

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEi OPEN: 6,237.87 HIGH: 6,284.37 LOW: 6,234.32 CLOSE: 6,284.37 VOL.: 0.447 B VAL(P): 3,765 B 39.19 pts. 0.62% 30 DAYS TO DECEMBER 4, 2023	DECEMBER 4, 2023 JAPAN (NIKKEI 225) 33,231.27 ▼ -200.24 -0.60 HONG KONG (HANG SENG) 16,646.05 ▼ -184.25 -1.09 TAIWAN (TAIEX) 17,421.48 ▼ -16.87 -0.10 THAILAND (SET INDEX) 1,383.54 ▲ 3.23 0.23 S.KOREA (KOSPI) 2,514.95 ▲ 9.94 0.40 SINGAPORE (STRAITS TIMES) 3,084.08 ▼ -6.23 -0.20 SYDNEY (ALL ORDINARIES) 7,124.70 ▲ 51.50 0.73 MALAYSIA (KLSE COMPOSITE) 1,451.02 ▲ -5.36 -0.37	DECEMBER 1, 2023 Dow Jones 36,245.500 ▲ 294.610 NASDAQ 14,305.032 ▲ 78.814 S&P 500 4,594.630 ▲ 26.830 FTSE 100 7,529.350 ▲ 75.600 Euro Stoxx50 4,019.730 ▲ 37.120	FX OPEN P55.340 HIGH P55.220 LOW P55.370 CLOSE P55.340 W.AVE. P55.320 VOL. \$1,108.69 M SOURCE : BAP 6.00 ctyvs	DECEMBER 4, 2023 LATEST BID (0900GMT) PREVIOUS JAPAN (YEN) 146.610 ▲ 146.810 HONG KONG (HK DOLLAR) 7.814 ▼ 7.814 TAIWAN (NT DOLLAR) 31.363 ▼ 31.286 THAILAND (BAHT) 34.940 ▼ 34.840 S. KOREA (WON) 1,303.970 ▼ 1,293.400 SINGAPORE (DOLLAR) 1.334 ▼ 1.333 INDONESIA (RUPIAH) 15,450 ▼ 15,480 MALAYSIA (RINGGIT) 4.655 ▲ 4.671	DECEMBER 4, 2023 CLOSE PREVIOUS US\$/UK POUND 1.2670 ▼ 1.2700 US\$/EURO 1.0872 ▼ 1.0881 US\$/AUSTRALIAN DOLLAR 0.6650 ▼ 0.6672 CANADA DOLLAR/US\$ 1.3539 ▼ 1.3497 SWISS FRANC/US\$ 0.8727 ▲ 0.8693	DECEMBER 4, 2023 FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$81.30/BBL 30 DAYS TO DECEMBER 1, 2023 ▼ \$4.09

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • DECEMBER 4, 2023 (PSEi snapshot on S1/2; article on S2/2)

SM	P825.000	BDO	P131.500	JFC	P244.000	ICT	P220.000	BPI	P105.700	ALI	P31.000	SPNEC	P1.210	URC	P114.000	RLC	P15.000	SMPH	P33.050
Value	P383,879,415	Value	P369,112,763	Value	P305,380,060	Value	P276,774,372	Value	P190,505,498	Value	P143,816,900	Value	P112,404,940	Value	P108,007,372	Value	P82,080,430	Value	P81,209,700
PO.000	— 0.000%	PO.500	▲ 0.382%	PI0.200	▲ 4.363%	PO.200	▲ 0.091%	PI.200	▲ 1.148%	PO.000	— 0.000%	PO.040	▲ 3.419%	PO.900	▲ 0.796%	PO.440	▲ 3.022%	PO.050	▲ 0.152%

ADB allots \$10-B climate finance for PHL

By Luisa Maria Jacinta C. Jocson Reporter

THE ASIAN Development Bank (ADB) is allocating \$10 billion (P553 billion) in climate finance for the Philippines starting next year until 2029.

