P25 IN METRO MANILA, PHILIPPINES

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STOCK MARKET

PSEi

OPEN:	6,818.14
HIGH:	6,860.80
LOW:	6,818.14
CLOSE:	6,854.66
VOL.:	0.521 B
VAL(P):	4.936 B

▲ 56.05 PTS. 0.82%

30 DAYS TO FEBRUARY 20, 2024

ASIAN MARKETS

FEBRUARY 20, 2024

	CLOSE		NET	%
Japan (Nikkei 225)	38,363.61	▼	-106.77	-0.28
Hong Kong (Hang Seng)	16,247.51	▲	91.90	0.57
Taiwan (Weighted)	18,753.16	▲	117.36	0.63
Thailand (SET Index)	1,380.93	▼	-6.40	-0.46
S.Korea (Kse Composite)	2,657.79	▼	-22.47	-0.84
Singapore (Straits Times)	3,238.30	▲	12.39	0.38
Sydney (All Ordinaries)	7,659.00	▼	-6.10	-0.08
Malaysia (Klse Composite)	1,555.59	▲	16.98	1.10

WORLD MARKETS

FEBRUARY 19, 2024

	CLOSE		NET
Dow Jones *	38,627.990	▼	-145.130
NASDAQ *	15,775.654	▼	-130.519
S&P 500 *	5,005.570	▼	-24.160
FTSE 100	7,728.500	▲	16.790
Euro Stoxx50	4,276.830	▲	12.310

* CLOSING PRICES AS OF FEB. 16, 2024

PESO-DOLLAR RATES

FX

OPEN	P56.090
HIGH	P56.035
LOW	P56.135
CLOSE	P56.035
W.AVE.	P56.075
VOL.	$1,138.50 M

▲ 3.50 CTVS

30 DAYS TO FEBRUARY 20, 2024 SOURCE : BAP

ASIAN MONIES-US$ RATE

FEBRUARY 20, 2024

	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	150.310	▼	149.880
Hong Kong (HK dollar)	7.822	▼	7.821
Taiwan (NT dollar)	31.465	▼	31.380
Thailand (baht)	36.090	▼	35.950
S. Korea (won)	1,335.580	▼	1,334.490
Singapore (dollar)	1.345	—	1.345
Indonesia (rupiah)	15,655	▼	15,625
Malaysia (ringgit)	4.795	▼	4.784

WORLD CURRENCIES

FEBRUARY 20, 2024

	CLOSE		PREVIOUS
US$/UK pound	1.2598	▼	1.2617
US$/Euro	1.0789	▲	1.0775
US$/Aust dollar	0.6547	▲	0.6540
Canada dollar/US$	1.3495	▲	1.3473
Swiss Franc/US$	0.8821	▲	0.8803

DUBAI CRUDE OIL

FUTURES PRICE ON NEAREST MONTH OF DELIVERY

$82.29/BBL

▼ $0.15

30 DAYS TO FEBRUARY 19, 2024

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S1/1-12 • 2 SECTIONS, 18 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • FEBRUARY 20, 2024 (PSEi snapshot on *S1/4*; article on *S2/2*)

		Value			
ICT	P290.000	P697,958,884	P14.000	▲	5.072%
SMPH	P32.900	P388,730,315	-P0.150	▼	-0.454%
BPI	P117.800	P386,453,848	P1.100	▲	0.943%
BDO	P155.000	P347,469,560	P1.900	▲	1.241%
URC	P112.300	P243,505,266	-P2.200	▼	-1.921%
AC	P710.000	P239,148,975	P6.500	▲	0.924%
SM	P908.000	P219,482,055	P8.000	▲	0.889%
ALI	P34.900	P213,084,565	P0.950	▲	2.798%
JFC	P259.000	P137,226,872	P0.000	—	0.000%
AEV	P45.550	P109,672,845	P0.250	▲	0.552%

StanChart: BSP may cut rates by June

January BoP swings to deficit

THE COUNTRY posted a balance of payments (BoP) deficit of $740 million in January — the biggest in 11 months — as the government paid its foreign debt, according to data released by the Bangko Sentral ng Pilipinas (BSP) late Monday.

It was a reversal of the $3.08-billion surplus a year ago and $642 million in December.

"The BoP deficit in January 2024 reflected outflows arising mainly from the National Government's (NG) payments of its foreign currency debt obligations," the central bank said in a statement.

