

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL																																																																				
PSEi OPEN: 6,528.68 HIGH: 6,528.68 LOW: 6,496.96 CLOSE: 6,503.54 VOL.: 0.301 B VAL(P): 6.189 B 7.33 pts, 0.11% 30 DAYS TO JANUARY 19, 2024	JANUARY 19, 2024 <table border="1"> <tr><th>CLOSE</th><th>NET</th><th>%</th></tr> <tr><td>JAPAN (NIKKEI 225)</td><td>35,963.27</td><td>▲ 497.10 1.40</td></tr> <tr><td>HONG KONG (HANG SENG)</td><td>15,308.69</td><td>▼ -83.10 -0.54</td></tr> <tr><td>TAIWAN (WEIGHTED)</td><td>17,681.52</td><td>▲ 453.73 2.63</td></tr> <tr><td>THAILAND (SET INDEX)</td><td>1,382.51</td><td>▲ 4.58 0.33</td></tr> <tr><td>S.KOREA (KSE COMPOSITE)</td><td>2,472.74</td><td>▲ 32.70 1.34</td></tr> <tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,152.29</td><td>▲ 12.51 0.40</td></tr> <tr><td>SYDNEY (ALL ORDINARIES)</td><td>7,421.20</td><td>▲ 74.70 1.02</td></tr> <tr><td>MALAYSIA (KLSE COMPOSITE)</td><td>1,486.37</td><td>▲ 7.19 0.49</td></tr> </table>	CLOSE	NET	%	JAPAN (NIKKEI 225)	35,963.27	▲ 497.10 1.40	HONG KONG (HANG SENG)	15,308.69	▼ -83.10 -0.54	TAIWAN (WEIGHTED)	17,681.52	▲ 453.73 2.63	THAILAND (SET INDEX)	1,382.51	▲ 4.58 0.33	S.KOREA (KSE COMPOSITE)	2,472.74	▲ 32.70 1.34	SINGAPORE (STRAITS TIMES)	3,152.29	▲ 12.51 0.40	SYDNEY (ALL ORDINARIES)	7,421.20	▲ 74.70 1.02	MALAYSIA (KLSE COMPOSITE)	1,486.37	▲ 7.19 0.49	JANUARY 19, 2024 <table border="1"> <tr><th>CLOSE</th><th>NET</th></tr> <tr><td>Dow Jones</td><td>37,863.800 ▲ 395.190</td></tr> <tr><td>NASDAQ</td><td>15,310.968 ▲ 255.320</td></tr> <tr><td>S&P 500</td><td>4,839.810 ▲ 58.870</td></tr> <tr><td>FTSE 100</td><td>7,461.930 ▲ 2.840</td></tr> <tr><td>Euro Stoxx50</td><td>4,051.660 ▼ -6.950</td></tr> </table>	CLOSE	NET	Dow Jones	37,863.800 ▲ 395.190	NASDAQ	15,310.968 ▲ 255.320	S&P 500	4,839.810 ▲ 58.870	FTSE 100	7,461.930 ▲ 2.840	Euro Stoxx50	4,051.660 ▼ -6.950	FX OPEN P55.850 HIGH P55.770 LOW P56.020 CLOSE P55.970 W.AVE. P55.874 VOL. \$1,394.30 M 13.00 ctyvs 30 DAYS TO JANUARY 19, 2024 SOURCE: BAP	JANUARY 19, 2024 LATEST BID (0900GMT) <table border="1"> <tr><th>PREVIOUS</th></tr> <tr><td>JAPAN (YEN)</td><td>148.140 ▼ 147.810</td></tr> <tr><td>HONG KONG (HK DOLLAR)</td><td>7.818 ▲ 7.821</td></tr> <tr><td>TAIWAN (NT DOLLAR)</td><td>31.382 ▲ 31.547</td></tr> <tr><td>THAILAND (BAHT)</td><td>35.500 ▲ 35.570</td></tr> <tr><td>S. KOREA (WON)</td><td>1,333.660 ▲ 1,337.520</td></tr> <tr><td>SINGAPORE (DOLLAR)</td><td>1.3403 ▲ 1.3435</td></tr> <tr><td>INDONESIA (RUPIAH)</td><td>15,610 ▲ 15,615</td></tr> <tr><td>MALAYSIA (RINGGIT)</td><td>4.715 ▲ 4.717</td></tr> </table>	PREVIOUS	JAPAN (YEN)	148.140 ▼ 147.810	HONG KONG (HK DOLLAR)	7.818 ▲ 7.821	TAIWAN (NT DOLLAR)	31.382 ▲ 31.547	THAILAND (BAHT)	35.500 ▲ 35.570	S. KOREA (WON)	1,333.660 ▲ 1,337.520	SINGAPORE (DOLLAR)	1.3403 ▲ 1.3435	INDONESIA (RUPIAH)	15,610 ▲ 15,615	MALAYSIA (RINGGIT)	4.715 ▲ 4.717	JANUARY 19, 2024 <table border="1"> <tr><th>CLOSE</th><th>PREVIOUS</th></tr> <tr><td>US\$/UK POUND</td><td>1.2700 ▲ 1.2682</td></tr> <tr><td>US\$/EURO</td><td>1.0897 ▲ 1.0886</td></tr> <tr><td>US\$/AUSTRALIAN DOLLAR</td><td>0.6597 ▲ 0.6559</td></tr> <tr><td>CANADA DOLLAR/US\$</td><td>1.3429 ▼ 1.3497</td></tr> <tr><td>SWISS FRANC/US\$</td><td>0.8685 ▲ 0.8647</td></tr> </table>	CLOSE	PREVIOUS	US\$/UK POUND	1.2700 ▲ 1.2682	US\$/EURO	1.0897 ▲ 1.0886	US\$/AUSTRALIAN DOLLAR	0.6597 ▲ 0.6559	CANADA DOLLAR/US\$	1.3429 ▼ 1.3497	SWISS FRANC/US\$	0.8685 ▲ 0.8647	DUBAI CRUDE OIL FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$78.85/BBL 83.00 77.80 72.60 70.00 30 DAYS TO JANUARY 19, 2024 ▲ \$1.30
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VOL. XXXVII • ISSUE 125 MONDAY • JANUARY 22, 2024 • www.bworldonline.com S1/1-12 • 3 SECTIONS, 20 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JANUARY 19, 2024 (PSEi snapshot on S1/4; article on S2/2)

