

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																					
PSEi OCTOBER 18, 2023 CLOSE: 6,278.50 HIGH: 6,290.05 LOW: 6,255.03 CLOSE: 6,268.27 VOL.: 1.116 B VAL(P): 5.115 B 12.63 pts. 0.2% 30 DAYS TO OCTOBER 18, 2023	OCTOBER 18, 2023 <table border="1"> <tr><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (NIKKEI 225)</td><td>32,042.25</td><td>▲ 1.96 0.01</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>17,732.52</td><td>▼ -40.82 -0.23</td></tr> <tr><td>TAIWAN (WEIGHTED)</td><td>16,440.91</td><td>▼ -201.64 -1.21</td></tr> <tr><td>THAILAND (SET INDEX)</td><td>1,435.44</td><td>▲ 2.04 0.14</td></tr> <tr><td>S.KOREA (KSE COMPOSITE)</td><td>2,462.60</td><td>▲ 2.43 0.10</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,137.03</td><td>▼ -34.80 -1.10</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>7,077.60</td><td>▲ 21.50 0.30</td></tr> <tr><td>MALAYSIA (KLSE COMPOSITE)</td><td>1,446.54</td><td>▲ 2.41 0.17</td></tr> </table>	CLOSE	NET	%	JAPAN (NIKKEI 225)	32,042.25	▲ 1.96 0.01	HONG KONG (HANG SENG)	17,732.52	▼ -40.82 -0.23	TAIWAN (WEIGHTED)	16,440.91	▼ -201.64 -1.21	THAILAND (SET INDEX)	1,435.44	▲ 2.04 0.14	S.KOREA (KSE COMPOSITE)	2,462.60	▲ 2.43 0.10	SINGAPORE (STRAITS TIMES)	3,137.03	▼ -34.80 -1.10	SYDNEY (ALL ORDINARIES)	7,077.60	▲ 21.50 0.30	MALAYSIA (KLSE COMPOSITE)	1,446.54	▲ 2.41 0.17	OCTOBER 17, 2023 <table border="1"> <tr><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>33,997.650 ▲ 13.110</td></tr> <tr><td>NASDAQ</td><td>13,533.747 ▼ -34.237</td></tr> <tr><td>S&P 500</td><td>4,373.200 ▼ -0.430</td></tr> <tr><td>FTSE 100</td><td>7,675.210 ▲ 44.580</td></tr> <tr><td>Euro Stoxx50</td><td>3,955.090 ▲ 10.250</td></tr> </table>	CLOSE	NET	Dow Jones	33,997.650 ▲ 13.110	NASDAQ	13,533.747 ▼ -34.237	S&P 500	4,373.200 ▼ -0.430	FTSE 100	7,675.210 ▲ 44.580	Euro Stoxx50	3,955.090 ▲ 10.250	FX 4.60 CTVS 30 DAYS TO OCTOBER 18, 2023 SOURCE: BAP	OCTOBER 18, 2023 <table border="1"> <tr><th>LATEST BID (0900GMT)</th><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>149.750 ▼ 149.670</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.826 ▼ 7.824</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>32.318 ▼ 32.319</td></tr> <tr><td>THAILAND (BAHT)</td><td>36.290 ▼ 36.380</td></tr> <tr><td>S. KOREA (WON)</td><td>1,350.120 ▼ 1,353.180</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.369 ▼ 1.370</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>15,725 ▼ 15,710</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.741 ▼ 4.734</td></tr> </table>	LATEST BID (0900GMT)	PREVIOUS	JAPAN (YEN)	149.750 ▼ 149.670	HONG KONG (HK DOLLAR)	7.826 ▼ 7.824	TAIWAN (NT DOLLAR)	32.318 ▼ 32.319	THAILAND (BAHT)	36.290 ▼ 36.380	S. KOREA (WON)	1,350.120 ▼ 1,353.180	SINGAPORE (DOLLAR)	1.369 ▼ 1.370	INDONESIA (RUPIAH)	15,725 ▼ 15,710	MALAYSIA (RINGGIT)	4.741 ▼ 4.734	OCTOBER 18, 2023 <table border="1"> <tr><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.2202 ▲ 1.2166</td></tr> <tr><td>US\$/EURO</td><td>1.0583 ▲ 1.0553</td></tr> <tr><td>US\$/AUSTRALIAN DOLLAR</td><td>0.6382 ▲ 0.6352</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.3625 ▼ 1.3633</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.8983 ▼ 0.9014</td></tr> </table>	CLOSE	PREVIOUS	US\$/UK POUND	1.2202 ▲ 1.2166	US\$/EURO	1.0583 ▲ 1.0553	US\$/AUSTRALIAN DOLLAR	0.6382 ▲ 0.6352	CANADA DOLLAR/US\$	1.3625 ▼ 1.3633	SWISS FRANC/US\$	0.8983 ▼ 0.9014	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$90.80/BBL 30 DAYS TO OCTOBER 17, 2023
