P25 IN METRO MANILA, PHILIPPINES

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STOCK MARKET

PSEi — 30 DAYS TO JANUARY 10, 2024 — ▼ 72.41 PTS. 1.09%

OPEN:	6,587.67
HIGH:	6,593.77
LOW:	6,546.11
CLOSE:	6,546.11
VOL.:	0.518 B
VAL(P):	11.569 B

ASIAN MARKETS — JANUARY 10, 2024

	CLOSE		NET	%
Japan (Nikkei 225)	34,441.72	▲	678.54	2.01
Hong Kong (Hang Seng)	16,097.28	▼	-92.74	-0.57
Taiwan (Weighted)	17,465.63	▼	-69.86	-0.40
Thailand (SET Index)	1,413.93	▼	-1.00	-0.07
S.Korea (Kse Composite)	2,541.98	▼	-19.26	-0.75
Singapore (Straits Times)	3,179.15	▼	-18.81	-0.59
Sydney (All Ordinaries)	7,468.50	▼	-52.00	-0.69
Malaysia (Klse Composite)	1,486.86	▼	-11.97	-0.80

WORLD MARKETS — JANUARY 9, 2024

	CLOSE		NET
Dow Jones	37,525.160	▼	-157.850
NASDAQ	14,857.709	▲	13.941
S&P 500	4,756.500	▼	-7.040
FTSE 100	7,683.960	▼	-10.230
Euro Stoxx50	4,097.220	▼	-5.640

PESO-DOLLAR RATES

FX — 30 DAYS TO JANUARY 10, 2024 — ▼ 26.50 CTVS

OPEN	P56.150
HIGH	P56.150
LOW	P56.410
CLOSE	P56.275
W.AVE.	P56.286
VOL.	$2,546.45 M

SOURCE : BAP

ASIAN MONIES-US$ RATE — JANUARY 10, 2024

	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	144.940	▼	143.850
Hong Kong (HK dollar)	7.820	▼	7.814
Taiwan (NT dollar)	31.099	▼	31.049
Thailand (baht)	34.940	▼	34.900
S. Korea (won)	1,317.120	▲	1,318.030
Singapore (dollar)	1.331	▼	1.329
Indonesia (rupiah)	15,565	▼	15,515
Malaysia (ringgit)	4.640	▲	4.641

WORLD CURRENCIES — JANUARY 10, 2024

	CLOSE		PREVIOUS
US$/UK pound	1.2724	▼	1.2731
US$/Euro	1.0947	▲	1.0940
US$/Aust dollar	0.6708	▲	0.6705
Canada dollar/US$	1.3369	▲	1.3354
Swiss Franc/US$	0.8516	▲	0.8492

DUBAI CRUDE OIL

FUTURES PRICE ON NEAREST MONTH OF DELIVERY — $76.80/BBL — ▼ $1.10 — 30 DAYS TO JANUARY 9, 2024

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JANUARY 10, 2024 (PSEi snapshot on *S1/2*; article on *S2/2*)

		Value			
AC	P665.000	P736,937,040	-P31.000	▼	-4.454%
BDO	P135.100	P704,340,997	P1.500	▲	1.123%
BPI	P104.800	P318,201,273	-P0.200	▼	-0.190%
MBT	P55.500	P311,056,277	P0.100	▲	0.181%
ICT	P241.000	P303,452,474	-P5.400	▼	-2.192%
ALI	P34.450	P283,634,250	-P0.050	▼	-0.145%
SM	P884.000	P279,404,925	-P16.000	▼	-1.778%
UBP	P44.900	P267,237,755	-P1.150	▼	-2.497%
SMPH	P33.150	P182,831,205	-P0.350	▼	-1.045%
GTCAP	P612.000	P170,835,065	P5.000	▲	0.824%

November trade gap widens to $4.7B

By Andrea C. Abestano
Researcher

THE PHILIPPINES' trade-in-goods deficit hit $4.69 billion in November, the widest gap in seven months due to flattish import growth and the continued decline in exports amid sluggish global demand.

Preliminary data from the Philippine Statistics Authority (PSA) showed the deficit jumped by 26.3% from the $3.72-billion gap a year ago. It was also wider than the revised $4.39 billion in October.

November marked the widest trade deficit since the $4.84-billion gap in April. The last time the country swung to a trade surplus was in May 2015 with $64.95 million.

Merchandise exports contracted by 13.7% to $6.13 billion, the third straight month of decline, though slower than the 17.5% drop in October. This was a reversal from the 13.1% growth a year ago.

November also saw the smallest export value since $4.9 billion in April.

