

# Oil prices edge lower on weaker Chinese crude demand picture

NEW YORK — Oil futures eased in choppy trading on Tuesday on forecasts for slower oil demand growth in China, the world's second-biggest oil consumer, and disappointment with the size of cuts in China's key lending rates.

Adding to the bearish market sentiment, traders noted crude supplies from Iran and Russia have increased in recent weeks.

The price drop, however, was limited by expectations that oil demand will grow in China and India in the second half of the year.

Brent futures for August delivery fell 19 cents or 0.3% to settle at \$75.90 a barrel. US West Texas Intermediate (WTI) crude for July delivery fell \$1.28 or 1.8% to settle at \$70.50 on its last day as the US front-month.

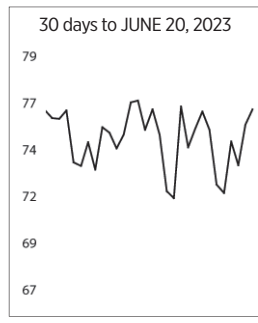
The more active WTI contract for August delivery, which will soon be the US front-month, was down about 1% at \$71.93 a barrel.

The crude price decline was led by near 3% losses in US gasoline RBOB and diesel HOOB futures.

China cut its benchmark loan prime rates (LPR) for the first time in 10 months, with a smaller-than-expected 10-basis-point reduction in the five-year LPR.

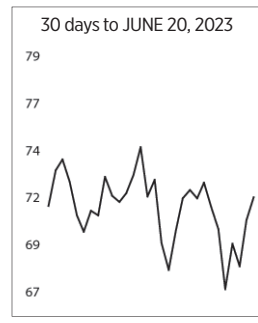
The rate reduction followed recent economic data showing China's retail and

ASIA-DUBAI (JUNE CONTRACT)



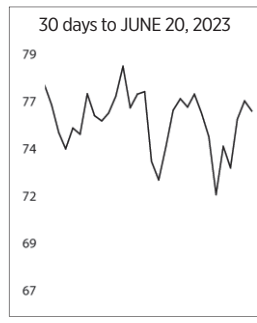
DOLLARS PER BBL

NEW YORK-WTI (JULY CONTRACT)



DOLLARS PER BBL

LONDON-BRENT (AUGUST CONTRACT)



DOLLARS PER BBL

Source: REUTERS

factory sectors were struggling to sustain momentum from earlier this year.

An expert at China National Petroleum's research arm said China's crude demand will grow less than previously expected as strong interest for electric vehicles weighs on gasoline use.

China's fuel oil imports dipped in May after hitting a decade high in April, while exports of low-sulphur marine fuels rose, General Administration of Customs data showed.

The Chinese government met last week to discuss measures to spur economic growth and several major banks cut their 2023 economic growth

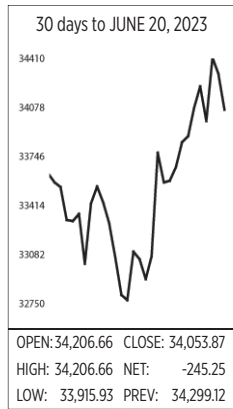
forecasts for China amid fears that its post-COVID-19 recovery is faltering.

Analysts at Eurasia Group, a consultancy, said "Demand growth may get a boost in the second half if Beijing introduces new stimulus measures to bolster economic expansion."

On the supply side, Iran's crude exports and oil output have hit new highs this year despite US sanctions.

Russia is also set to increase seaborne diesel and gas oil exports this month, outweighing cuts by the Organization of the Petroleum Exporting Countries (OPEC) and allies including Russia itself. — Reuters

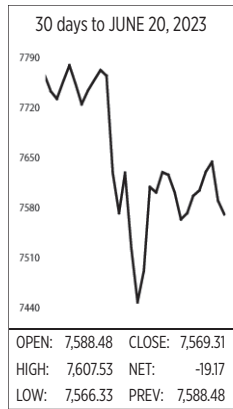
DOW JONES



NASDAQ COMPOSITE



FTSE



## New York bourse closes lower, pausing rally as Powell testimony looms

NEW YORK — US stocks softened on Tuesday, closing in negative territory as investors began the holiday-shortened week by taking profits in the wake of a sustained rally amid signs of weakening global demand.

