

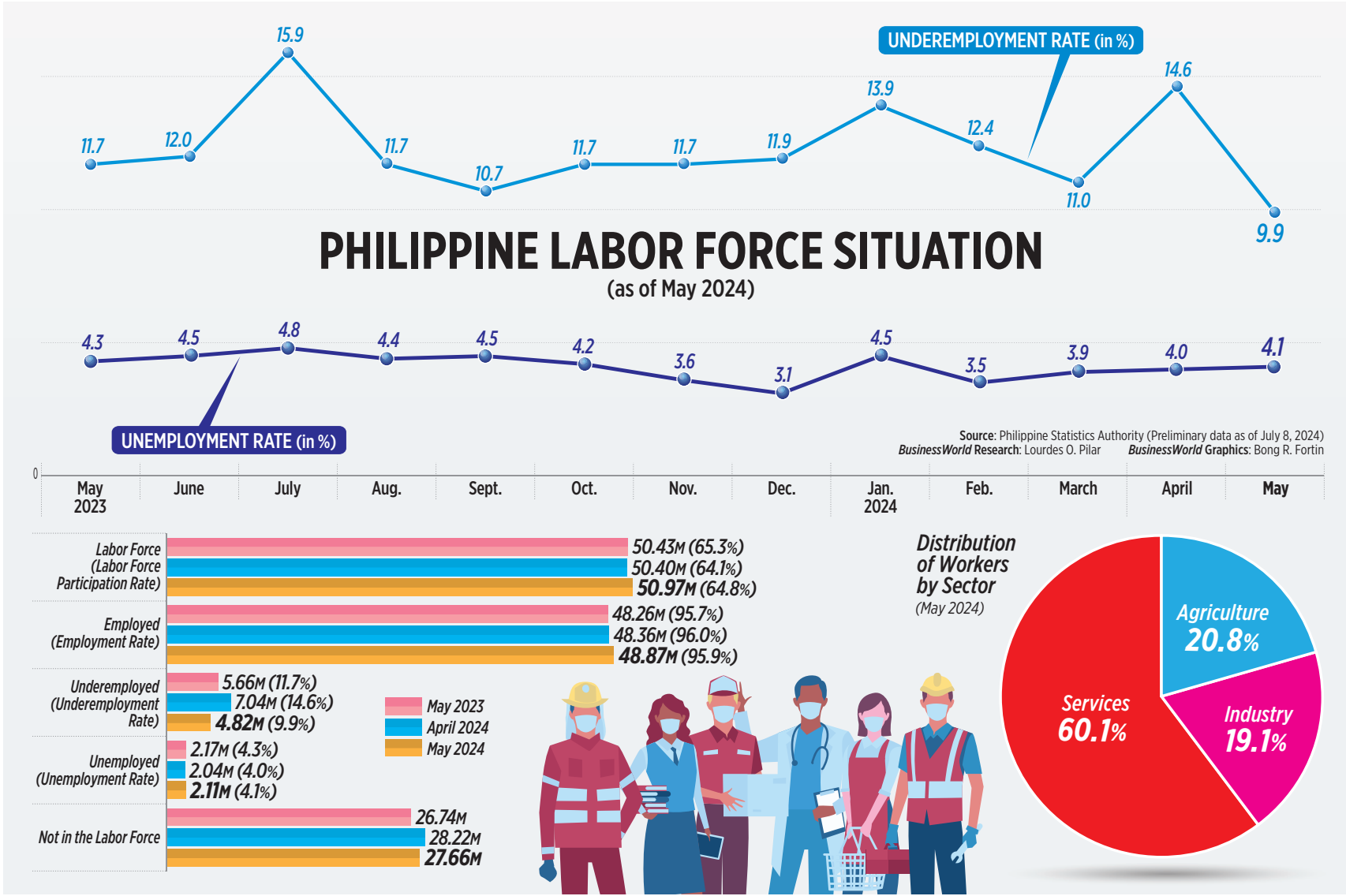
STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEi OPEN: 6,506.42 HIGH: 6,559.38 LOW: 6,506.42 CLOSE: 6,529.43 VOL.: 0.447 B VAL(P): 5.627 B 36.68 PFS. 0.56% 30 DAYS TO JULY 8, 2024	JULY 8, 2024 JAPAN (NIKKEI 225) 40,780.70 ▼ -131.67 -0.32% HONG KONG (HANG SENG) 17,524.06 ▼ -275.55 -1.55% TAIWAN (WEIGHTED) 23,878.15 ▲ 321.56 1.37% THAILAND (SET INDEX) 1,318.84 ▲ 6.85 0.52% S.KOREA (KSE COMPOSITE) 2,857.76 ▲ -4.47 -0.16% SINGAPORE (STRAITS TIMES) 3,408.19 ▼ -2.62 -0.08% SYDNEY (ALL ORDINARIES) 7,763.20 ▼ -59.10 -0.76% MALAYSIA (KLCSE COMPOSITE) 1,611.02 ▼ -5.73 -0.35% * CLOSING PRICE AS OF JULY 5, 2024	JULY 5, 2024 DOW JONES 39,375.870 ▲ 67.870 NASDAQ 18,352.759 ▲ 164.457 S&P 500 5,567.190 ▲ 30.170 FTSE 100 8,203.930 ▼ -37.330 Euro Stoxx50 4,520.360 ▼ -11.350	FX OPEN P58.550 HIGH P58.470 LOW P58.600 CLOSE P58.502 W.AVE. P58.539 VOL. \$1,074.40 M SOURCE : BAP 2.80 CTS 30 DAYS TO JULY 8, 2024	JULY 8, 2024 LATEST BID (0900GMT) PREVIOUS JAPAN (YEN) 161.000 ▼ 160.720 HONG KONG (HK DOLLAR) 7.810 ▲ 7.813 TAIWAN (NT DOLLAR) 32.461 ▼ 32.393 THAILAND (BAHT) 36.460 ▼ 36.440 S. KOREA (WON) 1,384.430 ▼ 1,376.570 SINGAPORE (DOLLAR) 1.349 ▼ 1.348 INDONESIA (RUPIAH) 16,250 ▼ 16,275 MALAYSIA (RINGGIT) 4.707 ▲ 4.707	JULY 8, 2024 CLOSE PREVIOUS US\$/UK POUND 1.2812 ▲ 1.2808 US\$/EURO 1.0836 — 1.0836 US\$/AUSTRALIAN DOLLAR 0.6738 ▼ 0.6749 CANADA DOLLAR/US\$ 1.3633 ▼ 1.3639 SWISS FRANC/US\$ 0.8954 ▼ 0.8960	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$87.65/BBL 30 DAYS TO JULY 5, 2024

