

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
<b>PSEI</b> OPEN: 7,414.13 HIGH: 7,452.74 LOW: 7,398.99 CLOSE: 7,413.16 VOL.: 0.917 B VAL(P): 5.311 B 6.53 Pts. 0.08% 30 DAYS TO OCTOBER 22, 2024	<b>OCTOBER 22, 2024</b> JAPAN (NIKKEI 225) 38,411.96 ▼ -542.64 -1.39 HONG KONG (HANG SENG) 20,498.95 ▲ 20.49 0.10 TAIWAN (WEIGHTED) 23,535.43 ▼ -7.10 -0.03 THAILAND (SET INDEX) 1,470.32 ▼ -18.42 -1.24 S.KOREA (KSE COMPOSITE) 2,570.70 ▼ -34.22 -1.31 SINGAPORE (STRAITS TIMES) 3,587.41 ▼ -27.17 -0.75 SYDNEY (ALL ORDINARIES) 8,205.70 ▼ -138.70 -1.66 MALAYSIA (KLCSE COMPOSITE) 1,642.54 ▼ -3.14 -0.19	<b>OCTOBER 21, 2024</b> DOW JONES 42,931.600 ▼ -344.310 NASDAQ 18,540.005 ▲ 50.452 S&P 500 5,853.980 ▼ -10.690 FTSE 100 8,318.240 ▼ -40.010 Euro Stoxx50 4,459.750 ▼ -25.500	<b>FX</b> OPEN P57.690 HIGH P57.690 LOW P57.920 CLOSE P57.880 W.AVE. P57.798 VOL. \$1,302.50 M 29.00 cmts 30 DAYS TO OCTOBER 22, 2024 SOURCE : BAP	<b>OCTOBER 22, 2024 LATEST BID (0900GMT)</b> JAPAN (YEN) 150.860 ▼ 149.830 HONG KONG (HK DOLLAR) 7.774 ▼ 7.772 TAIWAN (NT DOLLAR) 32.021 ▼ 31.991 THAILAND (BAHT) 33.490 ▼ 33.410 S. KOREA (WON) 1,378.100 ▼ 1,377.220 SINGAPORE (DOLLAR) 1.315 ▼ 1.313 INDONESIA (RUPIAH) 15,555 ▼ 15,490 MALAYSIA (RINGGIT) 4.325 ▼ 4.300	<b>OCTOBER 22, 2024</b> US\$/UK POUND 1.2983 ▼ 1.3030 US\$/EURO 1.0825 ▼ 1.0855 US\$/AUST DOLLAR 0.6680 ▼ 0.6689 CANADA DOLLAR/US\$ 1.3830 ▲ 1.3815 SWISS FRANC/US\$ 0.8651 ▲ 0.8642	<b>FUTURES PRICE ON NEAREST MONTH OF DELIVERY</b> \$74.19/BBL 30 DAYS TO OCTOBER 21, 2024

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • OCTOBER 22, 2024 (PSEi snapshot on S1/2; article on S2/2)

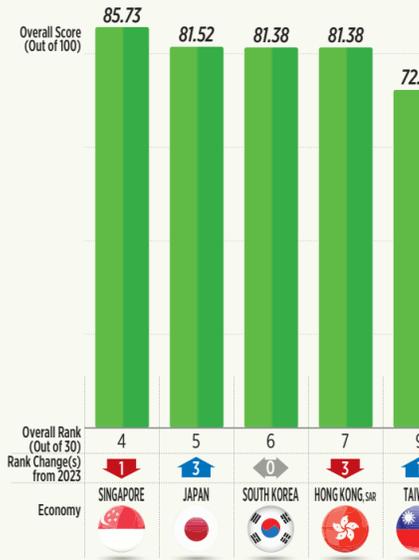
Symbol	Value	Change	Symbol	Value	Change	Symbol	Value	Change	Symbol	Value	Change	Symbol	Value	Change	Symbol	Value	Change												
BDO	P164.000	▼ -0.606%	ALI	P35.800	▼ -0.556%	BPI	P143.000	▲ 0.351%	MBT	P79.000	▼ -1.863%	ICT	P417.400	▲ 2.204%	MONDE	P11.080	▲ 3.940%	JFC	P278.600	▲ 0.942%	URC	P101.000	▲ 1.661%	SM	P956.000	▼ -0.624%	GLO	P2,390.000	▼ -0.994%

# IMF maintains growth outlook for PHL

## PHILIPPINES DROPS IN SUSTAINABLE TRADE INDEX

The Philippines inched down a notch to 13<sup>th</sup> out of 30 economies with a score of 54.77 out of 100 in the 2024 edition of the Sustainable Trade Index by Asia-based philanthropic organization Hinrich Foundation in partnership with academic institution Institute for Management Development (IMD). The index measures the readiness and capacity of economies to participate in international trade using 72 indicators under three pillars: economic, societal, and environmental.

