

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEI 6715 6602 6489 6376 6263 6150 30 DAYS TO JUNE 19, 2024 2.77 Pts. 0.04% VAL(P): 4.070 B VOL.: 0.363 B OPEN: 6,371.52 HIGH: 6,382.76 LOW: 6,364.40 CLOSE: 6,366.03	JUNE 19, 2024 JAPAN (NIKKEI 225) 38,570.76 ▲ 88.65 0.23 HONG KONG (HANG SENG) 18,430.39 ▲ 514.84 2.87 TAIWAN (WEIGHTED) 23,209.54 ▲ 452.11 1.99 THAILAND (SET INDEX) 1,301.67 ▲ 4.26 0.33 S.KOREA (KSE COMPOSITE) 2,797.33 ▲ 33.41 1.21 SINGAPORE (STRAITS TIMES) 3,308.27 ▲ 6.49 0.20 SYDNEY (ALL ORDINARIES) 7,769.70 ▲ -8.40 -0.11 MALAYSIA (KLCSE COMPOSITE) 1,599.79 ▼ -6.34 -0.39	JUNE 18, 2024 DOW JONES 38,834.860 ▲ 56.760 NASDAQ 17,862.232 ▲ 5.212 S&P 500 5,487.030 ▲ 13.800 FTSE 100 8,191.290 ▲ 49.140 Euro Stoxx50 4,513.190 ▲ 27.740	FX 57.20 57.66 58.12 58.58 59.04 59.50 13.50 CTVS 30 DAYS TO JUNE 19, 2024 OPEN P58.620 HIGH P58.580 LOW P58.770 CLOSE P58.755 W.AVE. P58.661 VOL. \$930.00 M SOURCE : BAP	JUNE 19, 2024 LATEST BID (0900GMT) JAPAN (YEN) 157.810 ▲ 158.100 HONG KONG (HK DOLLAR) 7.806 ▲ 7.808 TAIWAN (NT DOLLAR) 32.354 ▲ 32.398 THAILAND (BAHT) 36.660 ▲ 36.820 S. KOREA (WON) 1,380.070 ▲ 1,385.080 SINGAPORE (DOLLAR) 1.350 ▲ 1.353 INDONESIA (RUPIAH) 16,360 ▲ 16,395 MALAYSIA (RINGGIT) 4.704 ▲ 4.712	JUNE 19, 2024 US\$/UK POUND 1.2732 ▲ 1.2682 US\$/EURO 1.0742 ▲ 1.0723 US\$/AUSTRALIAN DOLLAR 0.6674 ▲ 0.6618 CANADA DOLLAR/US\$ 1.3714 ▼ 1.3746 SWISS FRANC/US\$ 0.8843 ▼ 0.8876	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$83.34/BBL 88.00 85.00 82.00 79.00 76.00 73.00 30 DAYS TO JUNE 18, 2024 ▲ \$1.00

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JUNE 19, 2024 (PSEi snapshot on S1/2; article on S2/2)

SCC	P32.250	BDO	P134.000	AEV	P39.000	GTGAP	P564.000	BPI	P114.900	CNVRG	P10.500	ALI	P27.850	SMPH	P26.650	URC	P104.000	ICT	P341.000
Value	P934,913,470	Value	P474,735,509	Value	P235,278,870	Value	P186,685,995	Value	P176,355,373	Value	P173,354,322	Value	P164,625,020	Value	P149,035,320	Value	P108,601,939	Value	P106,237,242
PO.200	▲ 0.624%	P1.100	▲ 0.828%	PO.450	▲ 1.167%	-P16.000	▼ -2.759%	-P0.700	▼ -0.606%	P0.000	— 0.000%	-P0.200	▼ -0.713%	-P0.350	▼ -1.296%	-P1.000	▼ -0.952%	P3.000	▲ 0.888%

IT-BPM industry likely to hit 7% goal

PHL may grow below target until 2028

THE PHILIPPINE ECONOMY may grow slower than the government's targets this year through 2028, as high interest rates weigh on consumption, according to a global think tank.

