P25 IN METRO MANILA, PHILIPPINES

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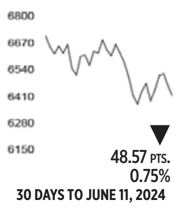
STOCK MARKET



PSEi	
OPEN:	6,456.85
HIGH:	6,464.26
LOW:	6,410.07
CLOSE:	6,410.07
VOL.:	0.401 B
VAL(P):	3.297 B

ASIAN MARKETS

JUNE 12, 2024

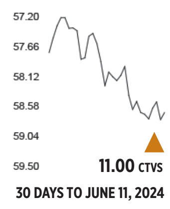
	CLOSE		NET	%
Japan (Nikkei 225)	38,876.71	▼	-258.08	-0.66
Hong Kong (Hang Seng)	17,937.84	▼	-238.50	-1.31
Taiwan (Weighted)	22,048.96	▲	256.84	1.18
Thailand (SET Index)	1,318.72	▲	2.62	0.20
S.Korea (Kse Composite)	2,728.17	▲	22.85	0.84
Singapore (Straits Times)	3,311.43	▲	2.22	0.07
Sydney (All Ordinaries)	7,715.50	▼	-39.90	-0.51
Malaysia (Klse Composite)	1,608.95	▼	-2.54	-0.16

WORLD MARKETS

JUNE 11, 2024

	CLOSE		NET
Dow Jones	38,747.420	▼	-120.620
NASDAQ	17,343.546	▲	151.017
S&P 500	5,375.320	▲	14.530
FTSE 100	8,147.810	▼	-80.670
Euro Stoxx50	4,515.850	▼	-42.490

PESO-DOLLAR RATES



FX	
OPEN	P58.740
HIGH	P58.660
LOW	P58.745
CLOSE	P58.680
W.AVE.	P58.697
VOL.	$1,050.19 M

SOURCE : BAP

ASIAN MONIES-US$ RATE

JUNE 12, 2024

	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	157.270	▼	157.260
Hong Kong (HK dollar)	7.810	▼	7.809
Taiwan (NT dollar)	32.328	▲	32.374
Thailand (baht)	36.670	▲	36.730
S. Korea (won)	1,374.840	▲	1,379.290
Singapore (dollar)	1.352	▲	1.353
Indonesia (rupiah)	16,290	▼	16,285
Malaysia (ringgit)	4.715	▲	4.717

WORLD CURRENCIES

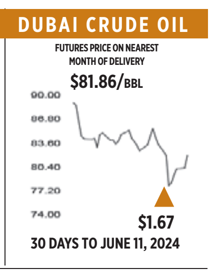
JUNE 12, 2024

	CLOSE		PREVIOUS
US$/UK pound	1.2751	▲	1.2724
US$/Euro	1.0750	▲	1.0745
US$/Aust dollar	0.6614	▲	0.6594
Canada dollar/US$	1.3747	▲	1.3772
Swiss Franc/US$	0.8964	▼	0.8967

DUBAI CRUDE OIL

FUTURES PRICE ON NEAREST MONTH OF DELIVERY

$81.86/BBL



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S1/1-10 • 2 SECTIONS, 14 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JUNE 11, 2024 (PSEi snapshot on *S1/2*; article on *S2/2*)

		Value		
ICT	P341.200	P415,730,238	-P8.800 ▼	-2.514%
SM	P848.000	P214,368,625	P1.000 ▲	0.118%
JFC	P230.000	P200,597,562	P1.400 ▲	0.612%
BPI	P118.100	P200,323,905	-P0.900 ▼	-0.756%
ALI	P27.300	P192,563,835	P0.150 ▲	0.552%
AEV	P38.500	P181,264,510	P0.000 —	0.000%
SMPH	P26.700	P169,634,830	-P0.650 ▼	-2.377%
BDO	P136.000	P168,825,788	P0.000 —	0.000%
AC	P582.500	P160,832,165	-P6.000 ▼	-1.020%
TEL	P1410.000	P86,365,040	-P35.000 ▼	-2.422%

Peso slump could derail rate cuts

By Luisa Maria Jacinta C. Jocson *Reporter*

THE PESO WEAKNESS could impact the Bangko Sentral ng Pilipinas' (BSP) policy easing cycle even after inflation has settled within target for a sixth straight month in May, analysts said.

