

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																																																			
PSEi SEPTEMBER 26, 2023 CLOSE: 6,183.54 HIGH: 6,280.72 LOW: 6,171.78 CLOSE: 6,263.94 VOL.: 6.412 B VAL(P): 35,165 B 91.10 pts, 1.47% 30 DAYS TO SEPTEMBER 26, 2023	SEPTEMBER 26, 2023 <table border="1"> <thead> <tr> <th></th> <th>CLOSE</th> <th>NET</th> <th>%</th> </tr> </thead> <tbody> <tr><td>JAPAN (NIKKEI 225)</td><td>32,315.05</td><td>-363.57</td><td>-1.11</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>17,466.90</td><td>-262.39</td><td>-1.48</td></tr> <tr><td>TAIWAN (TAIEX)</td><td>16,276.07</td><td>-176.16</td><td>-1.07</td></tr> <tr><td>THAILAND (SET INDEX)</td><td>1,495.21</td><td>-12.15</td><td>-0.81</td></tr> <tr><td>S. KOREA (KOSPI)</td><td>2,462.97</td><td>-32.79</td><td>-1.31</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,215.14</td><td>-0.26</td><td>-0.01</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>7,038.20</td><td>-38.30</td><td>-0.54</td></tr> <tr><td>MALAYSIA (KLSE COMPOSITE)</td><td>1,445.55</td><td>2.10</td><td>0.15</td></tr> </tbody> </table>		CLOSE	NET	%	JAPAN (NIKKEI 225)	32,315.05	-363.57	-1.11	HONG KONG (HANG SENG)	17,466.90	-262.39	-1.48	TAIWAN (TAIEX)	16,276.07	-176.16	-1.07	THAILAND (SET INDEX)	1,495.21	-12.15	-0.81	S. KOREA (KOSPI)	2,462.97	-32.79	-1.31	SINGAPORE (STRAITS TIMES)	3,215.14	-0.26	-0.01	SYDNEY (ALL ORDINARIES)	7,038.20	-38.30	-0.54	MALAYSIA (KLSE COMPOSITE)	1,445.55	2.10	0.15	SEPTEMBER 25, 2023 <table border="1"> <thead> <tr> <th></th> <th>CLOSE</th> <th>NET</th> </tr> </thead> <tbody> <tr><td>Dow Jones</td><td>34,006.880</td><td>▲ 43.040</td></tr> <tr><td>NASDAQ</td><td>13,271.320</td><td>▲ 59.513</td></tr> <tr><td>S&P 500</td><td>4,337.440</td><td>▲ 17.380</td></tr> <tr><td>FTSE 100</td><td>7,623.990</td><td>▲ -59.920</td></tr> <tr><td>Euro Stoxx50</td><td>3,926.530</td><td>▲ -20.690</td></tr> </tbody> </table>		CLOSE	NET	Dow Jones	34,006.880	▲ 43.040	NASDAQ	13,271.320	▲ 59.513	S&P 500	4,337.440	▲ 17.380	FTSE 100	7,623.990	▲ -59.920	Euro Stoxx50	3,926.530	▲ -20.690	FX SEPTEMBER 26, 2023 OPEN P56.850 HIGH P56.850 LOW P56.980 CLOSE P56.955 W.AVE. P56.911 VOL. \$1,057.20 M 17.00 ctvs 30 DAYS TO SEPTEMBER 26, 2023 SOURCE: BAP	SEPTEMBER 26, 2023 <table border="1"> <thead> <tr> <th></th> <th>LATEST BID (0900GMT)</th> <th>PREVIOUS</th> </tr> </thead> <tbody> <tr><td>JAPAN (YEN)</td><td>148.970</td><td>▲ 148.540</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.820</td><td>▲ 7.815</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>32.185</td><td>▲ 32.142</td></tr> <tr><td>THAILAND (BAHT)</td><td>36.350</td><td>▲ 36.130</td></tr> <tr><td>S. KOREA (WON)</td><td>1,350.610</td><td>▲ 1,338.510</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.367</td><td>▲ 1.367</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>15,485</td><td>▲ 15,395</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.688</td><td>▲ 4.683</td></tr> </tbody> </table>		LATEST BID (0900GMT)	PREVIOUS	JAPAN (YEN)	148.970	▲ 148.540	HONG KONG (HK DOLLAR)	7.820	▲ 7.815	TAIWAN (NT DOLLAR)	32.185	▲ 32.142	THAILAND (BAHT)	36.350	▲ 36.130	S. KOREA (WON)	1,350.610	▲ 1,338.510	SINGAPORE (DOLLAR)	1.367	▲ 1.367	INDONESIA (RUPIAH)	15,485	▲ 15,395	MALAYSIA (RINGGIT)	4.688	▲ 4.683	SEPTEMBER 26, 2023 <table border="1"> <thead> <tr> <th></th> <th>CLOSE</th> <th>PREVIOUS</th> </tr> </thead> <tbody> <tr><td>US\$/UK POUND</td><td>1.2183</td><td>▲ 1.2217</td></tr> <tr><td>US\$/EURO</td><td>1.0598</td><td>▲ 1.0627</td></tr> <tr><td>US\$/AUSTRALIAN DOLLAR</td><td>0.6408</td><td>▲ 0.6416</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.3484</td><td>▲ 1.3478</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.9122</td><td>▲ 0.9098</td></tr> </tbody> </table>		CLOSE	PREVIOUS	US\$/UK POUND	1.2183	▲ 1.2217	US\$/EURO	1.0598	▲ 1.0627	US\$/AUSTRALIAN DOLLAR	0.6408	▲ 0.6416	CANADA DOLLAR/US\$	1.3484	▲ 1.3478	SWISS FRANC/US\$	0.9122	▲ 0.9098	SEPTEMBER 26, 2023 FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$93.10/BBL \$1.20 30 DAYS TO SEPTEMBER 25, 2023
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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • SEPTEMBER 26, 2023 (Read PSEi article on S2/2)

