

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEi OPEN: 6,948.54 HIGH: 6,991.77 LOW: 6,947.27 CLOSE: 6,979.81 VOL: 1.192 B VAL(P): 5.485 B 76.28 Pts. 1.10% 30 DAYS TO APRIL 1, 2024	APRIL 1, 2024 JAPAN (NIKKEI 225) 39,803.09 ▼ -566.35 -1.40 HONG KONG (HANG SENG) * 16,541.42 ▲ 148.58 0.91 TAIWAN (TAIEX) 20,222.33 ▼ -72.12 -0.36 THAILAND (SET INDEX) 1,379.48 ▲ 1.54 0.11 S.KOREA (KSE COMPOSITE) 2,747.86 ▲ 1.23 0.04 SINGAPORE (STRAITS TIMES) 3,234.89 ▲ 10.88 0.34 SYDNEY (ALL ORDINARYS) * 7,896.90 ▲ 77.30 0.99 MALAYSIA (KLCSE COMPOSITE) 1,544.02 ▼ 7.95 0.52 <small>* CLOSING PRICES AS OF MARCH 28, 2024</small>	MARCH 28, 2024 DOW JONES 39,807.370 ▲ 47.290 NASDAQ 16,379.458 ▼ -20.063 S&P 500 5,254.350 ▲ 5.860 FTSE 100 7,952.620 ▲ 20.640 EURO STOXX50 4,428.100 ▲ 12.660	FX OPEN P56.170 HIGH P56.125 LOW P56.270 CLOSE P56.255 W.AVE. P56.182 VOL. \$847.15 M SOURCE : BAP 1.50 CTS 30 DAYS TO APRIL 1, 2024	APRIL 1, 2024 LATEST BID (0900GMT) JAPAN (YEN) 151.360 ▼ 151.310 HONG KONG (HK DOLLAR) 7.825 ▼ 7.826 TAIWAN (NT DOLLAR) 31.948 ▼ 31.942 THAILAND (BAHT) 36.410 ▼ 36.370 S. KOREA (WON) 1,349.090 ▼ 1,345.090 SINGAPORE (DOLLAR) 1.348 ▼ 1.349 INDONESIA (RUPIAH) 15,885 ▼ 15,850 MALAYSIA (RINGGIT) 4.727 ▼ 4.723	APRIL 1, 2024 US\$/UK POUND 1.2623 ▼ 1.2623 US\$/EURO 1.0787 ▼ 1.0793 US\$/AUSTRALIAN DOLLAR 0.6525 ▼ 0.6592 CANADA DOLLAR/US\$ 1.3527 ▼ 1.3537 SWISS FRANC/US\$ 0.9010 ▼ 0.9016	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$86.25/bbl \$1.05 30 DAYS TO MARCH 28, 2024

VOL. XXXVII • ISSUE 174 **TUESDAY • APRIL 2, 2024 • www.bworldonline.com** SI/1-10 • 2 SECTIONS, 16 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • APRIL 1, 2024 (PSEi snapshot on S1/2; article on S2/2)

Symbol	Value	Change	Symbol	Value	Change	Symbol	Value	Change	Symbol	Value	Change	Symbol	Value	Change	Symbol	Value	Change									
BDO	P159.000	▲ 2.91%	JFC	P248.600	▼ -1.584%	SM	P990.000	▲ 1.852%	ALI	P33.250	▲ 3.101%	SCC	P33.500	▼ -4.01%	SMPH	P33.000	▲ 0.917%	DMC	P12.200	▲ 7.394%	TEL	P1,371.000	▲ 0.073%	BPI	P118.100	— 0.000%
Value	P588,956,077		Value	P462,520,078		Value	P374,113,215		Value	P372,758,380		Value	P262,115,790		Value	P241,050,670		Value	P206,675,938		Value	P148,654,415		Value	P126,069,225	
P4.500	▲ 2.91%		P4.000	▼ -1.584%		P18.000	▲ 1.852%		P1.000	▲ 3.101%		P1.400	▼ -4.01%		P0.300	▲ 0.917%		P0.840	▲ 7.394%		P1.000	▲ 0.073%		P0.000	— 0.000%	

BSP sees 3.4-4.2% inflation for March

By Luisa Maria Jacinta C. Jocsan Reporter

HEADLINE INFLATION likely further accelerated in March and might have even breached the target for the first time in three months, the Bangko Sentral ng Pilipinas (BSP) said.

