Oil prices ease as economic fears overshadow Saudi output slash

NEW YORK - Oil prices eased about 1% on Tuesday as worries that sluggish global economic growth could reduce energy demand outweighed Saudi Arabia's pledge to deepen output cuts.

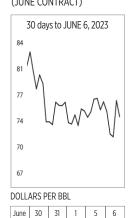
Brent futures fell 42 cents or 0.6% to settle at \$76.29 a barrel, while US West Texas Intermediate (WTI) crude fell 41 cents or 0.6% to settle at \$71.74.

Prices rose on Monday after Saudi Arabia said over the weekend it would cut output to around nine million barrels per day (bpd) in July from about 10 million bpd in May.

Saudi Arabia, the world's top oil exporter, also unexpectedly increased the official selling price of its crude to Asian buyers.

However, the Saudi supply cut is unlikely to achieve a "sustainable price increase" into the high \$80s and low \$90s due to weaker demand, stronger non-OPEC supply, slower economic growth in China and potential recessions in the US and Europe, Citi analysts said in a note.

(JUNE CONTRACT)



Average (June 1-6)

Average (May 2-31)

\$74.13

\$74.95

The US dollar rose to its high-

est level against a basket of cur-

rencies since hitting a 10-week

high on May 31 as investors wait-

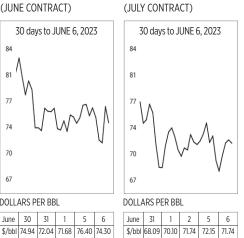
ed on fresh signals on whether the

US Federal Reserve will raise or

A stronger dollar can weigh

on oil demand by making the fuel

hold interest rates in June.



Average (June 1-6)

Average (May 1-31)

(AUGUST CONTRACT)



more expensive for holders of other currencies. One of those signals came from the US services sector, which barely grew in May as new orders

Average (May 1-31)

Source: REUTERS

The mood was further dented by data showing German industrial orders fell unexpectedly in April.

The World Bank, however, raised its 2023 global growth outlook as the US, China, and other major economies have proven more resilient than forecast, but said higher interest rates and tighter credit will take a bigger toll on next year's results.

Higher interest rates boost borrowing costs, which can slow the economy and reduce

China, the second-biggest oil consumer, will release its May trade data on Wednesday.

The Energy Information Administration (EIA) projected US crude output will rise from 11.9 million bpd in 2022 to 12.6 million bpd in 2023 and 12.8 million bpd in 2024, That compares with a record 12.3 million bpd in 2019.

EIA also projected US petroleum demand would rise from 20.3 million bpd in 2022 to 20.4 million bpd in 2023 and 20.7 million bpd in 2024. That compares with a record 20.8 million bpd in 2005, according to EIA data going back to 1973. — Reuters

METAL	
PALLADIUM free \$/troy oz	1,404.96
PALLADIUM JMI base, \$/troy oz	1,414.00
PLATINUM free \$/troy oz	1,031.46
PLATINUM JMI base \$/troy oz	1,039.00
KRUGGERAND, fob \$/troy oz	1,956.00
IRIDIUM, whs rot, \$/troy oz	4,590.00
RHODIUM, whs rot, \$/troy oz	6,390.00
GRAINS (June 1, 2023)	
(FOB Bangkok basis at every Thurso	day)
FRAGRANT (100%) 1st Class, \$/ton	893.00
FRAGRANT (100%) 2 nd Class, \$/ton	863.00
RICE (5%) White Thai- \$/ton	511.00
RICE (10%) White Thai- \$/ton	509 00

BROKER RICE A-1 Super \$/ton **FOOD** COCOA ICCO Dly (SDR/mt) 2,245.99 COCOA ICCO \$/mt 2.983.02 COFFEE ICA comp '2001 cts/lb 173.15 SUGAR ISA FOB Daily Price, Carib. port cts/lb 24.21

RICE (25%) White Thai-\$/ton (Super) 502.00

502.00

LIFFE COFFEE

SUGAR ISA 15-day ave.

