

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEI OPEN: 6,653.55 HIGH: 6,677.48 LOW: 6,631.25 CLOSE: 6,631.25 VOL.: 0.660 B VAL(P): 3.107 B	JULY 24, 2023 JAPAN (NIKKEI 225) 32,700.94 ▲ 396.69 1.23 HONG KONG (HANG SENG) 18,668.15 ▼ -407.11 -2.15 TAIWAN (TAIEX) 17,033.61 ▲ 2.91 0.02 THAILAND (SET INDEX) 1,523.73 ▼ -3.52 -0.23 S.KOREA (KOSPI COMPOSITE) 2,628.53 ▲ 18.77 0.72 SINGAPORE (STRAITS TIMES) 3,258.64 ▼ -19.66 -0.60 SYDNEY (ALL ORDINARIES) 7,306.40 ▲ -7.50 -0.10 MALAYSIA (KLSE COMPOSITE) 1,424.69 ▲ 11.17 0.79	JULY 21, 2023 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	FX OPEN P54.680 HIGH P54.560 LOW P54.760 CLOSE P54.755 W.AVE. P54.669 VOL. \$1,173.85 M SOURCE: BAP	JULY 24, 2023 LATEST BID (0900GMT) JAPAN (YEN) 141.300 ▲ 141.790 HONG KONG (HK DOLLAR) 7.812 ▲ 7.817 TAIWAN (NT DOLLAR) 31.337 ▲ 31.322 THAILAND (BAHT) 34.450 ▼ 34.400 S. KOREA (WON) 1,280.390 ▲ 1,286.190 SINGAPORE (DOLLAR) 1.330 — 1.330 INDONESIA (RUPIAH) 15,020 ▲ 15,020 MALAYSIA (RINGGIT) 4.569 ▼ 4.557	JULY 24, 2023 US\$/UK POUND 1.2834 ▼ 1.2855 US\$/EURO 1.1086 ▼ 1.1123 US\$/AUST DOLLAR 0.6747 ▲ 0.6727 CANADA DOLLAR/US\$ 1.3184 ▲ 1.3222 SWISS FRANC/US\$ 0.8664 ▲ 0.8657	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$81.74/BBL \$0.69

VOL. XXXVI • ISSUE 257 TUESDAY • JULY 25, 2023 • www.bworldonline.com S1/1-10 • 2 SECTIONS, 14 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JULY 24, 2023 (PSEi snapshot on S1/2; article on S2/2)

BDO	P150.000	MPI	P4.910	GLO	P1,920.000	ALI	P27.500	BPI	P115.000	AC	P639.000	ICT	P204.000	BLOOM	P11.780	SM	P923.000	URC	P131.100
Value P245,947,169	Value P224,597,920	Value P162,593,785	Value P150,100,460	Value P143,737,073	Value P138,023,125	Value P129,197,752	Value P117,194,502	Value P115,768,015	Value P111,785,904	Value P107,000	Value P107,000	Value P107,000	Value P107,000	Value P107,000	Value P107,000	Value P107,000	Value P107,000	Value P107,000	Value P107,000
P1.300 ▲ 0.874%	-P0.010 ▼ -0.203%	P30.000 ▲ 1.587%	P0.100 ▲ 0.365%	P0.000 — 0.000%	P4.500 ▲ 0.709%	-P4.200 ▼ -2.017%	P0.060 ▲ 0.512%	-P17.000 ▼ -1.809%	-P1.900 ▼ -1.429%										

Marcos renews push for more taxes

Rate cut not yet in the picture — Diokno

AN INTEREST RATE cut by the Philippine central bank “is not yet in the picture,” according to Finance Secretary Benjamin E. Diokno.

Mr. Diokno, a member of the Monetary Board, said the Bangko Sentral ng Pilipinas (BSP) “may maintain the current (policy) rate” at a near 16-year high of 6.25% even if inflation is on a downtrend.

“I think the newly appointed central bank governor said that we want to make sure that we are really on track with our inflation target before we even talk about a rate cut. We may maintain the current rate, but a rate cut is not yet in the picture,” he told ABS-CBN News Channel on Monday.

Inflation eased for a fifth straight month in June to 5.4%. However, this marked the 15th straight month that inflation exceeded the central bank’s 2-4% target.

For the first six months of the year, inflation averaged 7.2%.

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

BSP Governor Eli M. Remolona earlier said it is premature to talk about rate cuts because risks to inflation and uncertainty over the policy moves of the US Federal Reserve might affect monetary policy.