In a statement, the lender said the funds would allow the Philippines to implement its commitments to climate action under the Paris Agreement.

The battle against climate change will be won or lost in Asia and the Pacific and nowhere is this more evident than in the Philippines," ADB President Masatsugu Asakawa told a side event of the United Nations' Conference of the Parties (COP28) in Dubai.

The Philippines is considered one of the countries that is most vulnerable to climate change, as seen with recent extreme weather events and rising sea levels.

"The Philippines has adopted ambitious mitigation targets and adaptation priorities, but these require substantial resources and financing," Mr. Asakawa said.

The Philippines is committed to cutting its greenhouse gas emissions by 75% by 2030.

The ADB president said the funding is part of the new country program being developed with the Philippine government.

"ADB will also continue efforts to mobilize additional climate finance from the private sector, co-financing partners and other sources," he added.

The multilateral lender is preparing the Philippines' country partnership strategy for 2024 to 2029. It is expected to "prioritize climate action and promote inclusive growth."

"Under the new strategy, ADB will support low-carbon transport, renewable energy, the development of carbon markets, flood management, resilient coastal development, food security, and adaptive health and social protection," it added.

ADB Country Director for the Philippines Pavit Ramachandran earlier said the lender is looking to earmark between \$3.5 billion and \$4 billion annually in loans for the country until 2029.

He also said the new country partnership strategy would likely be released by the second half of 2024.

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ADB, S1/9

Digital lenders unlikely to shake up PHL banking

By Keisha B. Taasan Reporter

DIGITAL BANKS in the Philippines might be unable to compete strongly against lenders with brick-and-mortar presence in the medium term, Fitch Ratings said on Monday.

In a commentary written by Tamma Febrian and Willie Tanoto, directors of its Asia-Pacific banking team, the debt watcher said the Philippines offers "significant potential" for digital banks because of its large unbanked population.

"(But) we do not believe it will shake competitive dynamics within the Philippine banking sector significantly in the medium term. We expect their impact on the ratings of Fitch-rated banks will be limited," it added.

In 2021, the Bangko Sentral ng Pilipinas (BSP) capped the number of digital banking licenses to six to monitor the development of the sector, ensure competition, and boost its regulatory capacity.

The six online lenders that got licenses to operate in the country were Tonik Digital Bank, Inc.; GoTyme of the Gokongwei group and Singapore-based Tyme; Maya Bank of Voyager Innovations, Inc.; Overseas Filipino Bank, a subsidiary of Land Bank of the Philippines; UNObank of DigibankASIA Pte. Ltd.; and UnionDigital of Union Bank of the Philippines, Inc.

Despite rapid growth in the past two years, the market share of system deposits of all digital banks was still less than 0.4% as of end-June, according to Fitch Ratings.

Low average deposits per customer also suggest that digital lenders have yet to capture most of their depositors' operating accounts, the debt watcher said.

"We expect digital banks will continue to compete aggressively for deposits over the next two years as they seek to refine their business models and build the scale necessary for sustainable operations," it said.