"High interest rates constrict domestic demand, so that's one of the reasons why we're a bit more bearish on the [Philippine] economy," Andrew J. Staples, Asia-Pacific head of thought leadership and public policy at the Economist Impact, told reporters on the sidelines of the forum.

Mr. Staples projected the Philippine economy will expand by 5.4% this year, below the government's 6-7% gross domestic product (GDP) growth target for the year. It will also be a tad lower than the revised 5.5% GDP expansion in 2023.

The Bangko Sentral ng Pilipinas (BSP) has kept its benchmark rate steady at a 17-year high of 6.5% since October 2023 to tame inflation.

When asked if the BSP is likely to wait for the US Federal Reserve before easing, Mr. Staples said: "It's so big and powerful that everybody sort of follows its wake."

He said the Philippines is one of the fastest-growing economies in the region, but "interest rates

as a result of inflation have been holding back growth somewhat."

For 2025, Mr. Staples said Philippine GDP is expected to expand by 6.4%, slightly lower than the government's 6.5-7.5% target.

He projects Philippine GDP growth to ease to 5.6% in 2026 and 5.9% in 2027 and 2028, also below the government's 6.5-8% goal through 2028.

To accelerate growth, the Philippine government must focus on policies to bolster foreign direct investment (FDI) and improve domestic consumption, he said.

Mr. Staples said risks to the growth outlook include mass early retirement if the government pushes through with the military pension system reform.

Ongoing tensions with China may also cause delays in the country's infrastructure development, Mr. Staples said. The Philippines last year dropped China as a funding source for two key railway projects due to slow negotiations.

