

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
<b>PSEi</b> OPEN: 6,620.03 HIGH: 6,689.04 LOW: 6,620.03 CLOSE: 6,647.56 VOL.: 0.776 B VAL(P): 8.746 B 34.06 pts. 0.51% 30 DAYS TO JULY 21, 2023	<b>JULY 21, 2023</b> JAPAN (NIKKEI 225) 32,304.25 ▲ -186.27 -0.57 HONG KONG (HANG SENG) 19,075.26 ▲ 147.24 0.78 TAIWAN (TAIEX) 17,030.70 ▲ -134.19 -0.78 THAILAND (SET INDEX) 1,529.25 ▲ 8.07 0.53 S. KOREA (KSE COMPOSITE) 2,609.76 ▲ 9.53 0.37 SINGAPORE (STRAITS TIMES) 3,278.30 ▲ 3.92 0.12 SYDNEY (ALL ORDINARIES) 7,313.90 ▼ -11.10 -0.15 MALAYSIA (KLCSE COMPOSITE) 1,413.52 ▲ 6.83 0.49	<b>JULY 21, 2023</b> DOW JONES 35,227.690 ▲ 2.510 NASDAQ 14,032.805 ▼ -30.502 S&P 500 4,536.340 ▲ 1.470 FTSE 100 7,663.730 ▲ 17.680 EURO STOXX50 3,997.990 ▲ 22.730	<b>FX</b> OPEN P54.680 HIGH P54.560 LOW P54.760 CLOSE P54.755 W.AVE. P54.669 VOL. \$1,173.85 M SOURCE: BAP 23.50 ctyvs 30 DAYS TO JULY 21, 2023	<b>JULY 21, 2023 LATEST BID (0900GMT)</b> JAPAN (YEN) 141.790 ▼ 139.360 HONG KONG (HK DOLLAR) 7.817 ▼ 7.812 TAIWAN (NT DOLLAR) 31.322 ▼ 31.080 THAILAND (BAHT) 34.400 ▼ 34.000 S. KOREA (WON) 1,286.190 ▼ 1,272.290 SINGAPORE (DOLLAR) 1.330 ▼ 1.322 INDONESIA (RUPIAH) 15,020 ▼ 14,985 MALAYSIA (RINGGIT) 4.557 ▼ 4.545	<b>JULY 21, 2023</b> US\$/UK POUND 1.2855 ▼ 1.2913 US\$/EURO 1.1123 ▼ 1.1210 US\$/AUSTRALIAN DOLLAR 0.6727 ▼ 0.6830 CANADA DOLLAR/US\$ 1.3222 ▼ 1.3127 SWISS FRANC/US\$ 0.8657 ▲ 0.8579	<b>FUTURES PRICE ON NEAREST MONTH OF DELIVERY</b> \$81.74/BBL \$0.69 30 DAYS TO JULY 21, 2023

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JULY 21, 2023 (PSEi snapshot on S1/4; article on S2/2)

BDO P148.700	ALI P27.400	SMHP P33.300	BPI P115.000	JFC P255.600	ICT P208.200	SM P940.000	AC P634.500	JGS P43.800	RLC P15.100
Value P820,292,737	Value P496,271,655	Value P265,947,280	Value P248,942,100	Value P237,142,882	Value P219,690,034	Value P186,226,500	Value P158,821,635	Value P107,955,315	Value P107,741,212
P2.400 ▲ 1.640%	P0.400 ▲ 1.481%	P0.200 ▲ 0.604%	P0.500 ▲ 0.437%	-P3.200 ▼ -1.236%	P2.200 ▲ 1.068%	P0.000 — 0.000%	P6.500 ▲ 1.035%	-P0.500 ▼ -1.129%	P0.200 ▲ 1.342%

## Debt servicing balloons to P819B

THE NATIONAL Government's (NG) debt service bill ballooned to P819.526 billion as of end-May, data from the Bureau of the Treasury (BTr) showed.

The debt service bill nearly doubled to P819.526 billion in the January-to-May period from P414.069 billion in the same period a year ago.

In the first five months of the year, almost three-fourths

or 71.99% of the debt service bill went to amortization.

Principal payments during the period tripled to P589.952 billion as of end-May from P193.606 billion in the previous year.

