

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEi OPEN: 6,870.90 HIGH: 6,881.58 LOW: 6,809.78 CLOSE: 6,827.06 VOL.: 0.510 B VAL(P): 4.380 B 36.76 pts. 0.53% 30 DAYS TO APRIL 4, 2024	APRIL 4, 2024 JAPAN (NIKKEI 225) 39,773.14 ▲ 321.29 0.81 HONG KONG (HANG SENG) 16,725.10 ▼ -206.42 -1.22 TAIWAN (TAIEX) 20,337.60 ▲ 128.97 0.63 THAILAND (SET INDEX) 1,373.52 ▼ -2.17 -0.16 S.KOREA (KOSPI) 2,742.00 ▲ 35.03 1.29 SINGAPORE (STRAITS TIMES) 3,235.01 ▲ 12.35 0.38 SYDNEY (ALL ORDINARIES) 7,817.30 ▲ 34.80 0.45 MALAYSIA (KLCSE COMPOSITE) 1,553.24 ▲ 16.23 1.06 <small>* CLOSING PRICES AS OF APRIL 3, 2024</small>	APRIL 3, 2024 DOW JONES 39,127.140 ▼ -43,100 NASDAQ 16,277.458 ▲ 37,009 S&P 500 5,211.490 ▲ 5,680 FTSE 100 7,937.440 ▲ 2,350 EURO STOXX50 4,410.150 ▲ 11,340	FX OPEN P56.350 HIGH P56.350 LOW P56.500 CLOSE P56.355 W.AVE. P56.413 VOL. \$1,260.60 M SOURCE: BAP 9.00 CTVS 30 DAYS TO APRIL 4, 2024	APRIL 4, 2024 LATEST BID (0900GMT) JAPAN (YEN) 151.740 ▲ 151.760 HONG KONG (HK DOLLAR) 7.828 ▲ 7.829 TAIWAN (NT DOLLAR) 32.028 ▲ 32.038 THAILAND (BAHT) 36.700 — 36.700 S. KOREA (WON) 1,346.740 ▲ 1,350.010 SINGAPORE (DOLLAR) 1.347 ▲ 1.352 INDONESIA (RUPIAH) 15,890 ▲ 15,915 MALAYSIA (RINGGIT) 4.737 ▲ 4.752	APRIL 4, 2024 US\$/UK POUND 1.2658 ▲ 1.2577 US\$/EURO 1.0859 ▲ 1.0766 US\$/AUSTRALIAN DOLLAR 0.6598 ▲ 0.6507 CANADA DOLLAR/US\$ 1.3504 ▼ 1.3575 SWISS FRANC/US\$ 0.9061 ▼ 0.9083	APRIL 4, 2024 FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$89.48/BBL \$0.42 30 DAYS TO APRIL 3, 2024

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

SM	P980.000	JFC	P232.600	ICT	P321.000	BPI	P115.800	AC	P635.000	MBT	P68.150	PLUS	P13.080	AEV	P44.400	SCC	P33.600	PGOLD	P25.000
Value	P523,669,635	Value	P445,970,340	Value	P334,697,614	Value	P306,348,095	Value	P187,341,680	Value	P182,739,813	Value	P159,576,850	Value	P146,094,695	Value	P137,116,030	Value	P137,058,935
	-P0.500 ▼ -0.051%		-P9.400 ▼ -3.884%		-P8.200 ▼ -2.491%		P0.800 ▲ 0.696%		-P4.000 ▼ -0.626%		P0.400 ▲ 0.590%		P1.040 ▲ 8.638%		-P1.600 ▼ -3.478%		P0.200 ▲ 0.599%		P0.000 — 0.000%

Philippines tempers GDP targets

THE GOVERNMENT of President Ferdinand R. Marcos, Jr. cut economic growth targets this year and in 2025 as elevated prices and high interest rates crimp household spending.

