

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEI OPEN: 6,523.88 HIGH: 6,612.73 LOW: 6,523.88 CLOSE: 6,604.25 VOL.: 0.949 B VAL(P): 11.039 B 92.32 Pts. 1.41% 30 DAYS TO MAY 13, 2024	MAY 13, 2024 JAPAN (NIKKEI 225) 38,179.46 ▼ -49.65 -0.13 HONG KONG (HANG SENG) 19,115.06 ▲ 151.38 0.80 TAIWAN (WEIGHTED) 20,857.71 ▲ 148.87 0.72 THAILAND (SET INDEX) 1,372.08 ▲ 0.18 0.01 S. KOREA (KSE COMPOSITE) 2,727.21 ▼ -0.42 -0.02 SINGAPORE (STRAITS TIMES) 3,300.29 ▲ 9.59 0.29 SYDNEY (ALL ORDINARIES) 7,750.00 ▲ 1.00 0.01 MALAYSIA (KLSE COMPOSITE) 1,602.91 ▲ 2.24 0.14	MAY 10, 2024 Dow Jones 39,512.840 ▲ 125.080 NASDAQ 16,340.869 ▼ -5.396 S&P 500 5,222.680 ▲ 8.600 FTSE 100 8,433.760 ▲ 52.410 Euro Stoxx50 4,525.050 ▲ 34.710	FX OPEN P57.630 HIGH P57.590 LOW P57.870 CLOSE P57.860 W.AVE. P57.732 VOL. \$1,132.00 M SOURCE : BAP 44.00 CTVS 30 DAYS TO MAY 13, 2024	MAY 13, 2024 LATEST BID (0900GMT) JAPAN (YEN) 155.840 ▼ 155.720 HONG KONG (HK DOLLAR) 7.812 ▲ 7.813 TAIWAN (NT DOLLAR) 32.401 ▲ 32.405 THAILAND (BAHT) 36.800 ▼ 36.720 S. KOREA (WON) 1,366.860 ▼ 1,369.650 SINGAPORE (DOLLAR) 1.353 ▲ 1.354 INDONESIA (RUPIAH) 16,075 ▼ 16,040 MALAYSIA (RINGGIT) 4.725 ▼ 4.737	MAY 13, 2024 US\$/UK POUND 1.2527 ▲ 1.2521 US\$/EURO 1.0783 ▲ 1.0769 US\$/AUSTRALIAN DOLLAR 0.6607 ▲ 0.6601 CANADA DOLLAR/US\$ 1.3673 ▲ 1.3670 SWISS FRANC/US\$ 0.9072 ▲ 0.9063	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$84.85/BBL \$0.21 30 DAYS TO MAY 10, 2024

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • MAY 13, 2024 (PSEI snapshot on SI/2; article on SI/2)

ICT	P361.000	OGP	P12.500	SM	P885.000	ALI	P27.750	SMPH	P26.800	BDO	P141.800	MBT	P71.900	TEL	P1,460.000	GLO	P1,830.000	JFC	P218.800
Value	P606,472,772	Value	P390,118,142	Value	P304,083,035	Value	P300,890,235	Value	P293,447,595	Value	P273,804,831	Value	P273,103,117	Value	P240,498,310	Value	P240,414,630	Value	P185,649,438
P15.400	▲ 4.456%	-P0.830	▼ -6.227%	P5.000	▲ 0.568%	P0.550	▲ 2.022%	P0.050	▲ 0.187%	P3.000	▲ 2.161%	P3.200	▲ 4.658%	P55.000	▲ 3.915%	P40.000	▲ 2.235%	-P3.200	▼ -1.441%

SOURCE : TECHNIQX

BSP seen to start easing in 3rd quarter

PHL needs to grow over 6% in next three quarters to hit target

By Beatriz Marie D. Cruz
Reporter

THE PHILIPPINE ECONOMY should expand by more than 6% in the next three quarters to meet the government's growth target this year, analysts said.

"The Philippines needs to grow almost 6.1% for the remaining three quarters to reach 6% growth for the entire year, which appears to be a tall order, particularly given the slowdown in household spending in quarter one and the

subdued global economic backdrop this year," Makoto Tsuchiya, an economist at Oxford Economics Japan, said in an e-mail.

Philippine gross domestic product (GDP) grew by 5.7% in the first quarter, slightly faster than the 5.5% in the fourth quarter of 2023 but below the government's 6-7% target.

