, Japan, and Vietnam.

Meanwhile, Brazil, Kazakhstan, and Indonesia had the most progressive subsidies.

The World Bank conducted an analysis to examine the distributional impact of agricultural subsidies in multiple countries, which then indicates the scheme's progressiveness or regressiveness.

"As with any subsidy linked to production amounts, output subsidies will naturally be regressive, since richer farmers will always produce more output and therefore receive a larger share of the subsidy than poorer farmers," it said.

"Nevertheless, this analysis uses a lower threshold for what is considered progressive. It examines whether poorer regions in each country receive a relatively larger share of output subsidies than their share of agricultural production value," it added.

Farm, S1/5

### USDA expects country's pork output to drop 5%

THE PHILIPPINES is expected to produce a lower volume of pork due to the continuous spread of African swine fever (ASF) in top-producing regions, the United States Department of Agriculture (USDA) said.

The USDA estimated the country's pork production to reach 925,000 metric tons (MT), down by 5.13% from its previous forecast of 975,000 MT.

The agency lowered its projection in response to ASF's continuous spread into other provinces within the Central and Western Visayas regions, including Negros Occidental, Negros Oriental, and Aklan.

"In 2022, the Central and Western Visayas regions had become the first and third-largest producers following the decimation of swine inventories else-

where in the country," the USDA said.

The production from Central Visayas, which accounted for 13.2% of the overall pork output, rose by 7% to 2.78 million MT last year. Pork output from Western Visayas increased by 12.4% to 2.61 million MT or 12.4% of the total production.

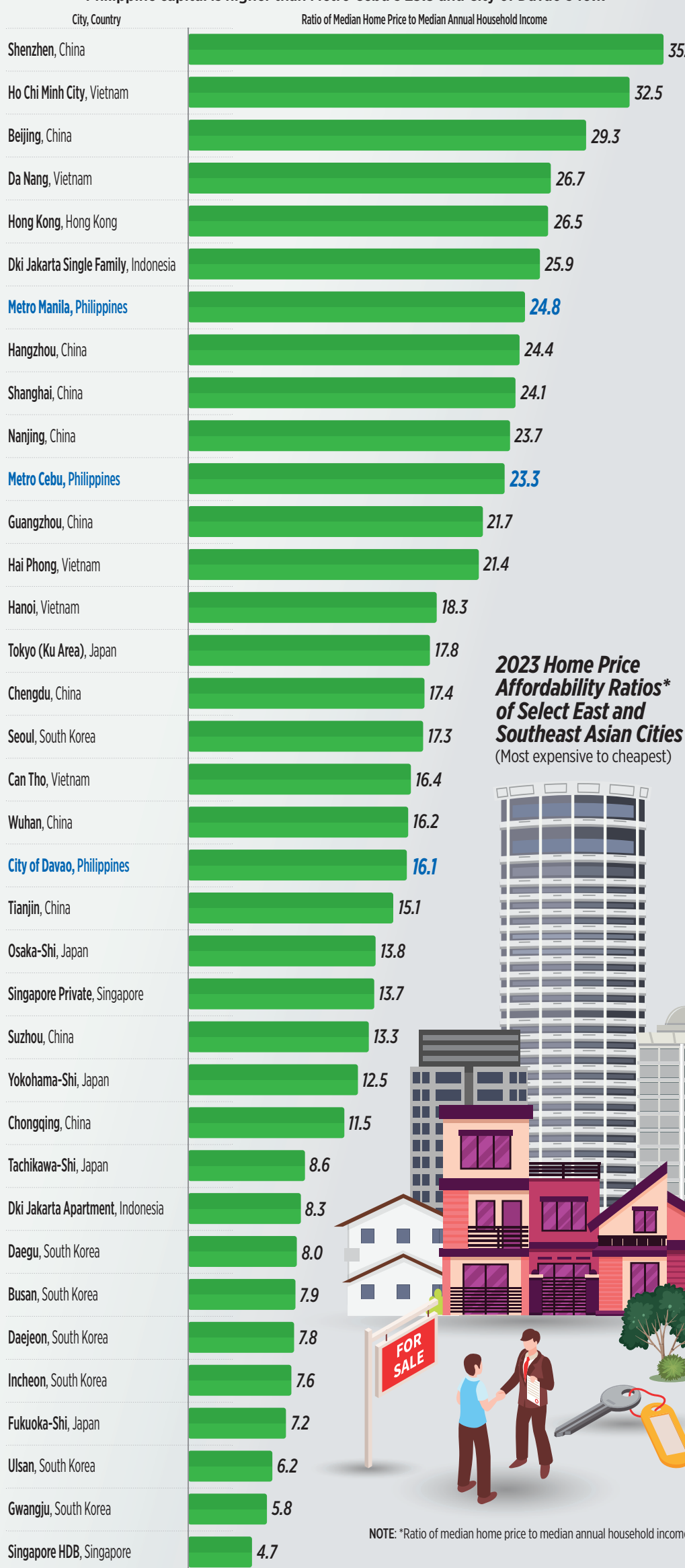
The agency noted, however, that the projection has not covered the impact on output brought by earlier outbreaks in the provinces of Iloilo and Cebu within the said regions.