The economy is now expected to grow by 6-7% this year from the 6.5-7.5% estimate given in December, National Economic and Development Authority (NEDA)

Secretary Arsenio M. Balisacan told a news briefing at the Presidential Palace on Thursday.

The gross domestic product (GDP) growth target range for next year was narrowed to 6.5-7.5% from 6.5-8%.

Despite the revisions, Mr. Balisacan said the Philippines would still be among the fastest-growing economies in the region, as the

government tries to sustain infrastructure spending at 5-6% of economic output until the end of Mr. Marcos' six-year term in 2028.

"The revised targets for our headline indicators considered the country's recent economic performance in 2023 and reflect the latest developments and expectations on external fac-

tors such as global demand and trade growth, oil price movements, and expected exchange rate and inflation trends," Mr. Balisacan said.

The statistics agency on Thursday lowered last year's GDP growth to 5.5% from 5.6% initially reported. This was below the government's 6-7% target and slower than the 7.1% growth in 2022.

The Development Budget Coordination Committee (DBCC) maintained the 6.5%-8% growth targets for 2026 to 2028.

"At this pace of growth, we are still on track to reducing poverty incidence from 18.1% in 2021 to single-digit level in 2028," the NEDA chief said.

However, Mr. Balisacan said rising food prices, as well

as possible hikes in wages, transport fares and utility costs may dampen consumer spending.

"On the external front, the global economic slowdown may weaken external demand, while increasing geopolitical and trade tensions could disrupt supply chains," he said.

Targets, S1/3

BUSINESSWORLD B-SIDE

The repayment slowdown: Insights on Filipino debt trends

AS HOUSEHOLD SAVINGS were depleted during the pandemic, more Filipinos relied on credit to manage their daily expenses. Now, with the rising cost of living due to inflation and higher interest rates for borrowing money, consumers are struggling to repay their debts.

This reality is reflected in Collectius' own internal data, which shows a slowdown in debt repayment rates in the first half of this year compared to 2022, Marie Alexise Charisse Arboleda, head of operations at Collectius, tells *BusinessWorld*.

>>> <https://tinyurl.com/23bvvr>




PSA lowers economy's growth to 5.5% in 2023

By Abigail Marie P. Yraola
Deputy Research Head

THE PHILIPPINE ECONOMY expanded by 5.5% in 2023, a tad slower than initially reported, the Philippine Statistics Authority (PSA) said on Thursday.

PSA data showed gross domestic product (GDP) — the value of all finished goods and services produced in the country at a given period — grew by 5.5% last year, slightly lower than the 5.6% initially reported on Jan. 31.

Philippine GDP growth in 2023 was slower than the 7.6% expansion in 2022. It was the weakest growth since 2020 when GDP contracted by 9.5% amid the strict lockdown.

Economic growth for the fourth quarter was also downwardly revised to 5.5%, a tad slower than the 5.6% preliminary figure. This was still lower than the 6% GDP growth in the third quarter last year and the 7.1% expansion in the fourth quarter of 2022.

On the other hand, the PSA kept the gross national income — the sum of the nation's GDP and net primary income from the rest of the world — unchanged at 10.5% and 9.9% in 2023 and 2022, respectively.

In 2023, there were no changes to the growth in agriculture (1.2%) and the industry sector (3.6%), but the services sector's expansion was lowered to 7.1% from 7.2% it initially reported.

For the fourth quarter, the agriculture sector grew by

1.3%, slightly slower than the 1.4% preliminary figure.

The industry sector's growth was also revised downward to 3.1% from 3.2% initially reported.

The growth of the services sector, on the other hand, was unchanged at 7.4%.

Likewise, the PSA also downwardly revised the growth rates of the following industry subsectors: manufacturing (0.5% from 0.6%); electricity, steam, water and waste management (5.5% from 6.4%); and construction (8.4% from 8.5%).

Meanwhile, the following services subsectors grew faster than previously reported: real estate and ownership of dwellings (5.5% from 3.9%), information and communication (5% from 3.6%), financial and insurance activities (12% from 11.8%), education (8.1% from 7.9%) and professional and business services (6.1% from 6%).

