P25 IN METRO MANILA, PHILIPPINES

BusinessWorld

A NEWSPAPER IS A PUBLIC TRUST

FOLLOW US ON:
facebook.com/bworldph
twitter.com/bworldph
anchor.fm/businessworld

STOCK MARKET

PSEi

OPEN:	6,953.01
HIGH:	6,959.64
LOW:	6,872.55
CLOSE:	6,891.55
VOL.:	0.960 B
VAL(P):	6.639 B

▼ 66.46 0.95%

30 DAYS TO AUGUST 29, 2024

ASIAN MARKETS

AUGUST 29, 2024

	CLOSE		NET	%
Japan (Nikkei 225)	38,362.53	▼	-9.23	-0.02
Hong Kong (Hang Seng)	17,786.32	▲	93.87	0.53
Taiwan (Weighted)	22,201.85	▼	-168.81	-0.75
Thailand (SET Index)	1,357.41	▼	-8.31	-0.61
S.Korea (Kse Composite)	2,662.28	▼	-27.55	-1.02
Singapore (Straits Times)	3,404.47	▲	13.44	0.40
Sydney (All Ordinaries)	8,045.10	▼	-26.30	-0.33
Malaysia (Klse Composite)	1,653.55	▼	-21.69	-1.29

WORLD MARKETS

AUGUST 28, 2024

	CLOSE		NET
Dow Jones	41,091.420	▼	-159.080
NASDAQ	17,556.027	▼	-198.793
S&P 500	5,592.180	▼	-33.620
FTSE 100	8,343.850	▼	-1.610
Euro Stoxx50	4,514.590	▲	15.720

PESO-DOLLAR RATES

FX

OPEN	P56.250
HIGH	P56.220
LOW	P56.340
CLOSE	P56.283
W.AVE.	P56.289
VOL.	$1,567.00

▼ 0.20 CTV

30 DAYS TO AUGUST 29, 2024

SOURCE : BAP

ASIAN MONIES-US$ RATE

AUGUST 29, 2024

	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	144.570	▼	144.180
Hong Kong (HK dollar)	7.798	▲	7.799
Taiwan (NT dollar)	31.852	▲	31.966
Thailand (baht)	33.940	▲	33.990
S. Korea (won)	1,330.050	▲	1,334.610
Singapore (dollar)	1.301	▲	1.303
Indonesia (rupiah)	15,410	▲	15,420
Malaysia (ringgit)	4.305	▲	4.340

WORLD CURRENCIES

AUGUST 29, 2024

	CLOSE		PREVIOUS
US$/UK pound	1.3199	▼	1.3234
US$/Euro	1.1095	▼	1.1142
US$/Aust dollar	0.6820	▲	0.6792
Canada dollar/US$	1.3456	▼	1.3459
Swiss Franc/US$	0.8437	▲	0.8425

DUBAI CRUDE OIL

FUTURES PRICE ON NEAREST MONTH OF DELIVERY

$77.70/BBL

▼ $1.49

30 DAYS TO AUGUST 28, 2024

VOL. XXXVIII • ISSUE 25

FRIDAY • AUGUST 30, 2024 • www.bworldonline.com

S1/1-12 • 2 SECTIONS, 18 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • AUGUST 29, 2024 (PSEi snapshot on *S1/2*; article on *S2/2*)

		Value			
ALI	P34.850	P997,819,515	P0.850	▲	2.500%
BDO	P153.500	P651,222,247	-P0.500	▼	-0.325%
SM	P904.000	P565,027,080	-P26.000	▼	-2.796%
ICT	P403.000	P490,038,164	-P2.200	▼	-0.543%
JFC	P257.600	P377,914,226	P2.800	▲	1.099%
PLUS	P23.450	P284,336,205	-P0.550	▼	-2.292%
SMPH	P30.000	P280,325,040	-P0.300	▼	-0.990%
MBT	P71.500	P266,709,209	-P2.400	▼	-3.248%
URC	P92.850	P249,824,153	-P3.150	▼	-3.281%
BPI	P124.400	P176,903,894	-P2.700	▼	-2.124%

Gov't raises $2.5B from global bonds

THE GOVERNMENT has raised $2.5 billion from its sale of triple-tranche US dollar-denominated global bonds, its second foray into the international debt market this year.

"We are very pleased to see the overwhelming investor interest in our new $2.5-billion triple-tranche global bonds," Finance Secretary Ralph G. Recto said in a statement. "In fact, compared with our regional peers, the Philippines' issuance achieved among the best pricing in all of our tranches this year. This is a resounding vote of confidence in our country's solid credit profile."

The total amount raised was in line with Mr. Recto's earlier target of $2 billion to $2.5 billion.

The Bureau of the Treasury (BTr) said the 5.5-year bonds, maturing on March 5, 2030, have a yield of 4.375%. This was priced 35 basis points (bps) tighter than the initial guidance.

The new 10.5-year bonds, maturing on March 5, 2035, were priced at 4.75%, 30 bps tighter than the initial guidance.

