



STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
6700 6560 6420 6280 6140 6000 22.28 pts. 0.33% 30 DAYS TO JULY 16, 2024 PSEi OPEN: 6,723.21 HIGH: 6,736.81 LOW: 6,667.09 CLOSE: 6,667.09 VOL.: 0.353 B VAL(P): 5.410 B	JULY 16, 2024 CLOSE NET % JAPAN (NIKKEI 225) HONG KONG (HANG SENG) TAIWAN (WEIGHTED) THAILAND (SET INDEX) S. KOREA (KSE COMPOSITE) SINGAPORE (STRAITS TIMES) SYDNEY (ALL ORDINARIES) MALAYSIA (KLCSE COMPOSITE) 41,275.08 17,727.98 23,997.25 1,322.21 2,866.09 3,490.89 7,999.30 1,625.96 ▲ ▲ ▲ ▲ ▲ ▲ ▲ 84.40 -287.96 117.89 -5.22 5.17 -9.00 -18.30 -3.86 0.20 -1.60 0.49 -0.39 0.18 -0.26 -0.23 -0.24	JULY 15, 2024 CLOSE NET DOW JONES NASDAQ S&P 500 FTSE 100 Euro Stoxx50 40,211.720 18,472.566 5,631.220 8,182.960 4,526.910 ▲ ▲ ▲ ▼ ▼ 210.820 74.121 15.870 -69.950 -50.690	58.25 58.44 58.63 58.82 59.01 59.20 9.50 ctyvs 30 DAYS TO JULY 16, 2024 FX OPEN P58.455 HIGH P58.385 LOW P58.520 CLOSE P58.385 W.AVE. P58.466 VOL. \$1,419.65 M SOURCE : BAP	JULY 16, 2024 LATEST BID (0900GMT) PREVIOUS JAPAN (YEN) HONG KONG (HK DOLLAR) TAIWAN (NT DOLLAR) THAILAND (BAHT) S. KOREA (WON) SINGAPORE (DOLLAR) INDONESIA (RUPIAH) MALAYSIA (RINGGIT) 158.400 7.804 32.576 36.100 1,383.400 1.343 16,175 4.670 ▼ ▲ ▲ ▲ ▼ ▼ ▼ 157.870 7.806 32.557 36.210 1,381.670 1.342 16,165 4.667	JULY 16, 2024 CLOSE PREVIOUS US\$/UK POUND US\$/EURO US\$/AUST DOLLAR CANADA DOLLAR/US\$ SWISS FRANC/US\$ 1.2963 1.0902 0.6742 1.3677 0.8952 ▼ ▼ ▼ ▲ ▼ 1.2987 1.0908 0.6785 1.3636 0.8957	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$84.68/BBL 84.50 83.50 82.50 81.50 80.50 79.50 78.50 77.50 76.50 \$0.96 30 DAYS TO JULY 15, 2024

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JULY 16, 2024 (PSEi snapshot on S1/3; article on S2/2)

ALI	P31.700	BDO	P139.800	SM	P900.000	SMPH	P30.000	ICT	P362.000	JFC	P230.000	TEL	P1,499.000	AC	P593.000	MBT	P67.500	BPI	P121.300
Value	P898,957,140	Value	P521,559,876	Value	P393,965,595	Value	P335,995,520	Value	P264,159,938	Value	P228,326,978	Value	P204,888,935	Value	P200,567,920	Value	P170,218,504	Value	P165,791,996
P1.000	▲ 3.257%	-P3.900	▼ -2.714%	P0.000	— 0.000%	P0.400	▲ 1.351%	-P1.200	▼ -0.330%	P0.000	— 0.000%	-P50.000	▼ -3.228%	-P2.000	▼ -0.336%	-P0.550	▼ -0.808%	-P0.700	▼ -0.574%

AMRO trims PHL growth forecasts

THE ASEAN+3 Macroeconomic Research Office (AMRO) trimmed its Philippine economic growth forecast for this year and in 2025, amid slowing external demand.