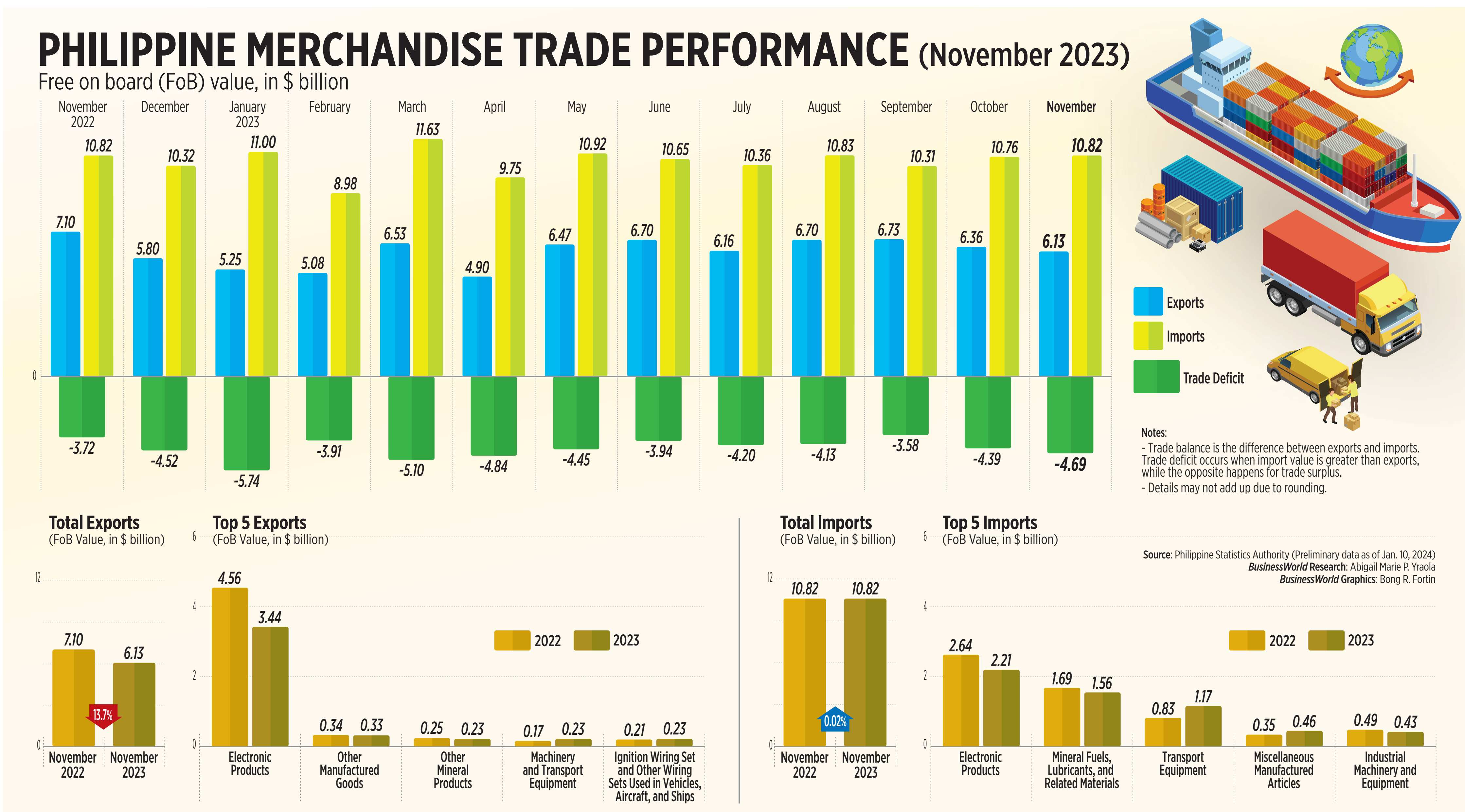
On the other hand, the value of the country's import bill inched up 0.02% year on year to $10.82 billion.

November saw the first growth in imports after nine straight months of annual decline. The flattish growth was still better than the 2.4% decline in October and the 1.5% drop in November 2022.

The month's import bill had the biggest value in three months or since the $10.83 billion in August.

For January to November, the trade deficit narrowed to $48.98

Trade gap, S1/3



WB sees PHL as fastest-growing economy in Southeast Asia this year

By Luisa Maria Jacinta C. Jocson *Reporter*

THE WORLD BANK (WB) expects the Philippines to be among the fastest-growing economies in Southeast Asia this year.

In its latest Global Economic Prospects, the multilateral lender projected Philippine gross domestic product (GDP) to expand by 5.8% in 2024, same as its forecast in December.

The Philippine growth projection is the fastest among Southeast Asian economies, tied with Cambodia (5.8%), and ahead of Vietnam (5.5%), Indonesia (4.9%), Malaysia (4.3%), Lao People's Democratic Republic (4.1%), Timor-Leste (3.5%), Thailand (3.2%) and Myanmar (2%).

However, this is below the Development Budget Coordination Committee's (DBCC) 6.5-7.5% growth target for 2024.

