

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																					
PSEi OPEN: 6,466.93 HIGH: 6,501.00 LOW: 6,459.68 CLOSE: 6,501.00 VOL.: 0.536 B VAL(P): 3.211 B 31.77 pts, 0.49% 30 DAYS TO DECEMBER 22, 2023	DECEMBER 26, 2023 <table border="1"> <tr><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (NIKKEI 225)</td><td>33,305.85</td><td>▲ 51.82 0.16</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>16,340.41</td><td>▼ -280.72 -1.69</td></tr> <tr><td>TAIWAN (WEIGHTED)</td><td>17,751.73</td><td>▲ 146.89 0.83</td></tr> <tr><td>THAILAND (SET INDEX)</td><td>1,413.45</td><td>▲ 4.62 0.33</td></tr> <tr><td>S.KOREA (KSE COMPOSITE)</td><td>2,602.59</td><td>▲ 3.08 0.12</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,139.98</td><td>▼ -0.34 -0.01</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>7,501.60</td><td>▼ -2.50 -0.03</td></tr> <tr><td>MALAYSIA (KLSE COMPOSITE)</td><td>1,450.78</td><td>▼ -3.60 -0.25</td></tr> </table>	CLOSE	NET	%	JAPAN (NIKKEI 225)	33,305.85	▲ 51.82 0.16	HONG KONG (HANG SENG)	16,340.41	▼ -280.72 -1.69	TAIWAN (WEIGHTED)	17,751.73	▲ 146.89 0.83	THAILAND (SET INDEX)	1,413.45	▲ 4.62 0.33	S.KOREA (KSE COMPOSITE)	2,602.59	▲ 3.08 0.12	SINGAPORE (STRAITS TIMES)	3,139.98	▼ -0.34 -0.01	SYDNEY (ALL ORDINARIES)	7,501.60	▼ -2.50 -0.03	MALAYSIA (KLSE COMPOSITE)	1,450.78	▼ -3.60 -0.25	DECEMBER 22, 2023 <table border="1"> <tr><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>37,385.970 ▼ -18.380</td></tr> <tr><td>NASDAQ</td><td>14,992.973 ▲ 29.107</td></tr> <tr><td>S&P 500</td><td>4,754.630 ▲ 7.880</td></tr> <tr><td>FTSE 100</td><td>7,697.510 ▲ 2.780</td></tr> <tr><td>Euro Stoxx50</td><td>4,078.150 ▼ -0.370</td></tr> </table>	CLOSE	NET	Dow Jones	37,385.970 ▼ -18.380	NASDAQ	14,992.973 ▲ 29.107	S&P 500	4,754.630 ▲ 7.880	FTSE 100	7,697.510 ▲ 2.780	Euro Stoxx50	4,078.150 ▼ -0.370	FX OPEN P55.350 HIGH P55.330 LOW P55.435 CLOSE P55.400 W.AVE. P55.383 VOL. \$1,083.05 M 17.00 ctyvs 30 DAYS TO DECEMBER 22, 2023 SOURCE: BAP	DECEMBER 26, 2023 <table border="1"> <tr><th>LATEST BID (0900GMT)</th><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>142.450 ▲ 143.010</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.809 ▲ 7.810</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>30.892 ▲ 31.270</td></tr> <tr><td>THAILAND (BAHT)</td><td>34.550 ▲ 34.850</td></tr> <tr><td>S. KOREA (WON)</td><td>1,294.840 ▲ 1,304.270</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.324 ▲ 1.330</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>15,480 ▲ 15,520</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.627 ▲ 4.653</td></tr> </table>	LATEST BID (0900GMT)	PREVIOUS	JAPAN (YEN)	142.450 ▲ 143.010	HONG KONG (HK DOLLAR)	7.809 ▲ 7.810	TAIWAN (NT DOLLAR)	30.892 ▲ 31.270	THAILAND (BAHT)	34.550 ▲ 34.850	S. KOREA (WON)	1,294.840 ▲ 1,304.270	SINGAPORE (DOLLAR)	1.324 ▲ 1.330	INDONESIA (RUPIAH)	15,480 ▲ 15,520	MALAYSIA (RINGGIT)	4.627 ▲ 4.653	DECEMBER 26, 2023 <table border="1"> <tr><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.2684 ▼ 1.2626</td></tr> <tr><td>US\$/EURO</td><td>1.1009 ▼ 1.0943</td></tr> <tr><td>US\$/AUSTRALIAN DOLLAR</td><td>0.6797 ▼ 0.6748</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.3255 ▼ 1.3343</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.8578 ▲ 0.8619</td></tr> </table>	CLOSE	PREVIOUS	US\$/UK POUND	1.2684 ▼ 1.2626	US\$/EURO	1.1009 ▼ 1.0943	US\$/AUSTRALIAN DOLLAR	0.6797 ▼ 0.6748	CANADA DOLLAR/US\$	1.3255 ▼ 1.3343	SWISS FRANC/US\$	0.8578 ▲ 0.8619	DECEMBER 22, 2023 FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$79.05/BBL 30 DAYS TO DECEMBER 22, 2023
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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • DECEMBER 22, 2023 (PSEi snapshot on S1/2; article on S2/2)