The BoP summarizes the country's transactions with the rest of the world. A deficit means more funds left the country, while a surplus shows that more money came in.

Treasury data showed that the government's outstanding debt hit a record P14.62 trillion as of end-2023, 8.92% higher than a year earlier. This brought its outstanding debt as a share of gross domestic product (GDP) to 60.2%.

The bulk or 68.5% of the debt portfolio came from domestic sources, while the remaining 31.5% was from foreign creditors. Foreign borrowings jumped by 9.21% to P4.6 trillion from a year ago.

The January BoP deficit also reflected the continued trade gap in recent months, Michael L. Ricafort, chief economist at Rizal Commercial Banking Corp., said in a note.

The country's trade-in-goods deficit narrowed by 9% year on year to a $52.42-billion deficit in 2023, as exports and imports declined faster than government projections amid slowing demand.

BoP, S1/5

Philippine consumer spending may grow 5.5% this year — S&P

CONSUMER SPENDING in the Philippines would probably grow by 5.5% this year, still below the pre-coronavirus pandemic level of 6%, because a recovery in household activity could take a few more quarters, S&P Global Ratings said on Tuesday.

In a report written by S&P economists Vishrut Rana and Louis Kuijs, the debt watcher said consumer confidence has dipped.

"We expect consumer activity to grow 5.5% in 2024, below the pre-pandemic trend growth of over 6%," it said. "A recovery in consumer activity will take a few quarters to firm up."

Economies across the world are experiencing a slowdown in household spending as central banks raised borrowing costs to tame red-hot inflation.

Last year, Philippine household consumption growth slowed to 5.6% from 8.3% in 2022. Private consumption accounts for about three-quarters of the economy, driven by restaurant and hotel spending.

The Philippine economy grew by 5.6% in 2023 falling short of the 6-7% target. It was also slower than the 7.6% expansion a year earlier.

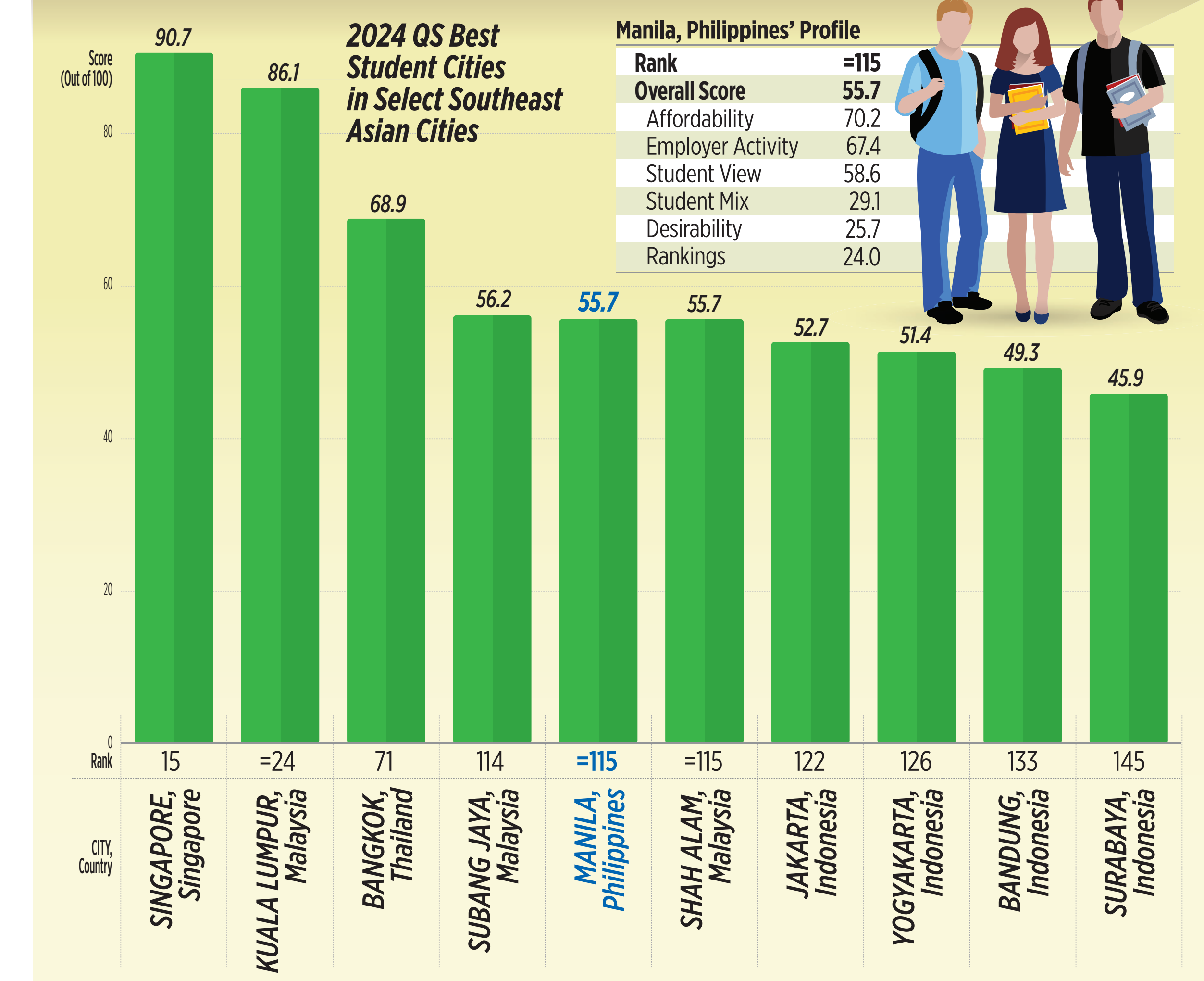
"Consumers faced a challenging environment in 2023 as high inflation ate into purchasing power," S&P Global said. "The weak external environment meant limited support from the economy outside of domestic demand."