Of this, payments for domestic debt surged by 248.6% to P533.44 billion from P153.015 billion.

Amortization for foreign debt rose by 39% to P56.512 billion

from P40.591 billion in the same period a year ago.

Meanwhile, total interest payments during the January-to-May period inched up by 4.1% to P229.574 billion from P220.463 billion a year ago.

Interest on local debt declined by 11.5% to P152.604 billion as of end-May from P172.358 billion a year ago.

Broken down, this consisted of P96.954 billion in fixed-rate

Treasury bonds, P49.111 billion in retail Treasury bonds, and P5.159 billion in Treasury bills.

Interest paid on foreign debt soared by 60% to P76.97 billion during the five-month period from P48.105 billion a year ago.

In May alone, the debt service bill stood at P49.047 billion, lower by 14.6% than P57.444 billion in the same month in 2022.

Month on month, debt payments fell by 76% from P204.763 billion in April.

Of the total debt service bill in May, the bulk (84.3%) were for interest payments.

Interest payments increased by 22.2% to P41.344 billion.

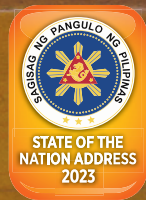
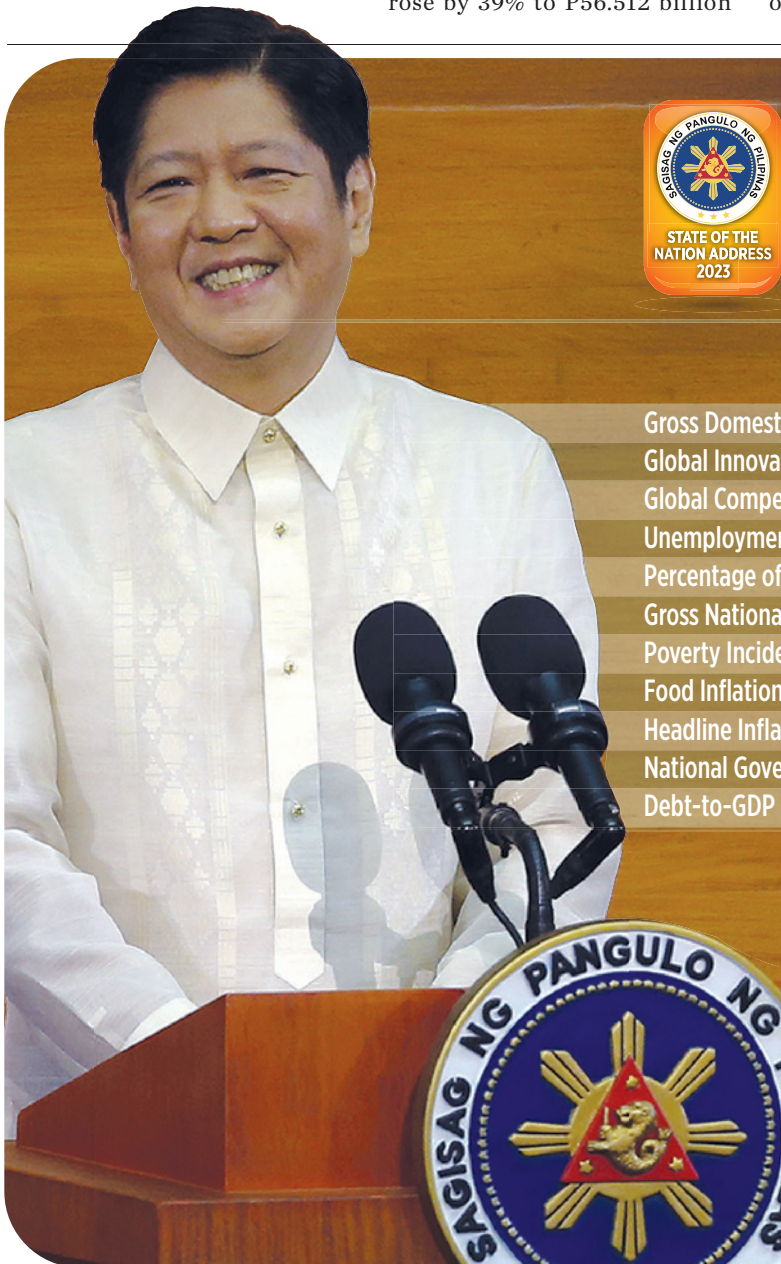
Of the total, P29.529 billion went to domestic creditors, down by 2.3% from P28.871 billion a year earlier.

