

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																					
<b>PSEi</b> OPEN: 6,521.96 HIGH: 6,566.41 LOW: 6,500.97 CLOSE: 6,520.75 VOL.: 1.154 B VAL(P): 6.321 B 0.52 pts. 0.008% 30 DAYS TO DECEMBER 20, 2023	<b>DECEMBER 20, 2023</b> <table border="1"> <tr><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (Nikkei 225)</td><td>33,675.94</td><td>▲ 456.55 1.37</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>16,613.81</td><td>▲ 108.81 0.66</td></tr> <tr><td>TAIWAN (WEIGHTED)</td><td>17,635.20</td><td>▲ 58.65 0.33</td></tr> <tr><td>THAILAND (SET INDEX)</td><td>1,400.53</td><td>▲ 5.63 0.40</td></tr> <tr><td>S.KOREA (KSE COMPOSITE)</td><td>2,614.30</td><td>▲ 45.75 1.78</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,108.42</td><td>▲ -8.20 -0.26</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>7,537.90</td><td>▲ 48.80 0.65</td></tr> <tr><td>MALAYSIA (KLSE COMPOSITE)</td><td>1,464.56</td><td>▼ -1.11 -0.08</td></tr> </table>	CLOSE	NET	%	JAPAN (Nikkei 225)	33,675.94	▲ 456.55 1.37	HONG KONG (HANG SENG)	16,613.81	▲ 108.81 0.66	TAIWAN (WEIGHTED)	17,635.20	▲ 58.65 0.33	THAILAND (SET INDEX)	1,400.53	▲ 5.63 0.40	S.KOREA (KSE COMPOSITE)	2,614.30	▲ 45.75 1.78	SINGAPORE (STRAITS TIMES)	3,108.42	▲ -8.20 -0.26	SYDNEY (ALL ORDINARIES)	7,537.90	▲ 48.80 0.65	MALAYSIA (KLSE COMPOSITE)	1,464.56	▼ -1.11 -0.08	<b>DECEMBER 19, 2023</b> <table border="1"> <tr><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>37,557.920 ▲ 251.900</td></tr> <tr><td>NASDAQ</td><td>15,003.223 ▲ 98.029</td></tr> <tr><td>S&amp;P 500</td><td>4,768.370 ▲ 27.810</td></tr> <tr><td>FTSE 100</td><td>7,638.030 ▲ 23.550</td></tr> <tr><td>Euro Stoxx50</td><td>4,074.450 ▲ 9.320</td></tr> </table>	CLOSE	NET	Dow Jones	37,557.920 ▲ 251.900	NASDAQ	15,003.223 ▲ 98.029	S&P 500	4,768.370 ▲ 27.810	FTSE 100	7,638.030 ▲ 23.550	Euro Stoxx50	4,074.450 ▲ 9.320	<b>FX</b> OPEN P55.850 HIGH P55.730 LOW P55.900 CLOSE P55.750 W.AVE. P55.813 VOL. 1,592.10 M 20.00 ctyvs 30 DAYS TO DECEMBER 20, 2023 SOURCE : BAP	<b>DECEMBER 20, 2023</b> <table border="1"> <tr><th>LATEST BID (0900GMT)</th><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>143.400 ▲ 144.460</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.805 ▲ 7.801</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>31.264 ▲ 31.340</td></tr> <tr><td>THAILAND (BAHT)</td><td>34.870 ▲ 34.980</td></tr> <tr><td>S. KOREA (WON)</td><td>1,301.000 ▲ 1,307.610</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.329 ▲ 1.332</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>15,505 ▲ 15,500</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.656 ▲ 4.679</td></tr> </table>	LATEST BID (0900GMT)	PREVIOUS	JAPAN (YEN)	143.400 ▲ 144.460	HONG KONG (HK DOLLAR)	7.805 ▲ 7.801	TAIWAN (NT DOLLAR)	31.264 ▲ 31.340	THAILAND (BAHT)	34.870 ▲ 34.980	S. KOREA (WON)	1,301.000 ▲ 1,307.610	SINGAPORE (DOLLAR)	1.329 ▲ 1.332	INDONESIA (RUPIAH)	15,505 ▲ 15,500	MALAYSIA (RINGGIT)	4.656 ▲ 4.679	<b>DECEMBER 20, 2023</b> <table border="1"> <tr><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.2660 ▲ 1.2685</td></tr> <tr><td>US\$/EURO</td><td>1.0958 ▲ 1.0941</td></tr> <tr><td>US\$/AUSTRALIAN DOLLAR</td><td>0.6768 ▲ 0.6729</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.3330 ▲ 1.3389</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.8615 ▲ 0.8660</td></tr> </table>	CLOSE	PREVIOUS	US\$/UK POUND	1.2660 ▲ 1.2685	US\$/EURO	1.0958 ▲ 1.0941	US\$/AUSTRALIAN DOLLAR	0.6768 ▲ 0.6729	CANADA DOLLAR/US\$	1.3330 ▲ 1.3389	SWISS FRANC/US\$	0.8615 ▲ 0.8660	<b>DECEMBER 19, 2023</b> FUTURES PRICE ON NEAREST MONTH OF DELIVERY <b>\$76.85/BBL</b> ▲ \$0.70 30 DAYS TO DECEMBER 19, 2023
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VOL. XXXVII • ISSUE 106 THURSDAY • DECEMBER 21, 2023 • www.bworldonline.com S1/1-12 • 2 SECTIONS, 18 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • DECEMBER 20, 2023 (PSEi snapshot on S1/2; article on S2/2)