The BSP’s next policy-setting meeting is on Aug. 17.

Citigroup, Inc. Chief Executive Officer for the Philippines Paul A. Favila said that the central bank might remain cautious in its monetary policy stance.

“I don’t think that (the BSP) will need to tighten any further, barring any unexpected developments. If things go well, then I think inflation will continue to remain under control,” he told reporters.

Rate cut, S1/9

Gov’t to borrow P225B from local market in Aug.

THE NATIONAL GOVERNMENT plans to borrow P225 billion from the domestic market in August, the Bureau of the Treasury (BTr) said on Monday.

The August borrowing plan is 25% higher than the P180-billion program for July.

So far, the government has raised P122.22 billion this month, with another Treasury bill (T-bill) auction scheduled today (July 25) and a Treasury bond (T-bond) auction scheduled for Wednesday (July 26).

The auctions this week were rescheduled as work at government offices in Metro Manila was suspended on Monday due to the transport strike and Typhoon Egay.

The government plans to borrow P75 billion via T-bills, and P150 billion through T-bonds in August.

The government will offer P5 billion worth of 91-day, 182-day, and 364-day T-bills on July 31, Aug. 7, 14, 22, and 29.

The auction on Aug. 21 (Ninoy Aquino Day) was moved to the next day since it is a nonworking holiday.

For the long-term tenors, the BTr will auction off P30 billion in five-year T-bonds on Aug. 1, and P30 billion in six-year T-bonds on Aug. 8.

It also will offer P30 billion in 10-year debt on Aug. 15, P30 billion in 15-year notes on Aug. 23 and P30 billion in five-year bonds on Aug. 30.

The Treasury auctions were moved to Aug. 29 and Aug. 30 since National Heroes Day holiday falls on Aug. 28.

“That is higher (borrowing plan) versus the target of P180 billion in July 2023 is in view of larger maturities of government bonds in August 2023,” Rizal

Commercial Banking Corp. Chief Economist Michael L. Ricafort said in a Viber message.

He said some of the maturing government bonds might be reinvested in the markets, supporting “any downward correction” in local bond yields.

“The government bond maturities would also support higher demand for the upcoming Treasury bill and Treasury bond auctions, which would lead to further easing of the upcoming auction yields for the month,” he added.

China Banking Corp. Chief Economist Domini S. Velasquez noted that because interest rates are going down, “this is an opportune time for BTr to lock in lower rates compared with one to two months ago.”

“Despite an expected hike by the Fed this week, we expect domestic inflation to trend downwards, along with inflation rates. With rates expected to come down, we think investors will be taking advantage of rates this month,” she said in a Viber message.

Mr. Ricafort said easing inflation would also support the lower rates for the upcoming auctions.

Headline inflation eased for a fifth straight month to a 14-month low of 5.4% in June from 6.1% both in May 2023 and June 2022.

