P25 IN METRO MANILA, PHILIPPINES

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S1/1-12 • 2 SECTIONS, 18 PAGES

STOCK MARKET

PSEi

OPEN:	6,629.57
HIGH:	6,769.64
LOW:	6,629.57
CLOSE:	6,769.64
VOL.:	0.604 B
VAL(P):	5.316 B

▲ 140.89 PTS. 2.12%

30 DAYS TO APRIL 29, 2024

ASIAN MARKETS

APRIL 29, 2024

	CLOSE		NET	%
Japan (Nikkei 225) *	37,934.76	▲	306.28	0.81
Hong Kong (Hang Seng)	17,746.91	▲	95.76	0.54
Taiwan (Weighted)	20,495.52	▲	375.01	1.86
Thailand (SET Index)	1,361.19	▲	1.25	0.09
S.Korea (Kse Composite)	2,687.44	▲	31.11	1.17
Singapore (Straits Times)	3,274.28	▼	-5.82	-0.18
Sydney (All Ordinaries)	7,637.40	▲	61.50	0.81
Malaysia (Klse Composite)	1,582.66	▲	7.50	0.48

* CLOSING PRICE AS OF APRIL 26, 2024

WORLD MARKETS

APRIL 26, 2024

	CLOSE		NET
Dow Jones	38,239.660	▲	153.860
NASDAQ	15,927.900	▲	316.140
S&P 500	5,099.960	▲	51.540
FTSE 100	8,139.830	▲	60.970
Euro Stoxx50	4,422.200	▲	45.650

PESO-DOLLAR RATES

FX

OPEN	P57.750
HIGH	P57.600
LOW	P57.770
CLOSE	P57.675
W.AVE.	P57.697
VOL.	$1,456.25 M

▲ 3.50 CTVS

30 DAYS TO APRIL 29, 2024

SOURCE : BAP

ASIAN MONIES-US$ RATE

APRIL 29, 2024

	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	155.840	▲	158.330
Hong Kong (HK dollar)	7.827	▲	7.828
Taiwan (NT dollar)	32.574	▲	32.595
Thailand (baht)	37.040	▼	36.960
S. Korea (won)	1,376.890	▼	1,376.430
Singapore (dollar)	1.360	▲	1.363
Indonesia (rupiah)	16,250	▼	16,205
Malaysia (ringgit)	4.767	▼	4.765

WORLD CURRENCIES

APRIL 29, 2024

	CLOSE		PREVIOUS
US$/UK pound	1.2519	▲	1.2489
US$/Euro	1.0710	▲	1.0692
US$/Aust dollar	0.6557	▲	0.6333
Canada dollar/US$	1.3657	▼	1.3669
Swiss Franc/US$	0.9112	▼	0.9141

DUBAI CRUDE OIL

FUTURES PRICE ON NEAREST MONTH OF DELIVERY

$88.96/BBL

▲ $0.36

30 DAYS TO APRIL 26, 2024

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • APRIL 29, 2024 (PSEi snapshot on *S1/2*; article on *S2/2*)

		Value			
ICT	P336.200	P441,467,622	P9.800	▲	3.002%
BDO	P149.800	P438,245,310	P5.800	▲	4.028%
BPI	P129.000	P380,226,699	P4.000	▲	3.200%
PLUS	P10.500	P313,550,504	P0.000	—	0.000%
ALI	P29.500	P306,678,415	P0.950	▲	3.327%
SMPH	P28.800	P265,376,765	P0.450	▲	1.587%
MER	P367.000	P248,720,934	-P1.400	▼	-0.380%
MBT	P70.000	P235,375,115	P0.500	▲	0.719%
SM	P969.000	P208,882,510	P14.000	▲	1.466%
ACEN	P4.020	P167,122,990	P0.240	▲	6.349%

