P25 IN METRO MANILA, PHILIPPINES

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STOCK MARKET

PSEi

OPEN:	6,459.91
HIGH:	6,516.33
LOW:	6,452.42
CLOSE:	6,475.50
VOL.:	0.603 B
VAL(P):	5.399 B

▼ 2.94 PTS. 0.04%

30 DAYS TO DECEMBER 18, 2023

ASIAN MARKETS

DECEMBER 18, 2023

	CLOSE		NET	%
Japan (Nikkei 225)	32,758.98	▼	-211.57	-0.64
Hong Kong (Hang Seng)	16,629.23	▼	-162.96	-0.97
Taiwan (Weighted)	17,652.03	▼	-21.84	-0.12
Thailand (SET Index)	1,391.39	▲	0.36	0.03
S.Korea (Kse Composite)	2,566.86	▲	3.30	0.13
Singapore (Straits Times)	3,115.07	▼	-1.44	-0.05
Sydney (All Ordinaries)	7,426.40	▼	-16.30	-0.22
Malaysia (Klse Composite)	1,465.28	▲	2.83	0.19

WORLD MARKETS

DECEMBER 15, 2023

	CLOSE		NET
Dow Jones	37,305.160	▲	56.810
NASDAQ	14,813.920	▲	52.361
S&P 500	4,719.190	▼	-0.360
FTSE 100	7,576.360	▼	-72.620
Euro Stoxx50	4,070.630	▼	-1.220

PESO-DOLLAR RATES

FX

OPEN	P55.800
HIGH	P55.760
LOW	P55.875
CLOSE	P55.870
W.AVE.	P55.819
VOL.	798.70 M

▼ 21.50 CTVS

30 DAYS TO DECEMBER 18, 2023

SOURCE : BAP

ASIAN MONIES-US$ RATE

DECEMBER 18, 2023

	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	142.340	▼	142.150
Hong Kong (HK dollar)	7.799	▲	7.803
Taiwan (NT dollar)	31.296	▲	31.348
Thailand (baht)	34.960	▼	34.900
S. Korea (won)	1,297.750	▲	1,300.400
Singapore (dollar)	1.331	▲	1.332
Indonesia (rupiah)	15,505	▼	15,490
Malaysia (ringgit)	4.690	▼	4.668

WORLD CURRENCIES

DECEMBER 18, 2023

	CLOSE		PREVIOUS
US$/UK pound	1.2686	▲	1.2675
US$/Euro	1.0920	▲	1.0894
US$/Aust dollar	0.6734	▲	0.6696
Canada dollar/US$	1.3367	▼	1.3381
Swiss Franc/US$	0.8683	▼	0.8702

DUBAI CRUDE OIL

FUTURES PRICE ON NEAREST MONTH OF DELIVERY

$76.15/BBL

▲ $1.75

30 DAYS TO DECEMBER 15, 2023

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

		Value			
ALI	P33.950	P763,395,145	P1.000	▲	3.035%
BDO	P126.900	P590,018,775	-P3.000	▼	-2.309%
ICT	P244.000	P490,562,882	P7.000	▲	2.954%
SM	P912.500	P420,932,800	P6.500	▲	0.717%
JFC	P251.600	P350,914,186	P5.600	▲	2.276%
AC	P715.000	P224,997,550	-P20.000	▼	-2.721%
ACEN	P4.270	P192,293,870	-P0.130	▼	-2.955%
SMPH	P33.600	P159,709,680	P0.500	▲	1.511%
GTCAP	P565.000	P131,847,905	P5.000	▲	0.893%
PLUS	P7.320	P116,276,396	P0.440	▲	6.395%

PEZA investments seen to hit over P170B

By Kyle Aristophere T. Atienza
Reporter

INVESTMENTS approved by the Philippine Economic Zone Authority (PEZA) this year would likely reach over P170 billion, its top official said.

The PEZA Board is set to hold its final meeting on Tuesday, with several investments up for approval.

"As of Dec. 7, we have approved a total of P160.44-billion (investments). We expect to approve an additional P12 billion during our board meeting (Dec. 19)," PEZA Director-General Tereso O. Panga said in a Viber message, putting the estimated PEZA-approved investments for this year at P172 billion.

To date, PEZA has already exceeded its full-year target of P154.77 billion.

Mr. Panga said locator investments would likely account for 60% of this year's total, adding that most of these are in the export manufacturing industry.

"That's been our mix of our investment: 60% for locator investments, and 40% for developer investments."

Mr. Panga said 37% of the investments this year have come from the electronics sector, while around 15% come from the information technology-business process outsourcing (IT-BPO) sector.