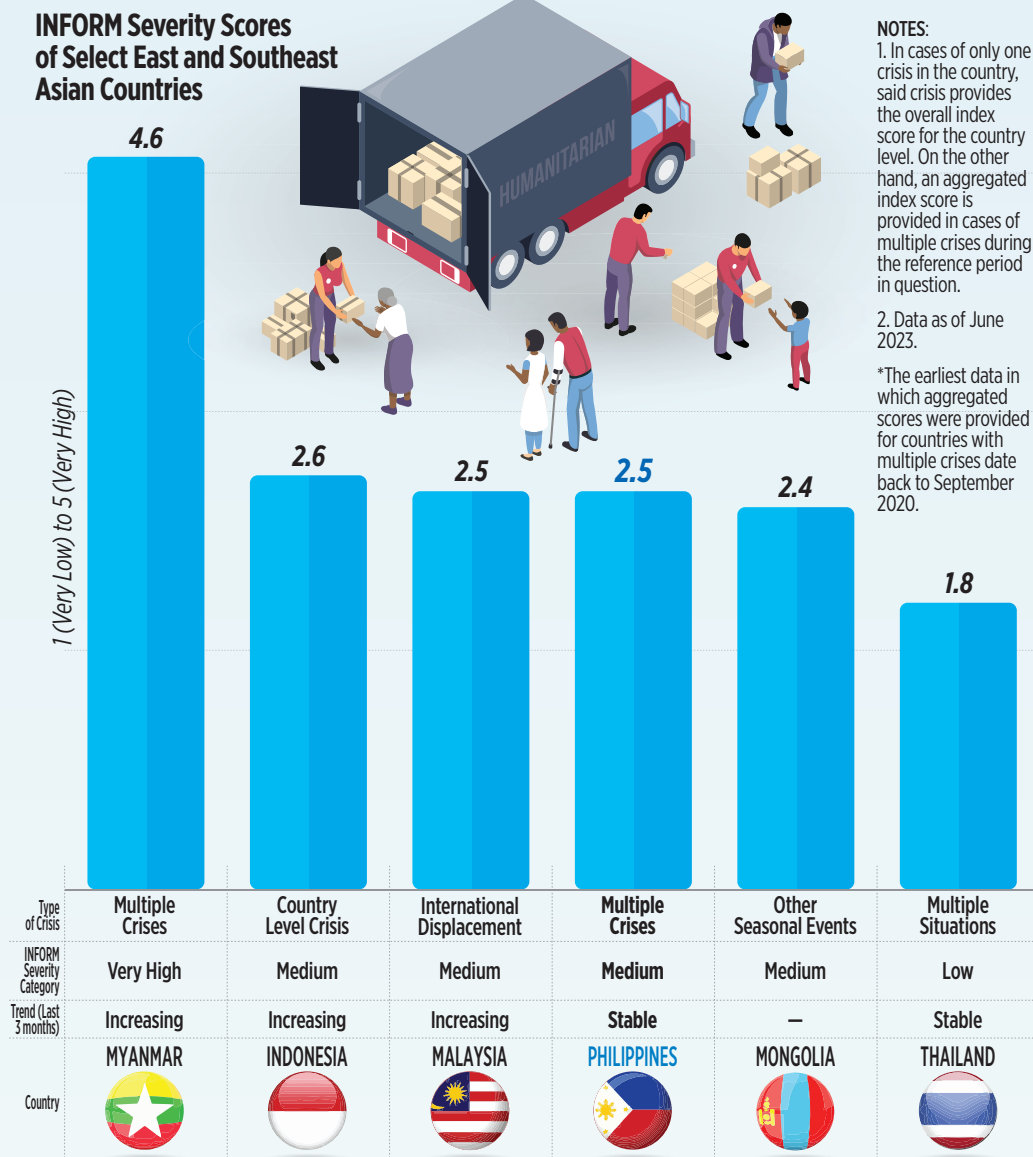
The Philippine Statistics Authority will release the consumer price index for July on Aug. 4.

The government’s gross domestic borrowing program this year is set at P1.654 trillion, composed of P54.1 billion in T-bills and P1.6 trillion in fixed-rate T-bonds.

The government borrows from local and external sources to help fund a budget deficit capped at 6.1% of the gross domestic product this year. — AMCS

HOW DOES THE SEVERITY OF HUMANITARIAN CRISIS IN THE PHILIPPINES COMPARE WITH OTHER COUNTRIES?

The Philippines scored 2.5 (out of 5) in the June 2023 iteration of the INFORM (Index for Risk Management) Severity Index and is classified under “medium” INFORM severity category with a “stable” trend in the past three months. The country’s severity score in the first half of the year was driven by the Mindanao conflict and Typhoon Paeng (international name: Nalgae), latest data showed. The index is a composite indicator designed to assess the severity of humanitarian crises against a common scale using various data from publicly available sources.



Country	Type of Crisis	INFORM Severity Score (Out of 5)	INFORM Severity Category	Trend (last 3 months)
Sudan	Complex Crisis	4.7	Very High	Increasing
Somalia	Complex Crisis	4.7	Very High	Increasing
Yemen	Conflict	4.7	Very High	Stable
Myanmar	Multiple Crises	4.6	Very High	Increasing
Syria	Conflict	4.6	Very High	Stable

Country	Type of Crisis	INFORM Severity Score (Out of 5)	INFORM Severity Category	Trend (last 3 months)
Romania	Conflict and International Displacement	1.4	Low	Stable
Hungary	International Displacement	1.6	Low	Stable
Spain	International Displacement	1.8	Low	Stable
Slovakia	Conflict and International Displacement	1.8	Low	Stable
Thailand	Multiple Situations	1.8	Low	Stable