RICE (15%) White Thai-\$/ton

New Robusta 10 MT - \$/ton						
	High	Low	Sett	Psett		
July	2,637	2,591	2,614	2,607		
Sept.	2,602	2,559	2,583	2,574		
Nov.	2,539	2,502	2,525	2,516		
Jan.	2,483	2,457	2,471	2,466		

LIFFE COCOA

	High	Low	Sett	Psett
July	2,385	2,352	2,357	2,361
Sept.	2,364	2,331	2,334	2,340
Dec.	2,326	2,294	2,296	2,299
Mar.	2,269	2,234	2,235	2,239

COCONUT

MANILA COPRA (based on 6% moisture) Peso/100kg Lag/Qzn/Luc 23 3,350.00/3,400.00 Philippine Coconut Oil - Crude 50.00 CIF NY/NOLA PALM OIL RAIL /NOLA COCONUT OIL (PHIL/IDN), \$ per ton,

CIF Europe 0.00/1,020.00 July/Aug.'23 980.00/1,020.00 Aug./Sept.'23 Sept./Oct.'23 990.00/1,025.00 Oct/Nov.'23 990.00/1,030.00

LONDON METAL EXCHANGE

LME FINAL CLOSING PRICES, US\$/MT

	3 MOS.
ALUMINUM H.G.	2,210.00
ALUMINUM Alloy	2,007.00
COPPER	8,339.00
LEAD	2,026.00
NICKEL	20,968.00
TIN	25,618.00
ZINC	2,319.00

Gold bullion awaits Fed move on rate hikes

GOLD PRICES traded in a tight range on Tuesday, as investors awaited more cues to assess the US Federal Reserve's interest rate path ahead of its policy meet next week.

Spot gold was up 0.1% at \$1,964.27 per ounce by 1:49 EDT (1749 GMT).

US gold futures settled up 0.4% at \$1,981.50.

 $The \, dollar\, index\, and\, benchmark$ 10-year Treasury yields ticked up, making dollar-priced, zero-yielding bullion less attractive.

"There's nothing out there on the surface that says, gold should be positive... It's a wait and see type of moment," said Phillip Streible, chief market strategist at Blue Line Futures, in Chicago.

Investors now expect a 79% chance that the US central bank will hold interest rates at its June 13-14 policy meet, according to CME Group's FedWatch tool, following 10 straight rate increases.

World shares edged higher as investors mulled whether a recent rally in stocks has legs to run further.

Gold was stabilizing in light of the jobs report on Friday and with an eye on the Fed policysetting meeting next week, said Craig Erlam, senior market analyst at OANDA, adding that there was still uncertainty on the rate hike path as the ISM data showed weakness across the board.

Traders will closely watch the Consumer Price Index data due on June 13, before the Fed's rate decision.

The World Bank raised its 2023 global growth forecast as the US and other major economies have proven more resilient than forecast, but said higher interest rates would cause a larger-thanexpected drag next year.

In other metals, spot silver was little changed at \$23.57 per ounce; platinum gained 0.2% to \$1,032.80; while palladium eased 0.1% to \$1,412.81. - *Reuters*

US stocks end up as Fed, CPI loom large next week

US STOCKS closed up on Tuesday, helped by some advances in economically sensitive sectors, as investors awaited inflation data and the US Federal Reserve's policy meet next week.

Inflation data is expected to show consumer price index (CPI) cooled slightly on a month-overmonth basis in May but core prices are likely to have remained elevated, and the Fed is widely expected to hold interest rates.

Major indexes wavered as investors took a breather after pushing the S&P 500 up almost 20% from its October 2022 lows, boosted by gains in mega-cap stocks, a stronger-than-expected earnings season and hopes that the US central bank is nearing the end of its interest rate hike cycle.

The Dow Jones Industrial Average rose 10.42 points or 0.03% to 33,573.28; the S&P 500 gained 10.06 points or 0.24% to 4,283.85; and the Nasdaq Composite added 46.99 points or 0.36% to 13.276.42.

Financials rose 1.33% to lead gains among the 11 major S&P 500 sectors, while the KBW regional banking index jumped 5.41%. The Russell 2000 index of small-cap companies added 2.69%.

Recent economic data and dovish remarks from Fed officials have raised the odds of the Fed holding interest rates at its June 13-14 meeting.

Fed fund futures indicate traders have priced in a near 80% chance that the central bank will hold interest rates in the 5%-5.25% range, according to CME Group's Fedwatch tool. However, they see 50% odds of another 25-basis-point rate hike in July.

