

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEI OPEN: 6,604.91 HIGH: 6,610.89 LOW: 6,550.76 CLOSE: 6,550.76 VOL.: 0.554 B VAL(P): 2.988 B 74.03 pts. 1.11% 30 DAYS TO JULY 17, 2023	JULY 17, 2023 JAPAN (NIKKEI 225) * 32,391.26 ▼ -28.07 -0.09 HONG KONG (HANG SENG) * 19,413.78 ▲ 63.16 0.33 TAIWAN (TAIEX) 17,334.29 ▲ 50.58 0.29 THAILAND (SET INDEX) 1,529.69 ▲ 11.77 0.78 S. KOREA (KOSPI) 2,619.00 ▼ -9.30 -0.35 SINGAPORE (STRAITS TIMES) 3,249.30 ▲ 0.67 0.02 SYDNEY (ALL ORDINARIES) 7,298.50 ▼ -4.60 -0.06 MALAYSIA (KLSE COMPOSITE) 1,406.10 ▼ -5.99 -0.42 <small>* CLOSING PRICE AS OF JULY 14, 2023</small>	JULY 14, 2023 DOW JONES 34,509.030 ▲ 113.890 NASDAQ 14,113.703 ▼ -24.867 S&P 500 4,505.420 ▼ -4.620 FTSE 100 7,434.570 ▼ -5.640 EURO STOXX50 3,963.460 ▲ 3.810	FX OPEN P54.440 HIGH P54.300 LOW P54.510 CLOSE P54.380 W.AVE. P54.416 VOL. \$977.40 M SOURCE: BAP 2.00 CTVS 30 DAYS TO JULY 17, 2023	JULY 17, 2023 LATEST BID (0900GMT) JAPAN (YEN) 138.450 ▲ 138.730 HONG KONG (HK DOLLAR) 7.813 ▲ 7.814 TAIWAN (NT DOLLAR) 31.026 ▲ 30.955 THAILAND (BAHT) 34.630 ▲ 34.590 S. KOREA (WON) 1,266.040 ▲ 1,268.310 SINGAPORE (DOLLAR) 1.321 — 1.321 INDONESIA (RUPIAH) 15,000 ▲ 14,955 MALAYSIA (RINGGIT) 4.534 ▼ 4.523	JULY 17, 2023 US\$/UK POUND 1.3088 ▼ 1.3090 US\$/EURO 1.1236 ▼ 1.1227 US\$/AUSTRALIAN DOLLAR 0.6812 ▼ 0.6837 CANADA DOLLAR/US\$ 1.3219 ▼ 1.3216 SWISS FRANC/US\$ 0.8585 ▼ 0.8617	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$81.94/BBL 30 DAYS TO JULY 14, 2023

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JULY 17, 2023 (PSEi snapshot on SI/3; article on SI/2)

BPI	P116.000	BDO	P144.800	MER	P349.600	ALI	P25.450	TEL	P1,305.000	JFC	P250.000	ICT	P205.000	SM	P925.000	WLCN	P24.500	AP	P35.650
Value	P249,857,538	Value	P205,950,508	Value	P205,686,870	Value	P143,530,465	Value	P129,729,640	Value	P120,124,074	Value	P118,344,802	Value	P116,739,430	Value	P114,332,240	Value	P103,644,445
P1.000	▲ 0.870%	-P3.000	▼ -2.030%	P9.600	▲ 2.824%	-P0.250	▼ -0.973%	P0.000	— 0.000%	-P4.200	▼ -1.652%	-P4.000	▼ -1.914%	-P21.500	▼ -2.272%	P0.500	▲ 2.083%	-P1.100	▼ -2.993%

Cash remittances up 2.8% in May

Economy can still handle more rate hikes, say analysts

THE PHILIPPINE ECONOMY will likely be able to handle further monetary tightening by the Bangko Sentral ng Pilipinas (BSP) as domestic demand remains resilient, analysts said.

This as BSP Governor Eli M. Remolona signaled the possibility of further monetary tightening, adding that it is "premature" to discuss rate cuts as inflation is still beyond the 2-4% target band.

"We want to be well into the target range first before we consider anything like a rate cut. It could depend on how weak the economy is, or how strong the economy is. But we will see," Mr. Remolona said in an interview with Bloomberg Television's Kathleen Hays in Toronto aired on Monday.

Inflation eased to a 14-month low of 5.4% in June. However, this still exceeded the BSP's 2-4% target range for the 15th consecutive month.

For the first six months of the year, headline inflation stood at 7.2%, still above the central bank's 5.4% full-year forecast.

"If our tightening has worked, it might have worked more effectively than we thought, then we have to wonder if there's a risk of recession. Then we might consider a rate cut," Mr. Remolona said.

Last month, the BSP kept its benchmark interest rate unchanged for a second meeting at 6.25%. The Monetary Board has raised borrowing costs by 425 basis points (bps) from May 2022 to March 2023.

Economy, SI/9

Canadian firms keen to invest in PHL

CANADIAN PENSION FUNDS and other financial institutions are keen on investing in the Philippines, the Department of Finance (DoF) said.