On the expenditure side, government spending grew by 0.6% in 2023, slightly quicker than the 0.4% preliminary figure. In the fourth quarter, state spending contracted by 1%, less than the 1.8% decline that was initially reported.

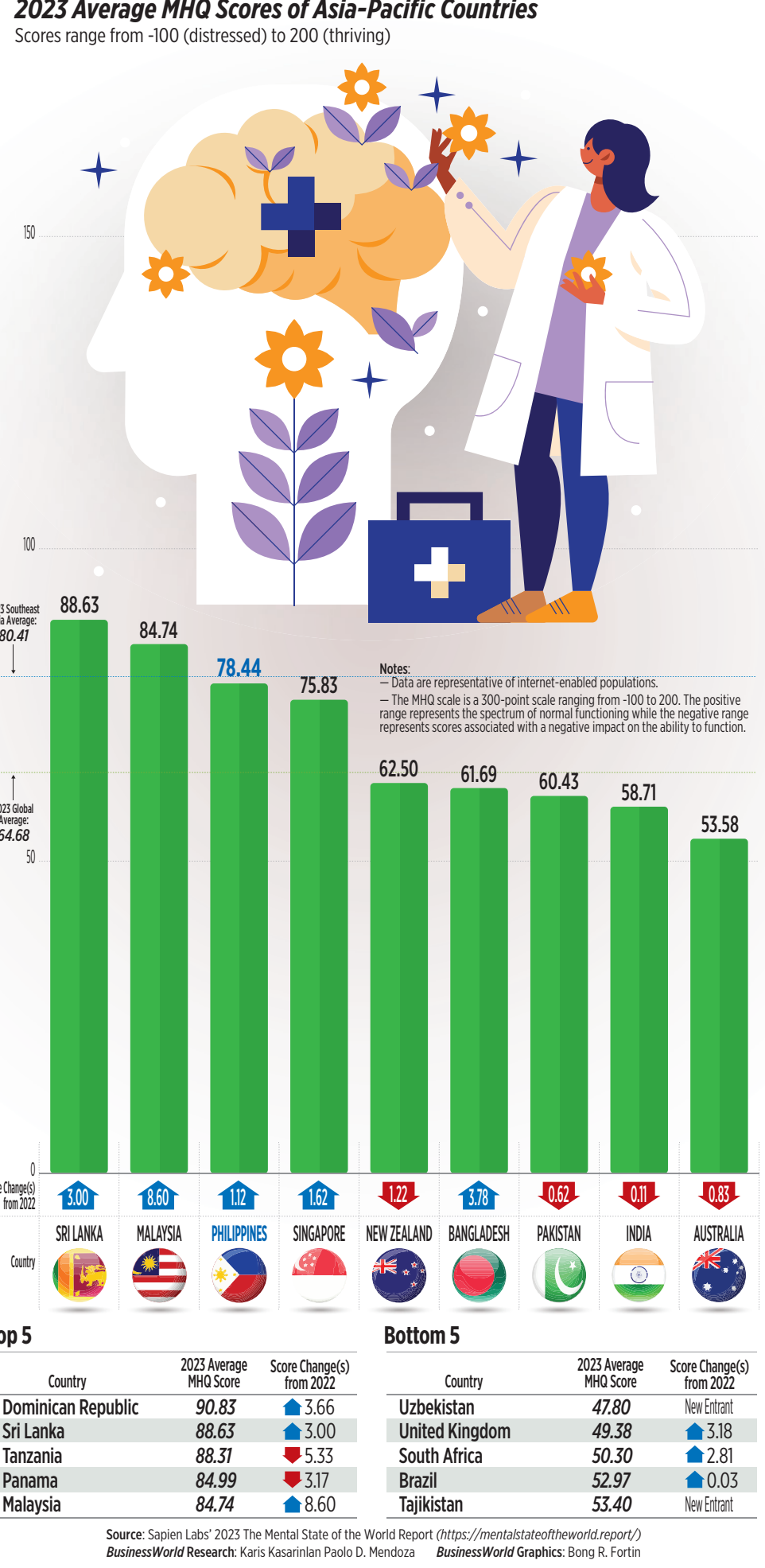
Household consumption growth was unchanged at 5.6% for 2023, and 5.3% for the fourth quarter.