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JULY 8, 2024 (PSEi snapshot on S1/4; article on S2/2)

BDO P145.000	ALI P29.200	MBT P65.100	SM P845.000	SMPH P28.500	ICT P355.000	TEL P1,504.000	BPI P122.500	AC P568.000	LTG P9.200
Value P930,758,918	Value P354,586,530	Value P293,019,389	Value P242,593,900	Value P239,378,355	Value P233,071,298	Value P231,535,730	Value P208,649,810	Value P203,494,865	Value P184,347,212
P6.200 ▲ 4.467%	-P0.050 ▼ -0.171%	P0.100 ▲ 0.154%	-P5.000 ▼ -0.588%	-P0.150 ▼ -0.524%	-P5.000 ▼ -1.389%	P34.000 ▲ 2.313%	P3.500 ▲ 2.941%	P0.000 — 0.000%	-P0.100 ▼ -1.075%

PHL jobless rate hits 4-month high



By Karis Kasarinlan Paolo D. Mendoza

THE PHILIPPINE jobless rate climbed to a four-month high in May while the quality of jobs improved to its best level since 2005, the Philippine Statistics Authority (PSA) reported on Monday.

Preliminary data from the PSA's Labor Force Survey (LFS) showed the unemployment rate inched up to 4.1% from 4% in April, as the labor force expanded. However, it was lower than the 4.3% recorded in May last year.

