P25 IN METRO MANILA, PHILIPPINES

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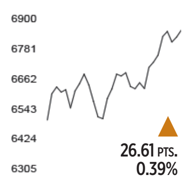
STOCK MARKET



PSEi	
OPEN:	6,810.64
HIGH:	6,854.53
LOW:	6,780.73
CLOSE:	6,854.53
VOL.:	0.511 B
VAL(P):	4.706 B

ASIAN MARKETS

FEBRUARY 14, 2024

	CLOSE		NET	%
Japan (Nikkei 225)	37,703.32	▼	-260.65	-0.69
Hong Kong (Hang Seng)	15,879.38	▲	132.80	0.84
Taiwan (Weighted) *	18,096.07	▲	36.14	0.20
Thailand (SET Index)	1,385.97	▼	-5.76	-0.41
S.Korea (Kse Composite)	2,620.42	▼	-29.22	-1.10
Singapore (Straits Times)	3,140.04	▼	-1.83	-0.06
Sydney (All Ordinaries)	7,547.70	▼	-55.90	-0.74
Malaysia (Klse Composite)	1,529.33	▼	-2.04	-0.13

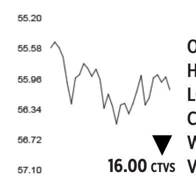
* CLOSING PRICE AS OF FEB. 5, 2024

WORLD MARKETS

FEBRUARY 13, 2024

	CLOSE		NET
Dow Jones	38,272.750	▼	-524.630
NASDAQ	15,655.599	▼	-286.946
S&P 500	4,953.170	▼	-68.670
FTSE 100	7,512.280	▼	-61.410
Euro Stoxx50	4,198.670	▼	-30.500

PESO-DOLLAR RATES



FX	
OPEN	P56.180
HIGH	P56.080
LOW	P56.333
CLOSE	P56.100
W.AVE.	P56.227
VOL.	$1,338.05 M

SOURCE : BAP

ASIAN MONIES-US$ RATE

FEBRUARY 14, 2024

	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	150.530	▼	149.650
Hong Kong (HK dollar)	7.818	—	7.818
Taiwan (NT dollar)	31.487	▼	31.383
Thailand (baht)	36.120	▼	35.710
S. Korea (won)	1,333.410	▼	1,330.520
Singapore (dollar)	1.349	▼	1.345
Indonesia (rupiah)	15,590	—	15,590
Malaysia (ringgit)	4.783	▼	4.764

WORLD CURRENCIES

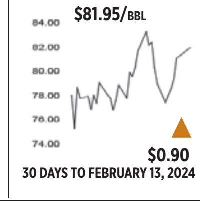
FEBRUARY 14, 2024

	CLOSE		PREVIOUS
US$/UK pound	1.2552	▼	1.2644
US$/Euro	1.0705	▼	1.0759
US$/Aust dollar	0.6477	▼	0.6512
Canada dollar/US$	1.3547	▲	1.3456
Swiss Franc/US$	0.8877	▲	0.8813

DUBAI CRUDE OIL

FUTURES PRICE ON NEAREST MONTH OF DELIVERY

$81.95/BBL



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S1/1-10 • 2 SECTIONS, 14 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • FEBRUARY 14, 2024 (PSEi snapshot on *S1/3*; article on *S2/2*)

		Value			
ICT	P270.000	P533,833,222	-P2.000	▼	-0.735%
BDO	P152.600	P451,106,900	P0.200	▲	0.131%
URC	P115.900	P247,075,277	P4.200	▲	3.760%
AC	P708.000	P234,876,040	-P12.000	▼	-1.667%
JFC	P255.000	P219,719,684	-P3.000	▼	-1.163%
ALI	P34.900	P208,700,185	P0.050	▲	0.143%
MONDE	P10.360	P199,776,046	P0.000	—	0.000%
BPI	P114.500	P191,075,797	P1.000	▲	0.881%
SMPH	P34.200	P146,844,320	P0.200	▲	0.588%
SM	P915.000	P135,370,410	P12.000	▲	1.329%

Senate OK's P100 wage increase on 2nd reading

By John Victor D. Ordoñez
Reporter

THE PHILIPPINE SENATE on Wednesday approved on second reading a bill calling for a P100 ($1.78) across-the-board minimum wage increase for workers in the private sector.