Fed Chair Jerome Powell's congressional testimony Wednesday could be a potential market mover.

All three major US equity indexes ended the session in the red but off session lows, with oil super-majors Exxon Mobil Corp. and Chevron Corp. weighing on the S&P 500 and the Dow.

The broad sell-off comes on the heels of the Nasdaq's longest weekly winning streak since March 2019, and the S&P 500's longest since November 2021.

Including Tuesday's loss, the benchmark S&P 500 has advanced 14.3% so far this year.

Investors now look to Mr. Powell's two-day testimony before Congress, starting with the US House Financial Services Committee on Wednesday, which will be scrutinized for clues regarding how long the central bank will keep its restrictive policy in place.

Concerns over slowing global demand loomed larger after

China cut its lending benchmarks to jump start sluggish demand, which offset a 21.7% surge in housing starts, the largest monthly jump in thirty years.

The Dow Jones Industrial Average fell 245.25 points or 0.72% to 34,053.87; the S&P 500 lost 20.88 points or 0.47% to 4,388.71; and the Nasdaq Composite dropped 22.28 points or 0.16% to 13,667.29. Of the 11 major sectors of the S&P 500, all but consumer discretionary stocks ended in negative territory.

Energy shares suffered the largest percentage drop, falling 2.3% in the sector's biggest daily drop in over a month, as signs of weakening Chinese demand sent crude prices sliding.

Declining issues outnumbered advancing ones on the NYSE by a 2.23-to-1 ratio; on Nasdaq, a 1.63-to-1 ratio favored decliners.

The S&P 500 posted 14 new 52-week highs and no new lows; the Nasdaq Composite recorded 68 new highs and 87 new lows.

Volume on US exchanges was 11.15 billion shares, compared with the 11.36 billion average for the full session over the last 20 trading days. — Reuters

## Gold bullion slides on strong US housing data, firmer dollar

GOLD retreated on Tuesday on strong US housing starts data and a firmer dollar, while traders looked to US Federal Reserve Chair Jerome Powell's testimony on Capitol Hill for cues on the interest rate trajectory.

Spot gold down 0.7% at \$1,936.98 per ounce by 14:26 EDT (1826 GMT), after dropping as much as 1% earlier in the session.

US gold futures settled 1.2% lower at \$1,947.7.

US single-family homebuilding surged in May to its highest in more than a year.

The "blowout number" has weighed on the gold market, which was already "relatively weak after the last interest rate decision," said Daniel Pavilonis, senior market strategist, RJO Futures.

"The war in Ukraine seems relatively contained, supply chains are easing, interest rates are normalized, stock market is high, so what do you need to own so much gold for?... Ultimately, I think gold's done for a little while," Mr. Pavilonis added.

The dollar index rose 0.1%, making bullion less attractive for holders of other currencies.

Commerzbank analysts lowered their gold price estimate for the second half of 2023 by \$50 to \$2,000 per ounce, seeing another rate hike by the Fed in July and no rate cuts until the second quarter next year.

Higher interest rates increase the opportunity cost of holding non-yielding bullion.

Traders see a 74.4% chance of a 25-basis-point rate hike in July, with rate cuts expected only when 2024 begins, according to CME's Fedwatch tool.

Markets await Fed Chair Powell's testimony on Wednesday on twice-yearly reports to Congress on the state of monetary policy, which says inflation in key parts of the US service industry "remains elevated and has not shown signs of easing."

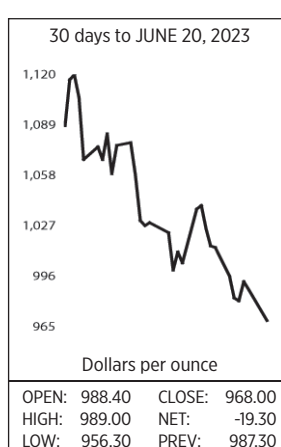
Spot silver dropped 3.2% to \$23.16 per ounce, its lowest in three weeks. Platinum was down 1.4% at \$961.89, having hit its lowest since March 29 earlier.