Coinbase Global plunged 12.09% after the US Securities and Exchange Commission sued the crypto exchange, accusing it of illegally operating without having first registered with the regulator.

Apple Inc. extended losses to slip 0.21%, a day after the iPhone maker unveiled a costly augmented-reality headset called the Vision Pro, barging into a market dominated by Meta.

Advancing issues outnumbered declining ones on the NYSE by a 3.47-to-1 ratio; on Nasdaq, a 2.59-to-1 ratio favored advancers.

The S&P 500 posted 17 new 52-week highs and 5 new lows; the Nasdaq Composite recorded 98 new highs and 69 new lows.

DMCI Mining aims to ship 1.5M WMT nickel ore

DMCI Mining Corp. on Wednesday said that it is targeting to ship 1.5 million wet metric tons (WMT) of nickel ore this year after its unit secured an environnental compliance certificate

In a disclosure to the stock exchange, its parent company DMCI Holdings, Inc. said the unit Zambales Diversified Metal Corp. (ZDMC) had been permitted in January to produce two million WMT of nickel ore from the previously allowed one million WMT.

"We have the necessary facilities and mitigating measures to minimize the impact of operations on the environment. With these in place, we're targeting to produce anywhere between 1.7 million to 2 million tons of nickel ore this year," said DMCI Mining President Tulsi Das C. Reyes.

In the three months to March, ZDMC nickel ore output reached 599,000 WMT, up 88% from 318,000 WMT previously.

According to the company, the growth led to a 16% increase in its

total inventory to 178.000 WMT from 154,000 WMT.

"However, total shipment declined by 21% from 620.000 WMT to 487,000 WMT owing to the depletion of the BNC mine and stockpile, cushioned by the double-digit growth of ZDMC shipment," the disclosure read.

Meanwhile, total shipment dropped by 21% to 487,000 WMT from 620,000 WMT, dragged by the depletion of the mine and stockpile of its subsidiary Berong Nickel Corp.

The decline was offset by the double-digit growth of ZDMC's shipments. The average selling price increased by 11% to \$49 from \$44 backed by higher shipments of higher-grade nickel ore from the ZDMC mine.

"Despite the mine and stockpile depletion of Berong, DMCI Mining standalone revenues narrowly declined 8% from P1.4 billion to P1.3 billion due to better selling prices while reported income contracted by 15% from

P543 million to P463 million," DMCI Holdings said.

In the first quarter, DMCI Mining saw its core net income decrease by 5% to P473 million from P499 million, which was at tributed to the "combined effect of lower shipments and better selling prices."

Revenues during the quarter reached P1.31 billion, 8% lower than the P1.42 billion reported previously. In its information statement,

DMCI Holdings said its mining subsidiary last year shipped 1.449 million WMT, down 26% from 1.945 million in 2021. It also said total production declined by 42% to 1.031 million WMT from 1.788million WMT after the depletion of its Palawan mine in the fourth quarter of 2021.

Meanwhile, ZDMC's production last year grew to around 1 million WMT from 934,000 WMT previously. Its output last year was the maximum allowable production volume under

its environmental compliance certificate. In turn, shipments from Zambales increased 22% to 1.088 WMT from 894,000 WMT.

Last year, DMCI Mining reorded a 7% increase in its core net income to P1.29 billion, which it attributed to improved selling prices and favorable foreign exchange rates.

In 2022, the average selling price rose by 14% to \$48 per WMT from \$42 per WMT. Foreign exchange rates were also favorable last year at an average of P54 per US dollar from P49 a dollar previously amid currency market volatility.

DMCI Mining is a wholly owned subsidiary of Consunjiled DMCI Holdings, which has business interests in general construction, coal and nickel mining, power generation, real estate development, water concession, and manufacturing.

On Wednesday, DMCI Holdings' shares were up by P0.13 or 1.35% to close at P9.75 apiece. -**Sheldeen Joy Talavera**

ICTSI unit at Port of Karachi offers Pakistan-Australia link

LISTED port developer and op- linkages that enable econo-Terminal Services, Inc. (ICTSI) said its unit operating at the Port of Karachi has tied up with a Singaporean shipping line to create a direct service between Pakistan and Australia.

In a press release on Tuesday, ICTSI said its subsidiary Pakistan International Container Terminal Ltd. (PICT) and Singapore's SeaLand forged the partnership to provide an "easy and efficient" connection between markets in South Asia and Australia.