ACEN	P4.150	ALI	P34.100	SM	P904.500	SMPH	P33.100	ICT	P240.000	JFC	P250.000	URC	P115.000	GTAP	P580.000	AC	P714.500	BPI	P104.100
Value	P425,664,060	Value	P255,222,945	Value	P192,981,300	Value	P154,687,065	Value	P122,525,544	Value	P112,989,060	Value	P103,129,847	Value	P93,359,230	Value	P91,854,880	Value	P88,662,050
PO.440	▲ 11.860%	PO.250	▲ 0.739%	PI.500	▲ 0.166%	PO.100	▲ 0.303%	P2.000	▲ 0.840%	P8.000	▲ 3.306%	PO.000	— 0.000%	-P5.000	▼ -0.855%	P4.500	▲ 0.634%	-P0.500	▼ -0.478%

Bol-approved investments hit P1.16T

THE BOARD of Investments (BoI) said on Tuesday that total approved investments reached a record P1.16 trillion so far this year, thanks to a surge in renewable energy projects as the sector was opened up to full foreign ownership.

In a statement, the BoI said it had greenlit P1.16 trillion as of Dec. 18, 59% up from P729 billion approved in 2022.

“There are three more projects worth about P350 billion that are currently being assessed and, if they are able to comply with both the substantive and transparency requirements, they may be able to make it to the BoI Board and Mancom deliberations on Dec. 28 — our last for the year,” Trade Undersecretary and BoI Managing Head Ceferino S. Rodolfo said in a statement.

The P1.16-trillion figure so far is still 29% below the revised P1.5-trillion investment approval target set by the Department of Trade and Industry (DTI) for the year. The DTI earlier upwardly revised the BoI’s initial P1-trillion target for 2023.

“The BoI hitting P1.16 trillion for 2023 reaffirms strong investor confidence in the administration of President Ferdinand R. Marcos, Jr. — their responsiveness to the policy initiatives of the President and the effectiveness of the aggressive investment promotion activities,” Trade Secretary and BoI Chairman Alfredo E. Pascual said.

“We are all-the-more optimistic about opportunities that lie ahead in 2024, with the BoI poised to further catalyze smart- and sustainability-driven investments in the country,” he added.

Domestic approvals hit P398.76 billion, accounting for 34% of the total approvals, and 26% higher than the year-ago figures.

Investments, S1/5

PHILIPPINES SLIPS IN GOVERNMENT AI READINESS

The Philippines fell 11 places to rank 65th out of 193 countries in the 2023 edition of the Government AI Readiness Index by Oxford Insights. The country scored 51.98 out of possible 100, significantly higher than the global average of 44.94. The index provides valuable insights for effective and responsible AI integration into public services which includes 39 indicators across 10 dimensions. These make up three pillars: government, technology sector, and data and infrastructure.

Country	Score
Singapore	81.97
South Korea	75.65
Japan	75.08
China	70.94
Taiwan	70.25
Malaysia	68.71
Thailand	63.03
Indonesia	61.03
Vietnam	54.48
Philippines	51.98
Brunei	48.10
Mongolia	38.99
Laos	33.05
Cambodia	31.88
Myanmar	30.91
Timor-Leste	29.77
North Korea	9.20

Global Average: 44.94

2023 Rank (193)

Country

Philippines' Pillar and Dimension Scores (2023) (/100)

Category	Score
Overall Score	51.98
Government	65.43
Vision	100.00
Governance and Ethics	55.40
Digital Capacity	58.38
Adaptability	47.95
Technology Sector	34.38
Maturity	24.72
Innovation Capacity	46.99
Human Capital	31.42
Data and Infrastructure	56.13
Infrastructure	49.52
Data Availability	67.14
Data Representativeness	51.71

Top 5

2023 Rank (/193)	Country	2023 Overall Score (/100)
1	United States of America	84.80
2	Singapore	81.97
3	United Kingdom	78.57
4	Finland	77.37
5	Canada	77.07

Bottom 5

2023 Rank (/193)	Country	2023 Overall Score (/100)
193	North Korea	9.20
192	Syria	18.12
191	South Sudan	18.26
190	Eritrea	19.62
189	Central African Republic	19.74

Source: Oxford Insights' Government AI Readiness Index 2023 (https://oxfordinsights.com/ai-readiness/ai-readiness-index/)
BusinessWorld Research: Abigail Marie P. Yraola
BusinessWorld Graphics: Bong R. Fortin

Cost of doing business, navigating international rules hindering wider Philippine utilization of trade deals

By Justine Irish D. Tabile
Reporter

EXPORTERS lack the knowledge to tap trade agreements and face a higher cost of doing business in the Philippines, rendering their products uncompetitive relative to other countries' exports, a business group said.

