

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																					
PSEi OPEN: 6,475.66 HIGH: 6,579.04 LOW: 6,475.66 CLOSE: 6,578.49 VOL: 0.510 B VAL(P): 6.039 B ▲ 111.64 PTS. ▲ 1.72% 30 DAYS TO JULY 13, 2023	JULY 13, 2023 <table border="1"> <tr><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (NIKKEI 225)</td><td>32,419.33</td><td>▲ 475.40 1.49</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>19,350.62</td><td>▲ 489.67 2.60</td></tr> <tr><td>TAIWAN (WEIGHTED)</td><td>17,061.40</td><td>▲ 99.37 0.59</td></tr> <tr><td>THAILAND (SET INDEX)</td><td>1,494.79</td><td>▲ 3.65 0.24</td></tr> <tr><td>S. KOREA (KSE COMPOSITE)</td><td>2,591.23</td><td>▲ 16.51 0.64</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,240.08</td><td>▲ 64.72 2.04</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>7,246.90</td><td>▲ 111.20 1.56</td></tr> <tr><td>MALAYSIA (KLSE COMPOSITE)</td><td>1,396.23</td><td>▼ -1.83 -0.13</td></tr> </table>	CLOSE	NET	%	JAPAN (NIKKEI 225)	32,419.33	▲ 475.40 1.49	HONG KONG (HANG SENG)	19,350.62	▲ 489.67 2.60	TAIWAN (WEIGHTED)	17,061.40	▲ 99.37 0.59	THAILAND (SET INDEX)	1,494.79	▲ 3.65 0.24	S. KOREA (KSE COMPOSITE)	2,591.23	▲ 16.51 0.64	SINGAPORE (STRAITS TIMES)	3,240.08	▲ 64.72 2.04	SYDNEY (ALL ORDINARIES)	7,246.90	▲ 111.20 1.56	MALAYSIA (KLSE COMPOSITE)	1,396.23	▼ -1.83 -0.13	JULY 12, 2023 <table border="1"> <tr><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>34,347.430 ▲ 86.010</td></tr> <tr><td>NASDAQ</td><td>13,918.963 ▲ 158.264</td></tr> <tr><td>S&P 500</td><td>4,472.160 ▲ 32.900</td></tr> <tr><td>FTSE 100</td><td>7,416.110 ▲ 133.590</td></tr> <tr><td>Euro Stoxx50</td><td>3,935.500 ▲ 53.350</td></tr> </table>	CLOSE	NET	Dow Jones	34,347.430 ▲ 86.010	NASDAQ	13,918.963 ▲ 158.264	S&P 500	4,472.160 ▲ 32.900	FTSE 100	7,416.110 ▲ 133.590	Euro Stoxx50	3,935.500 ▲ 53.350	FX OPEN P54.600 HIGH P54.460 LOW P54.670 CLOSE P54.510 W.AVE. P54.568 VOL. \$1,407.80 M SOURCE: BAP ▲ 42.00 CTVS 30 DAYS TO JULY 13, 2023	JULY 13, 2023 <table border="1"> <tr><th>LATEST BID (0900GMT)</th><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>138.400 ▲ 139.610</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.823 ▲ 7.829</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>30.963 ▲ 31.264</td></tr> <tr><td>THAILAND (BAHT)</td><td>34.520 ▲ 34.910</td></tr> <tr><td>S. KOREA (WON)</td><td>1,269.630 ▲ 1,289.400</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.325 ▲ 1.338</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>14,965 ▲ 15,075</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.585 ▲ 4.648</td></tr> </table>	LATEST BID (0900GMT)	PREVIOUS	JAPAN (YEN)	138.400 ▲ 139.610	HONG KONG (HK DOLLAR)	7.823 ▲ 7.829	TAIWAN (NT DOLLAR)	30.963 ▲ 31.264	THAILAND (BAHT)	34.520 ▲ 34.910	S. KOREA (WON)	1,269.630 ▲ 1,289.400	SINGAPORE (DOLLAR)	1.325 ▲ 1.338	INDONESIA (RUPIAH)	14,965 ▲ 15,075	MALAYSIA (RINGGIT)	4.585 ▲ 4.648	JULY 13, 2023 <table border="1"> <tr><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.3047 ▲ 1.2930</td></tr> <tr><td>US\$/EURO</td><td>1.1164 ▲ 1.1024</td></tr> <tr><td>US\$/AUSTRALIAN DOLLAR</td><td>0.6846 ▲ 0.6691</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.3155 ▼ 1.3207</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.8627 ▼ 0.8779</td></tr> </table>	CLOSE	PREVIOUS	US\$/UK POUND	1.3047 ▲ 1.2930	US\$/EURO	1.1164 ▲ 1.1024	US\$/AUSTRALIAN DOLLAR	0.6846 ▲ 0.6691	CANADA DOLLAR/US\$	1.3155 ▼ 1.3207	SWISS FRANC/US\$	0.8627 ▼ 0.8779	FUTURE PRICE ON NEAREST MONTH OF DELIVERY \$79.94/BBL ▲ \$1.14 30 DAYS TO JULY 12, 2023
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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JULY 13, 2023 (PSEi snapshot on S1/4; article on S2/2)