CNPF	P29.300	BDO	P135.800	ALI	P29.500	SMPH	P30.350	AP	P33.000	BPI	P110.500	AC	P613.000	BLOOM	P11.000	SM	P838.000	JFC	P227.000
Value	P1,235,517,745	Value	P700,746,536	Value	P431,941,965	Value	P347,679,410	Value	P336,630,520	Value	P335,584,006	Value	P208,844,545	Value	P201,253,764	Value	P183,608,660	Value	P153,150,768
	-P0.400 ▼ -1.347%		P2.800 ▲ 2.105%		P1.050 ▲ 3.691%		P0.350 ▲ 1.167%		P0.900 ▲ 2.804%		P3.000 ▲ 2.791%		P11.000 ▲ 1.827%		P0.220 ▲ 2.041%		P10.500 ▲ 1.269%		P1.000 ▲ 0.442%

BSP chief open to off-cycle increase

BANGKO SENTRAL ng Pilipinas (BSP) Governor Eli M. Remolona, Jr. on Monday said he is open to an off-cycle interest rate increase before the Monetary Board's policy meeting on Nov. 16.

Upside risks to inflation may prompt the BSP to hike rates by 25 basis points (bps) earlier than

November, analysts told *BusinessWorld*.

"I am open to an off-cycle increase," Mr. Remolona said in an interview with Bloomberg News in Manila on Monday, acknowledging that his rhetoric has become "more hawkish" since taking office in July (Full story on

<https://www.bworldonline.com/bloomberg/2023/09/26/547814/remolona-open-to-an-off-cycle-rate-hike/>).

Mr. Remolona also said that it would be "too soon" to pivot to cutting the policy rate in the first six months of 2024, and that he is "willing to stake" his credibility

that an easing won't happen during that period.

"For a rate cut, you need the economy to slow down significantly and inflation to maybe go below the target range," said Mr. Remolona. "That's why I don't think there will be a rate cut that soon."

The Monetary Board kept the benchmark interest rate steady for a fourth straight meeting at a near 16-year high of 6.25%. It was also the second meeting led by Mr. Remolona.