Inflation likely settled within 3.4% to 4.2%, the central bank said in a statement on Monday.

The upper end of the BSP's forecast could have exceeded the 2-4% target for the first time in three months.

The lower end of the forecast would be unchanged from 3.4% in February.

Year on year, inflation would be lower than 7.6% a year earlier.

A *BusinessWorld* poll of 17 analysts yielded a median estimate of

3.8% for March inflation, within the BSP's forecast.

"Continued price increases of rice and meat along with higher domestic oil prices and electricity rates are the primary sources of upward price pressures for the month," the BSP said.

Latest data from the Agriculture department showed that the average retail price of a kilo of local well-milled rice ranged from P49 to P55 as of March 27, higher

than P39 to P46 average a year ago. A kilo of regular milled rice costs P50, higher than the P34 to P40 a year ago.

Manila Electric Co. (Meralco) raised the rate for a typical household by P0.0229 to P11.9397 per kilowatt-hour (kWh) in March due to the higher transmission charge.

Fuel prices continued to rise in March. Pump price adjustments stood at a net increase

of P2.30 a liter for gasoline and P0.65 a liter each for diesel and kerosene.

"Meanwhile, lower prices of fruits, vegetables and fish along with the peso appreciation could contribute to downward price pressures," the BSP said.

The local statistics authority is set to release March inflation data on April 5.

Ruben Carlo O. Asuncion, chief economist at Union Bank

of the Philippines, Inc. said inflation might continue to breach the target in the coming months.

"We anticipate headline inflation to surge past 4% year on year starting in March with a hefty contribution from the rice consumer price index (CPI) and latent drought effects on the prices of the other crops, with the worst-case scenario of nearly 5%," he said in an e-mail.

Inflation, SI/5

February budget gap widens

THE NATIONAL GOVERNMENT'S (NG) budget deficit ballooned in February amid double-digit growth in state spending, the Bureau of the Treasury (BTr) reported on Monday.

Data from the BTr showed that the fiscal gap widened by 54.81% to P164.7 billion from P106.4 billion a year earlier.

Month on month, the budget balance swung back to a deficit from the P88-billion surplus in January.

"The wider budget gap stemmed from the 22.14% year-over-year increase in expenditures, matched with moderate revenue growth of 5.73%," the BTr said in a press release.

In February, government expenditures surged by 22.14% to P388.7 billion from P318.2 billion a year ago.

The BTr said expenditure growth was driven by "higher releases to local government units, as well as larger disbursements recorded in the Department of Health and Department of Social Welfare and Development for their banner health and social protection programs, respectively."

"Similarly, higher capital expenditures posted by the Department of Public Works and Highways contributed to the growth of February 2024 disbursements," it added.

Interest payments jumped by 40.22% to P47.8 billion in February from P34.1 billion a year ago.

Budget gap, SI/5

Primary spending, which refers to total expenditures minus interest payments, climbed by 19.97% to P340.9 billion from P284.1 billion a year ago.

Meanwhile, revenues rose by 5.73% to P224 billion from P211.9 billion a year earlier.

Tax revenues went up by 8.56% year on year to P211.3 billion, as Bureau of Internal Revenue (BIR) collections increased by 6.65% to P138 billion and Bureau of Customs (BoC) revenues climbed by 12.19% to P70.6 billion.