### 2024 Sustainable Trade Index Scores of Select East and Southeast Asian Economies



### Philippines' Profile (2024)

Pillar	2024 Rank (Out of 30)	Score (Out of 100)
Overall	13	54.77
Environmental	3	93.01
Economic	19	55.99
Societal	19	37.44

### Top 10

Overall Rank (Out of 30)	Economy	Overall Score (Out of 100)
1	New Zealand	100.00
2	United Kingdom	97.69
3	Australia	87.37
4	Singapore	85.73
5	Japan	81.52
6	South Korea	81.38
7	Hong Kong, SAR	81.38
8	Canada	79.96
9	Taiwan	72.29
10	United States	72.16

### Bottom 10

Overall Rank (Out of 30)	Economy	Overall Score (Out of 100)
30	Russia	0.00
29	Papua New Guinea	3.19
28	Pakistan	3.66
27	Myanmar	11.08
26	Sri Lanka	16.80
25	Bangladesh	21.28
24	Brunei	22.14
23	India	24.00
22	Laos	24.96
21	Ecuador	32.85

### Philippines' Historical Ranks and Scores

Year	Overall Rank	Overall Score (Out of 100)
2016	13/20	52.00
2018	10/20	51.20
2020	8/20	55.90
2022	12/30	49.52
2023	12/30	61.39
2024	13/30	54.77

Note: Indicators were rescaled between 0 (worst) and 100 (best) and averaged to construct the three pillars.

Source: Hinrich Foundation and IMD's Sustainable Trade Index 2024 (https://www.hinrichfoundation.com/research/wp/Sustainable-Trade-Index-2024/)  
BusinessWorld Research: Karis Kasarinlan Paolo D. Mendoza  
BusinessWorld Graphics: Bong R. Fortin

By Beatriz Marie D. Cruz  
Reporter

THE PHILIPPINES is expected to be one of the fastest-growing economies in Southeast Asia through 2029, according to the International Monetary Fund (IMF).

In its latest World Economic Outlook (WEO), the IMF kept the Philippine gross domestic product (GDP) growth outlook at 5.8% this year, which is below the government's 6-7% target. This is the same forecast given after the Article IV Consultation Mission briefing earlier this month.

This would make the Philippines the second-fastest growing economy in Southeast Asia, behind Vietnam (6.1%) and ahead of Cambodia (5.5%), Indonesia (5%), Malaysia (4.8%), Laos (4.1%), Timor-Leste (3%), Thailand (2.8%), Singapore (2.6%), Brunei (2.4%) and Myanmar (1%).

For 2025, the IMF kept its GDP growth projection for the Philippines at 6.1%, which is lower than the government's 6.5-7.5% goal.

The Philippines and Vietnam are expected to post the fastest growth in the region in 2025, ahead of Cambodia (5.8%), Indonesia (5.1%), Malaysia (4.4%), Laos (3.5%), Timor Leste (3.1%), Thailand (3%), Brunei (2.5%), Singapore (2.5%) and Myanmar (1.1%).

"Growth in 2024 and 2025 is driven by a pickup in domestic demand, supported by gradual monetary policy easing," a representative of the IMF said in an e-mail.

"Consumption growth will be buoyed by lower food prices and the upcoming midterm elections, while investment growth is expected to pick up on the back of a sustained public investment push, and gradually declining borrowing costs."

Philippine growth will be faster than emerging and developing Asia, which is projected to expand by 5.3% and 5% in 2024 and 2025, respectively.

"Emerging Asia's strong growth is expected to subside from 5.7% in 2023 to 5% in 2025," the IMF said, adding that this reflects the sustained slowdown in China and India.

"Absent a strong drive for structural reforms, output growth is expected to remain weak over the medium term."

IMF, S1/5

# Monetary Board approves \$3.81-B foreign borrowings in Q3

THE MONETARY BOARD (MB) approved \$3.81 billion of public sector foreign borrowings in the third quarter, the Bangko Sentral ng Pilipinas (BSP) said on Tuesday.

Approved public sector foreign borrowings in the July-to-September period jumped by 36% from \$2.81 billion a year ago, the BSP said in a statement.

Quarter on quarter, it fell by 2.31% from \$3.9 billion in approved

public sector foreign borrowings in the April-to-June period.

The central bank approved a bond issuance worth \$2.5 billion, two project loans worth a combined \$535.97 million and a program loan worth \$778.59 million.

Proceeds from the bond issuance will be used for the National Government's general budget financing and to fund or refinance assets in line with the Philippines' Sustainable Finance Framework.

"Meanwhile, the other loans will cover projects on maritime safety/support (\$448.41 million) and agrarian reform (\$87.56 million) and a program on economic recovery, environmental protection and climate resilience (\$778.59 million)," the BSP said.

The 1987 Constitution requires the Monetary Board to approve all foreign loan agreements entered into by the National Government.