Palladium dropped 1.7% to \$1,383.40. — Reuters

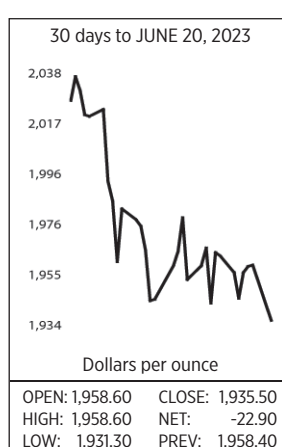
### US COMMODITY FUTURES

Source: REUTERS  
TUESDAY, JUNE 20, 2023

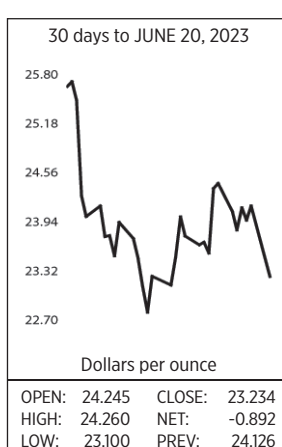
PLATINUM (JULY CONTRACT)



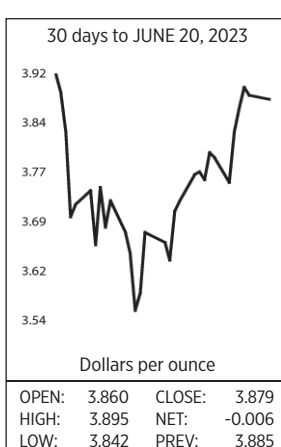
GOLD (JUNE CONTRACT)




SILVER (JULY CONTRACT)



COPPER (JUNE CONTRACT)





Republika ng Pilipinas  
**LUNGSOD NG MAKATI**  
SANGGUNIANG PANLUNGSOD OF MAKATI

**PRESENT:**

Councilor	HON. VIRGILIO V. HILARIO, JR. – Temporary Presiding Officer
Councilor	HON. DENNIS B. ALMARIO
Councilor	HON. MARIA DOLORES M. ARAYON
Councilor	HON. MARTIN JOHN PIO Q. ARENAS
Councilor	HON. SHIRLEY C. ASPILLAGA
Councilor	HON. BENEDICT B. BANIQUED
Councilor	HON. ARNOLD J. CRUZ
Councilor	HON. EDRALYN M. MARQUEZ
Councilor	HON. CARMINA C. ORTEGA
Councilor	HON. ARMANDO P. PADILLA
Councilor	HON. RENE ANDREI Q. SAGUISAG, JR.
Councilor	HON. KRISTINA T. SAROSA
Councilor	HON. JOSE C. VILLENA, IV
LnB President	HON. MARIBEL F. VITALES
SK President	HON. RODOLFO C. SAN PEDRO, JR.

**N.B.**

Vice Mayor	HON. MONIQUE YAZMIN MARIA Q. LAGDAMEO – Acting City Mayor
Councilor	HON. JOEL M. ARIONES – Sick Leave
Councilor	HON. LUIS S. JAVIER, JR. – Sick Leave
Councilor	HON. ANNA ALCINA M. YABUT – Vacation Leave

**ALSO IN ATTENDANCE:**

Secretary to the Sanggunian	ATTY. DINDO R. CERVANTES
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Upon motion of Hon. C.C. Ortega, duly seconded, the Sangguniang Panlungsod of Makati, by a unanimous vote, approved City Ordinance No. 2023-113 on third and final reading.