JFC	P253.000	BDO	P148.000	BPI	P112.600	ALI	P24.950	SM	P931.000	ICT	P205.000	GLO	P1,881.000	GTCAP	P520.000	SMPH	P33.100	AC	P619.000
Value	P746,004,332	Value	P679,483,144	Value	P317,693,854	Value	P300,373,215	Value	P275,186,985	Value	P214,233,844	Value	P206,231,140	Value	P190,632,190	Value	P173,808,605	Value	P164,724,150
P9.400	▲ 3.859%	P6.000	▲ 4.225%	P1.700	▲ 1.533%	P0.200	▲ 0.808%	P20.500	▲ 2.252%	P2.600	▲ 1.285%	P56.000	▲ 3.068%	P21.000	▲ 4.208%	P0.350	▲ 1.069%	P5.500	▲ 0.896%

Wage hike unlikely to stoke inflation

Marcos signals more liberal economic measures

By Kyle Aristophere T. Atienza
Reporter

PRESIDENT Ferdinand R. Marcos, Jr. on Thursday gave strong indications that his administration would pursue more liberal economic reforms, saying the Philippines' "wealth" should be defined by the amount of trade it pursued.

"We cannot continue to hide behind protectionist laws and protectionist policies," he said at the launch of the green lanes for strategic investments, based on a transcript from the presidential palace. "No country ever got wealthy by following a protectionist policy."

Mr. Marcos, who had vowed to protect the domestic agriculture sector against price competition from imports, said the "wealth of a nation is defined by the amount of trade that it has gone [through]."

"We can look back many centuries and it has always been trade that has been the key to the wealth of any nation, of any system, of any economic system," he said.

Early in his term, Mr. Marcos vowed to protect the agriculture sector by, among others, limiting imports as much as possible.

He had underscored the need for the Philippines to boost domestic industries amid global uncertainties, citing the impact of the conflict between Russia and Ukraine on food and energy security.

But that promise has yet to be fulfilled as the country ramps up food imports in response to supply shortages and price increases.

In May, Mr. Marcos approved the importation of at least 150,000 metric tons of the sugar, citing possible supply shortage. Sugar prices have soared to as much as P130 per kilogram.

Liberalization has been the default economic policy in the country since the 1980s — the years when the late president Ferdinand E. Marcos ruled the country — until today, said Joseph M. Purugganan, convener of Trade Justice Pilipinas.

He noted that Philippine tariff rates have "gone down so much already to almost zero" for most commodities.

"The issue consistently raised by Trade Justice advocates is whether trade and investment liberalization has not worked for us, particularly for the working class," he said in a Facebook Messenger chat.