"We look to provide unmatched supply chain solutions to local and global trade stakeholders. Through our partnership with SeaLead, customers in both Pakistani and Australian markets will benefit through direct port

erator International Container mies to grow," said PICT Chief Aziz Khan.

The direct service will be calling at regional ports across Malaysia, Australia, and Pakistan, ICTSI said.

"PICT will remain resilient in its efforts to make this collaboration a successful venture for all stakeholders," Mr. Khan

The service at the Port of Karachi is expected to boost "trade patronage with global customers and cater to growing trade demands," PICT said.

Its arrival is also seen to help importers and exporters via a speedy and more costefficient route, "and eventually allow new businesses and growth areas to emerge within the associated economies."

Globe launches prepaid fiber internet product

GLOBE Telecom, Inc. on Wednesday launched its prepaid fiber internet that aims to bring fiberspeed internet to its Filipino customers at sachet price.

"The launch of GFiber Prepaid is a testament to our commitment to providing fiber internet connection that empowers everyone to seize new opportunities," said Raymond Policarpio, vice-president for home broadband business at Globe, in a statement.

GFiber Prepaid aims to democratize access to fiber connectivity as it will offer no lock-up, unlimited pay-peruse promos, and "buy now, pay later" options with GCash.

"With GCash's "Buy Now, Pay Later" feature, customers can pay in up to a 24-month installment using the app or pay with a credit line of up to P50,000," the company said.

The new prepaid service will have a special introductory offer of a one-time fee of P1,499, inclusive of installation and seven days of unlimited internet, and will be available nationwide, subject to serviceability.

Customers can also choose from a selection of unlimited on-demand promos, including GFiberSURF299 for seven days, GFiberSURF549 for 15 days, and GFiberSURF999 for 30 days.— Justine Irish D. Tabile

ONLINE retail transactions along means of getting their products to

with the growing digital shift present opportunities for export and shipping businesses, an official of a supply chain solutions provider said.

"One of the biggest opportunities available at the moment - especially for small and medium-sized businesses (SMBs) – is digitalization, and in particular e-commerce," UPS Philippines Managing Director Russell Reed said in a recent interview.

"Online shopping has been growing quickly for many years already, and it's likely the pandemic has accelerated that growth even more," he added.

Mr. Reed said the e-commerce industry has leveled the playing field, allowing businesses to thrive with an internet connection, products, customers and the

E-commerce boosts exports, shipping businesses — UPS

However, limited time, expertise, and resources have made cross-border shipping a challenge

"There is literally a whole world of potential customers out there, so where is the best place to start? That's what UPS is here to help with," he said.

Mr. Reed said four segments can drive Philippine trade, namely: retail, industrial manufacturing and automotive (IM&A), hightech, and healthcare.

"The high-tech segment, which alone accounts for 41% of the country's intra-Asia trade, could double in value by 2030, while the IM&A segment could more than treble to overtake the high-tech segment as the largest in value by 2030," Mr. Reed said.

UPS's study on intra-Asia

trade shows that Philippine trade was the second fastest in the region, largely driven by manufactured goods.

Trade value between the Philippines and 11 other top Asian markets is expected to triple to \$393 billion in 2030, from \$113 billion in 2020. Meanwhile, the country's en-

try into the Regional Comprehensive Economic Partnership is also seen to offer opportunities for trade and investment. "This may mean an increase in

the Philippines' exports by 3.7% by 2030, an addition of \$7 billion, according to the Asian Development Bank," Mr. Reed said.

To reach the full potential of intra-Asia trade by 2030, businesses need to digitalize comprehensively to respond faster to cross-border demand, said Mr. Reed.

"Digitalization of more links in the supply chain process can contribute to business success, which is why we continue to develop tools and solutions that allow our customers to digitalize more of their processes at every step of the shipping journey," he said.

"This includes using machine learning to simplify the process of creating a shipment to reduce the risk of documentation errors, providing a dashboard from which businesses can track and manage all in[bound] and outbound shipments in one place, paperless invoicing, and much more," he added.

The UPS group's smart logistics network is present in more than 220 countries and territories worldwide. It also has an airline that operates a fleet of nearly 600 aircraft. - **Justine** Irish D. Tabile