May saw the highest unemployment rate in four months or since the 4.5% print in January. This translated to 2.11 million unemployed Filipinos in May, up by 65,000 from 2.04 million in April.

Year on year, the number of jobless Filipinos went down by 61,000 from 2.17 million in May 2023.

In the first five months of the year, the unemployment rate averaged 4%, lower than the 4.6% average a year ago.

PSA Undersecretary and National Statistician Claire Dennis S. Mapa said the bigger labor force size was the main contributor to the rise in unemployment.

"One of the reasons why unemployment went up is the increase in participants in the labor market. Over half a million people joined the labor force but not all of them found employment," he said in mixed English and Filipino during the press briefing on Monday.

PSA data showed that 50.97 million people became part of the labor force in May, growing by 575,000 from 50.4 million in April.

Jobless, SI/3

PHL told to boost manufacturing jobs to achieve high-income growth

By Kyle Aristophere T. Atienza
Reporter

ECONOMISTS flagged the declining employment share of the Philippine manufacturing sector, which they said is key to achieving a high-income status and meeting other development goals including bringing down poverty incidence to single digits at a faster rate.

A De La Salle University (DLSU) School of Economics report on Monday showed that most targets under the Philippines' development plan for 2023 to 2028 will be met later than expected, and noted that the country would struggle to achieve high growth in the long-run in the absence of an industrial policy that has helped its Southeast Asian neighbors' manufacturing industries climb the value chain.

Most Filipino workers are employed in sectors of "very low productivity," the report said, adding the manufacturing sector's employment share is only 8% and is expected to further decrease to 7% by 2030.

"Historically, countries that have achieved high-income status obtained employment shares in manufacturing from about 20-25%, sometimes even higher," Mariel Monica Sauler, an economics professor at DLSU, said at the report's launch in Makati City. "Our current manufacturing employment share is just 8%."

For the Philippines to become an economic powerhouse, it needs to restructure its economy by taking workers out of the agriculture sector through mechanization and by significantly increasing the employment share of its manufacturing base, said Jesus Felipe, director of the Angelo King Institute for Economic and Business Studies at DLSU.

Manufacturing jobs, SI/9

Delayed easing to dampen growth — BSP chief

By Luisa Maria Jacinta C. Jocson
Reporter

THE BANGKO SENTRAL ng Pilipinas (BSP) said that it should not "wait too long" to begin policy easing as this would dampen economic growth, its top official said.

BSP Governor Eli M. Remolona, Jr. said on Monday that the central bank is trying to "strike a balance" between supply and demand to ensure stable prices.

"At this point, in the last mile, we're almost there, but we have to be more careful than before. Because there's a risk we might overdo it. There's a risk we might cause unnecessary loss of output, and we want to minimize that risk," he said at the Economic Journalists Association of the Philippines-San Miguel Corp. economic forum.

The BSP has kept policy rates at a 17-year high of 6.5% since October last year. It has raised rates by a cumulative 450 basis points (bps) from May 2022 to October 2023 in order to tame inflation.

The last time the BSP cut rates was in November 2020, when it delivered a 25-bp cut, bringing the key rate to 2% to support economic recovery amid the COVID-19 pandemic.

"When I said that we have to be cautious or we have to be careful, that basically means we have to not wait too long for easing because the longer we wait for easing, the more likely it is that we will cause a loss of output, which we don't want," Mr. Remolona said.

"That's basically where we stand. We're not going to raise (rates)."

Gross domestic product (GDP) grew by a weaker-than-expected 5.7% in the first quarter, slower than 6.4% a year ago.

To meet the government's 6-8% growth target, the GDP expansion should average 6.1% in the next three quarters.

Preliminary second-quarter GDP data will be released on Aug. 8, ahead of the Monetary Board's next policy review on Aug. 15.

The BSP chief said they are still "on track towards reducing rates" despite risks to the inflation outlook. He earlier said that the central bank can cut by 25 bps in the third quarter, and by another 25 bps in the fourth quarter.