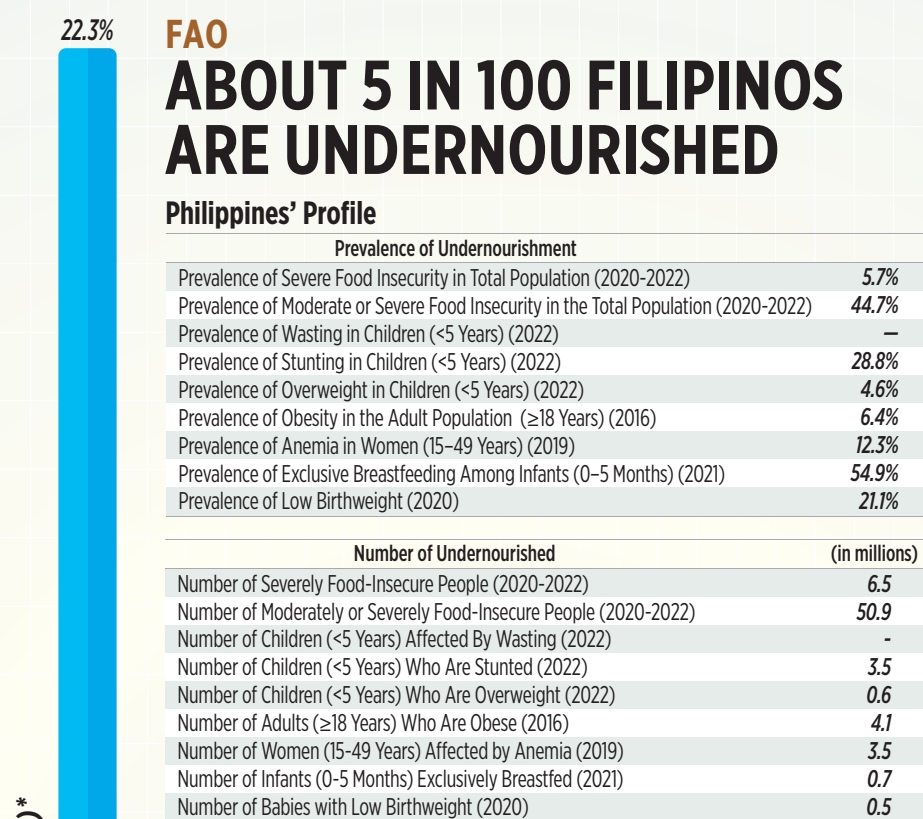
Under the younger Marcos' administration, the Philippines ratified the Regional Comprehensive Economic Partnership (RCEP), the world's largest free trade deal.

RCEP, which covers nearly a third of the global population and about 30% of its global gross domestic product, took effect locally on June 2.

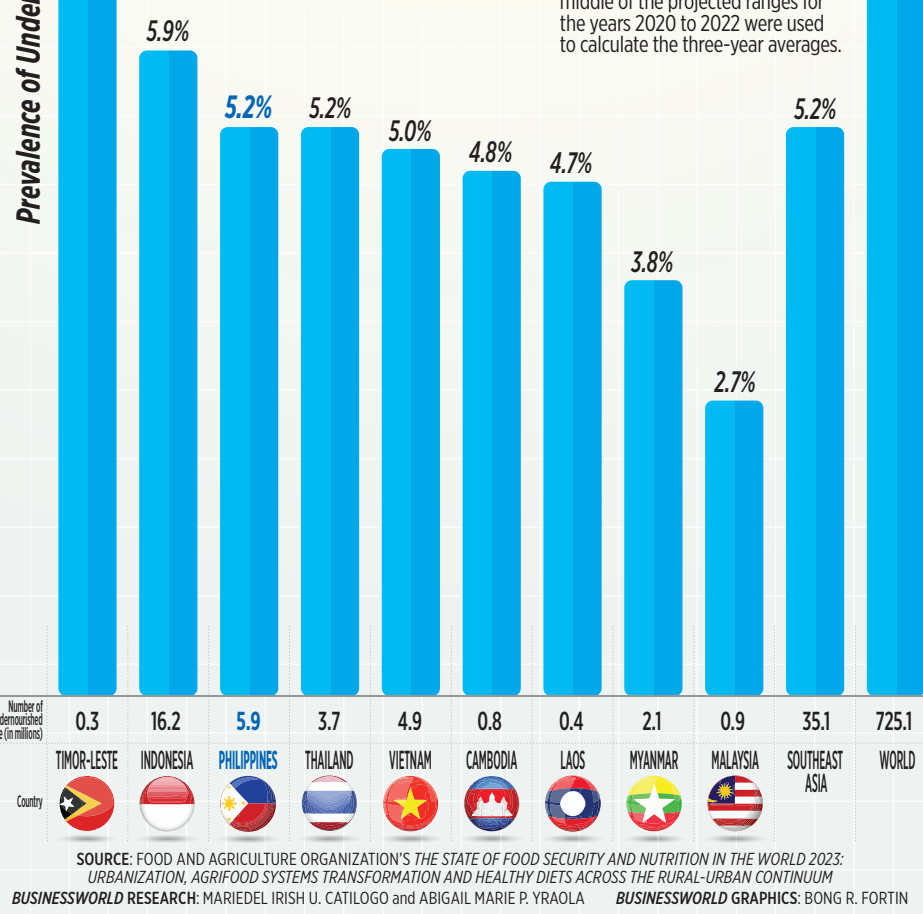
"The recent debates over RCEP, for example, has shown that the agriculture sector — farmers and fishers — are of the view that trade liberalization has not worked for them," Mr. Purugganan said, "and the promised benefits from joining the World Trade Organization, and other free trade agreements (FTAs) has not materialized."

