

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																					
PSEi NOVEMBER 21, 2023 OPEN: 6,196.99 HIGH: 6,219.06 LOW: 6,183.05 CLOSE: 6,208.83 VOL.: 0.423 B VAL(P): 3.911 B 25.20 Pts. 0.4% 30 DAYS TO NOVEMBER 21, 2023	NOVEMBER 21, 2023 <table border="1"> <tr><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (NIKKEI 225)</td><td>33,354.14</td><td>-33.89 -0.10</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>17,733.89</td><td>-44.18 -0.25</td></tr> <tr><td>TAIWAN (WEIGHTED)</td><td>17,416.70</td><td>206.23 1.20</td></tr> <tr><td>THAILAND (SET INDEX)</td><td>1,423.61</td><td>4.17 0.29</td></tr> <tr><td>S.KOREA (KSE COMPOSITE)</td><td>2,510.42</td><td>19.22 0.77</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,096.34</td><td>-15.24 -0.49</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>7,078.20</td><td>19.80 0.28</td></tr> <tr><td>MALAYSIA (KLSE COMPOSITE)</td><td>1,463.40</td><td>6.48 0.44</td></tr> </table>	CLOSE	NET	%	JAPAN (NIKKEI 225)	33,354.14	-33.89 -0.10	HONG KONG (HANG SENG)	17,733.89	-44.18 -0.25	TAIWAN (WEIGHTED)	17,416.70	206.23 1.20	THAILAND (SET INDEX)	1,423.61	4.17 0.29	S.KOREA (KSE COMPOSITE)	2,510.42	19.22 0.77	SINGAPORE (STRAITS TIMES)	3,096.34	-15.24 -0.49	SYDNEY (ALL ORDINARIES)	7,078.20	19.80 0.28	MALAYSIA (KLSE COMPOSITE)	1,463.40	6.48 0.44	NOVEMBER 20, 2023 <table border="1"> <tr><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>35,151.040 ▲ 203.760</td></tr> <tr><td>NASDAQ</td><td>14,284.534 ▲ 159.053</td></tr> <tr><td>S&P 500</td><td>4,547.380 ▲ 33.360</td></tr> <tr><td>FTSE 100</td><td>7,496.360 ▼ -7.890</td></tr> <tr><td>Euro Stoxx50</td><td>3,943.770 ▲ 0.490</td></tr> </table>	CLOSE	NET	Dow Jones	35,151.040 ▲ 203.760	NASDAQ	14,284.534 ▲ 159.053	S&P 500	4,547.380 ▲ 33.360	FTSE 100	7,496.360 ▼ -7.890	Euro Stoxx50	3,943.770 ▲ 0.490	FX NOVEMBER 21, 2023 OPEN P55.430 HIGH P55.340 LOW P55.430 CLOSE P55.390 W.AVE. P55.371 VOL. \$1,599.05 M 16.00 CTVS 30 DAYS TO NOVEMBER 21, 2023 SOURCE : BAP	NOVEMBER 21, 2023 <table border="1"> <tr><th>LATEST BID (0900GMT)</th><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>147.660 ▲ 148.280</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.795 ▲ 7.794</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>31.318 ▲ 31.625</td></tr> <tr><td>THAILAND (BAHT)</td><td>35.190 ▲ 35.100</td></tr> <tr><td>S. KOREA (WON)</td><td>1,291.950 ▼ 1,290.420</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.336 ▲ 1.339</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>15,435 ▲ 15,440</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.650 ▲ 4.665</td></tr> </table>	LATEST BID (0900GMT)	PREVIOUS	JAPAN (YEN)	147.660 ▲ 148.280	HONG KONG (HK DOLLAR)	7.795 ▲ 7.794	TAIWAN (NT DOLLAR)	31.318 ▲ 31.625	THAILAND (BAHT)	35.190 ▲ 35.100	S. KOREA (WON)	1,291.950 ▼ 1,290.420	SINGAPORE (DOLLAR)	1.336 ▲ 1.339	INDONESIA (RUPIAH)	15,435 ▲ 15,440	MALAYSIA (RINGGIT)	4.650 ▲ 4.665	NOVEMBER 21, 2023 <table border="1"> <tr><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.2535 ▲ 1.2495</td></tr> <tr><td>US\$/EURO</td><td>1.0944 ▲ 1.0936</td></tr> <tr><td>US\$/AUSTRALIAN DOLLAR</td><td>0.6568 ▲ 0.6558</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.3718 ▲ 1.3701</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.8837 ▲ 0.8827</td></tr> </table>	CLOSE	PREVIOUS	US\$/UK POUND	1.2535 ▲ 1.2495	US\$/EURO	1.0944 ▲ 1.0936	US\$/AUSTRALIAN DOLLAR	0.6568 ▲ 0.6558	CANADA DOLLAR/US\$	1.3718 ▲ 1.3701	SWISS FRANC/US\$	0.8837 ▲ 0.8827	NOVEMBER 21, 2023 FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$82.80/BBL 30 DAYS TO NOVEMBER 20, 2023 \$3.52
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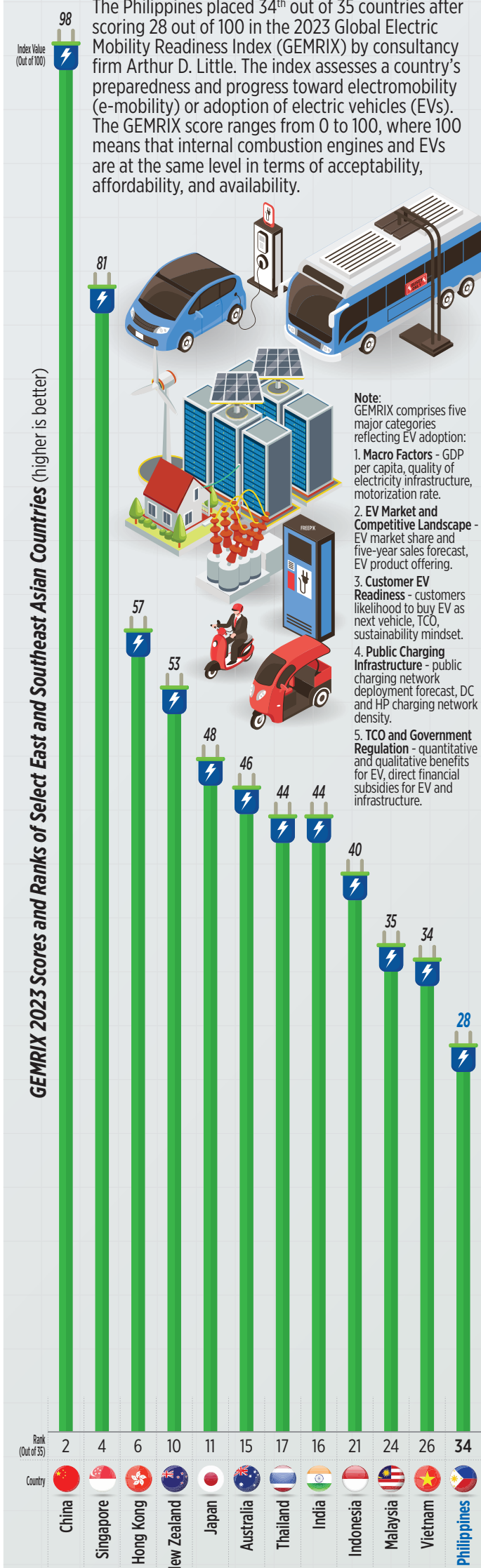
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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • NOVEMBER 21, 2023 (PSEi snapshot on S1/2; article on S2/2)