Inflation averaged 6% last year, the second straight year that it breached the Bangko Sentral ng Pilipinas' (BSP) 2-4% target.

Spending, S1/5

QUACQUARELLI SYMONDS

MANILA PLACES 115TH IN BEST STUDENT CITIES 2024



Manila, Philippines' Profile

Rank	**=115**
Overall Score	**55.7**
Affordability	70.2
Employer Activity	67.4
Student View	58.6
Student Mix	29.1
Desirability	25.7
Rankings	24.0

The Philippine capital ranked 115th out of 160 cities after scoring 55.7 out of 100 in the 2024 edition of the Best Student Cities by Quacquarelli Symonds (QS).

Manila Historical Scores and Ranks

Year	Score (Out of 100)	Rank
2018	*47.0*	95 (Out of 101)
2019	*51.0*	85 (Out of 120)
2022	*46.5*	113 (Out of 115)
2023	*44.2*	111 (Out of 140)
2024	***55.7***	**115 (Out of 160)**

Best 10 Cities

Rank	CITY, Country	Overall Score
1	**LONDON**, United Kingdom	100.0
2	**TOKYO**, Japan	98.0
3	**SEOUL**, South Korea	97.6
4	**MELBOURNE**, Australia	97.3
5	**MUNICH**, Germany	97.1
6	**PARIS**, France	96.3
7	**SYDNEY**, Australia	96.2
=8	**BERLIN**, Germany	95.0
=8	**ZURICH**, Switzerland	95.0
10	**BOSTON**, United States	92.3

Bottom 10 Cities

Rank	CITY, Country	Overall Score
151-160	**HARBIN**, China (Mainland)	42.1
151-160	**BILBAO**, Spain	42.3
151-160	**GDANSK**, Poland	42.4
151-160	**DAEGU**, South Korea	42.5
151-160	**TIMISOARA**, Romania	42.7
151-160	**ALBANY**, United States	42.9
151-160	**CHENNAI**, India	43.0
151-160	**IZMIR**, Turkey	43.4
151-160	**SAN JOSE**, Costa Rica	43.5
151-160	**TAOYUAN DISTRICT**, Taiwan	43.6

NOTES:
- Cities on the list must have a population of over 250,000 and have at least two universities featured in the QS World University Rankings.
- The index ranks cities whether they are student-friendly based on the following factors:

University Rankings: institution count, index score, and top score

Student Mix: student population, international volume, international ratio, and tolerance and inclusion

Desirability: Economist Liveability Index, GaWC+ score, safety score, pollution score, corruption score, and student desirability

Employer Activity: domestic employer popularity, international employer popularity, and youth employment bonus

Affordability: tuition fees, Big Mac index, iPad index, and cost of living

Student View: student experience, and staying after graduation

Source: Quacquarelli Symonds' Best Student Cities Index 2024 *(https://www.qschina.cn/en/city-rankings/2024)*
***BusinessWorld* Research**: Bernadette Therese M. Gadon and Karis Kasarinlan Paolo D. Mendoza
***BusinessWorld* Graphics**: Bong R. Fortin

By Keisha B. Ta-asan
Reporter

THE PHILIPPINE central bank is likely to cut borrowing costs by 25 basis points (bps) in June even if inflation stays above 4% next quarter, Standard Chartered Bank (StanChart) economists said.