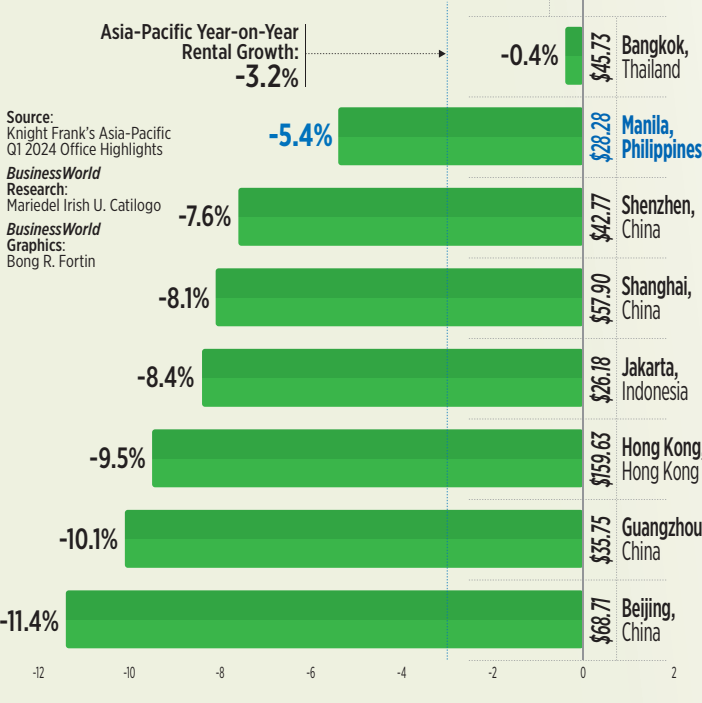
University of Asia and the Pacific Senior Economist Cid L. Terosa said GDP growth should average 6-6.5% for the rest of the year to hit the lower end of the government's target band.

Target, SI/11

MANILA HAS 3RD CHEAPEST PRIME OFFICE COST IN ASIA PACIFIC IN Q1



Asia-Pacific Q1 2024 Prime Rental Growth Rates



Despite having the third-cheapest prime office rent among 23 Asia-Pacific markets in the first quarter, Manila's occupancy cost declined by 5.4% year on year, according to the latest edition of Knight Frank's Asia-Pacific Office Highlights. This fall was even steeper than the 3.2% average drop in the region.

By Luisa Maria Jacinta C. Jocson
Reporter

THE BANGKO SENTRAL ng Pilipinas (BSP) could begin easing policy as early as the third quarter if inflation continues to stabilize, analysts said.

"At the earliest, rate cuts could begin next quarter, which would ease the pressure on households," Moody's Analytics said in its weekly highlights report.

ING Bank N.V. Manila Senior Economist Nicholas Antonio T. Mapa said inflation might continue to "surprise on the downside before falling sharply by the third quarter."

"By then, we expect BSP to have scope to start easing monetary policy all the more given the signs of a slowing economy after first-quarter GDP showed a disappointing print of 5.7% year on year," he said in an e-mailed note on Monday.

BSP Governor Eli M. Remolona, Jr. has said the central bank will consider rate cuts if inflation can settle firmly at around 3% for several months.

The Monetary Board is set to have its next policy review on Thursday. A BusinessWorld poll showed that 17 of 19 analysts expect the central bank to keep its key rate steady at a 17-year high of 6.5%.

In a follow-up e-mail, Moody's Analytics economist Sarah Tan said the BSP would consider inflation and the peso's recent performance in its monetary decisions.

"There has been good progress made on the inflation front, with the latest print for April settling within BSP's 2-4% target range for a fifth straight month," she said.

Inflation quickened to 3.8% in April from 3.7% in March. However, it was the fifth straight month that inflation settled within the BSP's 2-4% target.

The BSP expects inflation to average 3.8% this year.

"While we expect inflation to slightly bump around the upper limit over the next few months as dry weather associated with the El Niño climate pattern hurts food harvests and disrupts supply, inflation will return to the target range by early in the third quarter," Ms. Tan said.

The central bank earlier cautioned that inflation could temporarily overshoot the 2-4% target in the next two quarters due to base effects and weather conditions that have hurt agricultural output.

The El Niño in the tropical Pacific is seen weakening but "hotter and drier conditions" continue to persist, according to the state weather bureau.

BSP, SI/11

DoF eyes Green Climate Fund for four projects

THE PHILIPPINES is looking to tap the Green Climate Fund (GCF) for \$124 million worth of projects, the Department of Finance (DoF) said.

