

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEi OPEN: 6,851.35 HIGH: 6,900.59 LOW: 6,831.18 CLOSE: 6,848.43 VOL.: 0.898 B VAL(P): 5.786 B 4.86 pts. 0.07% 30 DAYS TO MARCH 19, 2024	MARCH 19, 2024 JAPAN (NIKKEI 225) 40,003.60 ▲ 263.16 0.66 HONG KONG (HANG SENG) 16,529.48 ▼ -207.64 -1.24 TAIWAN (WEIGHTED) 19,857.20 ▼ -22.65 -0.11 THAILAND (SET INDEX) 1,384.61 ▼ -1.33 -0.10 S.KOREA (KSE COMPOSITE) 2,656.17 ▼ -29.67 -1.10 SINGAPORE (STRAITS TIMES) 3,178.36 ▲ 6.43 0.20 SYDNEY (ALL ORDINARIES) 7,703.20 ▲ 27.40 0.36 MALAYSIA (KLESE COMPOSITE) 1,544.96 ▼ -8.68 -0.56	MARCH 18, 2024 DOW JONES 38,790.430 ▲ 75.660 NASDAQ 16,103.448 ▲ 130.274 S&P 500 5,149.420 ▲ 32.330 FTSE 100 7,722.550 ▼ -4.870 EURO STOXX50 4,374.750 ▲ 0.450	FX OPEN P55.680 HIGH P55.670 LOW P55.950 CLOSE P55.920 W.AVE. P55.778 VOL. \$1,310.60 M SOURCE: BAP 34.00 CTVS 30 DAYS TO MARCH 19, 2024	MARCH 19, 2024 LATEST BID (0900GMT) PREVIOUS JAPAN (YEN) 150.440 ▼ 149.200 HONG KONG (HK DOLLAR) 7.822 ▼ 7.820 TAIWAN (NT DOLLAR) 31.805 ▼ 31.675 THAILAND (BAHT) 36.060 ▼ 35.970 S. KOREA (WON) 1,339.550 ▼ 1,334.100 SINGAPORE (DOLLAR) 1.343 ▼ 1.338 INDONESIA (RUPIAH) 15,710 ▼ 15,685 MALAYSIA (RINGGIT) 4.730 ▼ 4.716	MARCH 19, 2024 US\$/UK POUND 1.2688 ▼ 1.2738 US\$/EURO 1.0847 ▼ 1.0896 US\$/AUSTRALIAN 0.6508 ▼ 0.6566 CANADA DOLLAR/US\$ 1.3574 ▼ 1.3526 SWISS FRANC/US\$ 0.8877 ▲ 0.8834	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$85.69/BBL 30 DAYS TO MARCH 18, 2024

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

Code	Value	Change	Code	Value	Change	Code	Value	Change	Code	Value	Change	Code	Value	Change	Code	Value	Change												
ICT	P307.000	▼ -0.065%	URC	P99.700	▼ -4.776%	BLOOM	P10.500	▼ -8.696%	BDO	P153.500	▲ 0.327%	JFC	P268.000	▲ 3.077%	MBT	P64.300	▼ -3.308%	BPI	P122.700	▲ 1.826%	SM	P980.000	— 0.000%	SMPH	P32.350	▲ 2.698%	ALI	P33.000	▲ 1.382%

WEF 'very bullish' on PHL economy

THE PHILIPPINES can potentially become a \$2-trillion (around P112-trillion) economy in the coming decade if it continues policy reforms and boost investments in key sectors, the head of the World Economic Forum (WEF) said on Tuesday.

"We are very bullish on the Philippines, provided that reforms do continue. I think that this can be

in the coming decade, a \$2-trillion economy if there are better investments in education, infrastructure and also able to draw on the great competence of the people of the Philippines," WEF President Børge Brende said at a press briefing at the Palace on Tuesday.

Data from the Philippine Statistics Authority showed that the

country's gross domestic product (GDP) was valued at P21.05 trillion (roughly \$380 billion) in 2023.

Last year, the economy grew by a weaker-than-expected 5.6%, missing the government's 6-7% goal.

