

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEi OPEN: 6,879.75 HIGH: 6,886.53 LOW: 6,843.50 CLOSE: 6,853.10 VOL: 0.553 B VAL(P): 5.485 B 28.87 pts. 0.42% 30 DAYS TO MARCH 25, 2024	MARCH 25, 2024 JAPAN (NIKKEI 225) 40,414.12 ▼ -474.31 -1.16 HONG KONG (HANG SENG) 16,473.64 ▼ -25.83 -0.16 TAIWAN (TAIEX) 20,192.25 ▼ -36.18 -0.18 THAILAND (SET INDEX) 1,372.42 ▼ -8.62 -0.62 S.KOREA (KSE COMPOSITE) 2,737.57 ▼ -10.99 -0.40 SINGAPORE (STRAITS TIMES) 3,204.92 ▼ -13.05 -0.41 SYDNEY (ALL ORDINARIES) 7,811.90 ▲ 41.30 0.53 MALAYSIA (KLESE COMPOSITE) 1,537.54 ▼ -4.85 -0.31	MARCH 22, 2024 DOW JONES 39,475.900 ▼ -305.470 NASDAQ 16,428.818 ▲ 26.982 S&P 500 5,234.180 ▼ -7.350 FTSE 100 7,930.920 ▲ 48.370 EURO STOXX50 4,395.930 ▼ -6.440	FX OPEN P56.370 HIGH P56.240 LOW P56.400 CLOSE P56.390 W.AVE. P56.328 VOL. \$1,653.17 M SOURCE: BAP 12.00 ctyvs 30 DAYS TO MARCH 25, 2024	MARCH 25, 2024 LATEST BID (0900GMT) JAPAN (YEN) 151.390 ▲ 151.420 HONG KONG (HK DOLLAR) 7.821 ▲ 7.822 TAIWAN (NT DOLLAR) 31.841 ▲ 31.935 THAILAND (BAHT) 36.400 ▼ 36.350 S. KOREA (WON) 1,341.720 ▲ 1,343.430 SINGAPORE (DOLLAR) 1.346 ▼ 1.348 INDONESIA (RUPIAH) 15,795 ▼ 15,775 MALAYSIA (RINGGIT) 4.723 ▲ 4.735	MARCH 25, 2024 US\$/UK POUND 1.2609 ▲ 1.2601 US\$/EURO 1.0815 ▲ 1.0805 US\$/AUST DOLLAR 0.6529 ▲ 0.6514 CANADA DOLLAR/US\$ 1.3591 ▼ 1.3606 SWISS FRANC/US\$ 0.8979 ▲ 0.8976	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$85.14/BBL 30 DAYS TO MARCH 22, 2024

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • MARCH 25, 2024 (PSEi snapshot on SI/4; article on SI/2)

ALI	P31.900	DMC	P12.300	AC	P623.000	BDO	P153.300	MBT	P65.700	ICT	P317.200	BPI	P119.200	SM	P980.000	AP	P35.800	SCC	P35.500
Value	P366,871,890	Value	P348,826,422	Value	P328,359,755	Value	P326,307,795	Value	P316,741,585	Value	P258,725,448	Value	P236,011,443	Value	P218,583,350	Value	P208,406,640	Value	P162,008,480
PO.300	▲ 0.949%	PO.600	▲ 5.128%	-P9.000	▼ -1.424%	-P0.900	▼ -0.584%	-P0.100	▼ -0.152%	-P1.200	▼ -0.377%	-P2.300	▼ -1.893%	PO.000	— 0.000%	-P0.700	▼ -1.918%	PO.550	▲ 1.574%

Recto sees two rate cuts this year

THE BANGKO SENTRAL ng Pilipinas (BSP) may cut interest rates by 50 basis points (bps) this year, Finance Secretary Ralph G. Recto said.

"Possibly, 50 bps (this year). Maybe two (cuts). This is just my expectation," he told reporters in mixed English and Filipino on the sidelines of an Economic Journalists Association of the Philippines event last week.

Mr. Recto, who sits on the Monetary Board, said the rate cuts this year will be "less than what we previously thought."

"Last quarter last year, we were looking at four adjustments this year. Maybe it's now just two," he said.

However, he does not expect the easing cycle to begin at the Monetary Board's next meeting on April 8.

"I don't expect interest rates to go up or go down (next meeting). I might be wrong, but I don't expect," Mr. Recto said.

The central bank may end up reducing borrowing costs by up to 200 bps over the span of two and a half years, he added.

