

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEi OPEN: 6,534.94 HIGH: 6,534.94 LOW: 6,404.97 CLOSE: 6,404.97 VOL.: 15.823 B VAL(P): 6.999 B 157.46 Pts. 2.39% 30 DAYS TO APRIL 16, 2024	APRIL 16, 2024 JAPAN (NIKKEI 225) 38,471.20 ▼ -761.60 -1.94 HONG KONG (HANG SENG) 16,248.97 ▼ -351.49 -2.12 TAIWAN (TAIEX) 19,901.96 ▼ -547.81 -2.68 THAILAND (SET INDEX) 1,396.38 ▼ -11.79 -0.84 S.KOREA (KOSPI) 2,609.63 ▼ -60.80 -2.28 SINGAPORE (STRAITS TIMES) 3,152.31 ▼ -31.30 -0.98 SYDNEY (ALL ORDINARIES) 7,612.50 ▼ -140.00 -1.81 MALAYSIA (KLCSE COMPOSITE) 1,535.00 ▼ -7.53 -0.49 * CLOSING PRICES AS OF APRIL 11, 2024	APRIL 15, 2024 DOW JONES 37,735.110 ▼ -248.130 NASDAQ 15,885.019 ▼ -290.08 S&P 500 5,061.820 ▼ -61.590 FTSE 100 7,965.530 ▼ -30.050 EURO STOXX50 4,390.030 ▲ 4.770	FX OPEN P56.850 HIGH P56.850 LOW P57.000 CLOSE P57.000 W.AVE. P56.971 VOL. \$1,100.45 M SOURCE : BAP 19.20 CTS 30 DAYS TO APRIL 16, 2024	APRIL 16, 2024 LATEST BID (0900GMT) PREVIOUS JAPAN (YEN) 154.500 ▼ 153.860 HONG KONG (HK DOLLAR) 7.830 ▼ 7.830 TAIWAN (NT DOLLAR) 32.516 ▼ 32.365 THAILAND (BAHT) 36.630 ▼ 36.680 S. KOREA (WON) 1,392.730 ▼ 1,382.950 SINGAPORE (DOLLAR) 1.364 ▼ 1.360 INDONESIA (RUPIAH) 16,170 ▼ 15,840 MALAYSIA (RINGGIT) 4.790 ▼ 4.777	APRIL 16, 2024 US\$/UK POUND 1.2442 ▼ 1.2485 US\$/EURO 1.0620 ▼ 1.0658 US\$/AUSTRALIAN DOLLAR 0.6417 ▼ 0.6482 CANADA DOLLAR/US\$ 1.3793 ▼ 1.3739 SWISS FRANC/US\$ 0.9131 ▲ 0.9130	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$89.53/bbl \$0.98 30 DAYS TO APRIL 15, 2024

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • APRIL 16, 2024 (PSEi snapshot on S1/4; article on S2/2)

ALI	P27.200	ICT	P314.200	SM	P932.000	BDO	P146.400	AC	P585.000	SMPH	P29.300	URC	P96.000	MBT	P64.300	JFC	P221.000	PLUS	P10.380
Value	P744,520,395	Value	P718,086,526	Value	P446,147,870	Value	P340,578,112	Value	P336,084,300	Value	P296,839,545	Value	P273,222,922	Value	P234,977,136	Value	P188,543,762	Value	P182,534,734
-P0.750	▼ -2.683%	-P11.800	▼ -3.620%	-P25.000	▼ -2.612%	-P0.900	▼ -0.611%	-P16.000	▼ -2.662%	-P0.300	▼ -1.014%	-P3.750	▼ -3.759%	-P3.700	▼ -5.441%	-P6.600	▼ -2.900%	-P1.120	▼ -9.739%

IMF hikes growth forecast for PHL

By Luisa Maria Jacinta C. Jocson Reporter

THE INTERNATIONAL Monetary Fund (IMF) raised its gross domestic product (GDP) growth forecast for the Philippines for this year and 2025.

In its latest World Economic Outlook (WEO), the IMF upwardly

revised its Philippine growth forecast to 6.2% for this year from 6% previously. This is within the government's revised 6-7% target.

"Real GDP growth for 2024 was revised slightly to 6.2% from the January WEO forecast of 6%, reflecting carryover from a better-than-expected outturn in the last quarter of 2023," IMF Representative to the Philippines Ragnar Gudmundsson said in an e-mail.

The Philippine economy grew by 5.5% in both the fourth quarter and full-year 2023.

Based on IMF projections for emerging and developing Asia, the Philippines is expected to post the second-fastest GDP growth this year, just behind India (6.8%). It is ahead of Vietnam (5.8%), Indonesia (5%), China (4.6%), Malaysia (4.4%) and Thailand (2.7%).

"Growth in emerging and developing Asia is expected to fall from an estimated 5.6% in 2023 to 5.2% in 2024 and 4.9% in 2025, a slight upward revision compared with the January 2024 WEO Update," according to the report.

The multilateral lender sees five Association of Southeast Asian Nations member economies (ASEAN-5) to expand by an average of 4.5% this year, slightly

lower than the 4.7% forecast it gave previously.

