

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
<b>PSEI</b> OPEN: 6,634.61 HIGH: 6,634.61 LOW: 6,587.05 CLOSE: 6,619.89 VOL.: 0.557 B VAL(P): 4.468 B 40.10 PIS. 0.60% 30 DAYS TO MAY 24, 2024	<b>MAY 24, 2024</b> JAPAN (NIKKEI 225) 38,646.11 ▲ -457.11 -1.17 HONG KONG (HANG SENG) 18,608.94 ▼ -259.77 -1.38 TAIWAN (WEIGHTED) 21,565.34 ▼ -42.09 -0.19 THAILAND (SET INDEX) 1,364.48 ▼ -3.36 -0.25 S.KOREA (KSE COMPOSITE) 2,687.60 ▼ -34.21 -1.26 SINGAPORE (STRAITS TIMES) 3,316.56 ▼ -6.06 -0.18 SYDNEY (ALL ORDINARIES) 7,727.60 ▼ -84.20 -1.08 MALAYSIA (KLSE COMPOSITE) 1,619.40 ▼ -9.78 -0.60	<b>MAY 24, 2024</b> DOW JONES 39,069.590 ▲ 4.330 NASDAQ 16,920.794 ▲ 184.761 S&P 500 5,304.720 ▲ 36.880 FTSE 100 8,317.590 ▼ -21.640 EURO STOXX50 4,496.660 ▼ -14.630	<b>FX</b> OPEN P58.300 HIGH P58.090 LOW P58.300 CLOSE P58.190 W.AVE. P58.191 VOL. \$1,381.55 M SOURCE: BAP 6.00 CTS 30 DAYS TO MAY 24, 2024	<b>MAY 24, 2024 LATEST BID (0900GMT)</b> JAPAN (YEN) 156.990 ▼ 156.740 HONG KONG (HK DOLLAR) 7.812 ▼ 7.808 TAIWAN (NT DOLLAR) 32.232 ▼ 32.233 THAILAND (BAHT) 36.640 ▼ 36.520 S. KOREA (WON) 1,365.930 ▼ 1,365.050 SINGAPORE (DOLLAR) 1.3495 ▼ 1.3500 INDONESIA (RUPIAH) 15,990 ▼ 15,990 MALAYSIA (RINGGIT) 4.710 ▼ 4.707	<b>MAY 24, 2024</b> US\$/UK POUND 1.2740 ▲ 1.2704 US\$/EURO 1.0845 ▲ 1.0832 US\$/AUST DOLLAR 0.6627 ▲ 0.6626 CANADA DOLLAR/US\$ 1.3661 ▼ 1.3678 SWISS FRANC/US\$ 0.9148 ▲ 0.9144	<b>FUTURES PRICE ON NEAREST MONTH OF DELIVERY</b> <b>\$82.49/BBL</b> 92.50 88.80 87.10 84.40 81.70 79.00 30 DAYS TO MAY 24, 2024

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • MAY 24, 2024 (PSEi snapshot on S1/2; article on S2/2)

Value	Change	Value	Change	Value	Change	Value	Change	Value	Change	Value	Change	Value	Change	Value	Change	Value	Change		
BDO P135.700	▼ -0.586%	SMPH P27.500	▼ -4.181%	ALI P28.850	▼ -1.871%	ICT P353.000	▲ 0.513%	SM P896.000	▲ 0.112%	AC P617.000	▼ -1.280%	GLO P2,006.000	— 0.000%	JFC P230.000	▲ 0.437%	SECB P68.500	▼ -2.143%	AREIT P34.000	▲ 2.102%
Value P515,462,658		Value P343,923,535		Value P331,084,100		Value P280,292,486		Value P207,651,345		Value P205,424,565		Value P163,948,140		Value P138,396,162		Value P126,913,726		Value P116,103,000	
-P0.800		-P1.200		-P0.550		P1.800		P1.000		-P8.000		P0.000		P1.000		-P1.500		P0.700	

## Gross borrowings drop 31% in April

THE National Government's (NG) gross borrowings fell in April as domestic and external debt declined, data from the Bureau of the Treasury (BTr) showed.