The Monetary Board kept its benchmark rate steady at a near 17-year high of 6.5% at its February meeting. The BSP had hiked borrowing costs by 450 bps from May 2022 to October 2023 to tame inflation.

The Finance chief also expects inflation to remain elevated.

"I think interest rates will be higher for longer because inflation will be higher for longer," he said.

"Remember, you still have the disruption of the supply chain because of geopolitical tensions.

There's reshoring, onshoring, refiguring out the supply chains globally."

Both Mr. Recto and BSP Governor Eli M. Remolona, Jr. expect inflation to quicken to 3.9% in March from 3.4% in February.

If realized, this would mark the second straight month of faster inflation. March inflation data will be released on April 5.

This year, the BSP expects inflation to average 3.6%, within its 2-4% target range.

Diwa C. Guinigundo, country analyst for the Philippines of Glo-

balSource Partners, said that an uptick in inflation could impact the BSP's decisions moving forward.

"That could affect the BSP decision if the price pressures continue to build up and bring inflation forecasts uncomfortably close to the upper end of the target. If they ease under such conditions, inflation expectations might be de-anchored," he said in a Viber message.

The BSP must continue to remain vigilant against risks that threaten to stoke inflation, Mr. Guinigundo said.

"What is more material to our local monetary authorities is the outlook for inflation for the next two years and any short-term risks that could substantially alter the inflation forecasts," he said.

"They must be monitoring any brewing supply shocks like the impending wage adjustments and transport fare increases that could trigger second-round effects and upset the market's inflation expectations," he added.

Recto, SI/11

SEC asks NTC to block Binance in Philippines

THE PHILIPPINES is blocking access to the world's largest cryptocurrency exchange Binance, which the Securities and Exchange Commission (SEC) says has been operating in the country without a license.

During its March 12 meeting, the Commission en Banc approved the filing of a formal request with the National Telecommunications Commission (NTC) to help block Binance's website and its other web pages, the SEC said in a statement.

"The SEC has identified the aforementioned platform (Binance) and concluded that the public's continued access to these websites/apps poses a threat to the security of the funds of investing Filipinos," SEC Chairperson Emilio B. Aquino said in the letter addressed to the NTC.

The latest move comes after the SEC issued an advisory on Nov. 28, 2023, warning the public against investing in Binance. At that time, it said the removal of access to Binance would take effect within three months to give time for Filipino users to exit the exchange.

"Binance, however, has not secured from the SEC a license to solicit investments from the public, nor to create or operate an exchange for the buying and selling of securities, as required by Republic Act No. 8799, or The Securities Regulation Code (SRC)," the regulator said.

The SEC noted that Binance has conducted promotional campaigns on social media to encourage Filipinos to invest and trade on its platforms. Binance's app is also available on Google Play Store and the Apple App Store.

Binance is described as the largest cryptocurrency exchange in the world, with more than 183 million members. It has an average daily trading volume of \$65 billion covering over 402 cryptocurrencies.

"Considering the size and volume of Binance's operations, however, the SEC ensured that the investing public would have enough time to exit the platform and reposition their portfolio in favor of authorized investment products and platforms," the regulator said.

The SEC has also previously asked Google and Facebook operator Meta to prevent Binance's online advertisements from targeting users in the Philippines.

"This is similar to moves by other regulators in other countries, amid prudence by local regulators to uphold the best interests of the investing public. However, there may be some disruptions to those with accounts locally," Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort told *BusinessWorld* via Viber message.

Binance, SI/9

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Binance, SI/9

MANILA RECORDS FASTEST LOGISTICS RENTAL GROWTH IN ASIA-PACIFIC

Manila's logistics rental growth was the fastest across 17 cities in the region for the second half of 2023, according to Knight Frank's Asia-Pacific H2 Logistics Highlights. The country's warehouse space rental grew by 39.3% year on year to P383 per square meter per month, more than six times higher than the Asia-Pacific average growth rate of 6.2%.

Second Semester 2023 Asia-Pacific Logistics Rental Growth (in %)

City/Country	Year-on-Year Rental Growth (%)	Half-Yearly Rental Growth (%)
Manila, Philippines	39.3	73
Sydney, Australia	16.7	3.4
Brisbane, Australia	15.3	3.3
Hong Kong, SAR, China	9.0	4.7
Auckland, New Zealand	8.6	2.7
Singapore, Singapore	8.0	3.8
Bengaluru, India	7.5	3.5
Melbourne, Australia	7.0	3.5
Delhi-NCR, India	6.6	-
Ho Chi Minh City, Vietnam	4.5	4.5
Mumbai, India	4.2	-
Taipei, Taiwan	0.7	0.4
Greater Kuala Lumpur, Malaysia	0.0	0.0
Greater Jakarta, Indonesia	-0.1	0.7
Bangkok, Thailand	-0.6	-0.5
Beijing, China	-2.8	-3.2
Shanghai, China	-5.9	-5.9

Note: "India has no half-yearly rental growth as it is tracked by Financial Year (April to March period)."