This consisted of P19.88 billion in fixed-rate Treasury bonds, P8.883 billion in retail Treasury bonds, and P756 million in Treasury bills.

Interest paid to external creditors more than doubled to P11.815 billion from P4.96 billion a year ago.

Meanwhile, amortization payments declined by 67.4% in May to P7.703 billion from P23.613 billion in the same month in 2022.

Debt, S1/11



### SCORECARD: PHILIPPINE DEVELOPMENT PLAN 2023-2028 (select indicators)

Indicator (Based on the Philippine Development Plan 2023-2028, Unless Stated Otherwise)	Baseline (Year)	Actual	2023
Gross Domestic Product (GDP) Growth (%)	5.7 <sup>[a]</sup> , 7.7 <sup>[b]</sup>	6.4 <sup>[h]</sup>	6.0-7.0
Global Innovation Index Rank	59 <sup>th</sup> out of 132 <sup>[c]</sup>	59 <sup>th</sup> out of 132 <sup>[c]</sup>	57 <sup>th</sup>
Global Competitiveness Index (Rank and Score)	Top 45%, 61.9 <sup>[d]</sup>	Top 45%, 61.9 <sup>[d]</sup>	Top 43%, 62.1
Unemployment Rate (%)	5.4 <sup>[e]</sup>	4.6 <sup>[i]</sup>	5.3-6.4
Percentage of Wage and Salary Workers in Private Establishments to Total Employed (%)	49.6 <sup>[e]</sup>	61.3 <sup>[i]</sup>	50.3-50.7
Gross National Income Per Capita (\$)	3,640 <sup>[a]</sup>	3,950 <sup>[c]</sup>	4,130-4,203
Poverty Incidence (% of Population)	18.1 <sup>[a]</sup>	18.1 <sup>[a]</sup>	16.0-16.4
Food Inflation Rate (%)	5.7 <sup>[f]</sup>	9.0 <sup>[j]</sup>	2.5-4.5
Headline Inflation Rate (%)	5.6 <sup>[f]</sup>	7.2 <sup>[j]</sup>	2.5-4.5
National Government Deficit-to-GDP Ratio (%)	6.5 <sup>[b]</sup>	7.3 <sup>[c]</sup>	6.1
Debt-to-GDP Ratio (%)	63.7 <sup>[g]</sup>	61.0 <sup>[h]</sup>	60-62

The latest edition of the Philippine Development Plan 2023-2028 produced by the National Economic and Development Authority showed the government's economic recovery roadmap which contains different economic targets such as reduced poverty incidence, stable food prices and headline inflation, and improved global rankings from international indices.

SOURCES: PHILIPPINE STATISTICS AUTHORITY, BUREAU OF THE TREASURY, NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY, WORLD BANK, GLOBAL INNOVATION INDEX 2022, AND GLOBAL COMPETITIVENESS INDEX 2019

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PHILSTAR PHOTO: KJ ROSALES

NOTES:

- [a]. 2021
- [b]. Data from Q1-Q3 2022
- [c]. 2022
- [d]. 2019
- [e]. Average from January, April, July, and October 2022
- [f]. January to November 2022
- [g]. September 2022
- [h]. Preliminary as of Q1 2023
- [i]. Average from January to May 2023
- [j]. Average from January to June 2023
- The targets were based on the Philippine Development Plan (PDP) that was published in early 2023.

## Marcos needs to detail plan to boost revenues in his second SONA

By Kyle Aristophere T. Atienza  
Reporter

PRESIDENT Ferdinand R. Marcos, Jr. should detail how he plans to boost state revenues to fund education, health and social welfare programs in his second address to Congress today (July 24), economists and political analysts said.

They also cited the need for Mr. Marcos to provide a clear plan for economic development amid a global slowdown, spiraling prices, weather disruptions and geopolitical tensions.