Inflation might pick up in the second quarter to more than 4% before easing back to the 2-4% target in the second half, they told a news briefing on Tuesday.

"As long as month-on-month inflation remains disinflationary and the trajectory is for inflation to optimally fall below 4%, it's possible that the BSP (Bangko Sentral ng Pilipinas) doesn't have to wait for the actual inflation number to fall below 4%," Standard Chartered economist Jonathan Koh said.

The BSP is trying to strike a delicate balancing act to support an economy that is expected to grow by 6.5-7.5% this year, while ensuring that any interest rate decisions do not fan inflation or put pressure on the peso and lead to capital outflows.

Central banks around the world have tightened monetary policy since 2022 to tame inflation. The BSP was one of the most aggressive in the region, hiking the policy rate by 450 bps from May 2022 to October 2023.

Last week, the BSP kept the key rate at 6.5% — the highest in nearly 17 years — for a third straight meeting at its first policy review of the year, as widely expected. It will hold its next policy review on April 4.

"The BSP could move before inflation hits below 4%," Mr. Koh said. "If not, the BSP will keep policy a bit too restrictive for too long probably. We are expecting BSP to cut 100 bps this year, beginning with 25 bps in June."

Local interest rates would remain restrictive this year, with economic output likely to expand by 6% from 5.6% last year, he added.

Mr. Koh also said they had lowered their full-year inflation forecast for the Philippines this year to 3.5% from 3.8%.

"There are some disinflationary pressures in the economy especially for core, and we see that for headline as well," he said. "This is encouraging for the central bank in terms of keeping inflation under control."

Inflation cooled to the lowest in three years to 2.8% in January from 3.9% in December and 8.7% a year ago. It was the second straight month that it was within the BSP's 2-4% target.

Rates, S1/5

Marcos government has P2.42 trillion worth of PPP projects in pipeline

THE GOVERNMENT of Philippine President Ferdinand R. Marcos, Jr. has 117 public-private partnership (PPP) projects in the pipeline worth P2.42 trillion, according to the PPP Center, in a boost to his Build Better More infrastructure campaign.

Out of the total, 55 are related to transportation such as airports, rails and port terminals. Twenty-one cover property development and 14 are for road projects, PPP Center Executive Director Cynthia C. Hernandez said at a forum on Monday.

"We have the bulk of the projects in the transportation sector because we are doing a lot of catching up," she said. "We have also been slowly building up our pipeline in other priority sectors, such as solid waste management, health, water and information and communication technologies."

Congress has allotted P1.5 trillion for the Marcos government's Build Better More program this year, with most going to seaports, airports and mass transport projects. The state, which is prioritizing infrastructure development, seeks to spend 5-6% of economic output on infrastructure yearly.

The government has approved 198 flagship infrastructure projects worth about P8.78 trillion. Infrastructure spending in January to November rose by 18.5% to P1.02 trillion, according to data from the Budget department.

The government expects to approve 15 projects this year, Ms. Hernandez said. "These are solicited [projects] that we are actively developing with implementing agencies."

These include the Metro Manila Subway, North-South Commuter Railway, San Ramon Newport, University of the Philippines General Hospital in Diliman, Quezon City, the hemodialysis center of the Cagayan Valley Medical Center and the EDSA Busway project.

"There are also some unsolicited PPP projects," Ms. Hernandez said. "In the past few months, we've been receiving a lot of unsolicited proposals, and these are also part of what we expect to be approved in 2024."

Unsolicited proposals in the pipeline for approval this year include the rehabilitation, operation, maintenance and expansion of the Puerto Princesa International Airport and the Long-Term Water Source Development for Metro Manila project.

The PPP Center is seeking to approve 13 projects next year, including the New Cebu International Container Port, San Mateo Railway project and Laguna Lake Road Network.

PPP, S1/5