In a statement, the agency said the Philippines receives funding from the GCF for projects and grants worth \$139.9 million.

"Meanwhile, four priority project proposals are in the pipeline estimated at \$124 million," it added.

Established in 2010, the GCF extends financing and technical support to developing economies for low-emission development and climate resilience projects. The fund concluded a three-day mission in the Philippines last week.

The GCF has supported projects in the Philippines ranging from climate adaptation for agriculture to multi-hazard impact-based forecasting and early warning systems.

In a separate statement, the Finance department said it is working on ramping up its investment and financing strategies to better mobilize climate finance.

"This includes tapping into international finance sources such as the GCF and Global Environment Facility (GEF)," it said.

The Philippines is also working with the Vulnerable 20 Group of Finance Ministers (V20) to develop a Philippine Climate Prosperity Plan this year. The plan will "support priority adaptation and mitigation sectors, including power system and grid modernization."

The Philippines is seeking to reduce by 75% its greenhouse gas emissions by 2030 under its Nationally Determined Contribution, which is its commitment under the Paris Agreement.

The Finance department estimated about \$72 billion in investments are needed to help the country deliver.

"Particularly, \$36.5 billion is needed to prioritize investments in transmission and grid improvement and expansion of financial structures to support rapid scaling up of renewable energy and energy-efficient investments," the DoF said.

To help the country generate the investment needed to meet its climate goals, it is looking to expand its financing options and boost its use of sustainability-linked bonds and green and blue bonds.

The Philippines recently raised \$2 billion from a dual-tranche dollar bond issuance. Under the offer, it issued 25-year sustainability bonds.

Proceeds from the 25-year paper will be used to support the government's sustainable finance framework.

The Finance department will also prioritize the recently released Sustainable Finance Taxonomy Guidelines to "steer financial investments towards the attainment of the country's climate agenda." — Luisa Maria Jacinta C. Jocson

OceanaGold Philippines drops 6% on market debut

By Revin Mikhael D. Ochave
Reporter

OCEANAGOLD Philippines, Inc. (OGP) made a dismal stock market debut on Monday, as its stock price closed 6% lower than its initial public offering (IPO) price.

The subsidiary of Toronto-listed Oceana Gold Corp. listed 20% of its outstanding common shares or 456 million stocks worth P6.08 billion on the Philippine Stock Exchange (PSE).

Shares in OceanaGold Philippines opened at P13.34 each, slightly above its IPO price of P13.33. Its shares closed at P12.50 each, down 82 centavos or 6.16%.

This was the first IPO on the local bourse this year, and the first market debut by a mining company in 12 years or since Coal Asia Holdings, Inc. in October 2012.

"The PSE adds a leading mining firm to its roster of publicly listed companies. OGP's IPO listing comes at a time when prospects for the mining sector are favorable," PSE President and Chief Executive Officer Ramon S. Monzon said during the listing ceremony.

"The government is looking to revitalize the mining industry to boost its potential contribution to the economy. The local mining sector certainly has a vast potential that can fuel economic growth," he added.

OGP operates the Didipio gold and copper underground mine in Northern Luzon. It renewed its Financial or Technical Assistance Agreement (FTAA) with the Philippine government in July 2021 for another 25-year period, which started in June 2019.

The public listing is part of the company's requirement under the renewed FTAA.

"We expect our mining operations to provide substantial dividend returns to our shareholders and most importantly to continue to give benefits to the government and the communities, ensuring that we realize our purpose of mining gold and copper for a better future," OGP President Joan D. Adaci-Cattiling said at the listing ceremony.

The drop in OGP's stock price is reflective of "tough market conditions," China Bank Capital Corp. Managing Director Juan Paolo E. Colet said in a Viber message.

"The negative first-day performance of the stock shows that equity market conditions remain tough for IPOs. Not even a substantially discounted IPO price could stop the heavy selling," he said.

"This might make investors more cautious about IPOs if market sentiment does not improve," he added.

AP Securities, Inc. Research Head Alfred Benjamin R. Garcia said in a Viber message that OGP's offering of secondary shares had made it "unattractive" to investors.

"The offering was composed of all secondary shares, which means that the proceeds from the IPO would go to the selling party, as opposed to primary share sales where the proceeds would go to the company itself to fund future projects and expansion," he said.

"In the near term, we expect it to remain around these levels since there's still price stabilization activities. The downward momentum might strengthen after the price stabilization period expires after 30 days," he added.

Mr. Garcia also said the share price declined because investors are wary of the risks surrounding the mining company.

OceanaGold, SI/11