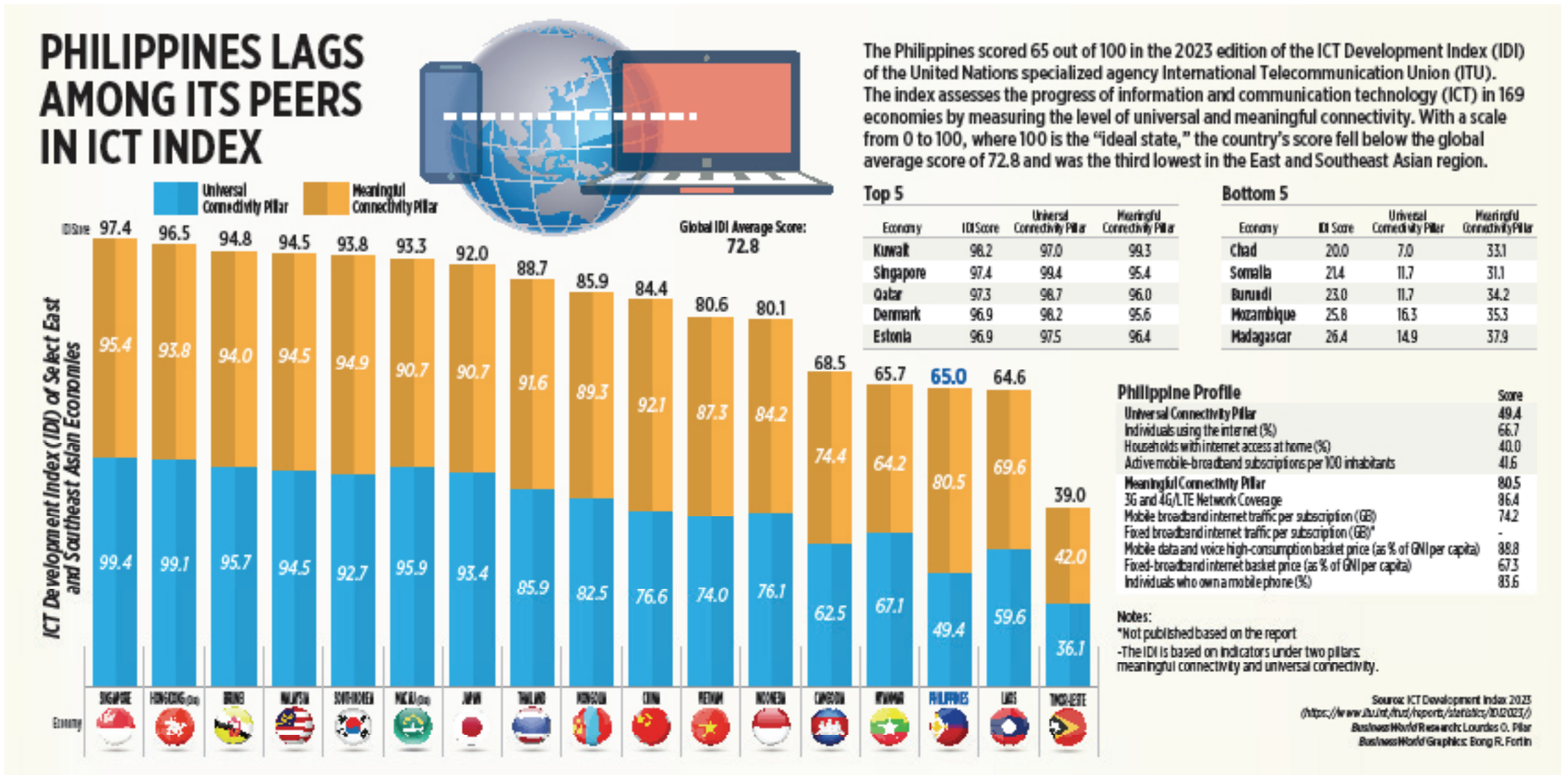
The ASEAN-5, composed of the Philippines, Singapore, Malaysia, Vietnam, and Indonesia, is forecast to grow by 4.6% next year, slightly higher than its 4.4% projection in January.

For 2025, the IMF sees Philippine GDP growing by 6.2%, a tad higher than its previous

forecast of 6.1% but below the government's 6.5-7.5% target.

Mr. Gudmundsson said the forecast for 2025 is supported by expectations of an "acceleration in domestic demand and investment."

Next year, the Philippines has the second-fastest projected growth in the region, just behind India and Vietnam (both at 6.5%).
IMF, S1/3



Red tape poses challenge for foreign investors, says German ambassador

By Justine Irish D. Tabile Reporter

BUREAUCRATIC RED TAPE and foreign ownership restrictions remain some of the challenges facing foreign investors in the Philippines, Germany's ambassador to the Philippine said on Tuesday.

German Ambassador Michael Pfaffenroschke told reporters on Tuesday that foreign businesses still face hurdles in terms of securing permits, especially at the local level.

"There are many permits you need in the Philippines; there is sometimes corruption involved, and there are different layers of government units that are involved in getting permits," he said.