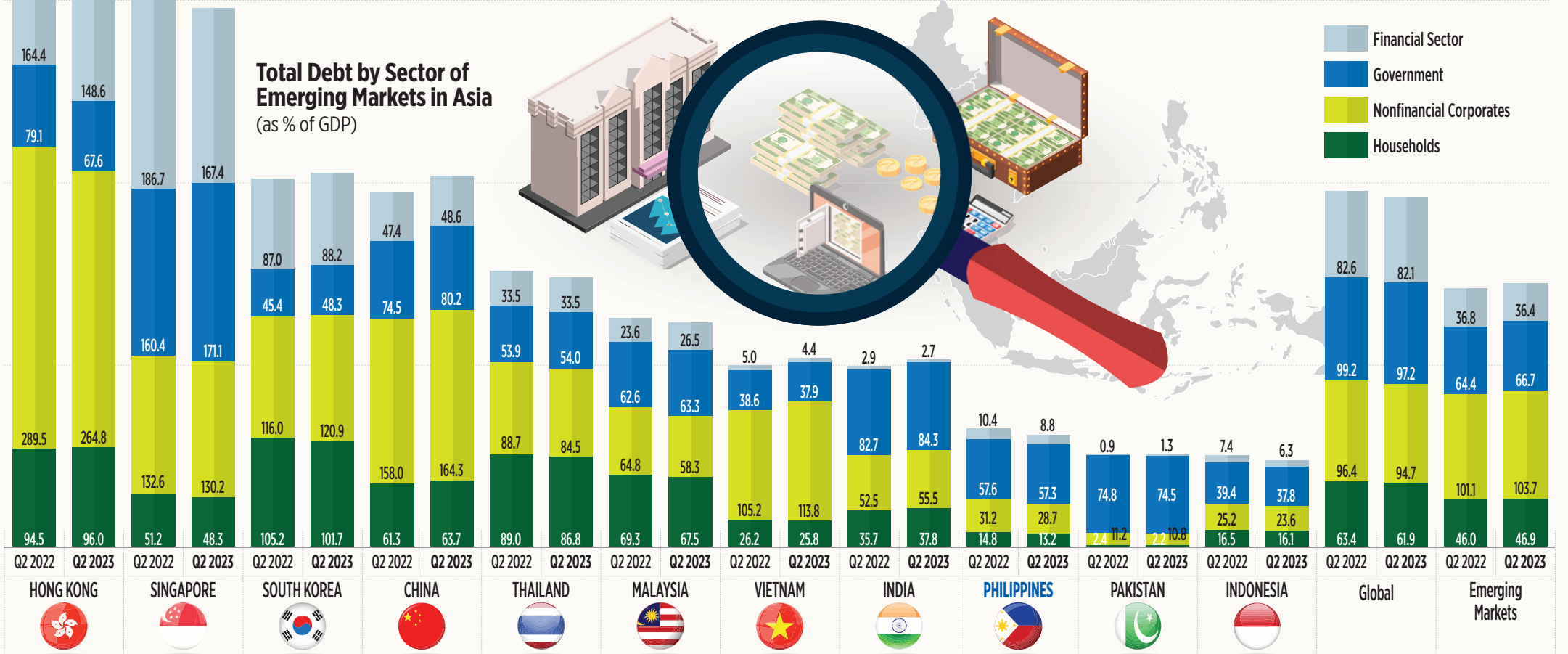
Even after consumer prices rose for the first time in seven months in August, the BSP still

projects inflation to return to the 2-4% target by November.

ING Bank N.V. Manila Senior Economist Nicholas Antonio T. Mapa said in an e-mail that upside risks to the inflation outlook such as hikes in oil, electricity and wages could prompt an off-cycle increase. *BSP, S1/2*

HOW DOES PHILIPPINE SECTORAL DEBT AS SHARE OF GDP STAND ALONG WITH OTHER EMERGING MARKETS IN ASIA IN Q2?

The Philippines' total debt inched up by 6% to \$452.49 billion in the second quarter this year from \$426.79 billion reported in the same period in 2022, latest data from the Global Debt Monitor of the Institute of International Finance (IIF) showed. Sectoral breakdown of the country's debt and presented as share of the gross domestic product (GDP) shows a slowdown across the four sectors.



Source: IIF's Global Debt Monitor (Data as of September 2023) BusinessWorld Research: Lourdes O. Pilar BusinessWorld Graphics: Bong R. Fortin

PHL economy likely to bounce back in 2024

By Keisha B. Ta-asan
Reporter

PHILIPPINE economic growth is expected to return to above 6% in 2024 as the impact of elevated inflation and high borrowing costs likely eases, analysts said.

"As the impact of inflation and rates dissipates next year, growth will likely return to above 6% in the medium term, still buoyed by strong underlying domestic demand and favorable demographics," S&P Global Ratings Senior Economist Vincent Conti said in an e-mail.

S&P Global Ratings raised its 2024 GDP projection to 6.1% from 5.9% previously. However, this is still short of the government's 6.5-8% target for 2024.

Economic growth may be stronger in 2024 due to a better outlook for inflation and monetary policy, University of Asia and the Pacific Senior Economist Cid L. Terosa said in an e-mail.

"I expect inflation to be within the 3.5% to 4% range next year. As inflation becomes tamer, we expect monetary easing to follow suit," Mr. Terosa said.

The Bangko Sentral ng Pilipinas (BSP) last week raised its 2024 inflation forecast to 3.5% from 3.3% previously. Still, this

is within the central bank's 2-4% target range.