For trade in goods and services, the PSA revised the imports growth in the fourth quarter to 2% from 2.9% previously. Exports shrank by 2.5% in the October-to-December period from the 2.6% decline previously reported.

Growth, S1/3

PHILIPPINES' MENTAL HEALTH IMPROVES IN 2023

The Philippines scored an average Mental Health Quotient (MHQ) of 78.44 in the 2023 edition of the Mental State of the World Report by US-based not-for-profit organization Sapien Labs. The country has the 16th highest average MHQ out of the 71 countries included in the report. It also performed above the world average score of 64.68 but below the Southeast Asian average of 80.41. The MHQ is an assessment of mental well-being that indicates the position of an individual on a spectrum that ranges from -100 (distressed) to 200 (thriving).



Bad loan ratio steady in Feb.

By Luisa Maria Jacinta C. Jocson Reporter

THE PHILIPPINE banking industry's non-performing loan (NPL) ratio remained steady in February, data from the Bangko Sentral ng Pilipinas (BSP) showed.

Data from the central bank showed that the banking sector's NPL ratio stood at 3.44% as of end-February, unchanged from end-January.

However, it was higher than the 3.31% ratio in the same period a year ago.

The February ratio was also the highest in nine months or since the 3.46% recorded in May 2023.

The amount of bad loans increased by 13.4% to P466.114 billion as of February from P411.186 billion in the same period a year ago. It also inched up by 1.2% from the P460.76 billion seen as of end-January.

Loans are considered nonperforming once they remain unpaid for at least 90 days after the due date. They are deemed as risk assets given borrowers are unlikely to settle such loans.

Meanwhile, banks' total loan portfolio increased by 9.1% to P13.54 trillion in February from P12.41 trillion a year ago. Month on month, it inched up by 1.2% from P13.38 trillion in the previous month.

"The existing high interest rate and elevated inflation environment may have contributed to the rise of bad loans year on year," Ruben Carlo O. Asuncion, chief economist at Union Bank of the Philippines, Inc., said in a Viber message.

"The higher cost of borrowing does put pressure on existing loans and may expose newer loans to higher probability of default due to the prevailing interest rate conditions," he added.

The BSP has raised borrowing costs by 450 basis points (bps) from May 2022 to October 2023, bringing the benchmark rate to a near 17-year high of 6.5%.

The Monetary Board will hold its next policy review on April 8.

BSP data showed past due loans held by banks stood at P584.227 billion in February, up by 16.4% from P502.112 billion a year ago. This brought the past due ratio to 4.31% from 4.04% a year earlier.

Meanwhile, restructured loans declined by 8.9% to P292.085 billion in February from P320.542 billion a year ago. This was equivalent to 2.16% of total loans, lower than 2.58% a year earlier.

Banks' loan loss reserves went up by 8.1% to P466.393 billion in February from P431.524 billion in the same period last year. These borrowings made up 3.44% of banks' portfolios, slipping from 3.48% at end-February 2023.

"For the coming months, possible Fed and local policy rate cuts in the coming months could help reduce borrowing costs," Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said in a Viber message.

"(This) could all somewhat improve the ability to pay of some borrowers, thereby could lead to some improvement in banks' NPL ratio, going forward," he added.

BSP Governor Eli M. Remolona, Jr. has said that the central bank may begin cutting rates in its next few meetings.

The BSP is widely expected to begin policy easing when the US Federal Reserve delivers its first rate cut, which is projected to be midyear.