CLOSE	NET	%																																																																									
JAPAN (NIKKEI 225)	32,042.25	▲ 1.96 0.01																																																																									
HONG KONG (HANG SENG)	17,732.52	▼ -40.82 -0.23																																																																									
TAIWAN (WEIGHTED)	16,440.91	▼ -201.64 -1.21																																																																									
THAILAND (SET INDEX)	1,435.44	▲ 2.04 0.14																																																																									
S.KOREA (KSE COMPOSITE)	2,462.60	▲ 2.43 0.10																																																																									
SINGAPORE (STRAITS TIMES)	3,137.03	▼ -34.80 -1.10																																																																									
SYDNEY (ALL ORDINARIES)	7,077.60	▲ 21.50 0.30																																																																									
MALAYSIA (KLSE COMPOSITE)	1,446.54	▲ 2.41 0.17																																																																									
CLOSE	NET																																																																										
Dow Jones	33,997.650 ▲ 13.110																																																																										
NASDAQ	13,533.747 ▼ -34.237																																																																										
S&P 500	4,373.200 ▼ -0.430																																																																										
FTSE 100	7,675.210 ▲ 44.580																																																																										
Euro Stoxx50	3,955.090 ▲ 10.250																																																																										
LATEST BID (0900GMT)	PREVIOUS																																																																										
JAPAN (YEN)	149.750 ▼ 149.670																																																																										
HONG KONG (HK DOLLAR)	7.826 ▼ 7.824																																																																										
TAIWAN (NT DOLLAR)	32.318 ▼ 32.319																																																																										
THAILAND (BAHT)	36.290 ▼ 36.380																																																																										
S. KOREA (WON)	1,350.120 ▼ 1,353.180																																																																										
SINGAPORE (DOLLAR)	1.369 ▼ 1.370																																																																										
INDONESIA (RUPIAH)	15,725 ▼ 15,710																																																																										
MALAYSIA (RINGGIT)	4.741 ▼ 4.734																																																																										
CLOSE	PREVIOUS																																																																										
US\$/UK POUND	1.2202 ▲ 1.2166																																																																										
US\$/EURO	1.0583 ▲ 1.0553																																																																										
US\$/AUSTRALIAN DOLLAR	0.6382 ▲ 0.6352																																																																										
CANADA DOLLAR/US\$	1.3625 ▼ 1.3633																																																																										
SWISS FRANC/US\$	0.8983 ▼ 0.9014																																																																										