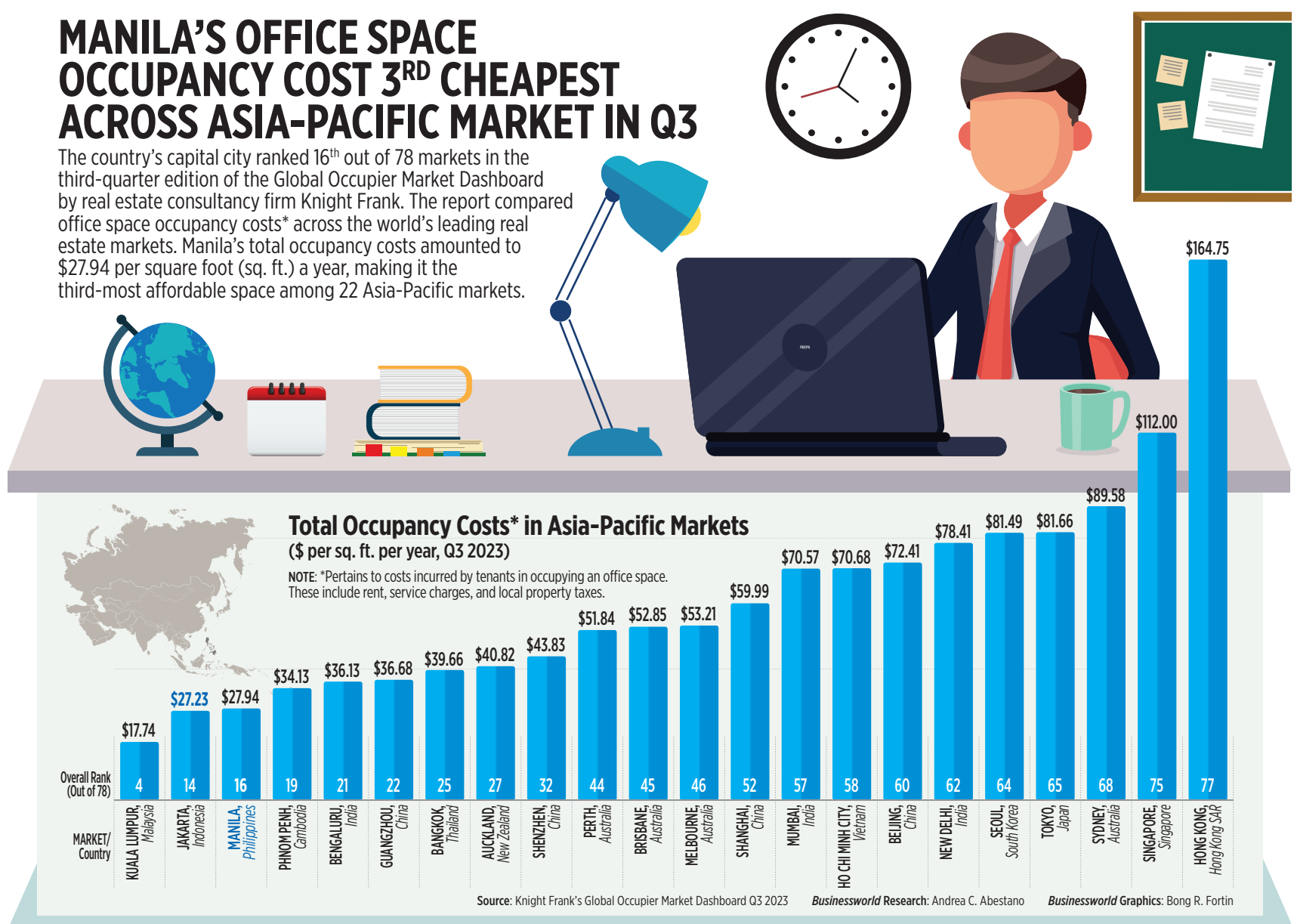
Fitch noted that most digital lenders compete with pricing to attract new customers. However, this has become more difficult due to the higher interest rate environment.

"We believe that this pricing-focused strategy is unlikely to be sustainable in the long run, though it should support continued expansion of the digital bank segment over the next two to three years," Fitch said.

Lenders, S1/9

MANILA'S OFFICE SPACE OCCUPANCY COST 3RD CHEAPEST ACROSS ASIA-PACIFIC MARKET IN Q3

The country's capital city ranked 16th out of 78 markets in the third-quarter edition of the Global Occupier Market Dashboard by real estate consultancy firm Knight Frank. The report compared office space occupancy costs* across the world's leading real estate markets. Manila's total occupancy costs amounted to \$27.94 per square foot (sq. ft.) a year, making it the third-most affordable space among 22 Asia-Pacific markets.



Low single-digit growth expected for PHL exports next year

PHILIPPINE GOODS and service exports are likely to grow by low single digits next year, according to an industry group.

Philippine Exporters Confederation, Inc. (Philexport) President Sergio R. Ortiz-Luis, Jr. said the outlook is better for next year, as the industry missed this year's export target under the Philippine Export Development Plan (PEDP).