Economic managers are targeting 6.5-7.5% growth this year, although they have re-

cently signaled a need to temper the outlook amid a weaker-than-expected global economy.

"The economy here is really shown how resilient it is. We are seeing a lot of global business interest in the Philippines. It's now the fastest-growing economy in the region. It's not always been like that," Mr. Brende said.

He noted there has been an increase in foreign investor interest in the Philippines, although the current level of foreign direct investments (FDIs) is "relatively lower" compared with neighboring countries.

In 2023, FDI net inflows dropped by 6.6% year on year to \$8.9 billion. The central bank expects FDI net inflows to reach \$9 billion this year.

To support economic growth and attract more investments, Mr. Brende said the Philippines needs to address red tape and bureaucratic bottlenecks, upskill and reskill workers, make further investments in infrastructure, and create a conducive environment for entrepreneurs and startups.

WEF, S1/5



Top 10

2024 Rank (Out of 130)	Country	Rank Change from 2023
1	Denmark	▲ 2
2	Sweden	▲ 1
3	Finland	▲ 1
4	United States	▲ 1
5	United Kingdom	▲ 3
6	Netherlands	▲ 2
7	Germany	▲ 1
8	Switzerland	▲ 2
9	Norway	▲ 0
10	Ireland	▲ 7

Bottom 10

2024 Rank (Out of 130)	Country	Rank Change from 2023
130	Chad	▲ 6
129	Dem. Rep. of the Congo	New Entry
128	Mauritania	▲ 5
127	Mali	▲ 5
126	Cameroon	▲ 6
125	Burkina Faso	▲ 6
124	Benin	▲ 6
123	Ethiopia	New Entry
122	Gabon	▲ 6
121	Guinea	▲ 9

Philippines' Profile (2024)

Overall Rank (Out of 130)	Rank (Out of 130)
91 st	Overall Rank
78 th	Economic Fundamentals
80 th	International Standards & Policy
86 th	Business Perception
94 th	Financial Services
101 st	Institutional Framework

Source: Milken Institute's Global Opportunity Index 2024: Attracting Foreign Investment (https://milkeninstitute.org/report/global-opportunity-index-2024)
BusinessWorld Research
Abigail Marie P. Yraola and Andrea C. Abastano
BusinessWorld Graphics: Bong R. Fortin

PHL may face challenges in FTA talks with EU, analysts say

By Justine Irish D. Tabile
Reporter

THE EUROPEAN Union's (EU) strict standards on labor, human rights and the environment may prove to be sticking points in the Philippines' negotiations for a free trade agreement (FTA), according to analysts.

Leonardo A. Lanzona, Jr., economics professor at Ateneo de Manila University, said in an e-mail that although the FTA will help open a lot of markets for the Philippines, the government must first address issues that are of concern to the EU.

"One of the long-standing EU concerns is the creation of decent conditions in the labor market and to institute labor rights," Mr. Lanzona said in an e-mail.

On Monday, the EU and the Philippines announced the resumption of FTA negotiations in Brussels, Belgium. This comes seven years after FTA talks were stalled due to the trade bloc's concerns over human rights violations under the administration of then-President Rodrigo R. Duterte.

Mr. Lanzona said the EU will not trade with countries "that take undue advantage of low-paid workers employed under poor and indecent conditions."

"EU partnerships are contingent on various conditions that need to be resolved internally. These conditions are well known, and yet the government insists on obtaining concessions that the EU is not willing to offer," he added.

FTA, S1/9

BSP expected to embark on 'deep cutting cycle' over next 2 years

THE BANGKO SENTRAL ng Pilipinas (BSP) may cut policy rates by up to 200 basis points (bps) over the next two years, Bank of America (BofA) Global Research said.

In a report dated March 18, BofA Global Research said that most central banks in the region have "decisively marked an end to the tightening cycle now," although have kept a hawkish tone amid inflation risks.

"Indonesia and the Philippines stand out as the top candidates for a deep cutting cycle of seven to eight cuts (175-200 bps)," it said.