JFC	P238.000	ALI	P29.850	ICT	P214.800	SM	P827.000	BDO	P131.900	CNPF	P30.500	SMPH	P31.250	EMI	P20.750	BLOOM	P9.800	TEL	P1,260.000
Value	P529,862,552	Value	P238,947,010	Value	P230,350,904	Value	P204,857,115	Value	P198,990,624	Value	P175,857,090	Value	P168,044,200	Value	P152,578,670	Value	P134,947,660	Value	P134,083,655
P11.000	▲ 4.846%	P0.000	— 0.000%	P2.800	▲ 1.321%	-P2.000	▼ -0.241%	P2.500	▲ 1.932%	P0.650	▲ 2.178%	-P0.450	▼ -1.420%	-P0.050	▼ -0.240%	P0.040	▲ 0.410%	P14.000	▲ 1.124%

PHILIPPINES LAGS IN E-MOBILITY READINESS LIST

The Philippines placed 34th out of 35 countries after scoring 28 out of 100 in the 2023 Global Electric Mobility Readiness Index (GEMRIX) by consultancy firm Arthur D. Little. The index assesses a country's preparedness and progress toward electromobility (e-mobility) or adoption of electric vehicles (EVs). The GEMRIX score ranges from 0 to 100, where 100 means that internal combustion engines and EVs are at the same level in terms of acceptability, affordability, and availability.