BTr data showed that the NG's total gross borrowings dropped 31.3% to P89.202 billion in April from P129.906 billion in the same month a year ago.

Month on month, gross borrowings slumped by 57% from P207.265 billion in March.

Domestic borrowings accounted for the bulk or 92% of overall gross debt during the month.

Gross domestic debt dropped by 14.3% to P82.36 billion in April from P96.127 billion in the same month in 2023.

Broken down, domestic borrowings were composed of P67.258 billion in fixed-rate Treasury bonds and P15.102 billion in Treasury bills.

Meanwhile, gross external debt plunged by 79.7% to P6.842 billion during the month from P33.779 billion a year ago.

In April, gross external borrowings were entirely composed of new project loans.

Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said that the boost in tax collections in April offset the need for the government to resort to borrowings.

The Bureau of Internal Revenue collections rose by 12.65% to

P378.5 billion during the month. This as the deadline for the filing of annual income tax returns and first-quarter value-added tax returns was in April.

"Relatively lower amount of matured National Government debt in April also reduced the need to borrow to fund maturing debt," Mr. Ricafort added.

Meanwhile, in the January-April period, gross borrowings rose by 7.9% to P1.16 trillion from P1.08 trillion in the year-ago period.

Gross domestic borrowings jumped by 38.7% to P1.04 trillion in the first four months from P749.113 billion a year earlier.

Domestic debt consisted of P584.861 billion in retail Treas-

ury bonds (RTBs), P377.258 billion in fixed-rate Treasury bonds and P76.822 billion in Treasury bills.

In February, the government raised a record P584.86 billion from its offering of five-year RTBs.

On the other hand, gross external debt plummeted by 62.3% to P124.099 billion as of end-April from P328.883 billion a year ago.

This was made up of P95.435 billion in program loans and P28.664 billion in new project loans.

"Future government borrowings would also be a function of the budget deficit performance for the coming months," Mr. Ricafort said.

The NG posted a P42.7-billion budget surplus in April, though this was 36.03% smaller than the P66.8-billion surplus a year ago.

In the January-April period, the budget deficit widened by 12.66% to P229.9 billion from the P204.1-billion gap a year earlier.

"Government borrowings for the coming months would also be timed with possible Fed and local policy rate cuts later in 2024 and 2025," Mr. Ricafort said.

Bangko Sentral ng Pilipinas Governor Eli M. Remolona, Jr. has signaled that the central bank could begin its policy easing cycle as early as August this year.

The Monetary Board kept its benchmark rate at a 17-year high 6.5% for a fifth straight meeting earlier this month.

The central bank has raised borrowing costs to a cumulative 450 basis points (bps) from May 2022 to October 2023.

The government's borrowing program is set at P2.57 trillion for 2024, of which 75% will come from domestic sources.

The government borrows from local and external sources to help fund a budget deficit capped at 5.6% of the gross domestic product this year, equivalent to P1.48 trillion. — **Luisa Maria Jacinta C. Jocson**

## 'Most exciting chapter' for PHL yet to come — WEF

By **Beatriz Marie D. Cruz**  
Reporter

THE Philippines could become one of the drivers of global growth in the future, if the government continues to ease foreign ownership restrictions and ramp up partnerships with the private sector, according to a World Economic Forum (WEF) executive.

"We feel that the most exciting chapter of the country is yet to come. So, we remain very hopeful that there would be ongoing collaboration with both the government and private sector going

forward," Joo-ok Lee, head of the Regional Agenda, Asia-Pacific at the WEF, said on the sidelines of the BusinessWorld Economic Forum last week.

Mr. Lee said there is "robust" interest from the private sector and investors towards the Philippines.