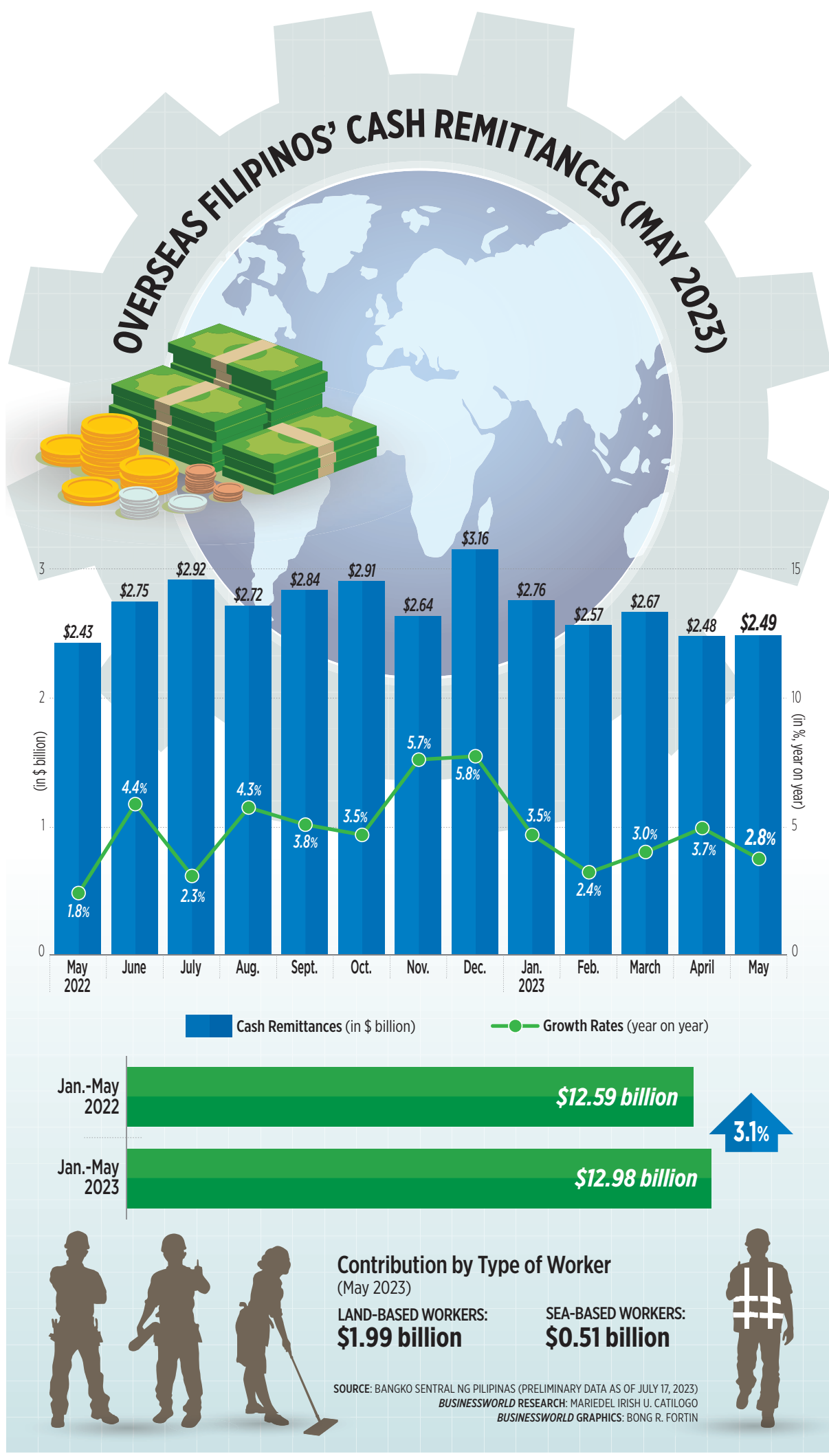
"The Philippines has a very interesting story to tell. The meetings we had in New York and Toronto gave us the opportunity to share with current and potential investors the country's robust growth outlook and the engines that will drive this growth, such as the recently reopened mining industry, the rebound of tourism, and the ambitious 'Build, Better, More' program," Finance Secretary Benjamin E. Diokno said in a statement.

Mr. Diokno and the rest of the economic team were in the United States and Canada last week where they met representatives from fixed-income and infrastructure funds, institutional investors, development finance institutions, mining companies, and asset management companies.

The DoF said several funds such as FinDev Canada, Ontario Teachers' Pension Plan, OPTrust, Ontario Municipal Employees Retirement System, Healthcare of Ontario Pension Plan, as well as investment management firms Black Creek and Vanguard were looking at investing in the Philippines.

These firms showed "keen interest in the Philippines' public-private partnership (PPP) opportunities in infrastructure, investments in sustainability and energy transition, and sovereign issuances in the pipeline," it noted.

Canadian, SI/9



CASH SENT HOME by overseas Filipino workers (OFWs) rose to a two-month high in May, data from the Bangko Sentral ng Pilipinas (BSP) showed.