DoF hikes dividend rate of GOCCs

WHAT'S INSIDE

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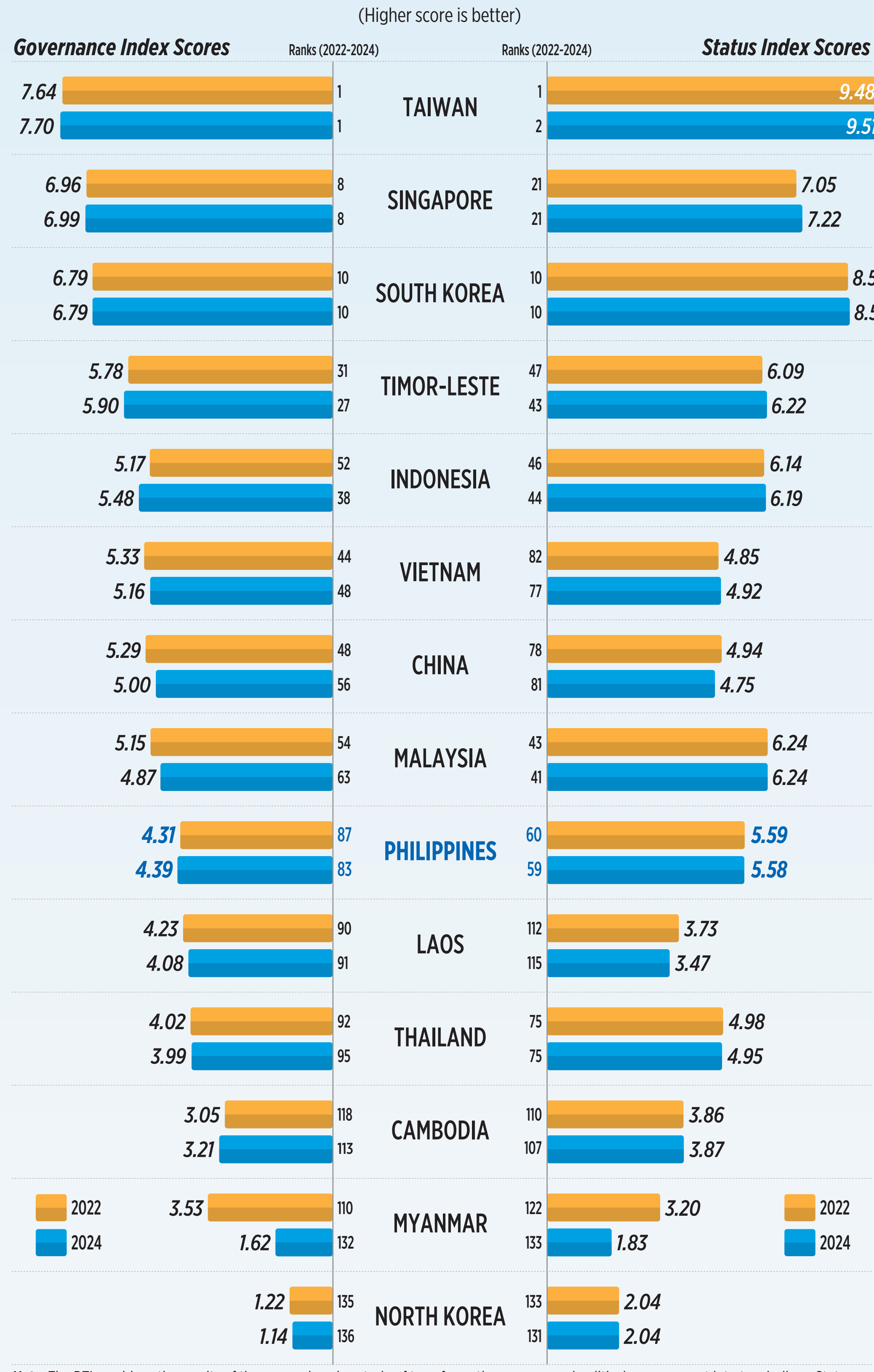
PHILIPPINES MOVES UP IN STATE AND GOVERNANCE INDEXES

The Philippines improved in the 2024 edition of the biennial Bertelsmann Stiftung Transformation Index (BTI). The country inched up by a notch to 59th out of 137 countries in the Status Index, while it rose four spots to 83rd place in the Governance Index. The index evaluates a country's progress towards democracy and market economy, as well as the quality of governance on a scale of 1-10, with 10 being the highest.