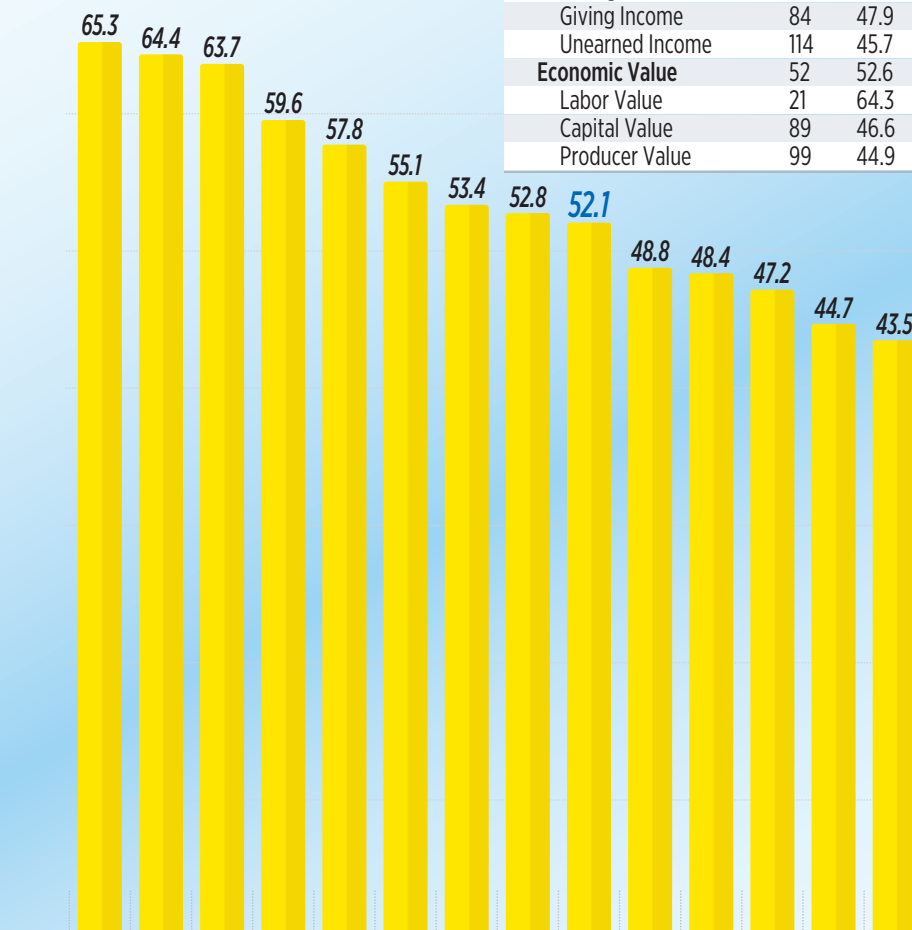
"In the medium and longer term, we feel very optimistic that there's a lot of opportunities for the country... There are many things that Philippines has going for, the economy, the demographic dividend, but also the regulatory kind of reforms and changes that we're seeing," he said.

WEF, S1/11

## PHILIPPINES FALLS IN 2024 ELITE QUALITY INDEX

The Philippines fell three places to 51<sup>st</sup> spot out of 151 countries in the 2024 edition of the Elite Quality Index (EQx) by Switzerland-based Foundation for Value Creation Activities in partnership with the University of St. Gallen. Despite this, the country's EQx score improved to 52.1. The EQx evaluates and ranks countries based on their elite quality in political economy. Elite quality refers to the overall impact of elite business models, which can result in either positive value creation or negative rent-seeking.

### 2024 EQx Scores of Select East and Southeast Asian Countries (Out of 100)



2024 Rank (Out of 151)	Country	2024 EQx Score (Out of 100)
1	Singapore	65.3
2	Switzerland	64.8
3	Netherlands	64.5
4	Japan	64.4
5	New Zealand	64.0
6	South Korea	63.7
7	Israel	63.6
8	Germany	63.4
9	Sweden	62.7
10	Denmark	62.5

Notes:  
- The EQx defines elites as an exclusive, coordinated groups with successful wealth accumulation business models, in which they provide critical coordination capacity for the economy's resources whether human, financial or knowledge based.  
- The index is divided into two main subindices: power (the capacity to enforce elites' preferences) and value (the outcome of the elites' productive activities). These subindices contain political and economic dimensions.