The increase will ensure a "living wage" for the Filipino workforce, according to Senate Bill No. 2534 or the proposed Wage Increase Act of 2023.

The measure seeks to improve the living conditions of Filipino families, Senate President Juan Miguel F. Zubiri, who sponsored the bill, told the plenary.

"The Senate is united in addressing the needs of Filipino workers," he said in Filipino. "The Senate hears the call of the nation for decent pay, and we are not just listening but taking action too."

The Senate president expects the bill to be approved on third and final reading next week.

The Employers Confederation of the Philippines (ECoP) said a legislated wage would only benefit 16% of the country's workforce.

"About 84% of the working force, or those in the informal sector, would not benefit from the legislated wage increase, and only about 10% would temporarily benefit from it only for a few months," ECoP President Sergio R. Ortiz-Luis, Jr. said by telephone.

"A P100 legislated wage hike is sure to be catastrophic inflationary," he added.

He also said it betrays the Philippines' "erratic policies" that foreign investors shun. "You have a process with the regional wage boards and all of a sudden, you see a legislated wage increase. What do you think investors will say?"

A Filipino family of five needs at least P13,797 a month or P460 a day to meet their basic needs, according to the Philippine Statistics Authority.

A bloc of congressmen has also filed a bill seeking a P750 daily wage hike for private sector workers, including those in special economic zones, freeports and agriculture.

Philippine labor groups have backed a legislated wage hike, saying it would unleash consumer spending power and raise worker pay above poverty levels.

Calixto V. Chikiamco, president of the Foundation for Economic Freedom, said the proposal is bad for the economy and could worsen inflation.

"Worse, a national wage hike doesn't take into consideration the different cost factors and employment figures across regions," he said in a Viber message. "It will likely cause a wage price spiral that will harm Filipino workers in the long run."

He said the legislated wage increase would cause more joblessness as companies adjust to higher wages while suffering from stagnant productivity through downsizing.

Inflation eased to 2.8% in January from 3.9% in December and 8.7% a year ago, the slowest in three years.

Metro Manila's daily minimum wage rose by P40 to P610 in June, much lower than the P570 increase sought by some labor groups.

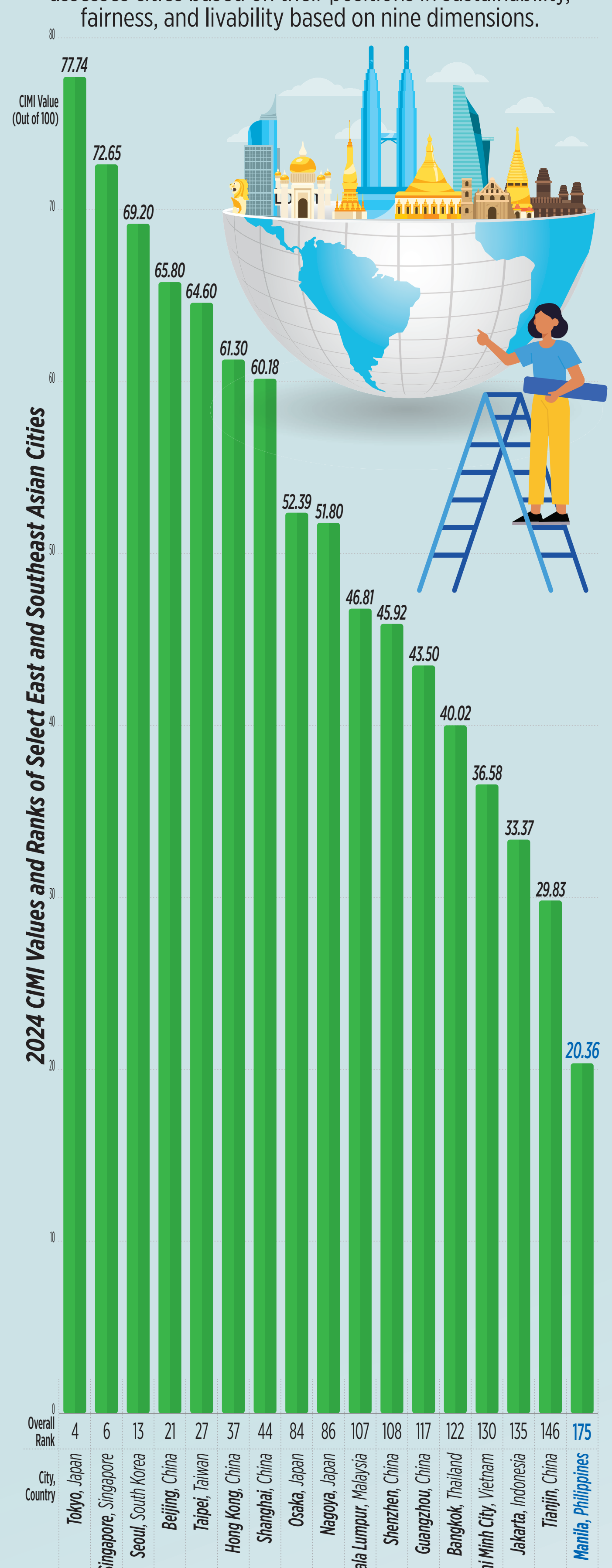
The International Labour Organization (ILO) expects the global jobless rate to rise to 5.2% this year from 5.1% a year earlier. In a report last month, the ILO said the global labor market is set to "deteriorate moderately" because of increased joblessness in advanced economies.