The BSP must also approve in principle any foreign borrowing proposals by the National Government, government agencies and government financial institutions before negotiations.

"The Bangko Sentral ng Pilipinas promotes the judicious use of the resources and ensures that external debt requirements are at manageable levels to support external debt sustainability," the central bank said.

Latest BSP data showed that the country's external debt service burden went down by 7.6% to \$7.693 billion at end-July from \$8.329 billion a year ago. — **Aaron Michael C. Sy**

### FULL STORY



# Philippines slips in trade sustainability ranking

By Justine Irish D. Tabile  
Reporter

THE PHILIPPINES slipped to 13<sup>th</sup> place among 30 economies engaging in sustainable trade best practices, according to a report by the Hinrich Foundation and the International Institute for Management Development (IMD).

The Hinrich-IMD Sustainable Trade Index (STI) measures 30 economies' readiness and capacity to participate in the global trading system in a sustainable manner through 72 data points categorized into three pillars: economic, societal and environmental.

This year, New Zealand topped the index, followed by the United Kingdom and Australia. The worst performers were Russia (30<sup>th</sup>), Papua Guinea (29<sup>th</sup>) and Pakistan (28<sup>th</sup>).

The Philippines fell a spot to 13<sup>th</sup> place as its score dropped to 54.8 out of 100 from 61.4 points last year. The Philippines ranked 12<sup>th</sup> in the 2023 survey.

The Philippines slumped to 19<sup>th</sup> place in both economic and societal pillars.

The country's best performing areas under the economic pillar are growth in the labor force (fourth), tariff and nontariff

barriers (11<sup>th</sup>), and real gross domestic product growth per capita (third), according to the report.

However, the country performed worse in areas such as trade costs (18<sup>th</sup>), technological infrastructure (21<sup>st</sup>) and consumer price index (22<sup>nd</sup>).

Under the societal pillar, the country performed best in stance against trade in goods at risk of modern slavery (14<sup>th</sup>), government response against human trafficking (second), and labor standards (12<sup>th</sup>).

However, the IMD said the country performed worse in areas such as inequality (18<sup>th</sup>), educational attainment (23<sup>rd</sup>), political stability and absence of violence (25<sup>th</sup>), and goods produced by forced or child labor (25<sup>th</sup>).

Meanwhile, the Philippines ranked third in the environmental pillar in this year's index, one place higher than last year. This measures how much importance a country gives to sustainability within the trade framework.

"Countries that rank highly in this area, such as New Zealand, the United Kingdom, the Philippines, Mexico, and Australia, are distinguished by their strong environmental regulations and commitments to international environmental agreements," the report said.

Sustainability, S1/5

## Mortgage liquidity in emerging markets

NATIONAL Home Mortgage Finance Corp. President Renato L. Tobias (third from left) speaks at the 40<sup>th</sup> African Union for Housing Finance and International Secondary Mortgage Market Association Joint Conference held recently in Zanzibar, Republic of Tanzania. He talked about the housing loan receivables purchase program as its core program in increasing liquidity in the housing sector. In photo (from left): Shelter Afrique CEO Thierno Habib Hann, PT Sarana Multi Infrastruktur President Director Anata Wiyogo, Mr. Tobias, and Pakistan Mortgage Refinancing Corp. Head of Business & Products Syed Zafar Alan Tirmizi.



# Eyes on the prize: How can local value chains genuinely benefit from extractive incentives?

By Kyle Aristophere T. Atienza  
Reporter

THE PHILIPPINE government should ensure that its plan to incentivize the processing of critical minerals would benefit local players and prioritize domestic value chains, analysts said.

Jose Enrique "Sonny" A. Africa, executive director at think-tank IBON Foundation, said the incentive plan — whether in the form of tax breaks or subsidies — should strictly serve national

interests, including efforts for national industrialization.

"Incentives for mineral processing will support industrialization only if they prioritize Filipino firms over foreign ones and if they're part of a more comprehensive industrial policy," he said in a Facebook Messenger chat.

Mr. Africa lamented that a general incentive policy would benefit foreign companies more than the local ones since domestic firms are weak in terms of their processing capacity.

"Absent real support for domestic firms, the main benefi-

ciaries of incentives will be foreign transnational companies that have processing capacity and advantages to begin with," he said.

Mr. Marcos has been highlighting efforts to make the Philippines a manufacturing hub in many public and business events.

But the ambition has been anchored on foreign direct investments (FDI), with Mr. Marcos consistently citing liberal economic reforms including efforts to further cut corporate income tax to encourage the entry of foreign firms.

Mr. Africa said the government should not conflate the entry of foreign investments with industrialization. "Getting this right would enable the great leap forward for Filipino industry that has been so elusive for so long," he added.

Environment Secretary Maria Antonia Yulo-Loyzaga last week told *BusinessWorld* the Trade department was geared "towards incentivizing processing because that's what will enable us to be a participant in the electric vehicle (EV) market."

Incentives, S1/8