The new 25-year sustainability bonds, which will mature on Sept. 5, 2049, have a yield of 5.175%. This was 32.5 bps tighter than the earlier guidance.

The BTr said it issued the bonds as benchmark yields were moderating due to the dovish US Federal Reserve stance, supporting market expectations of a rate cut in September.

"The 5.5-year spread is the tightest among all US dollar 5/5.5-year issuances by the (Philippines) since June 2021, while the all-in yield for the 10.5- and 25-year is the tightest among all US dollar 10/10.5-year and 25-year issuances by the (Philippines) since March 2022," the BTr said.

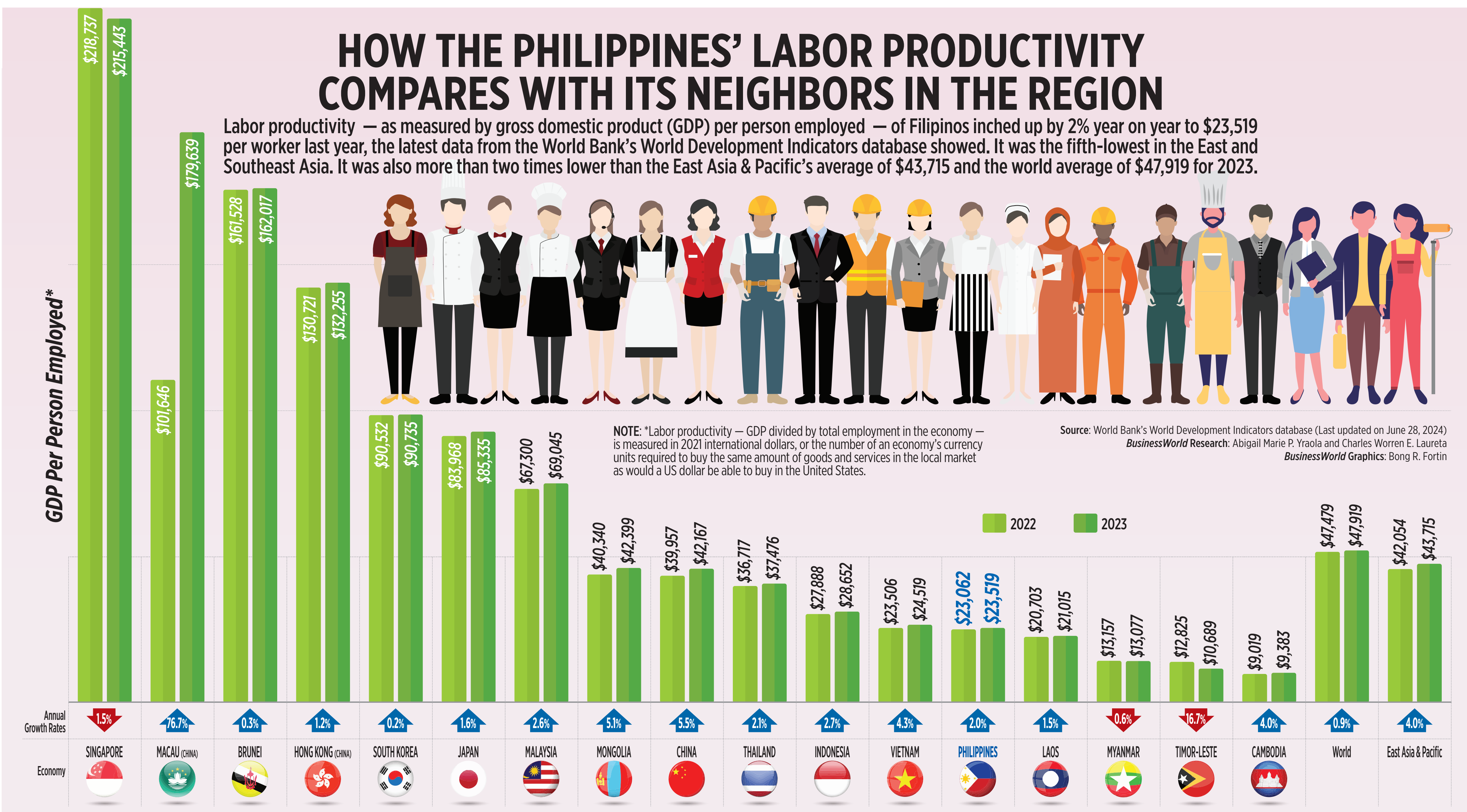
National Treasurer Sharon P. Almanza said the tight pricing of the global bonds reflects "continued confidence in the country's creditworthiness and robust economic performance."

"The exceptionally tight pricing across all offerings enables the government to conserve on interest payments, thereby allowing more fiscal space to flow into transformative investments," she said in a statement.

Global bonds, S1/11

HOW THE PHILIPPINES' LABOR PRODUCTIVITY COMPARES WITH ITS NEIGHBORS IN THE REGION

Labor productivity — as measured by gross domestic product (GDP) per person employed — of Filipinos inched up by 2% year on year to $23,519 per worker last year, the latest data from the World Bank's World Development Indicators database showed. It was the fifth-lowest in the East and Southeast Asia. It was also more than two times lower than the East Asia & Pacific's average of $43,715 and the world average of $47,919 for 2023.