"So, making these things easier, streamlining the processes, and reducing red tape are definitely among the key concerns."

Mr. Pfaffenroschke said issues involving red tape are not just a concern of German businesses, but of the broader business community.

"When it comes to red tape... it's the number of permits you need, it's the time it takes to get a permit... I think it's not unique to German

businesses, you will hear this from the whole business community in the Philippines," he said.

David Klebbs, economic counselor of the German Embassy, said that the typical obstacles faced by German businesses doing business in the Philippines involve bureaucracy.

"It's sometimes not easy to get the right permissions; there are different levels, local government units, and (other) different things," Mr. Klebbs said.

While some German businesses may say that doing business in the Philippines is easier, he noted most still say that it is difficult.

"Most businesses say (that) they feel it's difficult. They feel it's not so easy to understand what's happening. So it really helps to have certain things. What usually helps is a one-stop shop, which is also being done already by the Filipino government," he said.

Mr. Klebbs said the government should try to make the permits processing "as easy and transparent as possible."

The Philippines may look into lifting the foreign restrictions on ownership and procurement, which may lead help attract more investments, he said.

German ambassador, S1/5

More yellow alerts expected in Luzon grid by mid-May

By Sheldeen Joy Talavera and Ashley Erika O. Jose Reporters

THE LUZON and Visayas grids were placed on red and yellow alerts on Tuesday after several power plants went on forced outage.

The Institute for Climate and Sustainable Cities (ICSC) on Tuesday said the Luzon power grid will likely experience a shortfall in power supply until May as the majority of hydroelectric power plants are expected to run on derated capacity.

"We are [seeing] the threat of power supply deficiency especially since power supply conditions are exacerbated which is expected to impact the hydropower capacity," Jephraim C. Manansala, chief data scientist at the Institute for Climate and Sustainable Cities (ICSC), said at a briefing on Tuesday.

The Luzon power grid is projected to be the most affected by the looming power supply deficiency as the majority of hydroelectric power plants supplying the grid will be running on low capacity, the think tank said.

"The threat of power supply deficiency during the dry season is looming, where the major concern is the higher-than-usual temperatures associated with the El Niño weather phenomenon, which are expected to impact hydropower capacity across the country," the Manila-based climate and energy policy group said.

Yellow alerts, S1/5

Remolona says rate cut more likely in 2025 on inflation risks

THE WINDOW for the Philippine central bank to start reducing the key rate in the second half of 2024 is narrowing as the risk that inflation may breach its target for a third straight year rises, according to Philippine central bank Governor Eli M. Remolona, Jr.

"The upside risks have become worse than before, and that's the reason we've stayed hawkish," Mr. Remolona said in an interview on Monday at the Bangko Sentral ng Pilipinas (BSP) office in Manila. "The policy rate is on the tight side. So, by being hawkish, what we mean is we will stay where we are," he said.

Monetary easing will more likely begin in the first quarter of 2025, and the cuts won't be "huge" — just enough to bring the benchmark closer to the neutral rate of about 6% from the current 6.5%, the governor said.

As things stand, the odds are "over 56%" that inflation may breach the BSP's 2%-4% target again this year and "that's a reason to be hawkish," Mr. Remolona said. "That has to change significantly before we decide to cut," he said.

Policy makers across the world, including in the Philippines, have signaled they're not in a rush to lower borrowing costs and wanted to see more evidence of firmly decelerating price pressures before pivoting to easing. Since taking over in July 2023, the BSP governor, who has worked at the Bank for International Settlements and the Federal Reserve of New York, has adopted a broadly hawkish stance.

Price risks in the Philippines have lingered even after the BSP's most-aggressive tightening campaign in two decades that has taken the key rate to a 17-year high. Mr. Remolona presided over the last increase in October, done out of the cycle, to rein in inflation.

It helped that economic growth remained among the fastest in the region.

Rice inflation in the Philippines hit a fresh 15-year high in March while the peso has touched a seven-month low, weakening along with other emerging currencies as the Middle East conflict intensifies. Mr. Remolona said he's comfortable with the peso's current level and that the BSP has hardly been intervening in the foreign currency market. The peso fell for a fourth day.

An "extraordinarily weak" economy would increase the need for a rate cut, the governor said, but he pointed out that the BSP's latest growth estimate for 2024 was better than the 4.5% forecast he gave last year, without disclosing details.

The Philippines is seen to expand by 5.8% this year, according to a median estimate in a Bloomberg survey of economists, after rising by 5.5% in 2023.

Philippine inflation, meanwhile, quickened for a second month to 3.7% in March with price pressures seen persisting until next quarter, longer than the BSP previously expected. The peso fell as much as 0.3% against the dollar on Tuesday to P56.99, the lowest since Sept. 6, 2023.

"Things have gotten worse in terms of inflation. So yes, if the trend continues, it won't happen this year," the governor said of the rate cut.

An escalation in the Israel-Iran conflict that could impact global oil supplies is a potential risk to the Philippine economy, Mr. Remolona said. The Southeast Asian nation imports nearly all of its fuel needs and is among the world's top buyers of rice.

Rate cut, S1/3