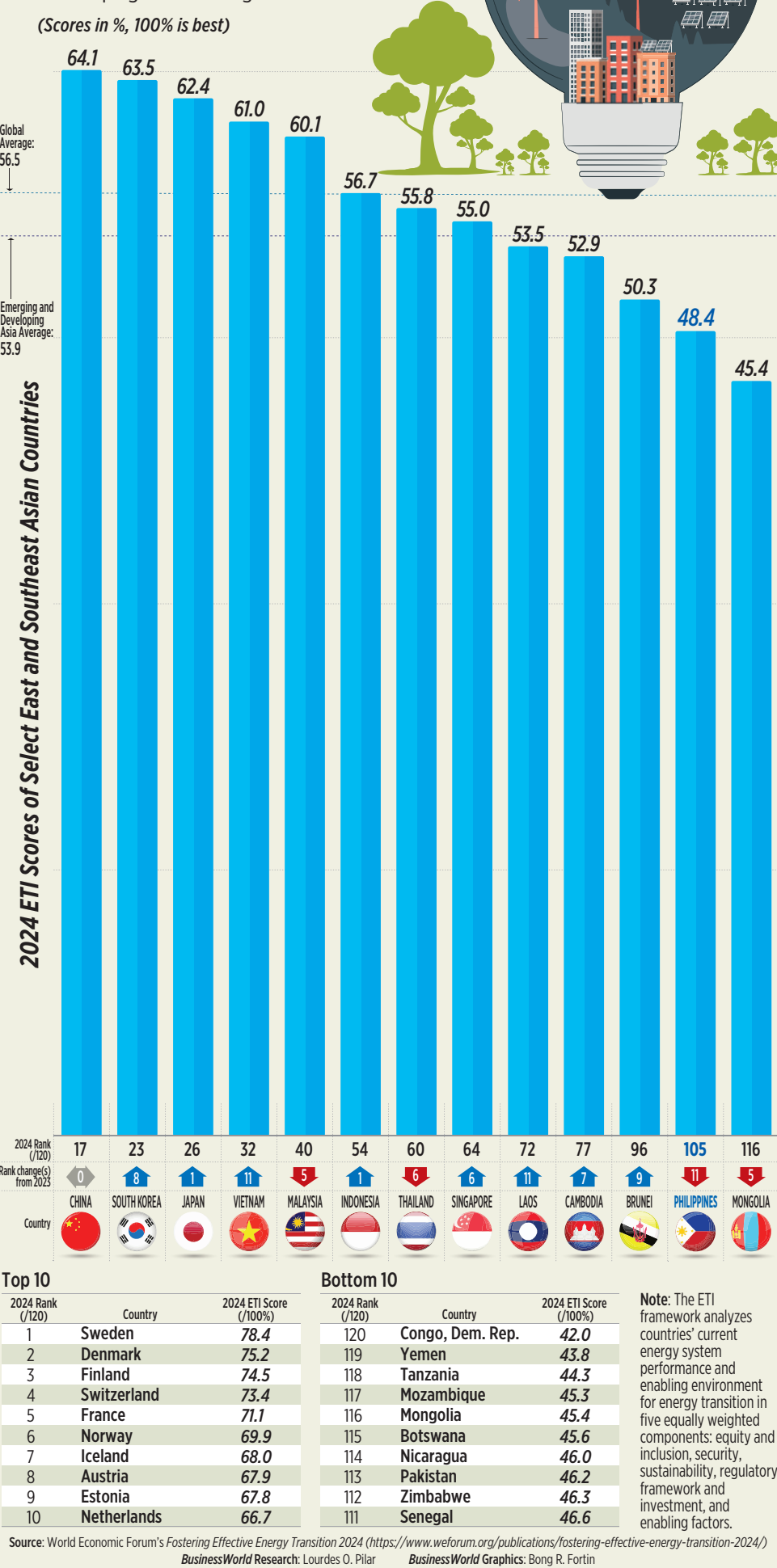
TRUMP PRESIDENCY

The possible re-election of former US President Donald J. Trump may pose some risks to the Philippines' relationship with the US.

Target, S1/3

PHILIPPINES FALLS IN ENERGY TRANSITION INDEX

The Philippines dropped by 11 places to 105th out of 120 countries in the 2024 edition of Energy Transition Index (ETI) by the World Economic Forum. The report looks at how well economies balance energy security and access with environmental sustainability and affordability. The country scored 48.4% on a 0% to 100% scale, below the global average score of 56.5% and Emerging and Developing Asia's average score of 53.9%.



THE INFORMATION TECHNOLOGY and business process management (IT-BPM) industry is on track to achieve a 7% growth in revenue and headcount by the end of 2024, an industry group said.

Jack Madrid, president of the IT and Business Process Association of the Philippines (IBPAP), told reporters on Wednesday that the industry anticipates around 6.5-7.5% growth in headcount and revenue in 2024.

"In the next 60 to 90 days we will have a much clearer picture of the 2024 performance, but from all indications, I think it's safe to say we will grow around 7% for both headcount and revenue," he said in an online briefing.

However, Mr. Madrid noted that achieving 7% growth this year meant the industry would only be hitting the "baseline scenario" and not the aggressive targets set under the IT-BPM Industry Roadmap 2028.

The industry ended 2023 with 1.7 million direct jobs and \$35.5 billion in export revenues. It is projected to hit 1.84 million in headcount and \$40 billion in revenues in 2024 under the roadmap.

If the 7% growth projection is achieved, the industry will end the year with 1.82 million in headcount and around \$38 billion in revenues.

"In our roadmap projections, we have three different scenarios: the aggressive scenario, the baseline scenario, which is in the middle, and the constrained scenario, which is the most conservative," Mr. Madrid said. "What we are confident to achieve, obviously, are the baseline scenarios."

Under the roadmap, the industry is targeting to reach 2.5 million jobs and generate \$59 billion in revenues by 2028.

Asked why the industry is optimistic about achieving its growth targets, Mr. Madrid said the demand for Filipino IT-BPM workers remains strong.

"The number one reason is the same: there is still a very high demand for the Filipino workforce to continue delivering global business services to our global customers," he said.

Mr. Madrid said that cost optimization in global companies is also driving the demand for outsourcing.