The Philippine Chamber of Commerce and Industry said cost-of-doing-business issues center on high power and logistics costs.

“The cost of doing business is still quite high (here) compared to the other countries... These are some of the issues that the government has to address for us to really gain full benefit from (taking advantage of) free trade agreements (FTAs),” PCCI President George T. Barcelon told *BusinessWorld* by phone.

Mr. Barcelon said that aside from incentives, the Philippines must seek to be a competitive market as it is yet to see strong, sustained inflows of foreign direct investment (FDIs).

“It is top of mind in our meeting with the Anti-Red Tape Authority and foreign chambers that there are these issues to be addressed,” he said.

“As of now, we are not seeing any real good inflow of FDIs as investments are still headed towards Vietnam, Indonesia, and Thailand. This is something that needs work,” he added.

Net inflows of FDI slumped to their lowest level in over three years, amounting to \$422 million in September. This was 42.2% lower year on year and down by 46.5% from a month prior.

This brought the FDI net inflows to \$5.9 billion in the first nine months of the year, representing a 15.9% decline from a year earlier.

Mr. Barcelon said that the Philippines must upskill its workers to move its products higher up the value ladder.

“Once we have increased to a higher value, be it agricultural or electronic products... the other thing that I think the government must be aware is the cost of compliance and permits,” he said.

He said that the added costs do not align with the government's target of rightsizing the bureaucracy.

“What businesses see is that there is more bureaucracy, and bureaucracy sometimes can be interpreted as the flip side of corruption,” he added.

Last year, the Philippines improved its ranking on the global corruption index compiled by Transparency International. It placed 116th out of 180 countries in the 2022 Corruption Perceptions Index, a spot higher than its worst-ever showing of 117th place in 2021.

Despite the improvement in ranking, the Philippine score was 33, its lowest ever in the index and below the global average of 43 and the Asia-Pacific average of 45.

Trade deals, S1/5

External debt service burden surges to \$10.8 billion as of end-September

By Keisha B. Ta-asan
Reporter

THE PHILIPPINES' external debt service burden more than doubled in the January-to-September period, according to preliminary data from the Bangko Sentral ng Pilipinas (BSP).

Based on data posted on the BSP's website, the country's debt service burden on its external borrowings skyrocketed by 130.7% to

\$10.846 billion from \$4.702 billion in the same period in 2022.

Month on month, it rose by 22% from \$8.89 billion recorded as of end-August.

As of end-September, the debt service burden is equivalent to 3.5% of gross domestic product (GDP), higher than 1.6% recorded in the comparable year-ago period.

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

BSP data showed principal payments jumped by 110.6% to \$5.861 billion in the January-to-September period from \$2.78 billion during the same period in 2022.

Interest payments surged by 159.7% to \$4.985 billion in the first nine months of the year from \$1.919 billion a year ago.

Principal external debt service is mostly fixed medium- to long-term credit, while interest payments are on fixed and revolving short-term credit from banks and nonbanks.

External debt, S1/5

Banks, electronic money issuers reviewing zero transaction fees on small transfers

BANKS and electronic money issuers (EMIs) are still reviewing the removal of transaction fees for small online fund transfers, an official from the Bangko Sentral ng Pilipinas (BSP) said.

BSP Deputy Governor Mamerto E. Tangonan said talks between the central bank and the payments industry to remove or lower transaction charges for small e-payments have been productive.

“Many banks have waived their fees on e-payments (for) P1,000 and below. Others are continuing their

review of their financials to see how they can make it possible,” he told *BusinessWorld* in a Viber message.

Mr. Tangonan said banks that have waived fees on small fund transfers are assessing the value gained from having zero fee transactions such as an increase in customers and higher client loyalty.

As of Nov. 7, nine banks have waived PESONet charges until further notice while two lenders are implementing zero fee transactions until Dec. 31, 2023.

For fund transfers through InstaPay, seven banks have removed transaction charges until further notice, while five lenders have waived their fees until end-December 2023.

PESONet caters to high-value transactions and is considered as an electronic alternative to paper-based checks while InstaPay is a real-time electronic fund transfer facility for low-value transactions of up to P50,000.

Banks, S1/5