ICT	P239.200	ALI	P32.350	BDO	P136.800	COSCO	P4.800	BPI	P106.200	SM	P870.000	URC	P114.900	SMPH	P32.750	GTCAP	P612.000	JGS	P38.000
Value	P2,458,062,302	Value	P346,079,940	Value	P308,610,518	Value	P294,594,670	Value	P220,330,717	Value	P151,216,945	Value	P143,484,162	Value	P118,879,435	Value	P114,805,610	Value	P92,154,985
	-P8.600 ▼ -3.471%		P0.800 ▲ 2.536%		P1.000 ▲ 0.736%		-P0.060 ▼ -1.235%		-P3.600 ▼ -3.279%		-P3.000 ▼ -0.344%		P1.400 ▲ 1.233%		P0.100 ▲ 0.306%		-P6.500 ▼ -1.051%		-P0.750 ▼ -1.935%

Supply shocks may derail inflation fight

PHL braces for impact of Red Sea crisis on goods

By Ashley Erika O. Jose Reporter

THE ONGOING CRISIS in the Red Sea is disrupting the movement of goods, which is resulting in delays in shipments and higher costs for Philippine businesses.

Ayala Corp. Chairman Jaime Augusto Zobel de Ayala said ongoing geopolitical tensions such as the disruptions in the Red Sea could have cost implications for Philippine businesses.