The World Bank's growth forecast for the Philippines is also higher than its 4.5% projection for East Asia and the Pacific.

The multilateral lender sees slower growth in the region due to the "anticipated deceleration in economic activity in China."

Other risks to the growth outlook include geopolitical tensions in the Middle East that could lead to higher oil prices, dampened global trade, tightening financial conditions and climate-related disasters, it said.

"Extreme weather events, the frequency of which has increased in recent decades as a result of climate change, also pose a downside risk to the regional outlook," it added.

In the Philippines, the government is preparing for the potential impact of the El Niño weather event this year.

The latest bulletin from the state weather bureau showed that El Niño will likely persist from March to May, when dry season crops are often harvested.

National Economic and Development Authority (NEDA) Secretary Arsenio M. Balisacan earlier said El Niño would likely affect the agriculture sector and drive food prices higher, which could threaten the inflation downtrend.

On the other hand, the multilateral lender said resilient domestic demand could spur growth drivers in the East Asia and Pacific region.

"Modest inflation, and in many cases robust labor markets supported by buoyant service activity, are anticipated to sustain household spending," it said.

"In some economies, increased government spending, including on social protection and public sector wages, will also support demand," it added.

However, investment inflows may be dampened due to lagged effects from policy tightening and elevated public debt, the World Bank said.

For 2025, the World Bank maintained its GDP projection for the Philippines at 5.8%, the same as its previous forecast. This would be below the government's 6.5-8% growth goal.

At 5.8%, the Philippines is expected to be the third-fastest growing economy in Southeast Asia next year, behind Cambodia (6.1%) and Vietnam (6%).

The bank also kept its growth forecast for 2023 at 5.6%, which would fall short of the government's 6-7% GDP target.

The Philippine Statistics Authority (PSA) is set to release fourth-quarter and full-year 2023 GDP data on Jan. 31.

WB, S1/3

October FDI net inflows drop by 29%

By Keisha B. Ta-asan
Reporter

NET INFLOWS of foreign direct investment (FDI) slumped in October amid heightened global economic uncertainties, the Philippine central bank said.

Data released by the Bangko Sentral ng Pilipinas (BSP) on Wednesday showed FDI net inflows dropping by 29.6% to $655 million in October from $930 million a year earlier.

Month on month, it was 55.2% higher than the $422-million net inflows in September.

Despite the year-on-year decline, the October figure was the highest monthly net FDI inflow in two months, or since $790 million in August.

"FDI continues to come into the country. However, the pace has admittedly been on the decline," ING Bank N.V. Manila Senior Economist Nicholas Antonio T. Mapa said in an e-mail.

"Slower FDI inflows can be tagged to the global slowdown in growth, linked to substantial policy tightening both here and abroad," he added.

In late October, the BSP delivered a 25-basis-point (bp) off-cycle rate hike, bringing the benchmark interest rate to 6.5%, the highest in 16 years. The BSP tightened rates by 450 bps from May 2022 to October 2023 to curb inflation.

"With rates at these levels, financing costs will be more difficult and thus we can expect overall investment activity to moderate," Mr. Mapa added.

In a statement, the BSP said the annual drop in FDI net inflows was due to the drop in net investments in debt instruments.

Nonresidents' net investments in debt instruments of local affiliates fell by 26.1% to $504 million from $682 million a year earlier.

Investments in equity and investment fund shares slid by 39.3% to $150 million from $248 million a year ago.

Equity other than reinvested earnings slumped by 54.4% year on year to $74 million from $163 million a year ago. Gross placements went down by 44% to $101 million, while withdrawals rose by 50.9% to $27 million.

FDI, S1/9

Meralco rates to go up slightly in January

By Sheldeen Joy Talavera
Reporter

TYPICAL HOUSEHOLDS served by Manila Electric Co. (Meralco) will see a slight increase in their electricity bills this month due to the higher cost of power from suppliers.

In a statement on Wednesday, Meralco said the overall rate would increase by P0.0846 per kilowatt-hour (kWh) to P11.3430 in January from P11.2584 in December.

Residential customers consuming 200 kWh must pay about P17 more in their January bill.

Meanwhile, households consuming 300 kWh, 400 kWh and 500 kWh will see their monthly electricity bills go up by P25, P33, and P39, respectively.

Meralco said the minimal increase was brought by the P0.1136 rise in generation charge to P6.6468 per kWh, mainly due to higher charges from the Wholesale Electricity Spot Market (WESM) and independent power producers (IPP).

The generation charge accounted for about 74% of the total monthly electricity bill.

"We can't actually have full control on what the generation cost will be based on the prices that will be sold to us both in the market and by our suppliers," Joe R. Zaldarriaga, Meralco spokesperson and vice-president for corporate communications, said at a briefing.

Meralco, S1/9