ALI	P34.000	ICT	P243.200	ACEN	P4.030	SM	P904.500	GTCAP	P579.000	BDO	P129.000	SMPH	P34.000	TEL	P1,300.000	RLC	P16.000	AC	P722.000
Value	P586,798,825	Value	P517,054,090	Value	P485,226,640	Value	P404,455,670	Value	P315,522,120	Value	P263,763,674	Value	P236,804,270	Value	P230,263,140	Value	P217,139,842	Value	P205,100,445
	-P0.350 ▼ -1.019%		-P2.800 ▼ -1.138%		-P0.170 ▼ -4.048%		P1.000 ▲ 0.111%		P14.000 ▲ 2.478%		-P2.000 ▼ -1.527%		P0.100 ▲ 0.295%		P15.000 ▲ 1.167%		P0.320 ▲ 2.041%		P7.000 ▲ 0.979%

## Rates to stay 'higher for longer' — BSP

THE BANGKO SENTRAL ng Pilipinas (BSP) is unlikely to start policy easing in the next few months and will only consider cutting rates if inflation settles at the midpoint of the 2-4% target, its governor said on Wednesday.

"We're unlikely to cut rates in the next few months. We're in a higher for longer (scenario).

When I say hawkish, that basically means high for a while," BSP Governor Eli M. Remolona, Jr. told reporters.

The Monetary Board last week kept its benchmark rate at a 16-year high of 6.5% for a second straight meeting. Interest rates on the overnight deposit and lending facilities were also left

unchanged at 6% and 7%, respectively.

From May 2022 to October this year, the BSP raised borrowing costs by a cumulative 450 bps to tame inflation.

Mr. Remolona said policy easing will only be considered if inflation expectations are within a "comfortable" range.

"If most of the numbers point in the right direction, including expectations, if they really settle into this comfortable range of 3% for inflation, then we would consider cutting rates," he said.

"If inflation remains higher than we thought and expectations begin to get de-anchored,

then we have to do more about inflation. On the other hand... if inflation continues on its path and the expectations should be well-anchored, then we will start to consider easing," he added.

Headline inflation slowed to 4.1% in November, bringing the 11-month inflation average to 6.2%. November marked the

20<sup>th</sup> straight month that inflation breached the BSP's 2-4% target band for this year.

The central bank expects inflation to average 6% this year.

For 2024, Mr. Remolona said inflation will likely hit the upper end of its target band, "closer to 4% than 3%."