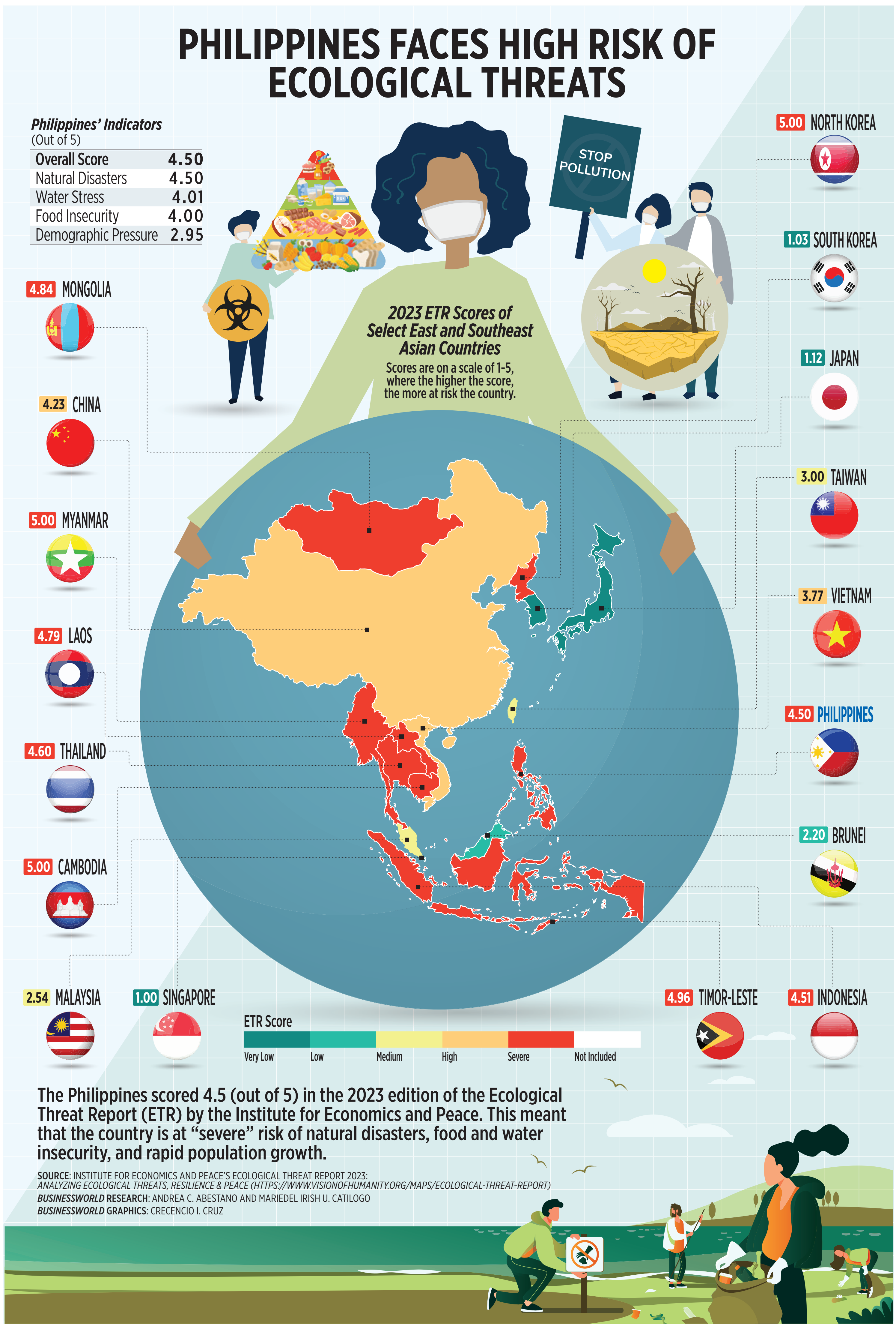
"We are also getting investments in areas outside the metropolis," he said.

Most PEZA-approved investments are located in some areas in the Calabarzon Region, particularly Cavite, Laguna and Batangas, he added.

Samar and Cebu provinces in central Philippines as well as some areas in Central Luzon also bagged significant investments, he added.

PEZA attributed the strong investments to the Philippines' "sound macroeconomic fundamentals" as well as the country's participation in free trade agreements.

PEZA, S1/9



PHL fiscal consolidation efforts on track — IMF

THE PHILIPPINES' fiscal consolidation efforts are on track but the government can still implement further revenue mobilization and expenditure reforms to create more fiscal space, the International Monetary Fund (IMF) said.

"Even with public spending projected to accelerate in the second half of 2023, the fiscal outturn is expected to fall below the deficit ceiling of 6.1% of gross domestic product (GDP) from a deficit of 7.3% of GDP last year mainly due to lower transfers to local government units (LGUs)," the IMF said in its latest country report.