Note: GEMRIX comprises five major categories reflecting EV adoption:
 1. Macro Factors - GDP per capita, quality of electricity infrastructure, motorization rate.
 2. EV Market and Competitive Landscape - EV market share and five-year sales forecast, EV product offering.
 3. Customer EV Readiness - customers likelihood to buy EV as next vehicle, TCO, sustainability mindset.
 4. Public Charging Infrastructure - public charging network deployment forecast, DC and HP charging network density.
 5. TCO and Government Regulation - quantitative and qualitative benefits for EV, direct financial subsidies for EV and infrastructure.

Philippines' Profile

Rank (/35)	34
Index Value (/100)	28
Macro Factors	1
EV Market and Competitive Landscape	3
Customer EV Readiness	7
Public Charging Infrastructure	8
Total Cost of Ownership (TCO) and Government Regulation	9

Top 5			Bottom 5		
Rank (Out of 35)	Country	Index Value	Rank (Out of 35)	Country	Index Value
1	Norway	117	35	South Africa	20
2	China	98	34	Philippines	28
3	Germany	85	33	Iraq	28
4	Singapore	81	32	Costa Rica	28
5	UK	79	31	Panama	29

Source: Arthur D. Little's Global Electric Mobility Readiness Index 2023
 BusinessWorld Research: Lourdes O. Pilar
 BusinessWorld Graphics: Bong R. Fortin

BSP: El Niño to weigh on inflation through 1st half

By Keisha B. Taasan
Reporter

THE IMPACT of the El Niño weather event may persist throughout the first half of 2024, which could lead to higher prices of power, imported rice and food items, the Bangko Sentral ng Pilipinas (BSP) said.

The BSP in its November Monetary Policy Report said El Niño could dampen water resources and agricultural productivity next year amid expected dry spells and droughts in some parts of the country.

"The impact of El Niño is quantified through several chan-

nels including higher electricity rates due to dry weather conditions, higher domestic crop prices owing to lower production, and higher international rice prices due to lower global production and the implementation of export restrictions," the central bank said.

"These factors are assumed to persist in the first half of 2024 and contribute to the inflation forecast for the year," it added.

During the Nov. 16 policy meeting, the BSP raised its baseline inflation forecast to 6% in 2023 (from 5.8% in September) and to 3.7% in 2024 (from 3.5%) but trimmed its 2025 inflation estimate to 3.2% (from 3.4%).

Electricity rates could rise in the fourth quarter to the second quarter of 2024 due to the warm and dry weather conditions from El Niño, according to the BSP.

"A substantial increase in demand for power which could not be supported by power supply reserves could lead to a declaration of yellow or red alerts in the transmission grids, resulting in higher generation charges from the Wholesale Electricity Spot Market (WESM) and independent power producers (IPP)," the central bank said.

Local electric cooperatives may also have to use more expensive alternative sources of power generation amid the expected drop in output from hydropower plants.

"A 3% month-on-month increase in electricity prices is assumed for the period January to June 2024. This is based on the average increase in the overall electricity rate during the El Niño episode in 2018-2019," the BSP said.

Meanwhile, temperature shocks may have a significant negative effect on rice and corn, which accounted for about 8.9% and 0.5% of the consumer price index (CPI) basket, respectively.

El Niño could also lead to stronger demand for rice globally, particularly for imports from Vietnam and Thailand. However, the global rice supply is also vulnerable to El Niño and possible trade restrictions.

El Niño, S1/9

House committee OK's amendments to CREATE law

By Beatriz Marie D. Cruz Reporter

A HOUSE OF Representatives committee on Tuesday approved a bill that would allow companies inside economic zones and freeports to enjoy duty-free privileges and value-added tax exemptions on imports and local purchases as part of the Marcos government's push to make the Philippine tax incentive system more globally competitive.

The measure will amend the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act, which restricts the so-called zero-rating on value-added tax (VAT) on local purchases to the sale of goods and services directly used in a project or activity of a registered exporter.

The CREATE MORE (CREATE to Maximize Opportunities for Reinvigorating the Economy) bill also empowers the President to modify, craft and grant incentive packages, without the recommendation of the Fiscal Incentives Review Board.

"The President has instructed us to get this done, and the (House) leadership is trying to approve it by end of this month," Committee on Ways and Means Chairman and Albay Rep. Jose Ma. Clemente S. Salceda said in a statement.

The CREATE MORE bill seeks to introduce a "simplified and streamlined" tax refund system for registered business enterprises.