In its latest update, AMRO sees Philippine gross domestic product (GDP) expanding by 6.1% this year, slightly lower than the 6.3% in the April report.

Despite the downgrade, this is still faster than the 5.5% GDP growth in 2023, and within the government's 6-7% target for this year.

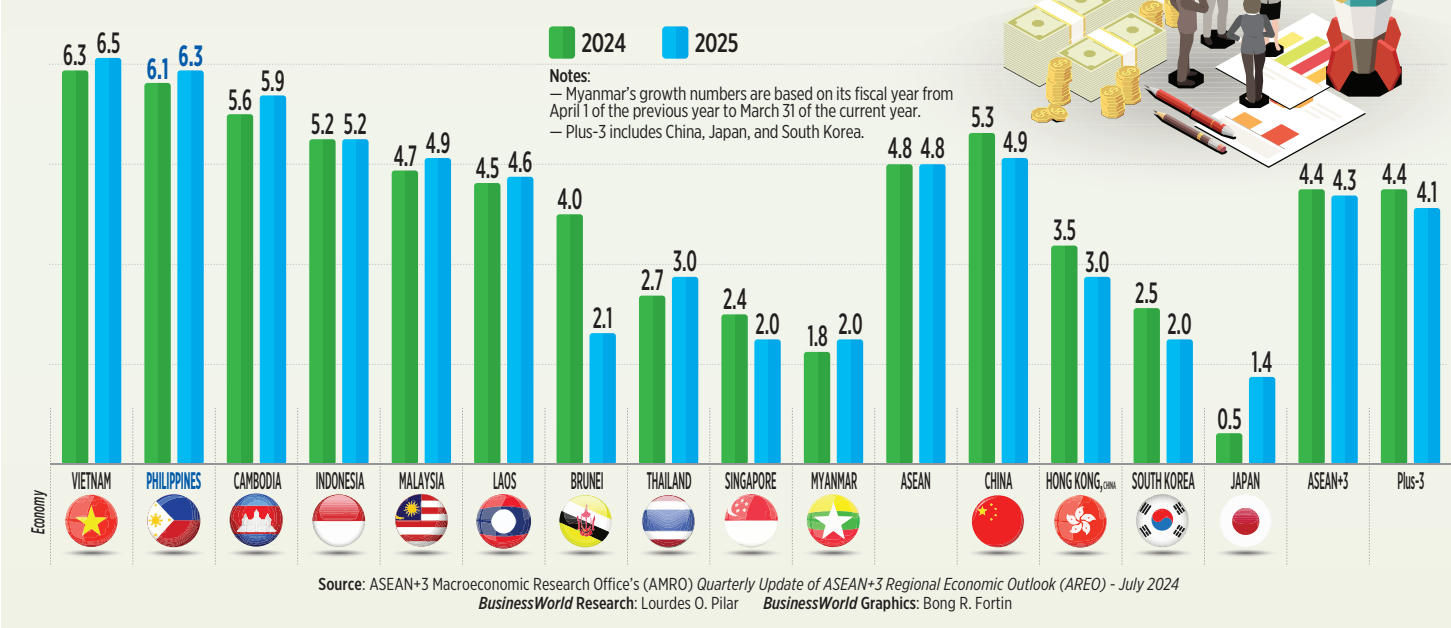
"We have shaved down the growth for not just the Philippines but many of the countries in the region. The recovery in the external sector was weaker than expected," AMRO Chief Economist Hoe Ee Khor said in a virtual briefing on Tuesday.

"We may revise it up in the second half if the data show that the economy becomes more strongly," Mr. Khor said.

AMRO also downgraded its GDP growth forecast for 2025 to 6.3% from 6.5% in the previous report. This is within the government's 6.5-7.5% goal for next year.

Mr. Khor said Philippine growth has been weakened by gaps in infrastructure.

AMRO'S ASEAN+3 GDP GROWTH FORECASTS (July 2024 Update, in % year on year)



"I think the government is very conscious of that and is trying to fill the gap. Unfortunately, fiscal space has been used up to some extent during the pandemic," he said.