"But one of the big parts of our exports are semiconductors and they don't expect to meet their original target, that is why it is services that will drive the growth," he told reporters on the sidelines of the National Exporters Week on Monday.

"Most of these will be in tourism and allied industries like transportation. The business process outsourcing (BPO) industry will also be a big part because as a matter of fact we are number one in voice BPO despite competing with India."

Last week, the Semiconductor and Electronics Industries in the Philippines Foundation, Inc. said the industry's exports would contract by 9-10% this year and will be flat next year.

For this year, Mr. Ortiz-Luis said the industry is still trying to reach at least \$100 billion in export value.

Under the PEDP, merchandise and service exports were initially projected to hit \$126.8 billion this year and \$143.4 billion in 2024.

Asked about the export growth target for next year, Mr. Ortiz-Luis said: "Most probably, it will post a (low) single-digit growth. If we are able to

register double-digit growth, we will be able to reach \$126 billion [in export value] next year."

He noted the \$126-billion target would most likely be reached by 2025 due to weak external demand amid rising geopolitical tensions and high inflation.

The Development Budget Coordination Committee (DBCC) projected the export of goods to grow by 6% starting next year until 2028.

Exports, S1/9

FUEL PRICE TRACKER (week-on-week change)

GASOLINE	
Nov. 21	▼ P0.75
Nov. 28	— P0.00
Dec. 5	▲ P0.30
DIESEL	
Nov. 21	▼ P0.65
Nov. 28	▲ P0.30
Dec. 5	▼ P0.30
KEROSENE	
Nov. 21	▼ P0.60
Nov. 28	▲ P0.65
Dec. 5	▲ P0.20

• Dec. 5, 12:07 a.m. — Caltex Philippines
 • Dec. 5, 6 a.m. — Petron Corp.; Phoenix Petroleum; Pilipinas Shell Petroleum Corp.; PTT Philippines Corp.; Seaoil Philippines, Inc.
 • Dec. 5, 8:07 a.m. — Cleanfuel (Shaw Autogas, Inc.)

Rockefeller Foundation, ACEN back early coal retirement using carbon credits

DUBAI — A consortium led by the Rockefeller Foundation and Philippine energy company ACEN Corp. has launched a pilot initiative to use carbon credits to retire a coal power plant in the Philippines before the end of its natural life, it said on Monday during the United Nations' (UN) Conference of the Parties (COP28) climate talks in Dubai.

The UN talks taking place until Dec. 12 are the latest effort to find a way to wean the world off fossil fuel, but nations are divided over whether to prioritize ways to abate the emissions from the continued burning of coal, oil and gas, or to cease its production as quickly as possible.

In the latest plan to be announced on the sidelines of the summit, the Coal to Clean Credit Initiative (CCCI), supported by ACEN and the Monetary Authority of Singapore, said it aimed to use carbon credits to decommission the South Luzon Thermal Energy Corp. plant by as early as 2030, a decade ahead of its retirement date.

"To retire coal plants, avoid those emissions, and create jobs, we need to create the right incentives for asset owners and communities and mobilize additional finance," Foundation President Rajiv Shah said.

CCCI said its project was a "first of its kind," in that it plans

to make use of carbon credits to finance the early closure.

On Sunday, the Asian Development Bank said it had reached a conditional deal to decommission an Indonesian power plant nearly seven years earlier than planned as part of its Energy Transition Mechanism (ETM).

CCCI will work with mechanisms such as the ETM to close plants ahead of schedule using credits from the CO2 cuts generated by the early closure in the Philippines, said Vikram Widge, former head of carbon finance at the World Bank, who is involved in the plan.

Coal, S1/9



The Seventh Edition of SM City Pampanga's Biggest Lantern of Hope once again brightens up the Christmas Capital of the Philippines with a dazzling display of light and music, featuring beloved Christmas tunes, including Jose Mari Chan's latest SM Christmas jingle.