"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.

Wage, S1/5

MANILA LAGS IN 2024 CITIES IN MOTION INDEX

The Philippine capital ranked 175th out of 183 cities with a score of 20.36 in the 2024 edition of Cities in Motion Index (CIMI) by Spain-based University of Navarra's IESE Business School. Manila was the lowest among the 17 East and Southeast Asian cities included in the list. The index assesses cities based on their positions in sustainability, fairness, and livability based on nine dimensions.



Top 10

Overall Rank (Out of 183)	City, Country	CIMI Value (Out of 100)
1	**London**, United Kingdom	100.00
2	**New York**, USA	97.11
3	**Paris**, France	84.29
4	**Tokyo**, Japan	77.74
5	**Berlin**, Germany	75.66
6	**Singapore**, Singapore	72.65
7	**Oslo**, Norway	72.55
8	**Amsterdam**, Netherlands	72.21
9	**San Francisco**, USA	70.77
10	**Chicago**, USA	70.76

Bottom 10

Overall Rank (Out of 183)	City, Country	CIMI Value (Out of 100)
183	**Lagos**, Nigeria	4.77
182	**Caracas**, Venezuela	10.61
181	**Karachi**, Pakistan	10.90
180	**Lahore**, Pakistan	13.18
179	**Kampala**, Uganda	13.65
178	**Accra**, Ghana	14.75
177	**Douala**, Cameroon	17.02
176	**Guatemala City**, Guatemala	18.12
175	**Manila, Philippines**	**20.36**
174	**Kolkata**, India	21.13

Philippines' 2024 Profile

Dimension	Rank (Out of 183)
Cities in Motion	**175**
International Profile	77
Human Capital	138
Economy	152
Governance	160
Urban Planning	161
Technology	165
Social Cohesion	171
Mobility and Transportation	174
Environment	179

Notes:
- The 2024 results cannot be directly compared to previous editions as this year's ranking serves as a new baseline for understanding and analyzing cities due to differences in indicators and evaluation methods, the report said.
- The CIMI aims to help citizens and governments understand the performance of cities in nine key dimensions: human capital, social cohesion, economy, governance, environment, mobility and transportation, urban planning, international profile, and technology.

Source: University of Navarra IESE Business School's IESE Cities in Motion Index 2024 *(https://www.iese.edu/insight/articles/smart-sustainable-cities-in-motion/)*
***BusinessWorld* Research**: Abigail Marie P. Yraola ***BusinessWorld* Graphics**: Bong R. Fortin

PHL privatization office eyes easier rules to meet target

THE FINANCE DEPARTMENT'S Privatization and Management Office (PMO) wants to revise the guidelines on the sale of Philippine government assets to help meet its "hefty" targets this year.

"What we're trying to do right now is amend the Privatization Council (PrC) guidelines to make disposition easier," Finance Undersecretary Catherine L. Fong told reporters on the sidelines of a forum on Tuesday. "We need to raise a lot of funds. The PrC has approved a lot of properties for disposition."

She said PMO expects to boost its revenue through state asset sales this year, without providing exact figures.

PMO, the marketing arm of the government with respect to transferred assets, government corporations and other properties assigned to it by the Privatization Council, remitted P1.21 billion to the Treasury last year, exceeding its P500-million target, according to Finance data.

The council is a Cabinet-level body in charge of approving the government's privatization plans.