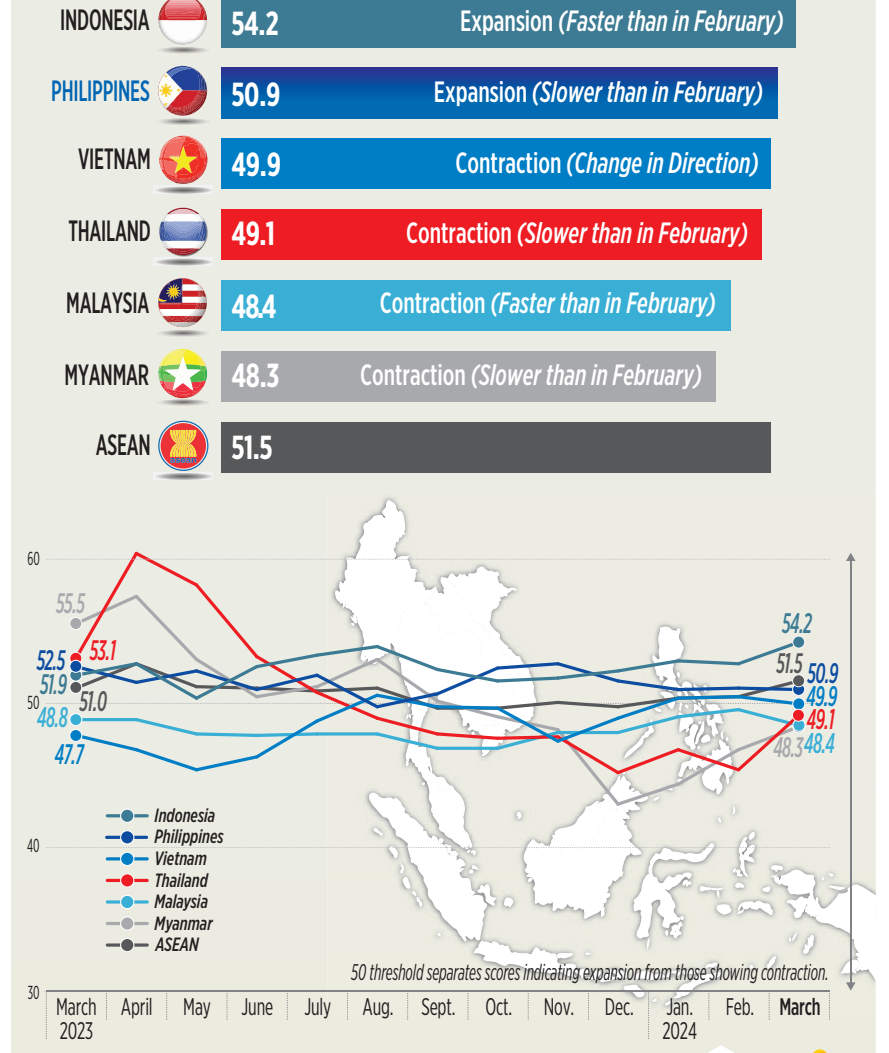
On the other hand, nontax revenues declined by 26.21% to P12.7 billion in February. Revenues from other offices plunged by 42.62% to P6.2 billion due to "lower Malampaya proceeds."

During the month, BTr income inched up by 1.56% to P6.5 billion due to higher dividend remittances and the NG's share from Philippine Amusement and Gaming Corp. income.

Ruben Carlo O. Asuncion, chief economist at Union Bank of the Philippines, Inc., said the jump in state spending in February was expected.

"It's the start of the year and understandably the NG would like to get spending going via local government units, health and social services and the flagship infrastructure development," he said in a Viber message.

MANUFACTURING PURCHASING MANAGERS' INDEX (PMI) OF SELECT ASEAN ECONOMIES, MARCH 2024



Manufacturing activity further slows in March

PHILIPPINE factory activity expanded at a slower pace in March, as production contracted for the first time since July 2022, a survey by S&P Global showed.

The S&P Global Philippines Manufacturing Purchasing Managers' Index (PMI) stood at 50.9 in March, a "modest improvement" from 51 in February.