VOL. XXXVII • ISSUE 61 THURSDAY • OCTOBER 19, 2023 • www.bworldonline.com S1/1-2 • 2 SECTIONS, 20 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • OCTOBER 18, 2023 (PSEi snapshot on S1/2; article on S2/2)

PGOLD	P29.450	DMC	P10.300	ICT	P214.200	SM	P812.500	ALI	P29.750	AP	P36.950	SCC	P35.150	SMPH	P31.200	URC	P113.000	NIKL	P5.730
Value	P617,356,095	Value	P416,757,112	Value	P395,263,232	Value	P364,490,550	Value	P223,136,295	Value	P216,685,210	Value	P196,569,830	Value	P193,045,220	Value	P141,328,752	Value	P132,447,764
-P0.150	-0.507%	-P0.240	-2.277%	-P0.800	-0.372%	-P4.500	-0.551%	P0.450	1.536%	P0.100	0.271%	P0.050	0.142%	-P0.650	-2.041%	-P1.900	-1.654%	-P0.210	-3.535%

HOW DOES THE FILIPINO YOUTH'S PROGRESS COMPARE WITH THAT OF OTHER COUNTRIES?

The Philippines edged up a notch to 77th out of 153 countries with a score of 71.43 (out of 100) in the 2023 edition* of the Youth Progress Index (YPI) by Social Progress Imperative and European Youth Forum. The index ranks countries based on young people's quality of life across the three key dimensions: basic human rights, foundations of well-being, and opportunities for young people.

2023 YPI Scores and Ranks of Select East and Southeast Asian Countries (Out of 100)

Country	Rank (Out of 153)	Score
Japan	12	88.07
Singapore	14	87.19
South Korea	15	87.19
Malaysia	48	73.31
China	67	72.58
Thailand	72	72.42
Indonesia	73	72.34
Vietnam	74	71.43
Philippines	77	71.43
Mongolia	88	67.95
Cambodia	107	61.21
Myanmar	117	56.16
Laos	118	55.90

Notes:
 *The report used 2022 data.
 - The index is composed of 60 social and environmental indicators that focus on three main dimensions describing social progress:
 1. Basic Human Rights: Does a country provide for its people's most essential needs?
 2. Foundations of Well-Being: Are there building blocks in place for individuals and communities to enhance and sustain well-being?
 3. Opportunity: Is there opportunity for all individuals to reach their full potential?

Philippines' Historical Performance

Reference Year	Rank (Out of 153)	Score
2011	80	65.80
2012	77	66.62
2013	73	67.35
2014	77	67.80
2015	77	68.60
2016	75	68.77
2017	76	69.14
2018	78	69.42
2019	75	70.49
2020	77	70.67
2021	78	70.93
2022	77	71.43

Philippines' 2023 Profile

Dimensions	Score
Overall	71.43
Basic Human Needs	79.71
Foundations of Well-Being	70.58
Opportunity	64.00

Top 5

YPI 2023 Rank (Out of 153)	Country	Rank Changes from 2022	YPI 2023 Score (Out of 100)
1	Norway	↔	90.51
2	Denmark	↔	90.48
3	Iceland	↔	90.41
4	Switzerland	↔	90.22
5	Finland	↔	89.84

Bottom 5

YPI 2023 Rank (Out of 153)	Country	Rank Changes from 2022	YPI 2023 Score (Out of 100)
153	South Sudan	↔	32.68
152	Central African Rep.	↔	34.97
151	Afghanistan	▼	37.02
150	Chad	▲	37.68
149	Somalia	↔	42.54

Hawkish BSP seen to bring inflation to target in Q1

THE BANGKO SENTRAL ng Pilipinas' (BSP) hawkish stance is expected to bring inflation to the target range by early next year, but further hikes could be needed if more upside risks to prices emerge, the International Monetary Fund (IMF) said on Wednesday.

However, BSP Governor Eli M. Remolona, Jr. told reporters on Wednesday that there is still a need to review the latest data before making a decision.

Asked if an off-cycle rate hike was still on the table, Mr. Remolona said: "We're looking at the data, I think Tuesday we'll gather and run through them all again and see what needs to be done. We'll know next week."

The Monetary Board has kept the benchmark interest rate at 6.25% since March after hiking borrowing costs by 425 basis points (bps) since May 2022 to tame inflation. Its next policy-setting meeting is on Nov. 16.