The Philippine government aims to spend P1.47 trillion on

infrastructure this year. The Marcos administration has committed to maintaining high investments in infrastructure or around 5-6% of GDP from 2024 to 2025.

To complement domestic savings, the Philippines still has "a

moderate business space" to attract more foreign investments. However, its economy remains one of the most restrictive in the region, Mr. Khor said.

"We think the policy measures by the government will continue to at-

tract more investment, and also with the improvement in infrastructure gap, will help to lift the (Philippines) growth potential," he said.

Also, AMRO lowered its inflation forecast for the Philippines to 3.3% for this year from 3.6% in

the April report. It raised its inflation projection to 3.1% for 2025 from 2.9% previously.

AMRO said the BSP may maintain a tight monetary policy until a downward trend in inflation is sustained.

Despite this, the Philippines is still projected to be the second-fastest growing economy among Association of Southeast Asian Nations (ASEAN) members this year, behind only Vietnam (6.3%).

Philippine growth is expected to be ahead of Cambodia (5.6%), Indonesia (5.2%), Malaysia (4.7%), Laos (4.5%), Brunei (4%), Thailand (2.7%), Singapore (2.4%), and Myanmar (1.8%).

AMRO sees the ASEAN+3 region, which includes China, Hong Kong, Japan and South Korea, expanding by 4.4% this year and 4.3% in 2025.

The ASEAN region is projected to grow by 4.8% this year and next year.

"External trade is set to return to positive territory this year, which will supplement strong domestic consumption and the continuing recovery in tourism," AMRO said in the report.

AMRO, S1/9

BIR collection of withholding tax from online sellers starts

By Beatriz Marie D. Cruz
Reporter

THE BUREAU of Internal Revenue (BIR) on Monday started collecting a withholding tax on online platforms and sellers.

At the same time, the BIR extended the transition period for digital financial service providers by another 90 days to mid-October.

BIR Commissioner Romeo D. Lumagui, Jr. said in a statement that electronic marketplace operators started imposing the withholding tax against sellers and merchants on July 15.

"We have already extended this by 90 days. No further extensions will be given," he said.

A withholding tax is not a new form of tax, but an advance payment collected from the total income tax liability of an online seller.

Under Revenue Regulations (RR) No. 16-2023, a withholding tax of 1% will be imposed on one-half of the gross remittances by e-marketplace operators and digital financial service providers to the sellers or merchants for the goods and services paid or sold through their platforms or facilities.

In April, the BIR extended the transition period for another 90 days, or until July 14, in response to the request of the private sector.

This regulation covers marketplaces for online shopping, food delivery platforms, platforms to book lodging accommodations, and other similar online service or product marketplaces.

"The BIR aims to level the playing field between brick-and-mortar stores, which are regularly complying with their tax obligations, and online marketplaces," Mr. Lumagui said.

"Whether their business is operated online or through physical stores, sellers and merchants have to pay their taxes."

BIR, S1/9

Philippines likely to post one of the fastest growth rates in Asia this year, 2025 — IMF

THE PHILIPPINES will likely post the second-fastest growth in Asia this year and in 2025, the International Monetary Fund (IMF) said.

In its latest World Economic Outlook report, the IMF maintained its gross domestic product (GDP) growth forecast for the Philippines at 6% this year and 6.2% in 2025.

If realized, the Philippine economic growth would be the second fastest among selected Asian economies, after India's 7.5% GDP growth forecast.

The Philippines' growth forecast for 2024 is faster than China (5%), Indonesia (5%), Malaysia (4.4%), Kazakhstan (3.5%), and Iran (3.3%), the IMF said.

It would also surpass Thailand (2.9%), Egypt (2.7%), Korea (2.5%), Pakistan (2%), Saudi Arabia (1.7%), and Japan (0.7%).

"Asia's emerging market economies remain the main engine for the global

economy," Pierre-Olivier Gourinchas, economic counsellor and the director of research of the IMF, said in a statement.

The IMF maintained its global growth projection at 3.2% in 2024 and 3.3% in 2025, "broadly unchanged" from the previous report's forecasts.