Rates, S1/11

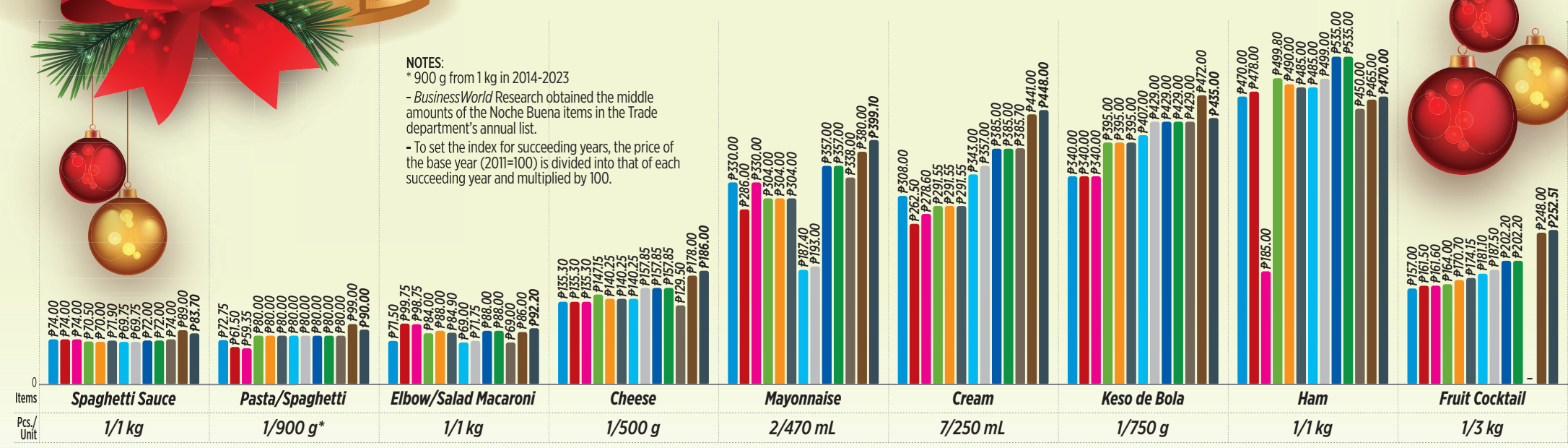


### PRICE INCREASE OF NOCHE BUENA ITEMS FLAT IN 2023

The general increase of the Noche Buena items, as measured by the basket's price index, slipped by 0.1% annually this year, a reversal of the 25.7% rise in 2022. This brought the average price hike of the basket to 2.6% from 2012 until present. Since 2011, the Noche Buena price index has climbed by 25.4%. *BusinessWorld* has been monitoring the annual price changes of the Noche Buena items through a price index that gauges how fast (or slow) the price of this representative basket of goods has risen (or fallen) over the years. The prices of goods are based on the Department of Trade and Industry's list of suggested retail prices. Earliest available data date back to 2011.

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total	P1,958.55	P1,898.55	P1,662.60	P2,036.00	P2,029.50	P2,026.75	P1,962.50	P2,044.85	P2,306.05	P2,306.05	P1,955.20	P2,458.00	P2,456.51
Noche Buena CPI (2011=100)	100.0	96.9	84.9	104.0	103.6	103.5	100.2	104.4	117.7	117.7	99.8	125.5	125.4
Noche Buena Inflation Rate		-3.1%	-12.4%	22.5%	-0.3%	-0.1%	-3.2%	4.2%	12.8%	0.0%	-15.2%	25.7%	-0.1%
Average Noche Buena Inflation Rate (2012-2023)													2.6%

NOTES:  
 \* 900 g from 1 kg in 2014-2023  
 - *BusinessWorld* Research obtained the middle amounts of the Noche Buena items in the Trade department's annual list.  
 - To set the index for succeeding years, the price of the base year (2011=100) is divided into that of each succeeding year and multiplied by 100.



### DBCC's revised growth target is too 'meager,' say analysts

By Luisa Maria Jacinta C. Jocson  
Reporter

THE DEVELOPMENT Budget Coordination Committee's (DBCC) latest revision to the 2024 growth outlook is too insignificant, analysts said as they urged the government to focus on efforts to mitigate local and global headwinds.

At its Dec. 15 meeting, the DBCC narrowed next year's gross domestic product (GDP) growth target to 6.5-7.5% from 6.5-8% previously. However, the DBCC kept this year's goal at 6-7%.

"The adjustment is meager, and it is almost meaningless to make the revision. The only way to make sense of it is to think of it as a credibility problem," Leonardo A. Lanzona, an economics professor at the Ateneo de Manila University, said in an e-mail. "Foreign investors would like to invest in countries where managers are accountable and credible."

Most multilateral institutions' Philippine growth forecasts do not meet the lower end of the DBCC's target range for 2024, including the World Bank (5.8%), the International Monetary Fund (6%) and the Asian Development Bank (6.2%).

DBCC, S1/12

### NG plans to borrow P585B domestically in Q1

THE NATIONAL Government (NG) plans to borrow P585 billion from the domestic market in the first quarter, the Bureau of the Treasury (BTr) said on Wednesday.