"I do believe that there will be disruptions. I believe that there will be cost implications. I believe that in the current environment, there will be difficulties that we all face," Mr. Zobel told reporters on Thursday. "I think right now (the movement of goods and services) is a little bit under fire particularly in the Middle East."

Tensions in the Red Sea, a major shipping route, have remained elevated as Houthi rebels continue to attack cargo ships and tankers. About 12% of global trade or 30% of overall global container traffic goes through its northern part — the Suez Canal — which brings goods to and from Asia and Europe.

"We can expect delays particularly on our ecozone shipments going to and coming from Europe particularly those countries located in the Mediterranean region given the resulting port congestions with the longer dwell time for containerized cargoes," Philippine Economic Zone Authority (PEZA) Director-General Tereso O. Panga said in a Viber message to *BusinessWorld* last week.

Red Sea, S1/11

Philippine-China tensions seen to affect Asia-Pacific trade — Moody's

By Keisha B. Ta-asan Reporter

TENSIONS between the Philippines and China may lead to trade disruptions that could escalate across the Asia-Pacific region, according to Moody's Investors Service.

"While not our baseline, an escalation of tensions in the South China Sea could lead to disruptions in trade, not just between China and the Philippines, but also for the region at large given that the South China Sea is a critical trade route that delivers goods between Northeast Asia and Southeast Asia," Moody's Investors Service Senior Vice-President and Manager Christian de Guzman told *BusinessWorld* in an e-mail interview.

He said these disruptions may weigh on growth prospects in the region due to Asia-Pacific's overall reliance on trade.

Moody's, S1/11

20 Top Grossing Companies in the Philippines in 2022

MANUFACTURING			
 Petron Corp. ₱438.87B		 Shell Pilipinas Corp. ₱292.88B	
 PMFTC, Inc. ₱176.99B		 Toyota Motor Philippines Corp. ₱173.27B	
 Nestlé Philippines, Inc. ₱143.89B		 Philippine Associated Smelting and Refining Corp. ₱134.48B	
 Universal Robina Corp. ₱128.79B		 San Miguel Brewery, Inc. ₱124.10B	
WHOLESALE AND RETAIL TRADE		INFORMATION AND COMMUNICATION	
 Mercury Drug Corp. ₱177.59B		 Globe Telecom, Inc. ₱158.87B	
 Insular Oil Corp. ₱129.81B		 PLDT Inc. ₱129.72B	
 Puregold Price Club, Inc. ₱127.32B		 Smart Communications, Inc. ₱126.53B	
 Robinson's Supermarket Corp. ₱119.81B			
ELECTRICITY, GAS, STEAM AND AIR-CONDITIONING		FINANCIAL AND INSURANCE ACTIVITIES	
 Meralco Manila Electric Co. ₱382.42B		 BDO Unibank, Inc. ₱209.29B	
		 Bank of the Philippine Islands ₱126.43B	
TRANSPORTATION AND STORAGE			
 Philippine Airlines, Inc. ₱145.80B			

Notes: - Based on parent audited financial statements as of fiscal year 2022 submitted to the Securities and Exchange Commission. - Gross revenue is the sum of net sales and other nonoperating income.

Source: *BusinessWorld* Top 1000 Corporations in the Philippines 2023 edition (https://top1000.bworldonline.com/) BusinessWorld Research BusinessWorld Graphics: Bong R. Fortin

SUPPLY SHOCKS that could arise from the El Niño weather event may derail efforts to bring inflation back to the 2-4% target range, Bangko Sentral ng Pilipinas (BSP) Governor Eli M. Remolona, Jr. said.

"Supply shocks may derail (our) forecast including what's going on with rice, the imports of rice. El Niño is a factor. So, it depends on those risks," he told reporters during a Media Information Session on Saturday.

The Bangko Sentral ng Pilipinas (BSP) sees inflation easing to 3.7% this year and to 3.2% in 2025. Full-year inflation averaged 6% in 2023, marking the second straight year that average inflation breached the 2-4% target band.