"The recent weakness of the Philippine peso poses a significant challenge for the central bank as it navigates its monetary policy," Security Bank Corp. Chief Economist Robert Dan J. Roces said in a Viber message.

In May, the peso sank to the P58-per-dollar level for the first time since November 2022. Since then, the BSP has intervened in "modest" amounts to keep markets orderly.

The peso closed at P58.68 per dollar on Tuesday, strengthening by 11 centavos from its P58.79 finish on Monday.

"From how the (peso) has been performing lately, we think that (peso) movement/performance is what the BSP will prioritize," Union Bank of the Philippines, Inc. Chief Economist Ruben Carlo O. Asuncion said in a Viber message.

GlobalSource country analyst and former BSP deputy governor Diwa C. Guinigundo said that a weak peso may contribute to stronger price pressures. "That should make monetary policy more cautious about an easing," he said in a Viber message.

"A depreciating peso could amplify inflationary pressures by increasing the cost of imports, potentially constraining the BSP's ability to ease policy," Mr. Roces added.

Headline inflation quickened to 3.9% in May from 3.8% in April but marked the sixth straight month that inflation settled within the BSP's 2-4% target band.

Peso, S1/9

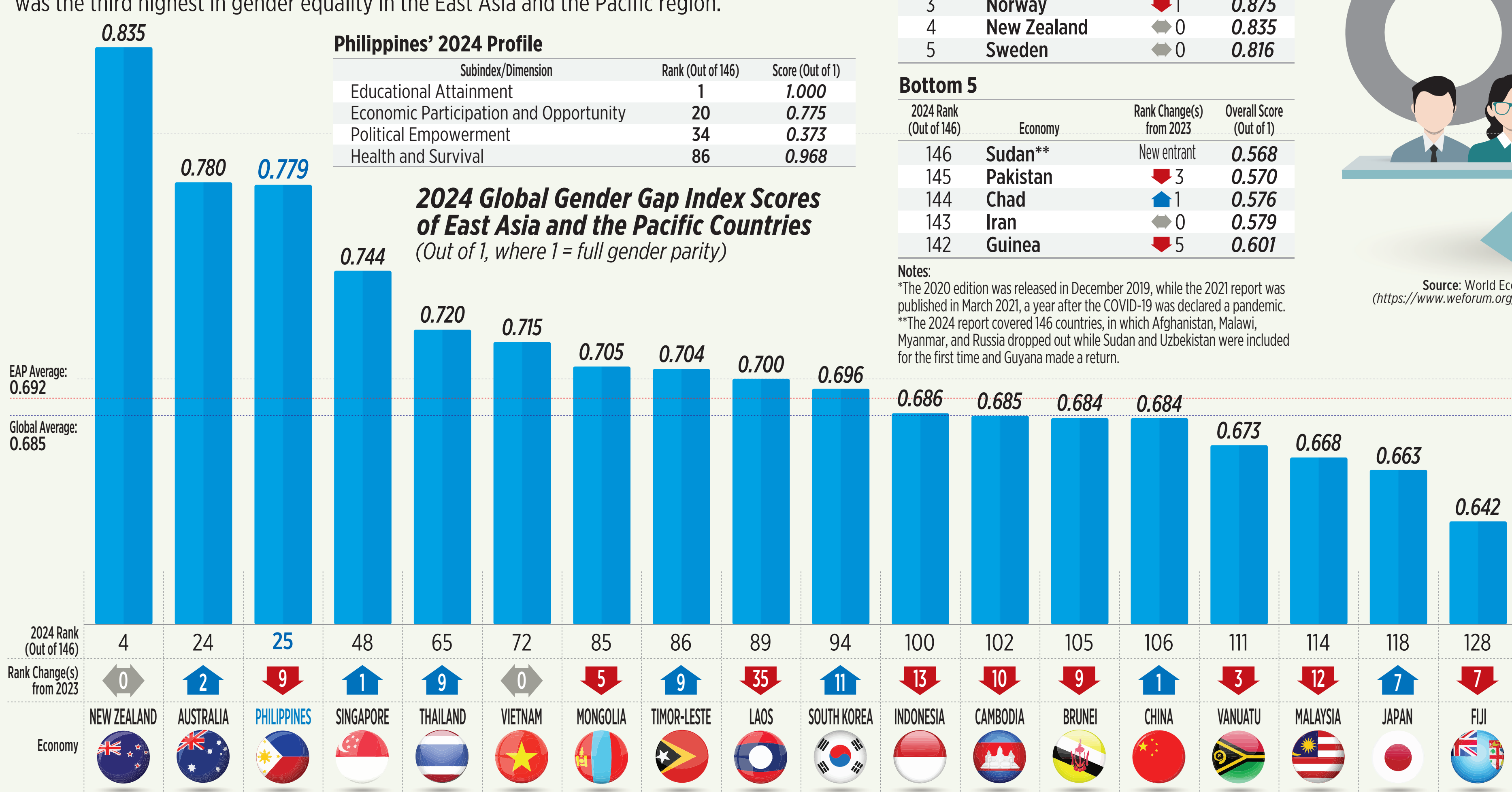
PHILIPPINES SLIPS IN GLOBAL GENDER GAP REPORT 2024

The Philippines fell nine spots to 25th place out of 146 countries in the 2024 iteration of the Global Gender Gap Report by the World Economic Forum. This was the country's lowest rank in the index since the 2006 inaugural report. On a scale of 0 to 1 (where 1 means full gender equality), the country's score worsened to 0.779 from 0.791 in 2023. Despite this, it was still better than the regional average of 0.692 and the global average of 0.685. The Philippines was the third highest in gender equality in the East Asia and the Pacific region.

Philippines' 2024 Profile

Subindex/Dimension	Rank (Out of 146)	Score (Out of 1)
Educational Attainment	1	1.000
Economic Participation and Opportunity	20	0.775
Political Empowerment	34	0.373
Health and Survival	86	0.968

2024 Global Gender Gap Index Scores of East Asia and the Pacific Countries
(Out of 1, where 1 = full gender parity)



Top 5

2024 Rank (Out of 146)	Economy	Rank Change(s) from 2023	Overall Score (Out of 1)