**CITY ORDINANCE NO. 2023-113**

Authors: Hon. A.P. Padilla, Hon. R.A.Q. Saguisag, Jr., Hon. D.B. Almario, Hon. B.B. Baniqued, Hon. V.V. Hilario, Jr., Hon. M.F. VITALES, Hon. R.C. San Pedro, Jr., Hon. J.M. Ariones, Hon. A.J. Cruz and Hon. C.C. Ortega

Co-Authors: Hon. M.D.M. Arayon, Hon. M.J.P.Q. Arenas, Hon. E.M. Marquez, Hon. K.T. Sarosa and Hon. J.C. Villena, IV

**AN ORDINANCE DECLARING THE ANNUAL BUDGET FOR C.Y. 2023 OF BARANGAY TEJEROS TO BE IN CONFORMITY WITH EXISTING LAWS, RULES, AND REGULATIONS.**

**WHEREAS**, Section 333 (a) of R.A. 7160, otherwise known as the Local Government Code of 1991, provides that the Sangguniang Panlungsod shall have the power to review barangay ordinances which relate to barangay budgets for the purpose of ensuring that the provisions of the aforementioned law are complied with;

**WHEREAS**, the Sangguniang Barangay of Tejeros, by virtue of Barangay Appropriation Ordinance No. 2023-001, approved its Annual Budget for C.Y. 2023, a copy of such barangay ordinance, including its supporting documents, is hereto attached and made an integral part hereof as **Annex "A"**;

**WHEREAS**, the Honorable Members of the Sangguniang Panlungsod of Makati extensively reviewed the subject annual budget;

**WHEREAS**, after careful perusal of available documents, it was ruled by the Members of the Sangguniang Panlungsod of Makati that the proposed Annual Budget for C.Y. 2023 of Barangay Tejeros is compliant with the minimum requirements as prescribed by existing laws, rules, and regulations; hence, this Ordinance.

**NOW, THEREFORE, BE IT ENACTED, AS IT IS HEREBY ENACTED BY THE SANGGUNIANG PANLUNGSOD OF MAKATI, METRO MANILA, BY THE POWERS VESTED IN IT BY LAW, IN SESSION ASSEMBLED, that:**

**Section 1.** The Annual Budget for C.Y. 2023 of Barangay Tejeros is hereby declared to be in conformity with existing laws, rules, and regulations.

**Section 2.** The *Certification* issued by the Budget Department dated 5 June 2023, which attests that the Annual Budget for C.Y. 2023 of Barangay Tejeros substantially complies with the provisions of pertinent laws, rules, and regulations, is hereby adopted *in toto*, a copy of such *Certification* is hereto attached and made an integral part hereof as **Annex "B"**;

**Section 3.** The provisions of this Ordinance are hereby deemed separable. If any provision hereof should be declared invalid or unconstitutional, the remaining provisions shall remain in full force and effect.


**Section 4.** All ordinances, resolutions, and executive orders which are inconsistent with any of the provisions of this Ordinance are hereby repealed or modified accordingly.

**Section 5.** Let a copy of this Ordinance be furnished to the Office of the Mayor, Office of the City Administrator, Law Department, Budget Department, Accounting Department, Urban Development Department, Department of the Interior and Local Government (DILG)-Makati City, Liga ng mga Barangay, Sangguniang Barangay of Tejeros and other departments, offices, and agencies concerned for their information, guidance, and reference.

**Section 6.** This Ordinance shall take effect immediately upon its approval.

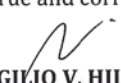
**ENACTED BY THE SANGGUNIANG PANLUNGSOD OF MAKATI, METRO MANILA**, in its Regular Session held on 14 June 2023.

Attested by:



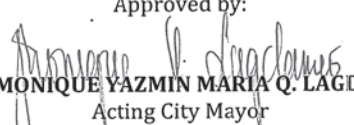
ATTY. DINDO R. CERVANTES  
Secretary to the Sangguniang Panlungsod

Certified true and correct by:



HON. VIRGILIO V. HILARIO, JR.  
Temporary Presiding Officer  
Member, Sangguniang Panlungsod

Approved by:



HON. MONIQUE YAZMIN MARIA Q. LAGDAMEO  
Acting City Mayor

Date of Approval: JUN 14 2023