2022-2024 BTI Scores and Ranks of Select East and Southeast Asian Countries
(Higher score is better)



Note: The BTI combines the results of the comprehensive study of transformation process and political management into two indices: Status Index and Governance Index. The Status Index, with its two analytic dimensions: political and economic transformation, measures where each country stands towards democracy under the rule of law and a social market economy, while the Governance Index assesses the quality of political leadership involved in which transformation processes are steered.

Source: 2024 Bertelsmann Transformation Index *(https://bti-project.org/en/)*
***BusinessWorld* Research**: Abigail Marie P. Yraola ***BusinessWorld* Graphics**: Bong R. Fortin

By Luisa Maria Jacinta C. Jocson *Reporter*

FINANCE SECRETARY Ralph G. Recto has ordered government-owned or -controlled corporations (GOCC) to increase their contributions to the National Government (NG) to boost state coffers.

Mr. Recto raised the mandatory dividend remittances of GOCCs to the National Government to 75% of their annual net earnings in 2023 from 50%, the Department of Finance (DoF) said in a statement.

Under Republic Act No. 7656 or the Dividends law, GOCCs must declare and remit at least 50% of their annual net earnings as cash, stock or property dividends to the National Government.

Mr. Recto also clarified that there is no need to amend the law to implement the increase.

In 2021, then-Finance Secretary Carlos G. Dominguez III proposed amending the law to hike the mandatory contributions of GOCCs to 75% of their earnings, as a way to fund fiscal stimulus measures amid a coronavirus pandemic.

Mr. Recto said the DoF is looking for ways to increase revenue without imposing new taxes.

As of April 24, dividend collections from GOCCs surged to P39.8 billion from P8 billion a year earlier.

Some state companies have remitted their adjusted contributions including the Philippine Amusement and Gaming Corp. (PAGCOR).

PAGCOR earlier said it had remitted P4.59 billion in cash dividends to the Treasury, representing 75% of its net income last year.

The DoF said Mr. Recto also signed a circular in February to further "mobilize substantial nontax revenues from GOCCs' unrestricted fund balances to unlock the unprogrammed appropriations of the 2024 General Appropriations Act."

This would help fund the government's priority programs and projects, it added.

In 2022, dividends from GOCCs rose by an annual 46% to P99.98 billion.

Ateneo de Manila University economics professor Leonardo A. Lanzona said raising the contributions of GOCCs could threaten their financial stability.

GOCC, *S1/11*

Government raises borrowing program to P2.57 trillion

THE NATIONAL GOVERNMENT (NG) is looking to borrow P2.57 trillion this year, mostly from the domestic market, the Department of Finance (DoF) said on Monday.

In a statement, the DoF said this is 5% higher than its original P2.46-trillion program.

National Treasurer Sharon P. Almanza said the revised borrowing plan was the result of the adjustment in the budget deficit ceiling during the Development Budget Coordination Committee (DBCC) meeting earlier this month.

Finance Secretary Ralph G. Recto said the borrowing plan was revised to reflect the changes to the fiscal program made by the DBCC.

"Based on the new DBCC forecast, a lower gross domestic product (GDP) will result in lower revenues," he said in a Viber message to reporters.

At its meeting earlier this month, the DBCC lowered its GDP growth target to 6-7% this year from 6.5-7.5%.

The DBCC also raised the deficit ceiling to P1.48 trillion this year from P1.39 trillion. Revenues are projected to reach P4.27 trillion, while disbursements are seen to hit P5.75 trillion.

The DBCC expects the deficit as a share of GDP to settle at 5.6% this year, slightly higher than 5.1% earlier.

Mr. Recto noted that if the government's revenue performance turns out better than expected, there might be no need for additional borrowings.

"I plan to meet both the Bureau of Internal Revenue (BIR) and Bureau of Customs (BoC) soon to discuss revenue targets. If they hit revenue targets, then we do not need additional borrowings," he added.