"Economic growth next year will be driven by better prices, business, and investor environments. I am optimistic that the Philippines can achieve at least 6% growth next year. The odds of achieving a 6.6-8% growth rate next year appear to be moderately high," he said.

For this year, Mr. Terosa said it would be hard for the Philippines to achieve its 6-7% growth target. He expects GDP to grow by 5-5.7% this year.

"With a lower than 6% growth rate this year, the Philippines may not be able to achieve high middle-income status in the next two years. We need to grow by 6% for two to three consecutive years to have a clear shot at high middle-income status," he said.

The government is targeting to reach upper middle-income status by 2025. The Philippines is currently classified as a lower middle-income country with a gross national income per capita at \$3,950 in 2022.

S&P Global Ratings had also slashed its Philippine GDP forecast to just 5.2% this year, slower than the 5.9% forecast given in June. This after GDP expanded by 4.3% in the second quarter, its slowest growth in two years.

Economy, S1/2

Mining fiscal regime bill hurdles House

By Beatriz Marie D. Cruz
Reporter

THE HOUSE of Representatives on Tuesday passed on third and final reading a bill that seeks to establish a new fiscal regime for the Philippine mining industry by imposing margin-based royalties and windfall profit tax on large-scale miners.

House Bill (HB) No. 8937, which congressmen approved past midnight, is supposed to simplify the mining tax system and make the Philippines competitive with other countries in

attracting investments into the capital-intensive sector.

Under the measure, large-scale metallic mining operations inside mineral reservations will pay the government 4% of their gross output.

Margin-based royalties on income from metallic operations will be imposed on those outside mineral reservation areas. For instance, miners with margins of 1% up to 10% would be subject to a 1% rate. This royalty rate can go up to as high as 5% for those with margins above 70%.

Meanwhile, small-scale miners will be slapped royalties equivalent to a 10th of 1% of their gross output.

Under the bill, mining income will be subjected to a margin-based windfall profits tax. Miners with margins of more than 35% up to 40% would face a tax rate of 1%, while those with margins of more than 80% will be imposed a 10% rate.

"While we maintain that the current mining tax regime is already substantial (we are already taxed higher than far bigger mining countries such as Indonesia, the world's top nickel producer; as well as Chile and Peru, biggest copper producers globally), we are relieved that the additional tax burden on the industry being proposed in HB 8937 is not

punishingly high," Chamber of Mines of the Philippines (CoMP) Vice-Chairman Gerard H. Brimo said in a Viber chat.

Mining companies in the country currently must pay corporate income tax, excise tax, royalty, local business tax, real property tax, and fees to indigenous communities.

However, Party-list Rep. Arlene D. Brosas, who was one of four solons who voted against HB 8937, said tax collection from mining firms "will never compensate for the long-term disastrous implications" of large mining operations in the country.

Mining, S1/2

House OK's military pension reform measure on 3rd reading

THE HOUSE of Representatives approved on third and final reading a bill seeking to reform the pension system for military and uniformed personnel (MUP), but without requiring mandatory contributions from active personnel.

Lawmakers voted on House Bill No. 8969 or the Military and Uniformed Personnel Pension System Act past midnight on Tuesday, with 272 in favor, four against and one abstention.

The House-approved version requires only new entrants to con-

tribute to the pension fund. New entrants will have to contribute 9% of their monthly salary as their share, while the National Government (NG) will provide 12%.

"The share of the MUP and the NG may be reduced by the Development Budget Coordination Committee (DBCC) due to adverse fiscal and economic conditions of fiscal constraints of the NG," the bill stated.

The bill also provides for the automatic indexation of MUP pensions at 100% of the increase in the

base pay of active personnel. However, the President is authorized to adjust the pension and survivorship pension at lower rates "due to adverse fiscal or economic conditions," as certified by the DBCC.

Lawmakers had amended the bill during the plenary last week after Defense Secretary Gilberto C. Teodoro, Jr. objected to the committee report that had capped the indexation of the MUP pension at 50% and required all active personnel and new entrants to contribute to the pension fund.

"The MUP agencies are already very happy with this reform which also significantly improves our fiscal position. It also makes the fiscal risks of the MUP pension system very predictable," said Albay Rep. Jose Ma. Clemente S. Salceda, who chaired the ad hoc committee on the MUP pension, in a statement.

However, Albay Rep. Edcel C. Lagman, who voted against the bill, said military and uniformed personnel should not be exempted from making contributions to their pension fund.

Pension reform, S1/2