IMF Asia and Pacific Department Regional Studies Division Chief Shanaka Peiris said Philippine inflation is unlikely to ease to the BSP's 2-4% target range within this year amid upside risks.

"The current restrictive monetary stance should help bring down inflation by the first quarter next year... What we said is keep the course on monetary policy tightening, and it should bring inflation down. But if upside risks materialize, (the BSP) may

need to raise interest rates more," he said in an online briefing on Wednesday.

The IMF expects Philippine inflation to accelerate to 6% this year before easing to 3.5% in 2024. The IMF's forecast is slightly higher than the BSP's 5.8% estimate for this year, but the same for next year.

Inflation quickened to 6.1% in September, the fastest in five months, due to rising prices of food and fuel. Year to date, inflation averaged 6.6%.

Mr. Remolona earlier this month said he is "not sure" if headline inflation will return to the 2-4% target range within the year due to the "significant spike" in September.

He has said that higher borrowing costs have not impacted the Philippine economic growth, which may indicate there is still room to resume monetary tightening.

The IMF expects Philippine gross domestic product (GDP) to grow by 5.3% this year, and by 6% next year. Both forecasts are below the government's 6-7% goal for 2023 and the 6.5-8% target for 2024.

"For next year, we are expecting a pickup because you know, service exports are doing quite well," Mr. Peiris said, adding that an acceleration in public spending and an increase in foreign direct investments will also drive growth.

Inflation, S1/3

Safeguards sought for Maharlika fund

By Kyle Aristophere T. Atienza
Reporter

PHILIPPINE President Ferdinand R. Marcos, Jr. should carefully weigh the risks posed by the country's first sovereign wealth fund to the top two state lenders, economists said on Wednesday.

This after Mr. Marcos ordered the suspension of the implementing rules and regulations (IRR) of the law that created the Maharlika Investment Fund (MIF).

Executive Secretary Lucas P. Bersamin said in a statement that Mr. Marcos had wanted to carefully study the IRR "to ensure that the purpose of the fund will be realized for the country's development with safeguards in place for transparency and accountability."

The Oct. 12 memorandum ordering the suspension of the law's IRR was addressed to the Bureau of the Treasury as well as the heads of the Land Bank of the Philippines (LANDBANK) and the Development Bank of the Philippines (DBP).

The LANDBANK and DBP have already remitted P50 billion and P25 billion, respectively, for the initial funding of the sovereign wealth fund as required under the law.

Concerns over the financial stability of the two state banks swirled after they sought regulatory relief from capitalization requirements after remitting their contributions.

Maharlika, S1/3

BSP Governor Eli M. Remolona, Jr. said there will be no special treatment for LANDBANK and DBP's requests.

"We will evaluate the request as we do for any other requests by banks, and then we will carry out the usual regulations that we carry out so (LANDBANK and DBP) will not be treated in a special way. They will be regulated like we always regulate banks," Mr. Remolona told reporters on Wednesday.

Meanwhile, GlobalSource Partners Country Analyst Diwa C. Guinigundo said it would be "most welcome" if the law is repealed "if it is found to be fundamentally flawed," citing the law's negative impact on the financial stability of the LANDBANK and DBP.

"[There are] financial stability consequences if the two government financial institutions fail to comply with BSP's regulatory capital requirements," he said in a Viber message.

Mr. Guinigundo said he supports the suspension of the IRR if this is part of due diligence before the sovereign wealth fund starts operations.

"[The suspension] will not correct the issues of having the MIF in the first place when we have no surplus fund, sourcing its seed fund from two GFIs which may risk noncompliance with BSP requirements, allowing nearly unlimited range of allowable financial activities including borrowing for investment, providing guarantees to loans, etc.," the former BSP deputy governor said.

Gov't ramps up efforts to exit FATF 'gray list'

PRESIDENT Ferdinand R. Marcos, Jr. has given agencies until Nov. 30 to address deficiencies in their anti-money laundering strategies as part of Philippine efforts to get out of the Financial Action Task Force's "gray list" by January.