For this year, the BIR is expected to generate P3.055 trillion in revenues, while Customs is targeting to collect P959 billion.

Under the government's financing program, 75% of the government's borrowings will come from domestic sources. This is equivalent to about P1.9 trillion out of the P2.57-trillion total.

The remaining 25% or about P640 billion will come from foreign sources.

The Finance department said its financing program would "allow the country to effectively mitigate foreign exchange risks, take advantage of ample liquidity in the country's financial system, and support the development of the local debt and capital markets."

Latest data from the Bureau of the Treasury showed that gross borrowings declined by 12.4% to P830.389 billion in the first quarter from P948.09 billion a year ago. — **Luisa Maria Jacinta C. Jocson**

FUEL PRICE TRACKER
(week-on-week change)

GASOLINE		
April 16	▲	P0.40
April 23	▲	P0.55
April 30	▼	P0.25
DIESEL		
April 16	▲	P0.95
April 23	▼	P0.95
April 30	▼	P0.45
KEROSENE		
April 16	▲	P0.85
April 23	▼	P1.10
April 30	▼	P0.90

- *April 30, 12:01 a.m.* — Caltex Philippines
- *April 30, 6 a.m.* — Petron Corp.; Phoenix Petroleum; Pilipinas Shell Petroleum Corp.; PTT Philippines Corp.; Seaoil Philippines, Inc.
- *April 30, 8:01 a.m.* — Cleanfuel (Shaw Autogas, Inc.)

Philippines' ongoing power crisis is not artificial, says Marcos

PRESIDENT Ferdinand R. Marcos, Jr. on Monday dispelled fears that the Philippines was experiencing an artificial power crisis after the country's sole grid operator again raised a yellow alert in the Luzon and Visayas grids, citing an El Niño-driven increase in demand.

"It definitely is not an artificial crisis because the power systems are overloaded," he told reporters in the southern province of Cotabato, based on a transcript from his office.

"Consumption suddenly increased due to the extreme heat," he added. "The systems are encountering different problems that's why we're closely monitoring them."

Metro Manila and many parts of the country have recently been experiencing sizzling temperatures, putting a strain on the power supply.

Mr. Marcos said the Philippines was in a "crisis," vowing to find ways to avoid high electricity costs.

He said the government would further endorse National Grid Corp. of the Philippines (NGCP) projects.

"We're continuing to monitor the power supply. We're continuing to monitor the price and we're continuing to encourage and to endorse all of the programs of NGCP so that they will increase the coverage of their transmission lines all over the country," he said.

On Monday, yellow alerts were placed on Luzon and the Visayas grids due to thin operating margins as there were still power plants on forced outage, according to the NGCP.

NGCP said in a statement that the Luzon grid was under yellow alert from 2-5 p.m. and 6-11 p.m.

Yellow alerts are issued when the supply available to the grid falls below a safety threshold. If the supply-demand balance deteriorates, a red alert is declared.

The Luzon grid's available capacity was 14,952 megawatts (MW), while peak demand forecast was 13,893 MW, according to the NGCP.

It said four power plants have been on forced outage since 2023, four between January and March 2024 and 13 this month. One plant is running on a derated capacity. Due to the forced outage, a total of 1,443.3 MW were unavailable to the grid.

On the other hand, the Visayas grid was placed under yellow alert from 1-4 p.m. and 6-8 p.m.

"The extension of the yellow alert in Luzon and the declaration of a yellow alert in the Visayas were due to increase in forecasted demand," the NGCP said.

Available capacity for the Visayas grid was 2,835 MW while peak demand forecast was 2,596 MW.

"The reason for overloading is not only El Niño-related increase in consumption, but it is also because of unexpected power shutdowns of several power plants connected to the national grid," Terry L. Ridon, a former lawmaker and a public investment analyst, said in a Facebook Messenger chat.

He said it's wise for the President to focus on avoiding power cost hikes at this time "because much of the supply will now be sourced from the electricity spot market."

Mr. Ridon urged the government to consider implementing specific summer protocols or short-term fixed price summer contracts for distribution utilities "to avoid a direct resort to the spot market."

Power, *S1/11*