2024 Rank (Out of 151)	Country	2024 EQx Score (Out of 100)
151	Sudan	30.7
150	Haiti	32.7
149	Iraq	33.8
148	Yemen	34.4
147	Afghanistan	34.4
146	Syria	35.8
145	Libya	37.7
144	Venezuela	38.0
143	Chad	38.5
142	Eswatini	39.3

Source: Elite Quality Report 2024: The Sustainable Value Creation of Nations (https://elitequality.org/) BusinessWorld Research: Abigail Marie P. Yraola BusinessWorld Graphics: Bong R. Fortin

## 'High incidence' of money laundering seen in gaming

By **Luisa Maria Jacinta C. Jocson**  
Reporter

THE PHILIPPINES is likely to exit the "gray list" of the Financial Action Task Force (FATF) soon despite a "high incidence" of money laundering, mainly in the gaming sector, Moody's said.

Choon Hong Chua, Moody's senior director and head of the Financial Crime Practice Group for Asia and the Pacific and the Middle East, said that the Philippines is "on track" to exit the gray list.

"It is clear the country is committed to strengthening anti-money laundering and counter financing of terrorism (AML/CFT) controls and has implemented more stringent requirements," he told the BusinessWorld in an e-mail interview.

The Moody's Grid database showed that from 2018 to 2023, the Philippines was among the top five countries in Southeast Asia with money laundering activity events added over the five-year period.

"From 2022 to 2023, the number of money laundering events added in the Philippines increased 45%," it added.

Mr. Chua said that there has been a "high incidence" of money laundering events in the country related to gaming activities, citing online gambling, casinos and betting centers.

"Besides these activities, a large proportion of money laundering activity in the region is also linked to organized crime and complex scam operations, some of which are set up in the Philippines," he added.

The Philippines has been on the FATF's list of jurisdictions under increased monitoring for dirty money activities since June 2021.

The FATF Plenary, which is the organization's decision-making body, usually meets in February, June and October.

"We have seen the current regime take an active step to improve the level of AML competency in the banking sector — from the implementation of new regulations to active communications with the covered entities. This stemmed from some of the weaknesses observed," Mr. Chua said.

He noted the government's ongoing initiatives to "implement stricter controls, reporting requirements, and enforce compliance within the financial sector."

Early this year, President Ferdinand R. Marcos, Jr. ordered all concerned government agencies to hasten efforts to help the country exit the gray list as soon as possible.

The Anti-Money Laundering Council also earlier said it is working to increase the investigations and prosecutions related to dirty money this year.

"The private sector also has a part to play by adhering to the requirements promptly to lift the Philippines out of the gray list. This requires a concerted effort and engagement from both the public and private stakeholders," Mr. Chua said.

Gaming, S1/11

## Government eyes sale of assets to GSIS, SSS

THE FINANCE department is aiming to raise around P100 billion from the sale of government assets, mainly to the Government Service Insurance System (GSIS) and the Social Security System (SSS).

"We need to privatize a lot but we're going to sell them most likely to GSIS. We're offering them to GSIS and SSS so it's government to government transactions," Finance Undersecretary Catherine L. Fong told BusinessWorld on the sidelines of the Asia Pacific Loan Market Association Loan Market Conference on May 9.

The Department of Finance (DoF) is hoping to close a deal with GSIS before midyear to help reach the P100-million target.

Ms. Fong said the amount raised so far this year from sales and dividend income were "not substantial yet."

"Well, there's the NAIA (Ninoy Aquino International Airport) upfront payment which will be released. It's currently in escrow, so it will be released around September," she said.

Assets, S1/11