Source: Knight Frank's Asia-Pacific Logistics Highlights H2 2023 (https://apac.knightfrank.com/logistics-highlights)
BusinessWorld Research: Andrea C. Abestano BusinessWorld Graphics: Bong R. Fortin

GDP likely grew by 6.1% in Q1

PHILIPPINE gross domestic product (GDP) likely grew by 6.1% in the first quarter amid an improvement in government spending, economists said.

"The economy looks set to accelerate in 2024 with first-quarter GDP estimated at 6.1% as infrastructure spending goes into high gear with the National Government (NG), buoyed by official development assistance funding and public-private partnership (PPP) projects (gaining) traction," First Metro Investment Corp. (FMIC) and the University of Asia and the Pacific (UA&P) said in its latest The Market Call report.

If realized, the 6.1% GDP growth would be slower than the 6.4% logged in the first quarter of 2023, but faster than 5.6% in the fourth quarter.

In 2023, the economy grew by 5.6%, much slower than the 7.6% expansion in 2022 and fell short of the government's 6-7% target.

"With actual NG spending in 2023 exceeding the program by 2%, we think the administration will start 2024 with a bigger bang compared to 2023," FMIC and UA&P said.

Last year, the NG's budget deficit narrowed by 6.32% to P1.51 trillion. Government expenditures went up by 3.42% to P5.34 trillion and exceeded its full-year program by 2.06%.

FMIC and UA&P said the government will have "greater confidence" to spend earlier in the year to support economic growth.

"Infrastructure spending, both government funded and PPP projects, should accelerate in 2024 as NG bids out and awards large undertakings starting with the recent Ninoy Aquino International Airport (NAIA) expansion," it added.

GDP, SI/9

NG to borrow P585B from domestic market

THE NATIONAL GOVERNMENT (NG) is looking to borrow P585 billion from the domestic market in the second quarter, the Bureau of the Treasury (BTr) said on Monday.

In a notice on its website, the BTr said it seeks to raise P195 billion from the issuance of Treasury bills (T-bills) and P390 billion from Treasury bonds (T-bonds) in the April-to-June period.

The borrowing plan for the second quarter is 11.42% higher than the revised P525-billion borrowing plan for the first quarter. The BTr had originally planned to offer P585 billion in the first quarter but canceled two T-bond auctions to make way for the retail Treasury bond offer.

As of Monday, the government has raised P482.3 billion in the first quarter, with another T-bond auction scheduled on Tuesday.

Based on its notice, the Treasury will offer more T-bonds with longer tenors in the second quarter.

In April alone, the government is planning to borrow P195 billion, 8.33% higher than the P180-billion borrowing plan for March. This consists of P75 billion in T-bills and P120 billion in T-bonds.

The government will hold five offerings of T-bills to raise P5 billion each, with benchmark tenors of 91, 182, and 364 days. Auctions will be held on April 1, 8, 15, 22 and 29.

Also in April, the BTr is seeking to raise P30 billion each via seven-year T-bonds on April 2, 10-year T-bonds on April 10, 15-year T-bonds on April 16, and 20-year bonds on April 23.

Since April 9 is a holiday (Araw ng Kagitingan), the T-bond auction will be held on April 10 (Wednesday).

For May, the government seeks to raise P210 billion from the domestic market, 7.69% higher than the April program.

Borrow, SI/9

FUEL PRICE TRACKER

(week-on-week change)

GASOLINE	
March 12	▼ P0.50
March 19	▲ P0.10
March 26	▲ P2.20
DIESEL	
March 12	▼ P0.25
March 19	▼ P0.10
March 26	▲ P1.40
KEROSENE	
March 12	▼ P0.30
March 19	— P0.00
March 26	▲ P1.30

• March 26, 12:01 a.m. — Caltex Philippines
 • March 26, 6 a.m. — Petron Corp.; Phoenix Petroleum; Philipinas Shell Petroleum Corp.; PTT Philippines Corp.; Seacell Philippines, Inc.
 • March 26, 8:01 a.m. — Cleanfuel (Shaw Autogas, Inc.)