The central bank earlier said that inflation will likely settle within the 2-4% range in the first quarter but could potentially accelerate to above target from April to July due to the El Niño, the lag impact of wage adjustments in 2023, and positive base effects.

"We began to realize the supply shocks are very important for the inflation outlook, not because of the shocks themselves, we expect them to dissipate, but because of the second-round effects from those shocks," Mr. Remolona said.

"They affect expectations, and those expectations affect second-round effects which we see in prices of services for example, in wages, transport fares. So, we're not out of the woods," he added.

The Philippine Atmospheric, Geophysical and Astronomical Services Administration projects that El Niño will likely persist until May this year.

Earlier estimates by the BSP also showed that the dry weather event could impact inflation by 0.02 percentage point.

National Economic and Development Authority Secretary Arsenio M. Balisacan has also flagged the risk of elevated inflation due to the onset of the El Niño, which could impact the agriculture sector and stoke food prices.

'NOT LIKELY'

Meanwhile, Mr. Remolona said it is unlikely that the BSP will begin easing policy rates within the first half of the year.

"It depends on the data as we always say, but it's looking good. We like the trend so far. I would say it's possible but maybe not likely," he said.

Inflation, S1/11

Philippine government told to carry through job plan amid grim outlook

By John Victor D. Ordoñez Reporter

ANTONIO GABRIELS PE BENITO, 24, is thinking about leaving the Philippines given the paltry pay he gets as a management trainee at a local consultancy firm.

The fresh graduate, who gets P20,000 (\$358) a month, is not optimistic about the local job scene despite measures recently passed by Congress to boost employment.

"I would go abroad if given the chance," he said by telephone.

"I'm sure I will get better benefits and it will be good for my career."

The International Labour Organization expects the global jobless rate to rise to 5.2% this year from 5.1% a year earlier. In a report this month, the United Nations body said the global labor market is set to "deteriorate moderately" because of increased joblessness in advanced economies.

"The erosion of real wages and living standards by high and persistent inflation rates and rising costs of housing is unlikely to be offset quickly," it said.

Metro Manila's daily minimum wage rose by P40 to P610 (\$10.93) in June, much lower than the P570 increase sought by Unity for Wage Increase Now.

Daily minimum wages in Thailand range from 328 baht (\$9.40) to 354 baht, Malaysia is at 69.23 ringgit (\$14.90) and Indonesia at 232,000 rupiah (\$14.93).

The Philippine unemployment rate dropped to an 18-year low of 3.6% in November, according to the local statistics agency. Job quality was stagnant as the underemployment rate — the

share of employed workers who are seeking more work or longer working hours — stayed at 11.7%.

A PwC Philippines survey in August showed that 29% of Filipino workers were looking for new jobs and demanding higher pay amid spiraling prices.

Jose "Sonny" G. Matula, president of the Federation of Free Workers, said measures passed by Congress to boost employment hinge on effective enforcement.

"Ensuring that these stakeholders have a say in how the laws are carried out is crucial for realizing the intended improvements

in job creation," he said in a Viber message. "Their passage is only half the success."

Mr. Matula said lawmakers should push bills to boost local industries instead of letting the country rely on dollar receipts from migrant Filipino workers.

President Ferdinand R. Marcos, Jr. late last year signed the Public-Private Partnership (PPP) Code, which seeks to harmonize the rules on PPP projects to expand private sector participation in state infrastructure programs.

"Infrastructure investments are expected to stimulate eco-

nomical growth and create jobs," Sentro ng mga Nagkakaisa at Progresibong Manggagawa Secretary-General Joshua T. Mata said in a Viber message. "But this will depend on various factors including the scale of investment, efficiency of project implementation and the overall economic environment."

There were 180 ongoing PPP projects worth P2.639 trillion as of Sept. 1, while 104 more projects worth P2.521 trillion were in the pipeline, according to the Department of Finance.

Job plan, S1/5