"The 3.7% (inflation) is better than expected, so there's a bit more scope for easing, possibly in August," he said.

Headline inflation eased to 3.7% in June from 3.9% in May. This also marked the seventh straight month that inflation settled within the BSP's 2-4% target range.

Mr. Remolona said recent measures such as Executive Order (EO) No. 62 would help tame prices.

"The nonmonetary measures that the government has put in place, especially EO No. 62, are so helpful, because that will help us get to where we want to go, which is stable prices."

The executive order, signed by President Ferdinand R. Marcos, Jr. last month, slashed tariffs on rice imports to 15% from 35% previously, until 2028. It is largely expected to bring down retail rice prices and overall inflation.

Mr. Remolona also reiterated that the BSP does not need to wait for the Fed before it begins cutting rates.

"I think the Fed is not the most important data among the numbers that we look at. It affects our exchange rate, as you saw, the exchange rate affects inflation, so that's factored in, but it's not a decisive factor," he said.

Growth, SI/3

FUEL PRICE TRACKER
(week-on-week change)

GASOLINE	
June 25	P1.40
July 2	P0.95
July 9	P1.60
DIESEL	
June 25	P1.75
July 2	P0.65
July 9	P0.65
KEROSENE	
June 25	P1.05
July 2	P0.35
July 9	P0.60

• July 9, 12:01 a.m. — Caltex Philippines
 • July 9, 6 a.m. — Petron Corp., Phoenix Petroleum; Philipinas Shell Petroleum Corp.; PTT Philippines Corp.; Seacoil Philippines, Inc.
 • July 9, 8:01 a.m. — Cleanfuel (Shaw Autogas, Inc.)

Government considering Samurai, dollar bonds this year

THE GOVERNMENT is looking to issue Japanese yen-denominated and US dollar-denominated bonds within the year, the Finance chief said.

"I expect both the dollar and possibly Samurai bonds this year. Both are being considered," Finance Secretary Ralph G. Recto told reporters on the sidelines of the Economic Journalists Association of the Philippines-San Miguel Corp. economic forum.

The government plans to borrow \$5 billion this year, of which \$2 billion was raised from the issuance of global bonds last May. This leaves \$3 billion that has yet to be raised.

"On the Samurai bonds, the first mandate of the Department of Finance and the Treasury is to ensure that if we have to borrow, we borrow at the lowest rate possible," he said during the forum.

"Yes, we are considering Samurai bonds, but we're timing the market, taking a look at the best time to do it, if at all we have to do it."

The Philippines last issued Samurai bonds in April 2022, raising ¥70.1 billion.

Mr. Recto said the timing of the bond issuance will also depend on the US Federal Reserve's easing path.

"It depends on the Fed or global markets. Once they start reducing the rates, then that will be an opportunity to borrow," he added.

The Fed has earlier signaled it may push back the start of its easing cycle to December.

The National Government's outstanding debt rose to a fresh high of P15.35 trillion as of end-May, with external debt accounting for 32% or P4.9 trillion of the total.

REVENUE COLLECTIONS
Meanwhile, Mr. Recto said revenue collections jumped to P2.13 trillion in the first half of the year, 14.5% higher than P1.86 trillion collected in the same period last year.

"With 50% of the revenue target already achieved in the first semester, we are on track to reach the P4.27-trillion revenue program for 2024," the DoF said in a separate statement.

Preliminary data from the department showed that tax revenues rose by 8.8% to P1.81 trillion as of end-June from P1.67 trillion a year ago.

Bureau of Internal Revenue collections rose by 10.2% to P1.34 trillion in the six-month period. This was already 44% of the BIR's P3.05-trillion target for the year.

In a separate statement, the Bureau of Customs said collections jumped by 5.22% to P456.04 billion in the January-to-June period.

It also surpassed its P442.62-billion target for the six-month period by 3.03%, the agency said.

The DoF said nontax revenues in the first half expanded by 64.5% to P316.52 billion.

While the DoF said it is not looking to introduce new taxes this year, there are six measures pending in Congress that are expected to generate P42 billion in annual revenues.

Samurai, SI/3