Date	Type of Crisis	INFORM Severity Score (Out of 5)	INFORM Severity Category	Trend (last 3 months)
September 2020	Multiple Crises	2.4	Medium	Stable
October	Multiple Crises	2.4	Medium	Decreasing
November	Multiple Crises	3.0	Medium	Increasing
December	Multiple Crises	3.0	Medium	Increasing
January 2021	Multiple Crises	3.0	Medium	Increasing
February	Multiple Crises	3.0	Medium	Increasing
March	Multiple Crises	3.0	Medium	Increasing
April	Multiple Crises	3.0	Medium	Stable
May	Mindanao Conflict	2.4	Medium	Increasing
June	Mindanao Conflict	2.4	Medium	Increasing
July	Mindanao Conflict	2.5	Medium	Stable
August	Mindanao Conflict	2.5	Medium	Increasing
September	Mindanao Conflict	2.4	Medium	Increasing
October	Mindanao Conflict	2.4	Medium	Stable
November	Mindanao Conflict	2.3	Medium	Decreasing
December	Multiple Crises	3.4	High	—
January 2022	Multiple Crises	3.3	High	—
February	Multiple Crises	3.4	High	—
March	Multiple Crises	3.3	High	Stable
April	Multiple Crises	3.3	High	Stable
May	Multiple Crises	3.2	High	Stable
June	Multiple Crises	3.2	High	Decreasing
July	Multiple Crises	3.1	High	Decreasing
August	Multiple Crises	3.1	High	Decreasing
September	Multiple Crises	2.9	Medium	Decreasing
October	Multiple Crises	2.9	Medium	Decreasing
November	Multiple Crises	3.0	Medium	Decreasing
December	Multiple Crises	3.1	High	Stable
January 2023	Multiple Crises	2.7	Medium	Decreasing
February	Multiple Crises	2.6	Medium	Decreasing
March	Multiple Crises	2.6	Medium	Decreasing
April	Multiple Crises	2.6	Medium	Decreasing
May	Multiple Crises	2.6	Medium	Decreasing
June	Multiple Crises	2.5	Medium	Stable

SOURCE: INFORM SEVERITY INDEX, JUNE 2023 (HTTPS://DRMKC.JRC.EC.EUROPEA.EU/INFORM-INDEX/INFORM-SEVERITY-RESULTS-AND-DATA) BUSINESSWORLD RESEARCH: ABIGAIL MARIE P. YRAOLA BUSINESSWORLD GRAPHICS: BONG R. FORTIN

By Kyle Aristophere T. Atienza and Revin Mikhael D. Ochave
Reporters

PHILIPPINE President Ferdinand R. Marcos, Jr. on Monday highlighted economic recovery from the pandemic in his second State of the Nation Address (SONA) and urged Congress to prioritize the passage of “essential” new tax measures.

Analysts, however, said the President had failed to mention new programs for struggling domestic sectors, including agriculture and manufacturing.

In a speech before a joint session of Congress, Mr. Marcos said his administration has succeeded in bringing down inflation, which he described as the “biggest problem encountered by the nation.”

“The inflation rate is moving in the right direction... What this means is that in spite of all the difficulties, we are transforming the economy. We are stabilizing the prices of all critical commodities,” he said.

From a peak of 8.7% in January, inflation has steadily eased to 5.4% in June but is still above the central bank’s 2-4% target.

Red-hot inflation pushed the Bangko Sentral ng Pilipinas (BSP) to raise borrowing costs by 425 basis points (bps) from May 2022 to March 2023.

Mr. Marcos said the Philippine economy is considered among the fastest-growing economies in Asia and the world, “a testament to our strong macroeconomic fundamentals.”

This year, the government is targeting 6-7% gross domestic product (GDP) growth, which Mr. Marcos said is supported by strong domestic demand.

“The economy is revived and rejuvenated, backstopped by a favorable enabling environment and the strong rule of law,” he said, adding that the “state of the nation is sound, and is improving.”

Mr. Marcos once again asked Congress to support his priority measures, including the excise tax on single-use plastics, value-added tax on digital services, rationalization of the mining fiscal regime, and the motor vehicle user’s charge, as well as the proposed reform of the pension system for military and uniformed personnel (MUP).

Marcos, S1/9

FUEL PRICE TRACKER

(week-on-week change)

Fuel Type	Price	Change
GASOLINE		
July 11	P0.20	▼
July 18	P1.90	▲
July 25	P1.35	▲
DIESEL		
July 11	P0.75	▲
July 18	P2.10	▲
July 25	P0.45	▲
KEROSENE		
July 11	P0.50	▲
July 18	P1.80	▲
July 25	P0.35	▲

• July 25, 12:01 a.m. — Caltex Philippines
 • July 25, 6 a.m. — Petron Corp.; Phoenix Petroleum; Pilipinas Shell Petroleum Corp.; PTT Philippines Corp.; Seoil Philippines, Inc.
 • July 25, 8:01 a.m. — Cleanfuel (Shaw Autogas, Inc.)