This matched the PMI in January and was the weakest reading since 50.6 in September last year.

A PMI reading above 50 denotes better operating conditions than in the preceding month, while a reading below 50 shows the opposite.

The Philippines' latest PMI reading marked the seventh straight month of improving operating conditions.

"The health of the Filipino manufacturing sector revealed some underlying concerns as the first quarter came to a close," Maryam Baluch, economist at S&P Global Market Intelligence, said in the report. "Contributing to the somewhat mixed picture was a fresh fall in production levels, with companies attributing this to material shortages."

In March, the Philippines' PMI reading was the second-fastest among six Association of Southeast Asian Nations (ASEAN) member-countries, behind only Indonesia (54.2).

Vietnam (49.9), Thailand (49.1), Malaysia (48.4) and Myanmar (48.3) posted contractions in March.

The average ASEAN headline PMI improved to 51.5 in March from 50.4 in February, which S&P Global said signaled a "solid improvement in operating conditions."

Manufacturing, SI/5

World Bank raises Philippine GDP growth projection for 2025

THE WORLD BANK (WB) maintained its economic growth forecast for the Philippines this year but raised its 2025 growth projection, amid expectations of higher consumer spending and foreign investments.

In its latest East Asia and Pacific (EAP) Economic Update, the World Bank said it expects Philippine gross domestic product (GDP) to grow by 5.8% this year, the fastest in Southeast Asia along with Cambodia.

The Philippines and Cambodia are seen to expand faster than Vietnam (5.5%), Indonesia (4.9%), Malaysia (4.3%), Lao People's Democratic Republic (4.0%), Timor-Leste (3.6%), Thailand (2.8%) and Myanmar (1.3%).

For 2025, the World Bank raised its GDP forecast for the Philippines to 5.9% from 5.8%.

However, the World Bank's growth forecasts for the Philippines are lower than the government's target of 6.5-7.5% for 2024 and 6.5-8% for 2025 to 2028.

"What has sustained growth in the Philippines, like much of the region, has been consumption and the recovery in services," WB East Asia and Pacific Chief Economist Aaditya Mattoo said at a virtual briefing on Monday.

He noted foreign investment flows into the Philippines might increase after the government implemented significant reforms such as Republic Act No. 11659 or the Public Service Act, which allows full foreign ownership in key sectors such as telecommunications and airlines.

"(The reforms) should begin to pay off in terms of greater foreign investment, which

though in the short run... the flows have been less strong than we would have expected," Mr. Mattoo said.

Climate and geopolitical shocks, as well as elevated inflation and high interest rates are risks to the growth outlook.

"If there is a resurgence in inflation, for example in the United States, which might well see interest rates even higher for longer, that would certainly affect growth throughout the region as we have estimated," he said.

The World Bank projects GDP growth for East Asia and the Pacific at 4.5% this year and 4.3% for 2025. This is slower than the region's projected 5.1% expansion in 2023.

"Most economies in developing East Asia and Pacific, other than several Pacific island countries, are growing faster than the rest of the world, but slower than before the pandemic," the World Bank said.