Under the bill, domestic and export companies, even those inside ecozones and freeports, would continue to enjoy duty exemptions, VAT exemption on importation, and the VAT zero-rating of local purchases as provided in their respective investment promotion agency (IPA) registrations.

"Registered export enterprises shall enjoy nonincome tax incentives, such as duty exemption on importation of capital equipment, raw materials, spare parts or accessories, VAT exemption on importation and VAT zero-rating on local purchases, as long as the registered export enterprise maintains 70% of the total annual production as export sale and continues to be registered in good standing with the IPA," according to the bill.

The measure also seeks to reduce the corporate income tax to 20% for those under the enhanced deduction regime from 20-25%.

Under the measure, the information technology and business process outsourcing sector will be allowed to "conduct business under alternative work arrangements."

CREATE, S1/9

External debt service soars to \$8.9 billion as of end-August

THE PHILIPPINES' external debt service burden more than doubled to \$8.89 billion as of end-August, preliminary data from the Bangko Sentral ng Pilipinas (BSP) showed.

Based on data posted on the BSP website, the Philippines' external debt service burden surged by 125% from \$3.95 billion a year earlier.

The debt service burden refers to the amount of money a country needs to pay back its foreign creditors. This includes both principal and interest payments on its external debt.

BSP data showed principal payments soared by 92.7% to \$4.47 billion in January to August from \$2.32 billion a year ago.

Interest payments surged by 171% to \$4.43 billion in the first eight months of the year from \$1.63 billion a year earlier.

Principal external debt service is mostly fixed medium- to long-term credits, while interest payments are for fixed and revolving short-term credits of banks and nonbanks.

"The country's debt service burden experienced an uptick this year due to higher interest rates. This was largely expected," China Banking Corp. Chief Economist Domini S. Velasquez said in a Viber message.

Globally, central banks have tightened monetary policy to curb inflation. This includes the BSP, which was regarded as one of

the most aggressive central banks in the region after it hiked key rates by 450 basis points to 6.5% from May 2022 to October 2023.

Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort attributed the higher external debt service burden to high borrowing costs, which "bloomed interest payments."

Larger maturities of government debt and a weaker peso against the dollar may have also led to higher debt service costs, he added.

Latest data showed outstanding external debt reached \$117.918 billion as of end-June, 9.5% up from \$107.692 billion a year ago.

External debt refers to all types of borrowings by Philippine residents from non-residents, following the residency criterion for international statistics.

The debt service ratio, or principal and interest payments as a fraction of export receipts and primary income, rose to 11% at the end of June from 4.6% a year earlier.

"For the coming months, debt servicing could be somewhat tempered by the recent downward correction in US/global/local bond yields and possible policy rate cuts by the Fed and other global central banks that could reduce financing/borrowing costs," Mr. Ricafort said.

External debt, S1/9

BIR surpasses October collection target

THE BUREAU OF Internal Revenue (BIR) collected P274.429 billion in October, surpassing its target for the month by 8.57%.

The October tally also jumped by 46.94% from P186.759 billion in actual collections a year earlier.

"With the intensification of the bureau's tax enforcement activities, specifically on the campaign against sellers and buyers of fake receipts, and with the continuous streamlining and digitization of the BIR's core services, we hope to encourage all noncompliant taxpayers to comply fully with the provisions and requirements of the tax laws," BIR Commissioner Romeo D. Lumagui, Jr. said in a statement on Tuesday.

In the 10-month period, BIR revenues rose by 11.1% to P2.132 trillion from P1.919 trillion a year ago.

The agency's collection from January to October already accounted for about 80% of its full-year target.

The BIR is targeting to collect P2.64 trillion this year, which is 13% higher than its collection of P2.34 trillion in 2022.

Mr. Lumagui said the agency would likely reach or even surpass its collection target for the year.

Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said the improvement in tax collection was due to the recovery of businesses and other economic activities that led to increased sales, spending and employment.

"Intensified tax collections based on existing tax laws also improved BIR tax revenue collections, as part of fiscal reform measures," he said in a Viber message.

The BIR has been studying ways to expand its tax base, including using a digital platform.

Last month, it released the final draft of its proposed creditable withholding tax policy for gross remittances of electronic marketplace operators to online sellers.

Under the draft, a withholding tax of 1% will be imposed on one-half of the gross remittances by domestic e-marketplace operators to online merchants for goods or services sold through their facility.

Earlier, BIR Assistant Commissioner Jethro M. Sabariaga said the agency's collection for the remainder of the year is expected to be driven by household consumption and government spending.

The BIR collects about 70% of government revenue. — Luisa Maria Jacinta C. Joeson