The Marcos administration is seeking to enter into an FTA with the European Union. The United States, on the other hand, is not keen on having the same trade deal with the Philippines.

Marcos, S1/10



Prevalence of Undernourishment in the Total Population of Select Southeast Asian Countries (2020-2022)*



By Keisha B. Ta-asan
Reporter

THE P40 INCREASE in the daily minimum wage in the National Capital Region (NCR), which will take effect on Sunday (July 16), is unlikely to drive inflation beyond the central bank's target band, the National Economic and Development Authority (NEDA) said.

"We estimate that the inflationary impact from the approved wage order would be minimal and is unlikely to push inflation above the central bank's (2-4%) target range," the NEDA told *BusinessWorld* via e-mail.

The National Capital Region Tripartite Wages and Productivity Board approved a P40 wage hike in NCR, bringing the daily minimum wage to P610 for workers outside the agriculture sector.

The minimum wage was also increased to P573 for those in the agriculture sector, service retail establishments with 15 or fewer workers and manufacturing companies with less than 10 workers.

Headline inflation slowed for a fifth straight month in June to 5.4% from 6.1% in May, as food and transport prices eased. Year-to-date inflation settled at 7.2%.

The BSP sees inflation returning to the 2-4% target range by October before averaging 5.4% this year.

However, NEDA said that a wage hike without an increase in labor productivity may drive up production costs that would be passed on to consumers through higher prices of goods and services.

It also noted that a wage hike in NCR would usually lead to other regions following suit, "which may amplify the overall economic impact."

"Nevertheless, a modest wage increase that takes into account region-specific economic conditions and is complemented by improvements in labor productivity will result in moderate inflationary pressure," the NEDA said.

Former BSP Deputy Governor Diwa C. Guinigundo said the P40 a day wage adjustment is "paltry," but may trigger second-round effects.

Wage hike, S1/9

FX volatility has no long-term negative impact on PHL growth

EXCHANGE RATE volatility does not appear to have a long-term negative impact on Philippine economic growth, a study by the Bangko Sentral ng Pilipinas (BSP) showed.

In a discussion paper titled "Does Exchange Rate Volatility Matter for Economic Growth," BSP researchers said exchange rate volatility can lower growth in some economies like the Philippines, but only in the short term.

"In the short run, exchange rate volatility exerts a negative impact on some economies and a positive impact on others. A percentage change in exchange rate volatility decreases economic growth by about 0.14%

in China, 0.19% in Singapore, and 0.4% in the Philippines," the BSP researchers said.

The study tackled the effects of volatility in the foreign exchange (FX) markets of 11 Asia-Pacific economies from 2002 to 2022.

However, this negative impact on economic growth in China, the Philippines, and Singapore dissipated in the long run, BSP researchers said.

"This may imply that measures used by these economies to respond to exchange rate volatility could be effective and that other factors are more important for economic growth in the long run," they said.

FX, S1/10

Nearly 51M Filipinos face food insecurity — UN report

NEARLY 51 MILLION Filipinos faced moderate or severe food insecurity in 2020 to 2022, the highest number in Southeast Asia, according to a United Nations (UN) report.

The UN's latest State of Food Security and Nutrition in the World report showed there were 50.9 million people who did not have constant access to adequate food in the Philippines in 2022.

The Philippines had the highest number of moderately or severely food-insecure in the region, accounting for almost half of the 110.9 million total in Southeast Asia.

Myanmar ranked second in the region with 15.8 million, followed by Indonesia (13.4 million), Vietnam (8.7 million), and Cambodia (8.5 million).

However, the prevalence of moderate or severe food security in the total population stood at 44.7% in the Philippines, the second highest in the region after Cambodia (51.1%). It was also much higher than the 16.4% average in Southeast Asia.

The UN report found that around 29.6% of the global population, equivalent to 2.4 billion people, did not have constant access to food, as measured by the prevalence of moderate or severe food insecurity. Of this figure, around 900 million individuals faced severe food insecurity.

The UN report also noted that over 122 million more people are facing hunger in the world since 2019 due to the pandemic, weather shocks and conflicts.

Food, S1/10



THE ECONOMY
Green energy auction award revised down to 3,440 MW S1/2

OPINION
Irony in deficit and debt sustainability S1/6

WORLD BUSINESS
Global public debt hits record \$92 trillion in 2022 — UN report S1/8



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