

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																					
PSEi SEPTEMBER 8, 2023 OPEN: 6,193.40 HIGH: 6,222.94 LOW: 6,173.10 CLOSE: 6,222.94 VOL.: 0.445 B VAL(P): 3.845 B 39.87 pts. 0.64% 30 DAYS TO SEPTEMBER 8, 2023	SEPTEMBER 8, 2023 <table border="1"> <tr><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (NIKKEI 225)</td><td>32,606.84</td><td>-384.24 -1.16</td></tr> <tr><td>HONG KONG (HANG SENG)*</td><td>18,202.07</td><td>-247.91 -1.34</td></tr> <tr><td>TAIWAN (WEIGHTED)</td><td>16,576.02</td><td>-43.12 -0.26</td></tr> <tr><td>THAILAND (SET INDEX)</td><td>1,547.17</td><td>-3.19 -0.21</td></tr> <tr><td>S.KOREA (KSE COMPOSITE)</td><td>2,547.68</td><td>-0.58 -0.02</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,207.75</td><td>-18.84 -0.58</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>7,156.70</td><td>-14.30 -0.20</td></tr> <tr><td>MALAYSIA (KLSE COMPOSITE)</td><td>1,454.95</td><td>-5.12 -0.35</td></tr> </table>	CLOSE	NET	%	JAPAN (NIKKEI 225)	32,606.84	-384.24 -1.16	HONG KONG (HANG SENG)*	18,202.07	-247.91 -1.34	TAIWAN (WEIGHTED)	16,576.02	-43.12 -0.26	THAILAND (SET INDEX)	1,547.17	-3.19 -0.21	S.KOREA (KSE COMPOSITE)	2,547.68	-0.58 -0.02	SINGAPORE (STRAITS TIMES)	3,207.75	-18.84 -0.58	SYDNEY (ALL ORDINARIES)	7,156.70	-14.30 -0.20	MALAYSIA (KLSE COMPOSITE)	1,454.95	-5.12 -0.35	SEPTEMBER 8, 2023 <table border="1"> <tr><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>34,576.590 ▲ 75.860</td></tr> <tr><td>NASDAQ</td><td>13,761.526 ▲ 12.694</td></tr> <tr><td>S&P 500</td><td>4,457.490 ▲ 6.350</td></tr> <tr><td>FTSE 100</td><td>7,478.190 ▲ 36.470</td></tr> <tr><td>Euro Stoxx50</td><td>3,959.240 ▲ 11.120</td></tr> </table>	CLOSE	NET	Dow Jones	34,576.590 ▲ 75.860	NASDAQ	13,761.526 ▲ 12.694	S&P 500	4,457.490 ▲ 6.350	FTSE 100	7,478.190 ▲ 36.470	Euro Stoxx50	3,959.240 ▲ 11.120	FX SEPTEMBER 8, 2023 OPEN P56.740 HIGH P56.560 LOW P56.785 CLOSE P56.630 W.AVE. P56.659 VOL. \$1,618.20 M 16.00 ctvs SOURCE : BAP	SEPTEMBER 8, 2023 <table border="1"> <tr><th>LATEST BID (0900GMT)</th><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>147.810 ▼ 147.430</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.840 ▼ 7.839</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>32.095 ▼ 32.042</td></tr> <tr><td>THAILAND (BAHT)</td><td>35.650 ▼ 35.600</td></tr> <tr><td>S. KOREA (WON)</td><td>1,334.960 ▲ 1,336.140</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.365 — 1.365</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>15,320 — 15,320</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.674 ▲ 4.677</td></tr> </table>	LATEST BID (0900GMT)	PREVIOUS	JAPAN (YEN)	147.810 ▼ 147.430	HONG KONG (HK DOLLAR)	7.840 ▼ 7.839	TAIWAN (NT DOLLAR)	32.095 ▼ 32.042	THAILAND (BAHT)	35.650 ▼ 35.600	S. KOREA (WON)	1,334.960 ▲ 1,336.140	SINGAPORE (DOLLAR)	1.365 — 1.365	INDONESIA (RUPIAH)	15,320 — 15,320	MALAYSIA (RINGGIT)	4.674 ▲ 4.677	SEPTEMBER 8, 2023 <table border="1"> <tr><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.2464 ▼ 1.2481</td></tr> <tr><td>US\$/EURO</td><td>1.0699 ▼ 1.0714</td></tr> <tr><td>US\$/AUSTRALIAN DOLLAR</td><td>0.6375 ▼ 0.6389</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.3640 ▼ 1.3642</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.8932 ▲ 0.8915</td></tr> </table>	CLOSE	PREVIOUS	US\$/UK POUND	1.2464 ▼ 1.2481	US\$/EURO	1.0699 ▼ 1.0714	US\$/AUSTRALIAN DOLLAR	0.6375 ▼ 0.6389	CANADA DOLLAR/US\$	1.3640 ▼ 1.3642	SWISS FRANC/US\$	0.8932 ▲ 0.8915	SEPTEMBER 8, 2023 FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$91.09/BBL \$0.39 30 DAYS TO SEPTEMBER 8, 2023
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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • SEPTEMBER 8, 2023 (PSEi snapshot on S1/5; article on S2/2)