1	Iceland	◆ 0	0.935
2	Finland	▲ 1	0.875
3	Norway	▼ 1	0.875
4	New Zealand	◆ 0	0.835
5	Sweden	◆ 0	0.816

Bottom 5

2024 Rank (Out of 146)	Economy	Rank Change(s) from 2023	Overall Score (Out of 1)
146	Sudan**	New entrant	0.568
145	Pakistan	▼ 3	0.570
144	Chad	▲ 1	0.576
143	Iran	◆ 0	0.579
142	Guinea	▼ 5	0.601

Notes:
*The 2020 edition was released in December 2019, while the 2021 report was published in March 2021, a year after the COVID-19 was declared a pandemic.
**The 2024 report covered 146 countries, in which Afghanistan, Malawi, Myanmar, and Russia dropped out while Sudan and Uzbekistan were included for the first time and Guyana made a return.

Source: World Economic Forum's Global Gender Gap Report 2024 *(https://www.weforum.org/publications/global-gender-gap-report-2024/)*
***BusinessWorld* Research**: Andrea C. Abestano
***BusinessWorld* Graphics**: Bong R. Fortin

Philippines' Historical Performance

Year	Rank	Score (Out of 1)
2006	6/115	0.752
2007	6/128	0.763
2008	6/130	0.757
2009	9/133	0.758
2010	9/134	0.765
2011	8/135	0.769
2012	8/135	0.776
2013	5/136	0.783
2014	9/141	0.781
2015	7/144	0.790
2016	7/144	0.786
2017	10/144	0.790
2018	8/149	0.799
2020*	16/153	0.781
2021*	17/156	0.784
2022	19/146	0.783
2023	16/146	0.791
2024	**25/146**	**0.779**

World Bank says global growth stabilizing but below pre-COVID levels

WASHINGTON — The World Bank on Tuesday said the US economy's stronger-than-expected performance has prompted it to lift its 2024 global growth outlook slightly but warned that overall output would remain well below pre-pandemic levels through 2026.

The World Bank said in its latest Global Economic Prospects report that the global economy would avoid a third consecutive drop in real GDP growth since a major post-pandemic jump in 2021, with 2024 growth stabilizing at 2.6%, unchanged from 2023.

That's up 0.2 percentage point from the World Bank's January forecast, largely on the strength of US demand.

"In a sense, we see the runway for a soft landing," World Bank Deputy Chief Economist Ayhan Kose told Reuters in an interview, noting that sharply higher interest rates have brought down inflation without major job losses and other disruptions in the US or other major economies.

"That's the good news. What is not good news is that we may be stuck in the slow lane," Mr. Kose added.