The USDA said that despite prospects of an ASF vaccine following successful local trials, "such a vaccine would be unlikely to materially impact 2023 production."

Pork, S1/9

### HOW AFFORDABLE ARE METRO MANILA'S HOME PRICES COMPARED WITH ITS PEERS IN THE REGION

Metro Manila's home affordability ratio — the share of median home price to median annual household income — is one of the highest (most expensive) in the region after the cities in China, Vietnam, Hong Kong, and Indonesia, according to a report by Urban Land Institute (ULI). Median home price in Metro Manila is 24.8 times higher than its median annual household income in 2023, data from the latest ULI Asia-Pacific Home Attainability Index showed. The ratio of the Philippine capital is higher than Metro Cebu's 23.3 and City of Davao's 16.1.



2023 Home Price Affordability Ratios\* of Select East and Southeast Asian Cities (Most expensive to cheapest)

NOTE: \*Ratio of median home price to median annual household income

SOURCE: URBAN LAND INSTITUTE'S 2023 ULI ASIA-PACIFIC HOME ATTAINABILITY INDEX (HTTPS://ASIA.ULI.ORG/RESEARCH-AND-PUBLICATIONS/THE-CENTRE-FOR-HOUSING/HOME-ATTAINABILITY-INDEX/) BUSINESSWORLD RESEARCH: LOURDES O. PILAR BUSINESSWORLD GRAPHICS: BONG R. FORTIN

By Keisha B. Ta-asan  
Reporter

THE CONTINUED downward trend of consumer prices is a "good reason" to keep rates unchanged, the Bangko Sentral ng Pilipinas (BSP) chief told reporters on Monday.

BSP Governor Felipe M. Medalla said the Philippine central bank's policy actions will be largely driven by its inflation target and not by the moves of the US Federal Reserve.

"[With] the most recent numbers, it's very clear that the inflation rate is declining. Our expectation is, by September or October, inflation is below 4%... It's a good reason to pause," he said in mixed English and Filipino.

Headline inflation eased to 6.1% in May from 6.6% in April, data from the local statistics agency showed. However, this marked the 14<sup>th</sup> straight month that inflation breached the BSP's 2-4% target range.

Year to date, inflation averaged 7.5%, well above the central bank's 5.5% forecast for the year.

"On the other hand, the markets may see a further reduction in the difference between the BSP and Fed policy rate as a signal for a weaker peso, which may not be a good thing because inflation is still a problem," Mr. Medalla said.

"Therefore, we have to be conscious about the interest rate differential but that is not the main driver. The main driver is the domestic inflation picture," he added.

The US Federal Reserve decided to keep its target interest rate unchanged at 5-5.25% during its June 13-14 meeting, the first pause after it raised borrowing costs by 500 basis points (bps) since March last year.

Meanwhile, the Philippine central bank is widely expected to keep benchmark interest rates steady at 6.25% on Thursday, based on a BusinessWorld poll of 15 economists conducted last week.

If realized, this would be the second straight meeting the BSP will leave interest rates untouched. The BSP hiked policy rates by 425 bps from May 2022 to March 2023 to tame inflation.

Inflation, S1/5

### FUEL PRICE TRACKER

GASOLINE	
June 6	P0.60
June 13	P1.20
June 20	P0.35
DIESEL	
June 6	P0.30
June 13	P1.40
June 20	P0.10
KEROSENE	
June 6	P0.60
June 13	P1.30
June 20	P0.30

• June 20, 12:01 a.m. — Caltex Philippines  
 • June 20, 6 a.m. — Petron Corp.; Phoenix Petroleum; Pilipinas Shell Petroleum Corp.; PTT Philippines Corp.; Seaoil Philippines, Inc.  
 • June 20, 8:01 a.m. — Cleanfuel (Shaw Autogas, Inc.)



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15-year NAIA concession won't do much — consortium S1/2

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LRT 1 and 2 cleared to adjust fares on Aug. 2 S1/4

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