STOCK	VALUE	CHANGE
BDO	P131.200	-2.235%
GTAP	P590.000	1.724%
BPI	P107.000	1.905%
ALI	P28.800	5.302%
SMPH	P30.000	0.503%
SM	P824.000	0.000%
JFC	P233.000	-0.512%
AEV	P49.000	0.719%
BLOOM	P11.220	-1.406%
ICT	P209.400	1.355%

DoF eyes temporary zero tariffs on rice

By Luisa Maria Jacinta C. Jocson
Reporter

THE DEPARTMENT of Finance (DoF) is proposing to temporarily slash the tariff rates for rice imports to zero to curb the spike in retail prices of the national staple.

“We need to adopt a comprehensive approach to help ensure that rice supply remains sufficient at reduced prices,” Finance Secretary Benjamin E. Diokno said in a press chat on Friday.

He said the DoF proposed the “reduction of the 35% rice import tariff rates, both ASEAN (Association of Southeast Asian Nations) and MFN (Most Favored Nation) rates, temporarily to zero percent or maximum of 10% to arrest the surge in rice prices.”

This as inflation unexpectedly quickened to 5.3% in August from 4.7% in July, driven by the rise in pump prices and food costs, particularly rice.

The government began implementing a nationwide price ceiling on rice last week, as part of efforts to address increasing prices of the national staple amid reports of hoarding and price manipulation by cartels.

The ceiling is at P41 per kilo for regular milled rice and P45 per kilo for well-milled rice.

Mr. Diokno said price ceiling on rice would likely last only a month. He noted that price controls, if “closely implemented,” are effective in the near term.

“However, the government recognizes that it also has adverse effects if allowed to linger for a longer period. The President has directed the economic team to implement measures that will mitigate the negative impact of the price controls on rice retailers and farmers,” he said.

The Finance chief admitted he was “surprised” when Mr. Marcos first announced the price cap on rice on Sept. 1. At that time, Mr. Diokno was in Tokyo with National Economic and Development Authority Secretary Arsenio M. Balisacan, and Budget Secretary Amenah F. Pangandaman for the Philippines-Japan High-Level Joint Committee Meeting.

“We were in Japan when that was announced. I was beside Arsi (Mr. Balisacan). We were surprised, of course,” he said in mixed English and Filipino.

On the proposed cut in rice tariffs, Mr. Diokno said this can only be approved when Congress is in recess. Congress is set to adjourn on Sept. 30 and resume session on Nov. 6.

The tariff reduction will also only require an executive order (EO) for its implementation.

“There’s no need for Congress... The President may adjust the tariff when Congress is not in session,” he said. “There is just a hearing, then the Tariff Commission will recommend, it needs an EO. The Tariff Commission will draft an EO to the President.”