"Offshoring and outsourcing are ways to address cost optimization, so delivering more work from the Philippines or India still represents a way of cost optimization for global or North American customers," he said.

The Bangko Sentral ng Pilipinas projects service exports to grow to \$55.1 billion and \$60.5 billion in 2024 and 2025, respectively, while it projects business process outsourcing revenues to grow 7% annually in 2024 and 2025.

"We are a world capital in the IT-BPM industry, which is why when our global customers decide where to offshore, they will always choose between India and the Philippines and maybe some other options outside of India and the Philippines," Mr. Madrid said. — **Justine Irish D. Tabile**

Philippines slips in WEF Energy Transition Index

THE PHILIPPINES dropped 11 spots in an index that measures countries' energy transition efforts, reflecting the slowing global momentum amid increasing uncertainty.

The Philippines ranked 105th out of 120 countries in the World Economic Forum's (WEF) Energy Transition Index (ETI), from 94th in 2023.

The Philippines' latest ranking was its lowest since 2015 when it ranked 87th in the ETI, which analyzes a country's current energy system performance and enabling environment for energy transition.

It scored 48.4% on a 0% to 100% scale, lower than 50.2% last year. This is below the global average score of 56.5% and emerging and developing Asia's average score of 53.9%.

European countries topped this year's index led by Sweden with a score of 78.4, followed by Denmark (75.2), Finland (74.5), and Switzerland (73.4).

Among the emerging and developing Asian countries, the Philippines had one of the lowest

rankings, only ahead of Bangladesh (109th), Pakistan (113th) and Mongolia (116th).

China had the highest ranking among Asian countries at 17th place, followed by South Korea (23rd), Japan (26th), Vietnam (32nd), Malaysia (40th) and Indonesia (54th).

"Ensuring equitable access to energy is a critical issue in this region, characterized by limited rural electricity access, affordability challenges, extensive energy subsidies and energy prices not returning to pre-pandemic levels," the WEF said.

The WEF noted this year saw the highest global average scores in the history of the energy transition index, "with modest improvements in system performance of about 0.2% and strong progress in transition readiness, with a growth of 2%."

"From 2015 to 2024, the global average scores for the ETI have consistently increased, driven by improvements in both system performance and transition readiness," the report read.

Energy, S1/9

Gov't urged to boost education spending as students fare badly in latest PISA study

By John Victor D. Ordoñez
Reporter

THE PHILIPPINE government should boost spending on its public education system, arts and technology, as well as improve on-the-job training programs for students after a global study found Filipino students among the worst in the

world in creative thinking, according to economists and education experts.

In a study by the Organization for Economic Cooperation and Development (OECD), the Philippines ranked 63rd out of 64 countries in a 2022 global assessment that ranked 15-year-old students worldwide in producing and evaluating original ideas that would translate into effective solutions.

"It is time to seriously consider a comprehensive financial reform program in the whole education sector towards one that places a premium on foundational basic education and redistributes more funds to poor regions that sorely need to enhance education quality," Leonardo A. Lanzona, who teaches economics at the Ateneo de Manila University, said in a Facebook Messenger chat.

"Since learning is cumulative, this fundamental weakness in education will make our workers unproductive and unskilled, thus reducing our chances of reaching upper middle-income status."

The government of President Ferdinand R. Marcos, Jr. is aiming for the Philippines to reach upper middle-income status by 2025. The Philippines is currently classified as a lower middle-income country.

IBON Foundation Executive Director Jose Enrique "Sonny" A. Africa said the government should invest more in arts and culture, science, and technology to spur creative thinking in Filipino students.

"Creativity is both cause and effect of a progressive society and the state has a key role in fostering or suppressing this," he said in a Viber message. "Our education system has to be at the forefront

of pushing for all the factors needed for creativity, innovation and development."

Filipino students got an average score of 14 on creative thinking, according to the 2022 Programme on International Student Assessment (PISA) Volume III. The Philippine score was way below the global average of 33, and only better than Albania which had a score of 13.

Education, S1/9