"In the short term, the President, in his State of the Nation Address (SONA), should be able to address the need to further expand government revenues in order to provide resources for expansion of important education, health and social welfare programs," Ateneo School of Government Dean Philip Arnold "Randy" P. Tuano said in a Facebook Messenger chat.

"In the long term, programs to address the malnutrition problem and the learning crisis, addressing

sustainability efforts in the country and modernizing the bureaucracy — which was the theme of his previous speeches — should be featured in the SONA," he added.

Sherwin E. Ona, a political science and development studies professor at De La Salle University, said via Viber that Mr. Marcos should give a "clearer economic development agenda to ensure growth and development" during his SONA.

The Philippine economy grew by 6.4% in the first quarter, the slowest in two years. The government is targeting 6-7% gross domestic product (GDP) growth for this year, which would be slower than the 7.6% expansion in 2022.

"The President needs to expound on his administration's development priorities especially because of the limited fiscal space and the higher budget deficit," public finance expert Zyza Nadine M. Suzara said via Messenger chat.

The National Government's budget deficit shrank by an annual 28.86% to P326.3 billion in the January-to-May period, as revenues rose by 10.83% to P1.59 trillion.

SONA, S1/11

## PHL to address remaining FATF deficiencies in 2-3 months

THE BANGKO SENTRAL ng Pilipinas (BSP) is confident the Philippine government will be able to address the remaining strategic deficiencies identified by the Financial Action Task Force (FATF) within the next two to three months, an official said.

BSP Deputy Governor Chuchi G. Fonacier said the Philippines has already addressed four of the eight remaining action plans of the FATF, which are needed to exit the "gray list."

"Hopefully maybe over the next two to three months, the remaining (action plans) would be addressed," she said during an economic forum hosted by the German-

Philippine Chamber of Commerce and Industry on July 20.

Ms. Fonacier told *BusinessWorld* on the sidelines of the event that the BSP is confident the Philippines will be able to exit the FATF's gray list by January 2024.

"We're also collaborating with the Anti-Money Laundering Council (AMLC) for them to be able to address the remaining deficiencies. As I said, four out of eight has been addressed already," she said.

Since June 2021, the Philippines has been included in the global "dirty money" watchdog's gray list of countries subjected

to increased monitoring to prove its progress against money laundering (ML) and terrorist financing (TF).

To be removed from the list, the Philippines has committed to comply with 18 action plan items. Progress reports are submitted to the FATF in three reporting cycles in a year — January, May and September.

In its latest assessment in June, the FATF said the Philippines should continue to work on implementing action plans to address strategic deficiencies in its fight against money laundering.

FATF, S1/11

## All eyes on composition of Maharlika fund's board

By Luisa Maria Jacinta C. Jocson  
Reporter

THE APPOINTMENT of the board members to the company overseeing the Maharlika Investment Fund (MIF) will be crucial to ensure there is proper oversight of the fund, analysts said.

"What (we are waiting to see) is the governing body setup. Who will be on the board? We hope there will be more private sector representation and oversight. I take it that there must be over-

sight and the usual reporting," Philippine Chamber of Commerce and Industry (PCCI) President George T. Barcelon said in a phone interview.

Last week, President Ferdinand R. Marcos, Jr. signed Republic Act (RA) No. 11954, which creates the country's first sovereign wealth fund.

"We are waiting to see who will be on the (MIC) board. That's very important, the members of (the MIC)," British Chamber of Commerce Philippines (BCCP) Executive Director Chris Nelson said in a Viber call interview.

The Maharlika Investment Corp. (MIC), which will manage the wealth fund, will have a board of directors composed of nine members.

In a press chat on Friday, Finance Secretary Benjamin E. Diokno said that the government is currently looking for candidates to the MIC board, which is expected to be completed by September.

The fund itself is expected to be "up and running" before the end of the year, he added.

Mr. Diokno said that the appointment of the board of directors will undergo a "strict

screening process, just like any government appointment."

"Let me make it crystal clear, the Finance secretary will not manage the fund. That role is entrusted to the president and chief executive officer of the MIC and its directors," he said.

Under RA No. 11954, the Finance secretary will serve as the board chairperson in ex-officio capacity.

**FULL STORY**

Read the full story by scanning the QR code with your smartphone or by typing the link <rebrand.ly/Maharlika072423>