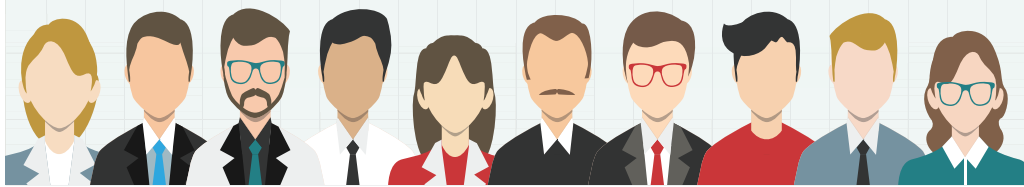
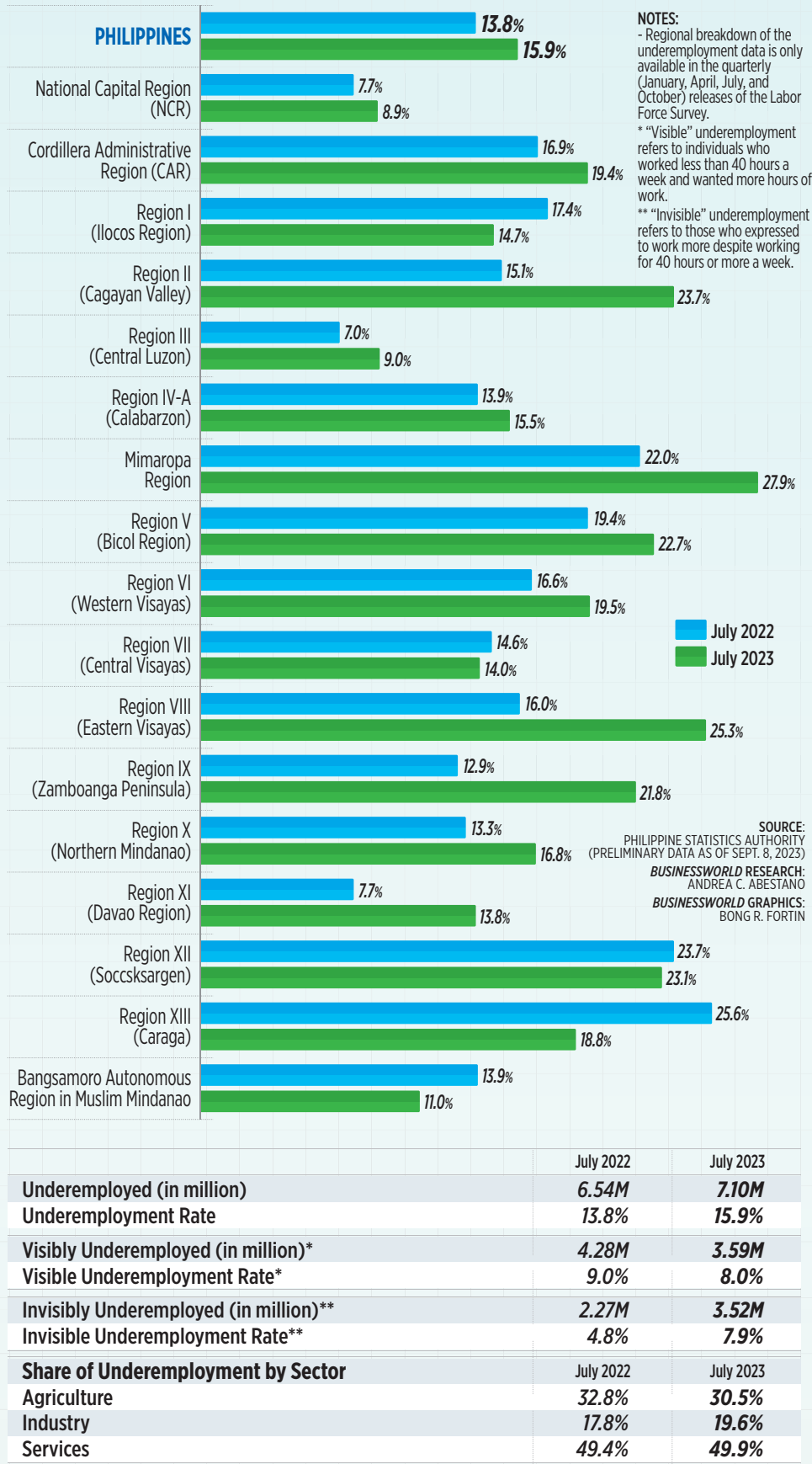
Mr. Diokno said the temporary tariff cut will only be applied to rice and not include the other MFN rates for pork, corn and coal.

“The relaxing of the tariff is forward-looking because the price of rice is going up globally... rice is really, I think, the biggest contributor to inflation,” he said.

Tariffs, S1/12

JOB QUALITY DETERIORATES IN JULY

The ranks of employed Filipinos who wanted additional work (i.e. wanted more hours of work, additional job, or a new job with longer working hours) climbed by over half a million to 7.10 million in July from 6.54 million tallied in July last year. This translated to an underemployment rate — the share of those Filipinos who wanted additional work to the total employed population — of 15.9% that month from 13.8% in July 2022. It was the highest share in 20 months. Twelve out of 17 regions saw their respective underemployment rates worsened annually in July. Eastern Visayas led the largest increase with 9.3 percentage points (ppts) to 25.3%. It was followed by Zamboanga Peninsula (up 9 ppt), Cagayan Valley (up 8.7 ppt), and Davao Region (up 6.1 ppt).



Inflation unlikely to overshoot target in Q1

INFLATION is on track to return to the central bank’s 2-4% target range in the fourth quarter, but unlikely to overshoot the target in the first quarter of 2024, Finance Secretary Benjamin E. Diokno said.