The BSP in a statement on Monday said cash remittances coursed through banks jumped by 2.8% to \$2.49 billion in May from \$2.43 billion a year ago.

The amount of cash sent home by OFWs in May was the highest since March when remittances hit \$2.67 billion.

However, the 2.8% growth in remittances was the slowest in three months or since 2.4% in February.

"The expansion in cash remittances in May 2023 was due to the growth in receipts from land- and sea-based workers," the BSP said.

Land-based OFWs sent \$1.99 billion in remittances in May, up by 2.9% from \$1.93 billion in the same month last year.

Remittances from sea-based workers, on the other hand, rose by 2.4% to \$506 million from \$494 million a year ago.

"We think that continued growth in remittances was helped by slowing inflation in host countries, which gave overseas Filipinos more disposable income to send home," China Banking Corp. Domini S. Velasquez said in a Viber message.

She also noted improvements in digital banking services and platforms likely encouraged OFWs to send more money home.

For the first five months of the year, cash remittances grew by 3.1% year on year to \$12.98 billion.

The expansion in cash remittances during the January-to-May period was mainly driven by inflows from the United States, Singapore, and Saudi Arabia.

Nearly half or 41% of the overall remittances came from workers in the United States, followed by Singapore, Saudi Arabia, Japan, the United Kingdom, the United Arab Emirates, Canada, South Korea, Qatar, and Taiwan.

Remittances from the top 10 countries accounted for 79.5% of the total during the five-month period.

Meanwhile, personal remittances, which include inflows in kind, went up by 2.9% year on year to \$2.78 billion in May.

In the first five months of the year, personal remittances jumped by 3.1% to \$14.46 billion.

ING Bank N.V. Manila Senior Economist Nicholas Antonio T. Mapa said he expects remittances to grow close to 3% for the rest of the year.

Remittances, SI/9

FUEL PRICE TRACKER

(week-on-week change)

Fuel Type	July 4	July 11	July 18
GASOLINE	P0.70	P0.20	P1.90
DIESEL	P0.70	P0.75	P2.10
KEROSENE	P0.85	P0.50	P1.80

- July 18, 12:01 a.m. — Caltex Philippines
- July 18, 6 a.m. — Petron Corp.; Phoenix Petroleum; Pilipinas Shell Petroleum Corp.; PTT Philippines Corp.; Seaoil Philippines, Inc.
- July 18, 8:01 a.m. — Cleanfuel (Shaw Autogas, Inc.)

Philippine government seeks 2 loans from Beijing's AIIB

THE PHILIPPINES is seeking two loans, worth over \$900 million in total, from Beijing-based Asian Infrastructure Investment Bank (AIIB) to finance the Manila Metro Rail Transit Line 4 (MRT-4) project and a program that will support the economy's post-pandemic recovery.

In a document on its website, the AIIB said the Philippines is seeking a \$537.4-million loan that will fund the construction of a high-capacity mass transit railway system serving the eastern part of Metro Manila.

The MRT-4 will cover 12.7 kilometers from the Epifanio de los Santos Avenue (EDSA) Ortigas Ave. junction to Taytay, Rizal. It will have 10 stations.

The project is aimed at improving urban mobility and reducing greenhouse gas emissions. Once operational, the MRT-4 is expected to serve more than

400,000 passengers daily, the Transportation department said earlier.

AIIB said the loan will be up for final review by the fourth quarter.

The first phase of the MRT-4 project is jointly co-financed by the AIIB and the Asian Development Bank (ADB).

Data from the ADB website showed that the project is expected to be fully operational by 2028.

The ADB also earlier said the project is expected to reduce travel time from Taytay to the Ortigas central business district to less than half an hour by rail.

Meanwhile, the Philippines is also seeking a \$400-million policy-based loan from the AIIB to support tax reforms as the country recovers from the pandemic.

The proposed Domestic Resource Mobilization program also aims to ramp up the digitalization of tax administration

and strengthen international tax cooperation.

The Philippines seeks to sustain public spending for recovery by creating the legal frameworks for tax policies. This includes three critical tax reform laws — the proposed value-added tax on digital transactions, the carbon emission trading system, and the Ease of Paying Taxes bill.

It also sought an executive order that mandates tax agencies to adopt secure digital modes of revenue collection, as well as adopt a competency framework for local treasurers.

The Philippine government is also looking to use the loan proceeds to fund the Bureau of the Internal Revenue's (BIR) digital transformation initiative.

"It focuses on operationalizing the Internal Revenue Integrated System to enable the BIR to use taxpayer data systemati-

cally to enhance gender-sensitive taxpayer services; establishing a Data Analytics Unit to undertake data analytics for promoting taxpayer compliance, and formulating sex-differentiated tax policies, and strengthening tax audit functions," it said.

The loan will also finance measures to advance international tax cooperation, such as implementing a gender-responsive international tax competency program and introducing tax transparency standards, among others.

The program is also co-financed by the ADB, while the loan is set to be reviewed by the fourth quarter.

In 2021, the AIIB was the Philippines' fourth-largest source of official development assistance (ODA), with loans and grants amounting to \$1.5 billion or 4.68% of total ODA. — **Luisa Maria Jacinta C. Jocson**