In a notice on its website, the BTr said it seeks to raise P195 billion from the issuance of Treasury bills (T-bills) and P390 billion from Treasury bonds (T-bonds) in the January to March period.

In January alone, the government eyes to borrow P195 billion from the domestic market, more than triple the P60-billion borrowing plan for December. This consists of P75 billion in T-bills and P120 billion in T-bonds.

The short-dated T-bills will be offered at P5 billion each with benchmark tenors of 91, 182, and 364 days. Auctions will be held on Jan. 2, 8, 15, 22, and 29.

For the long-term tenors, the BTr will offer P30 billion in three-year T-bonds on Jan. 3 and P30 billion in five-year T-bonds on Jan. 9.

It will auction off P30 billion in seven-year T-bonds on Jan. 16, and P30 billion in 10-year bonds on Jan. 23.

The T-bill auction on Jan. 1 will be moved to Jan. 2, while the T-bond auction for Jan. 2 will be moved to Jan. 3 due to the New Year holiday.

NG, S1/11

### Marcos inks P5.77-T national budget

By John Victor D. Ordoñez Reporter

PRESIDENT Ferdinand R. Marcos, Jr. on Wednesday signed the P5.768-trillion national budget for 2024, as Congress focused on developing sectors such as education and national defense, among others.

"This budget is more than a spreadsheet of amounts or a ledger of projects," he said during the signing of Republic Act No. 11975 at Malacañang.

"Rather, it details our battle plan in fighting poverty and combating illiteracy, in producing food and ending hunger, in protecting our homes, in securing our border, and in funding our livelihoods."

The President reminded government officials to eliminate and steer clear of red tape that would lead to delays in implementing the budget as intended.

"Implementations, delays, and illegal deviations inflict the same havoc of denying the people of the progress and development that they deserve," Mr. Marcos said.

He called the spending plan a "social contract" with Filipino taxpayers to ensure the government uses their funds for

Next year's budget is 9.5% higher than this year's budget and is equivalent to 21.7% of the country's gross domestic product.

Earlier this month, Congress reconciled the General Appropriations Act of 2024 and approved about P450 billion in new appropriations.

The education sector in the 2024 budget has the biggest allocation of P924.7 billion, as the Department of Education will receive P758.6 billion.

Budget, S1/11

### PHL posts BoP deficit of \$216M in November

THE PHILIPPINES' balance of payments (BoP) deficit narrowed to \$216 million in November from the \$756-million gap a year ago, preliminary data from the Bangko Sentral ng Pilipinas (BSP) showed.

"The BoP deficit in November 2023 reflected outflows arising mainly from the National Government's (NG) payments of its foreign currency debt obligations," the BSP said in a statement.

On a month-on-month basis, the BoP position swung to a deficit from the \$1.5-billion surplus recorded in October.

The BoP deficit in November was also the smallest since the \$57 million in August.

The BoP measures the country's transactions with the rest of the world at a given time. A deficit means more funds fled the economy than what went in, while a surplus shows that more money entered the Philippines.

"The US dollar-Philippine peso exchange rate was lower in November at P55.81 (vs P57.65 in the same period last year) and this may have been the significant reason for the narrowing of the deficit for the period," Union Bank of the Philippines, Inc. Chief Economist Ruben Carlo O. Asuncion said in a Viber message.

Mr. Asuncion said the narrower BoP deficit reflected recent trade data.

"We must also understand that in terms of merchandise imports, (it) has been on the declining trend from lower global oil prices. Moreover, the exports side continues to be challenged by the current weak external trade environment. These combined factors are seemingly contributing to the narrower BoP deficit," he said.

In the first 10 months, the trade gap narrowed by 11.9% to \$44.07 billion. This as exports declined by 7.8% to \$60.91 billion and imports fell by 9.6% to \$104.97 billion.

The Development Budget Coordination Committee (DBCC) expects goods exports and imports to contract by 4% and 3%, respectively, this year.

In the first 11 months, the BoP position stood at a surplus of \$3.03 billion, a turnaround from the \$7.875-billion deficit in the same period in 2022.

"Based on preliminary data, this development reflected mainly the improvement in the balance of trade alongside the higher net inflows from personal remittances, trade in services, and foreign borrowings by the National Government," the central bank said.

Deficit, S1/11