"We have an estimated deficit from revenue collections, so I have a hefty target for this year," Ms. Fong said.

She said the guidelines prevent them from selling assets at prices lower than the base price, which is set by two independent appraisers.

Privatization, S1/5

PHL household goods sector may grow by 7.5%, says BMI

THE PHILIPPINES' household goods sector may grow by 7.5% this year to P270.4 billion ($4.8 billion) from last year as rising incomes boost consumer spending, BMI Country Risk & Industry Research said.

In a report dated Feb. 13, BMI said spending on household goods would likely grow by 7.1% in the next five years to P354 billion by 2028.

"Improvements in the housing market and the increasing number of households in the middle- and upper-income brackets will encourage expenditure on aspirational products, such as consumer electronics and home furnishings," it said.

Colliers Philippines earlier said vacancies in the secondary residential market dropped to 16.8% at the end of December from 17.1% a year earlier. It recorded a take-up of about 23,400 condominium units in the National Capital Region pre-selling market last year, better than 21,600 units sold in 2022.

The property consultancy expects more than 7,000 condominium units to be completed this year.

BMI said the Filipino household goods consumer market is dynamic and has a mix of local and international retailers, BMI said. Consumers can access a wide range of products from electronics to white goods through physical stores and e-commerce platforms.

The research firm noted that several domestic chains in the Philippines such as SM Home compete with Europe-based and global rivals such as Swedish IKEA and Hong Kong-based Japan Home Centre.

Retail formats also vary in the country, BMI said, citing out-of-town superstores, small city center display stores and a robust online sales sector.

"Over the medium term, the market will average steady growth, with all segments apart from leisure items outperforming," BMI said.

The average income of Filipino households fell by 2% to P307,190 in 2021 from 2018, according to data from the local statistics agency. The average spending of Filipino families also dropped by 4.1% to P228,800.

The poverty incidence also rose to 18.1% in 2021 from 16.7% in 2018, equivalent to 19.992 million poor Filipinos.

The Philippines seeks to cut the poverty incidence — the proportion of Filipinos whose incomes fell below the per capita poverty threshold — to 9% by 2028.

BMI expects the Philippine economy to grow by 6.2% this year as easing inflation and unemployment support household spending. Household spending expanded by 5.6% last year from 8.3% a year earlier.

It earlier said it expects inflation to fall back to trend this year, offering a respite for real household incomes after a rough 2023. Labor market conditions are very tight by historical standards and the unemployment rate is now at record lows, it added.

Inflation slowed to 2.8% in January from 3.9% in December and 8.7% a year ago, the slowest since October 2020. It was also the second straight month that inflation was within the central bank's 2-4% target.

The unemployment rate fell to a record 4.3% in 2023 from 5.4% a year earlier, equivalent to 2.19 million jobless Filipinos compared with 2.67 million in 2022. — **Keisha B. Ta-asan**

Economists ask Marcos gov't to push easing foreign ownership cap while cutting red tape

THE GOVERNMENT of President Ferdinand R. Marcos, Jr. should push easing foreign ownership restrictions in the 1987 Constitution while cutting bureaucratic red tape to attract foreign direct investments (FDI), according to economists.

"Removing the specific restrictive provisions in the 1987 Constitution is a necessary but not a sufficient condition to encourage more foreign direct investments," Former Finance Secretary Margarito B. Teves told a forum on Wednesday.

"Just kindly try to remove all those restrictive economic provisions which we can specify and put us on par with our colleagues in ASEAN (Association of Southeast Asian Nations)," he added.

Mr. Teves said the Philippines has one of the most restrictive economies in Southeast Asia, and it doesn't help that these limits are in the country's basic law.

"We're the only country whose restrictive economic provisions are embodied in the Constitution," he said. "No other country in Asia... has included these provisions in the Constitution."

FDI net inflows rose by 27.8% to $1.04 billion in November from a year earlier, the central bank said on Monday.

The FDI Regulatory Restrictiveness Index, which measures statutory restrictions on FDIs in 22 economic sectors across 69 countries, has not taken into account the country's liberalized public sector, Toby Melissa C. Monsod, an economics professor from the University of the Philippines, told the forum.

She said the government should delay Charter change until it reaps the benefits of potential FDIs in sectors opened up by the amended law that took effect in April. The law allows 100% foreign ownership in telecommunications, airlines and railways.

Red tape, S1/5