NOTE: *Labor productivity — GDP divided by total employment in the economy — is measured in 2021 international dollars, or the number of an economy's currency units required to buy the same amount of goods and services in the local market as would a US dollar be able to buy in the United States.

Source: World Bank's World Development Indicators database (Last updated on June 28, 2024)
***BusinessWorld* Research**: Abigail Marie P. Yraola and Charles Worren E. Laureta
***BusinessWorld* Graphics**: Bong R. Fortin

DA won't recommend hike on rice tariffs yet

By Adrian H. Halili
Reporter

THE DEPARTMENT of Agriculture said that it would not yet recommend raising tariffs on imported rice since retail prices have not gone down.

"Before 400,000 metric tons (MT) were shipped per month, since June, July, and August, almost 150,000 MT of rice have entered... So, it's not enough stock for us to recommend the raising of tariffs," Agriculture Secretary Francisco P. Tiu Laurel, Jr. told reporters on the sidelines of a poultry and livestock event on Wednesday.

Between the months of June and August, rice imports at a 15% tariff averaged to about 150,000 MT per month, he said.

As of Aug. 22, Philippine rice imports amounted to 2.72 million MT, data from the Bureau of Plant Industry showed.

"The price of rice in the market has not yet decreased. Besides, the problem is, *konti pa lang ang pumasok na bigas* at 15% (few shipments came in at 15%)," Mr. Tiu Laurel said.

Rice tariffs, S1/11

Global Youth Summit ignites change at the Mall of Asia Arena

THE 12TH GLOBAL YOUTH SUMMIT 2024 united over 24,000 young sustainability champions. From left: SM Supermalls' Assistant Vice-President and SM Cares Program Director for Children and Youth Royston A. Cabunag, actress Heart Evangelista, Bless Microfinance Corp. President Marie Beatrice Mendoza, and Global Peace Foundation Philippines Executive Director Leonard T. Faustino (*Read story on S1/5*).

Salceda says House won't adopt Senate's CREATE MORE bill

By Justine Irish D. Tabile
Reporter

THE HOUSE of Representatives would not adopt the Senate's version of the Corporate Recovery and Tax Incentives for Enterprises to Maximize Opportunities for Reinvigorating the Economy (CREATE MORE) bill because it is "too flawed," Ways and Means Committee Chairman and Albay Rep. Jose Maria Clemente "Joey" S. Salceda said.

"The House contingent will seek to resolve differences in principle between the Senate and House versions of the CREATE MORE bill in a Bicameral Conference Committee," Mr. Salceda told *BusinessWorld* in a Viber message.

This comes after Office of the Special Assistant to the President for Investment and Economic Affairs (OSAPIEA) chief Frederick D. Go said that he hopes the House would adopt or at least be amendable to the Senate version of CREATE MORE.

The Senate is expected to approve the CREATE MORE bill on second and third reading next week.

"I will closely work with Malacañang, as we have in the past. We always treat comments from the OSAPIEA with the highest consideration and priority. But, on these key issues, the House contingent will be steadfast," Mr. Salceda said.

The CREATE MORE bill is among the priority legislative measures identified by the Legislative-Executive Development Advisory Council for passage before the 19th Congress ends in June 2025.

Mr. Go said the Senate has so far approved five bills since Congress opened its third and final regular session in July.

"They are actually working very hard to give us our priority bills. And so, the next bill to come out of the Senate, I hope, is the CREATE MORE bill," he said.

"I can assure you that I've been working with them up to late nights for the last many days to try to pass this. They say they will try to pass it on Tuesday next week," he added.

CREATE MORE, S1/11

New digital bank applicants must hurdle 'stricter' criteria

By Luisa Maria Jacinta C. Jocson *Reporter*

NEW DIGITAL BANKS applying for a license must adhere to tighter standards on financial inclusion, a Bangko Sentral ng Pilipinas (BSP) official said, adding that there is a possibility that not all four new licenses would be granted immediately.

"Since digital bank applicants will be assessed against stricter criteria and parameters against our financial inclusion goals, it is possible that the number of digital bank players in the financial system will not reach the maximum limit of 10," BSP Deputy Governor Chuchi G. Fonacier told *BusinessWorld*.

"We are optimistic that the new players are going to offer financial products and services that have not been widely offered to the market," she added.

Earlier this month, the Monetary Board approved the lifting of the moratorium on new digital banking licenses starting Jan. 1, 2025. It will allow four more digital banks to operate in the country, which would bring the maximum number to 10. These can either be new applicants or banks that seek to convert their existing license to a digital one.

"There are some entities that have shown interest, but we have yet to really see the bigger picture when the application window opens in January 2025," Ms. Fonacier said.

"With our continuous market surveillance, we are also looking at a limited number of players who might be interested in converting their license to a digital banking license."

Digital bank, S1/11