The IMF cut the United States growth forecast to 2.6% this year, but kept the growth estimate at 1.9% for 2025.

"The forecast for growth in emerging market and developing economies is revised upward; the projected increase is powered by stronger activity in Asia, particularly China and India," it said.

The IMF raised its forecasts for emerging market and developing Asia, which is seen to grow by 5.4% this year and by 5.1% in 2025.

The growth projection for China was also raised to 5% for this year, "primarily on account of a rebound in private

consumption and strong exports in the first quarter." China's growth is expected to slow to 4.5% next year, and "to continue to decelerate over the medium term to 3.3% by 2029, because of headwinds from aging and slowing productivity growth."

However, "prospects for the next five years remain weak, largely because of waning momentum in emerging Asia," IMF said.

The IMF said risks to the outlook "remain balanced" although upside risks to inflation "stem from a lack of progress on services disinflation and price pressures emanating from renewed trade or geopolitical tensions."

"The risk of elevated inflation has raised the prospects of higher-for-ever-longer interest rates, which in turn increases external, fiscal, and financial risks," it said.

IMF, S1/9



Globe Hapag Movement

GLOBE TELECOM, INC. has signed a partnership with SM Development Corp. (SMDC) and SOS PH to support the Hapag Movement. In photo: (from left) Jaime Alfonso Zobel de Ayala, Globe board director and chief executive officer of AC Industrials; Yoly C. Crisanto, Globe chief sustainability and corporate communications officer; Jessica Bianca T. Sy, SMDC assistant vice-president and project director; Grace Evangeline M. Sta. Ana, SMDC executive vice-president; and Marco James M. Leyson, SOS PH director of global impact & operations.

BoI says investment approvals may hit P1.6T this year

APPROVED investment pledges may hit P1.6 trillion this year, amid expectations of higher inflows of foreign direct investments (FDIs) and the pipeline of green lane-endorsed projects, a Trade official said.

Board of Investments (BoI) Managing Head and Trade Undersecretary Ceferino S. Rodolfo said the positive outlook stems from the central bank's hike in projected FDI net inflows this year.

"(The Bangko Sentral ng Pilipinas) increased its projection to \$9.5 billion despite the drop in net FDI in April, and considering that the overall January-April number is still up and the pipeline of projects is still up, we are thinking of adjusting the

upper limit to P1.6 trillion," he told reporters on the sidelines of the Tatak Pinoy Act Forum on Monday.

Latest BSP data showed FDI net inflows fell by an annual 36.9% to \$556 million in April, the lowest level in 10 months.

This brought FDI net inflows in the January-to-April period to \$3.525 billion, up 18.7% from \$2.971 billion a year ago.

The BoI had previously set an internal target of approving P1.25 trillion to P1.5 trillion in investment pledges this year.

The latest figures from the BoI showed that investment approvals reached P950 billion in the first six months, representing 59.4% of the agency's P1.6-trillion target for the year.

In 2023, the BoI approved P1.26 trillion worth of investment pledges.

Mr. Rodolfo said the pipeline of projects under the green lane has also added to the optimistic outlook for higher investments this year.

The government had established the green lane in all government agencies in order to speed up the approval and registration process for priority or strategic investments.

As of June 20, P2.32 trillion worth of projects were endorsed to its One-Stop Action Center for Strategic Investments since it was established last year.

"But the total projects that were registered out of that are only P1.31 trillion. So, in effect, we

still have P1 trillion worth of projects that are not yet registered but are in the pipeline," he added in mixed English and Filipino.

The majority or 65 of the projects certified for the green lane system are renewable energy (RE) projects with a combined cost of P1.95 trillion.

In its report, the BoI said that only 32 out of the 74 projects approved since last year are already registered with the BoI, with a total project cost of P1.31 trillion. The remaining 42 projects worth P1.02 trillion are still being eyed for registration.

Mr. Rodolfo said that BoI will remain very aggressive in promoting and converting projects in the pipeline to actual registration.

BoI, S1/9