This year, the government's deficit ceiling is set at P1.49 trillion or equivalent to 6.1% of GDP. This consists of P3.847 trillion in revenues and P5.34 trillion in disbursements. The assumptions for revenues and spending were recently revised upward by the Development Budget Coordination Committee.

"Revenue collection in 2023 thus far is better than targeted but is projected to be lower than in 2022 as a percent of GDP, largely due to the implementation of the second tranche of the personal income tax rate reduction and the negative cash flow impact resulting from the transition from monthly to quarterly value-added tax (VAT) payment," the IMF said.

Latest data from the Bureau of the Treasury (BTr) showed that the National Government's (NG) budget gap narrowed by 8.45% to P1.018 trillion in the January-October period.

Revenues rose by 9.41% to P3.224 trillion while government expenditures went up by 4.52% to P4.242 trillion.

For 2024, the IMF said it expects the government to continue its fiscal consolidation efforts, noting that the pace of consolidation is "appropriate."

Based on the DBCC assumptions, the deficit-to-GDP ratio is seen to further ease to 5.1% next year. The government is targeting to bring the ratio to 3% by 2028.

The IMF said that continued fiscal consolidation will "ensure debt sustainability and restore fiscal space."

However, it noted that the government should explore additional measures to boost revenues.

"Exploring additional avenues for revenue mobilization will create more fiscal space to support policy priorities. Improving expenditure efficiency, curtailing contingent liabilities, and effectively managing the process of decentralization and public-private partnerships would help reduce fiscal risks," the IMF said.

IMF, S1/9

FUEL PRICE TRACKER
(week-on-week change)

GASOLINE

Dec. 5	▲	P0.30
Dec. 12	▼	P1.60
Dec. 19	--	P1.60

DIESEL

Dec. 5	▼	P0.30
Dec. 12	▼	P1.85
Dec. 19	▲	P0.10

KEROSENE

Dec. 5	▲	P0.20
Dec. 12	▼	P1.40
Dec. 19	▼	P0.85

- ***Dec. 19, 12:01 a.m.*** — Caltex Philippines
- ***Dec. 19, 6 a.m.*** — Petron Corp.; Phoenix Petroleum; Pilipinas Shell Petroleum Corp.; PTT Philippines Corp.; Seaoil Philippines, Inc.
- ***Dec. 19 , 8:01 a.m.*** — Cleanfuel (Shaw Autogas, Inc.)

Financial resources reach nearly P30 trillion as of end-Oct.

By Luisa Maria Jacinta C. Jocson *Reporter*

THE TOTAL RESOURCES of the Philippines' financial system hit close to P30 trillion as of end-October, preliminary data from the Bangko Sentral ng Pilipinas (BSP) showed.

Resources of banks and nonbank financial institutions increased by 8.3% to P29.986 trillion as of end-October from P27.683 trillion in the same period a year ago.

It was also up by 0.2% from P29.935 trillion as of end-September.

These resources include funds and assets such as deposits, capital, as well as bonds or debt securities.

Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said the increase in resources in the Philippine financial system largely reflects "the continued growth in loans and deposits, as well as the continued growth in earnings that are added to capital, as the economy further recovered since the pandemic."

"Higher net income, earnings and new capital fund-raising activities also further increased capitalization levels that enabled more lending activities and investments, thereby further boosting the total resources of the financial system," he said in a Viber message.

However, Mr. Ricafort noted that the growth of total resources may have been tempered by higher interest rates, which dampened demand for loans.

To combat inflation, the BSP has raised borrowing costs by a cumulative 450 basis points (bps) from May 2022 to October this year. This brought the benchmark rate to 6.5%, the highest in 16 years.

Data from the BSP showed banking resources jumped by 9.1% to P24.836 trillion as of end-October from P22.758 trillion in the same period a year ago. These include universal and commercial banks, thrift banks, as well as rural and cooperative banks.

Broken down, total resources held by universal and commercial banks climbed by 8.7% to P23.276 trillion as of end-October from P21.406 trillion a year ago.

Thrift banks held P1.067 trillion of total resources as of end-October, higher by 10.8% from P963 billion.

Resources of rural and cooperative banks went up by 4.6% to P408 billion as of end-October from P390 billion.

Meanwhile, the resources of nonbank financial institutions rose by 4.6% to P5.151 trillion as of end-October from P4.926 trillion.

Nonbank financial institutions include investment houses, finance companies, security dealers, pawnshops and lending companies.

Institutions such as nonstock savings and loan associations, credit card companies, private insurance firms, the Social Security System and the Government Service Insurance System are also considered nonbanks.

"For the coming months, easing headline inflation and possible Fed rate cuts in 2024 that could be matched locally could lead to faster growth in loans and total resources," Mr. Ricafort added.

The BSP expects inflation to ease to 3.7% next year, within its 2-4% target band.