“By the first quarter of next year, instead of overshooting — because we expect overshooting before — we will be right smack in the middle of the 2-4% range,” he told reporters on Friday.

Inflation unexpectedly quickened for the first time in seven months in August, as food and transport costs jumped. Headline inflation accelerated to 5.3% in August from 4.7% in July, ending six months of decline.

For the first eight months of the year, inflation averaged 6.6%. This is still higher than the central bank’s revised 5.6% inflation forecast for this year.

Despite the faster August inflation, Mr. Diokno noted that the Bangko Sentral ng Pilipinas (BSP) still sees inflation falling within the 2-4% target range by the fourth quarter.

“While there was a spike in the inflation rate for (August), the continued decline in the year-to-date inflation rate suggests our (Development Budget Coordination Committee) full-year 2023 inflation rate assumption of 5-6% remains doable,” he said.

BSP Governor Eli M. Remolona, Jr. last week said the central bank will likely revise its full-year inflation forecast for 2023 at its Sept. 21 policy meeting.

Mr. Remolona has also said that inflation will likely return to the 2-4% target in the first quarter of 2024.

Meanwhile, former BSP Governor Felipe M. Medalla said inflation is now likely to remain above the target band for up to 22 straight months or until January 2024.

August marked the 17th consecutive month that inflation went above the BSP’s 2-4% target range.

“My original forecast was that inflation will be higher than target in 20 consecutive months (or November 2023) — the previous longest period wherein that was the fourth quarter.”

Inflation, S1/12

Gov’t may launch dollar RTB offer this month

THE GOVERNMENT may push through with the launch of its US dollar retail Treasury bond (RTB) offer this month, National Treasurer Rosalia V. de Leon said.

“We’re monitoring the markets right now. We’re conducting financial literacy (seminars), including in Doha and Dubai. So, we’re looking at the interest of overseas Filipino workers (OFWs),” Ms. De Leon said in a press chat on Friday.

“So maybe at the end of the month, we’re looking. We will see, we’re not officially saying we are going to launch,” she added.

Earlier in July, Ms. De Leon said that they were planning to launch the retail dollar bond offering by September.

The government then said it was targeting an offer size of \$2 billion.

The Philippines’ last retail dollar bond sale was in 2021, when it raised almost \$1.6 billion.

In January, the government also raised \$3 billion from its second global bond offering under the Marcos administration.

Ms. De Leon earlier said that the retail dollar bonds can be marketed through platforms such as the Bonds.PH app, the Land Bank of the Philippines mobile app and selling agents. The government is also working on coordinating with banks to waive the fees for opening dollar accounts.

This year, the government plans to borrow P2.207 trillion, of which 75% will be sourced locally. Broken down, P1.654 trillion will be sourced domestically and P553.5 billion will come from overseas.

As of end-July, the National Government’s (NG) outstanding debt stood at P14.24 trillion.

External debt rose by 9.3% to P4.43 trillion at the end of July, which consisted of P2.42 trillion in global bonds and P2.02 trillion in loans.

RTB, S1/12

Rice crisis in the Philippines sounds a global inflation alarm

SURGING RICE PRICES in the Philippines could be a warning sign for other major importers of the food staple as the fallout from India’s export restrictions continues to reverberate across Asia and West Africa.

Rice inflation in the Southeast Asian nation increased at the fastest pace in almost five years in August, reviving mem-

ories of a 2018 shock that led to the end of a two-decade-old limit on imports. The Philippine central bank warned this week that it’s ready to resume monetary tightening if needed, while diplomacy and deals reign elsewhere as other countries rush to secure supply.

“We’re seeing a great deal of uncertainty,” said Shirley Mustafa,

an economist at the United Nations’ Food and Agriculture Organization. “Price pressure is being exacerbated by the restrictions.”

India’s restrictions have upended the market and prompted worried nations to secure supply as they try and contain the rising cost of rice, which is a vital part of the diets of billions

of people across Asia and Africa. Manila has placed a cap on prices, a measure that’s led to the downfall of a finance official. — Bloomberg

FULL STORY

Read the full story by scanning the QR code with your smartphone or by typing the link <bit.ly/483u3hH>



Mayor Marcy Teodoro, McDonald’s executives, and San Roque Elementary School officials ready the McDonald’s ReClassified chairs made entirely from decommissioned seats, tables, plastic, wood, and steel from renovated McDonald’s stores. For the launch, over 150 chairs were donated to public schools in Marikina.