The World Bank forecast global growth of 2.7% in both 2025 and 2026, a level well below the 3.1% global average in the decade prior to COVID-19. It also is forecasting that interest rates in the next three years will remain double their 2000-2019 average, keeping a brake on growth and adding debt pressure to emerging market countries that have borrowed in dollars.

Countries representing 80% of the world's population and GDP output will see weaker growth through 2026 than they had prior to the pandemic, the report said.

"Prospects for the world's poorest economies are even more worrisome. They face punishing levels of debt service, constricting trade possibilities and costly climate events," said World Bank Chief Economist Indermit Gill, adding that those countries will continue to require international assistance to fund their needs.

The report contains an alternative "higher-for-longer" interest rate scenario, in which persistent inflation in advanced economies keeps interest rates about 40 basis points above the lender's baseline forecast, cutting 2025 global growth to 2.4%.

Global growth, S1/9

Marcos says inflation is still Philippines' 'greatest problem'

PHILIPPINE PRESIDENT Ferdinand R. Marcos, Jr. on Wednesday said inflation remains a major concern for his government.

"It remains unfortunately our greatest problem that is brought by forces that we cannot control," Mr. Marcos said at an annual Independence Day reception for diplomats at the Presidential Palace.

Headline inflation hit a six-month high of 3.9% in May amid rising utility and transport costs alongside increasing food prices. It was higher than April's 3.8% but slower than 6.1% in the same month last year.

This brought the five-month average inflation to 3.5%, within the Bangko Sentral ng Pilipinas' 2-4% target range.

"Despite the woes brought about by global inflation, the Philippines has still managed to curb inflation to a reasonable, almost manageable level," Mr. Marcos said.

The Philippines is still reeling from the El Niño weather phenomenon, which has caused P9.89 billion in agricultural losses as of this week.

Inflation remained manageable due to the combined effects of the fiscal and monetary policies," said John Paolo R. Rivera, president and chief economist at Oikonomia Advisory & Research, Inc.

— **Kyle Aristophere T. Atienza**

FULL STORY

Read the full story by scanning the QR code <tinyurl.com/2dfpbs2q>

POGOs complicate Philippine effort to exit FATF's 'gray list'

By Kyle Aristophere T. Atienza
Reporter

THE STRONG PRESENCE of offshore gambling operators complicates the Philippines' efforts against dirty money and does not bode well for its ambition to become an investment hub, economists warned.

Money laundering in gaming activities has been a major concern of the Financial Action Task Force (FATF), which has placed Manila under its "gray list" of countries under increased monitoring for dirty money since 2021, said Enrico P. Villanueva, who teaches money and banking at University of the Philippines Los Baños.

"The presence of Philippine Offshore Gaming Operators (POGOs) and their links to crimes undermine the country's effort to exit from FATF's gray list," he said in a Facebook Messenger chat.

POGOs, which cater to customers in China and other countries, have been a major headache for authorities in recent months, with policy makers flagging national security risks and linking them to transnational crimes.

Congress under former President Rodrigo R. Duterte passed a law taxing POGOs in a bid to legalize them, despite mounting concerns on their social costs. Chinese President Xi Jinping himself had asked the former Philippine leader to not just regulate but ban the online gambling business.

"There are 402 canceled POGOs and we are looking at 58 that are subjects of interest given that they are still operating," Presidential Anti-Organized Crime Commission (PAOCC) spokesperson Winston John Casio said in a Viber message.

The Philippine economy is still immature in terms of legal and social frameworks, making it unprepared for a gaming sector that is, to begin with, illegal in other countries, said John Paolo R. Rivera, president and chief economist at Oikonomia Advisory & Research, Inc.

"The economy has yet to mature to be able to operate POGOs according to legal, economic, social frameworks," he said via Messenger chat. "The current form of POGOs in the country are a red flag on the integrity of money circulating in the economy."

The Philippines was re-included in the gray list in June 2021 and could be added to the FATF's blacklist due to increasing risk of money laundering from casinos and lack of prosecution for terrorism financing cases, among other reasons.

WEAK REGULATIONS

Diwa C. Guinigundo, a former central bank deputy governor, said domestic regulations over POGOs are weak, and it does not help that institutions are prone to corruption.

"The financial operations of POGOs are opaque and therefore open to money laundering," he said in a Viber message.

"I don't think FATF would look kindly to the Philippines in the presence of these operations which may likely be associated with dirty money."

POGOs, S1/9