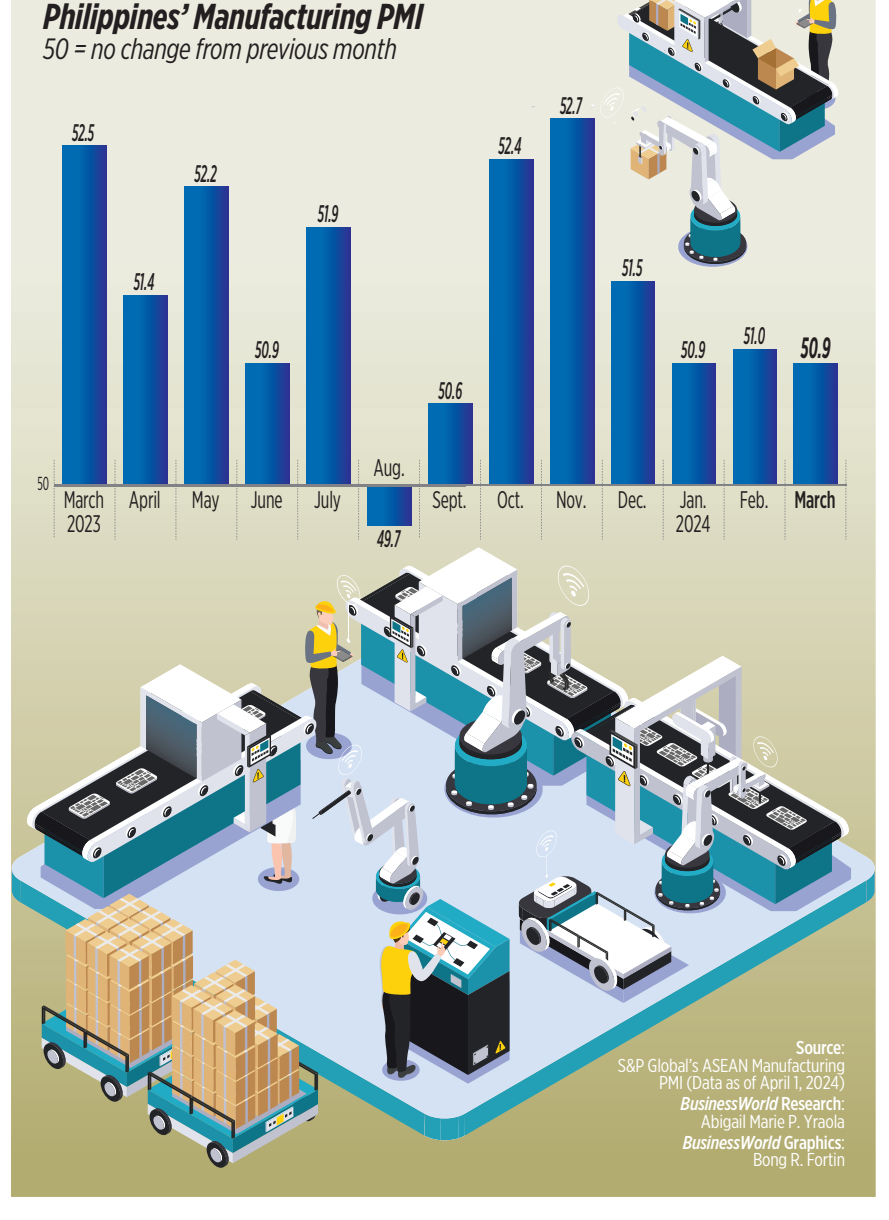
The region's slower growth is partially due to China, whose economy is expected to slow to 4.5% this year and 4.3% next year.

"China is aiming to transition to a more balanced growth path but the quest to ignite alternative demand drivers is proving difficult," the World Bank said.

Excluding China, the region's GDP is projected to expand by 4.6% this year and 4.8% in 2025.

"The likely rebound in global goods trade and the gradual easing of global financial conditions are expected to offset the impact of China slowing down," it said.

World Bank, SI/5



FUEL PRICE TRACKER

(week-on-week change)

Fuel Type	Date	Price
GASOLINE	March 19	P0.10
	March 26	P2.20
	April 2	P0.45
DIESEL	March 19	P0.10
	March 26	P1.40
	April 2	P0.60
KEROSENE	March 19	P0.00
	March 26	P1.30
	April 2	P1.05

• April 2, 12:01 a.m. — Caltex Philippines
 • April 2, 6 a.m. — Petron Corp.; Phoenix Petroleum; Philipinas Shell Petroleum Corp.; PTT Philippines Corp.; Seacell Philippines, Inc.
 • April 2, 8:07 a.m. — Cleanfuel (Shaw Autogas, Inc.)