The Monetary Board kept the benchmark rate at 6.5% for a third straight meeting last February. The BSP raised rates by 450 bps from May 2022 to October 2023 to tame inflation.

If the BSP slashes borrowing costs by 200 bps over the next two years, this would bring the benchmark rate to 4.5%.

The Monetary Board is set to have its next policy meeting on April 4.

A report by BofA Global Research earlier this month projected that the BSP will slash policy rates by a total of 100 bps this year, starting with a 25-bp cut in the second quarter.

BSP Governor Eli M. Remolona, Jr. earlier said that the BSP remains "ready to adjust its monetary policy settings as necessary."

In its report, BofA Global Research said it expects the BSP's easing cycle to begin in line with expectations of policy cuts by the US Federal Reserve this year.

"Fed cuts could allow high-yielders, Indonesia and the Philippines to begin a deep cutting cycle and attract more carry flows," it said.

From March 2022 to July 2023, the Federal Open Market Committee (FOMC) raised its key

rate by 525 bps to bring the target Fed fund rate to 5.25-5.5%.

Markets are widely anticipating the US Federal Reserve to begin easing rates by the middle of the year. The FOMC is currently conducting its policy meeting (March 19-20).

Meanwhile, BofA Global Research said that foreign direct investments (FDIs) are seen to show an improvement in the region. —

Luisa Maria Jacinta C. Jocsos

Bill to address learning gap prioritized for June approval

By Kyle Aristophere T. Atienza
Reporter

PHILIPPINE LAWMAKERS have agreed to pass nearly two dozen priority bills by June, including one that seeks to boost the quality of education after a learning gap caused by a coronavirus pandemic, and several others that will advance agriculture, digitalization and defense.

The Legislative-Executive Development Advisory Council (LEDAC) reached a consensus during a meeting at the Presidential Palace on Tuesday.

"Hopefully, [these bills] will be done by June, before the Senate break," Senate President Juan Miguel F. Zubiri said in a statement

after the LEDAC meeting. "We're on track to pass all of these by June."

Congress is hard-pressed to approve the priority measures within the year as lawmakers will soon have to prepare for the mid-term elections in 2025.

The National Economic and Development Authority (NEDA) in a statement said the proposed Academic Recovery and Accessible Learning (ARAL) Program bill and the Corporate Recovery and Tax Incentives for Enterprises Maximize Opportunities for Reinvigorating the Economy (CREATE MORE) bill have been included in the list of priority measures.

On Monday, the House of Representatives approved on third and final reading the CREATE MORE bill, which seeks to further

lower the taxes imposed on domestic and foreign firms.

The proposed ARAL bill seeks to establish a national learning intervention program in response to the deteriorating quality of Philippine education.

"No less than fundamental transformation is required in our education sector to address long-standing issues that have resulted in low productivity and job mismatches for our workers," NEDA Secretary Arsenio M. Balisacan said.

Citing latest results of the Programme for International Student Assessment (PISA) 2022, NEDA admitted that "the quality of Philippine education has been falling behind those of its neighbors."

Filipino students were still among the world's weakest in math, reading and science, ac-

ording to the 2022 PISA, with the Philippines ranking 77th out of 81 countries and performing worse than the global average in all categories.

Last year, the Labor department said the country had been lacking about one million skilled workers in engineering, architecture, and construction.

Terry L. Ridon, a public investment analyst, said the Philippines needs to ensure that it can produce quality and skilled workers if it wants to boost technology-based industries.

But more than passing laws that would aid in recovering learning losses, an investment in technology-driven infrastructure in Philippine schools should also be prioritized, he said.

Learning gap, S1/5



Lexus LBX launched in PHL
LEXUS Philippines launches its newest hybrid electrified model, the Lexus LBX. From left: Lexus PH Senior Vice-President for Marketing Masahiro Haoka, Lexus PH Executive Vice-President for Marketing Jing Atienza, Lexus PH Vice-Chairman Dr. David Go, Lexus Manila Chairman Vince S. Socco, Lexus PH President Masando Hashimoto, Lexus Manila President Raymond T. Rodriguez, and Lexus Manila General Manager Carlo S. Ablaza.