In a memo, the President said state agencies must review and complete deliverables required by the FATF's International Cooperation Review Group (ICRG) by the end of next month.

"As a member of the APG (Asia Pacific Group), and in compliance with the international standards on combating money laundering and terrorist financing, the Philippines must conduct a money laundering/terrorist financing national risk assessment to determine the country's risks and vulnerabilities," Mr. Marcos said in the Oct. 16 memo.

The Philippines is hard-pressed to exit the global financial watchdog's gray list, which can have severe consequences on its growing economy. Being on the FATF's list attracts close monitoring of international transactions and limits trade opportunities.

Mr. Marcos noted that out of 18 ICRG action plans, the Philippines still must address eight to be able to get out of the FATF gray list by the start of next year. The Philippines is expected to undergo another mutual evaluation in 2026.

Mr. Marcos also directed the Anti Money Laundering Council (AMLC) to submit to the office of the Executive Secretary a comprehensive report on the status of the implementation of the National Anti-Money Laundering, Counter-Terrorism Financing and Counter-Proliferation Financing Strategy (NACFS) 2023-2027 on or before Dec. 8.

In particular, he wanted to see progress on Strategic Objective 1, which states that the government should demonstrate that the country has addressed strategic deficiencies identified in international assessments and that the measures contribute to "effective and sustainable outcomes."

Under the memo, the AMLC will also serve as the lead agency of the National Money Laundering/Terrorism Financing Risk Assessment Working Group and formulate and issue guidelines for implementation.

The Philippines has been on the FATF's list of countries under increased monitoring for money laundering and terrorism financing risks since June 2021.

In June this year, the FATF decided to keep the Philippines on the gray list despite some progress in implementing measures against such financial crimes. — **K.A.T. Atienza**

PHL seeks \$5.7B worth of WB loans

THE PHILIPPINES is eyeing \$5.677 billion worth of loans from the World Bank (WB) over the next few years, the Department of Finance (DoF) said.

In a statement, the DoF said Finance Secretary Benjamin E. Diokno met with World Bank Group (WBG) Managing Director for Operations Anna Bjerde to discuss the programs and projects being considered for financing from fiscal year 2024 to 2025 and onwards.

Mr. Diokno met with WBG officials on the sidelines of 2023 Annual World Bank-International Monetary Fund (WB-IMF) annual meetings in Marrakesh, Morocco.

"A total of 20 pipeline loans amounting to \$5.677 billion are expected to be signed between the Philippines and the WBG," the DoF said.

The \$5.677 billion worth of loans will be focused on projects involved in "digital transformation, disaster risk management, climate, transportation, and energy, among others."

Ms. Bjerde was quoted by the DoF as saying the World Bank is "finding ways to speed up the approval processes and execution of the projects, which is key to ensuring that countries benefit sooner and development objectives are delivered quicker and better."

She also noted the multilateral lender's interest in "exploring partnerships and private capital mobilization opportunities with the Philippines on digitalization and renewable energy."

The Philippines currently has 18 ongoing loans with the lender worth \$5.701 billion.

Last year, the World Bank was the country's third-largest source of official development assistance (ODA), accounting for 21.18% of the total ODA portfolio. This was equivalent to \$6.86 billion in 29 programs and projects.

Meanwhile, Mr. Diokno also met with representatives from Japan Bank for International Cooperation (JBIC), Mizuho Securities, and Nomura Holdings on Oct. 14 to discuss investment opportunities in the Philippines.

"The banks expressed strong interest in advancing investments in the Philippines' renewable energy, sustainable technology, infrastructure, and fixed-income instruments," the DoF said.

The DoF said the Japanese financial institutions also discussed opportunities in public-private partnerships, infrastructure flagship projects, and sustainable finance instruments. — **L.M.J.C. Jocson**