P25 IN METRO MANILA, PHILIPPINES

BusinessWorld

33rd EJAP-AYALA Business Journalism Awards
The 2023 Business News Source of the Year Award

STOCK MARKET

PSEi

OPEN:	6,623.23
HIGH:	6,661.13
LOW:	6,602.76
CLOSE:	6,625.17
VOL.:	4.539 B
VAL(P):	3.860 B

▲ 21.36 PTS. 0.32%
30 DAYS TO JANUARY 6, 2025

ASIAN MARKETS

JANUARY 6, 2025

	CLOSE		NET	%
Japan (Nikkei 225)	39,307.05	▼	-587.49	-1.47
Hong Kong (Hang Seng)	19,688.29	▼	-71.98	-0.36
Taiwan (Weighted)	23,547.71	▲	639.41	2.79
Thailand (SET Index)	1,371.79	▼	-12.97	-0.94
S.Korea (Kse Composite)	2,488.64	▲	46.72	1.91
Singapore (Straits Times)	3,814.68	▲	12.85	0.34
Sydney (All Ordinaries)	8,257.40	▲	6.90	0.08
Malaysia (Klse Composite)	1,625.47	▼	-3.99	-0.24

WORLD MARKETS

JANUARY 3, 2025

	CLOSE		NET
Dow Jones	42,732.130	▲	339.860
NASDAQ	19,621.677	▲	340.884
S&P 500	5,942.470	▲	73.920
FTSE 100	8,223.980	▼	-36.110
Euro Stoxx50	4,316.040	▼	-22.770

PESO-DOLLAR RATES

FX

OPEN	P58.200
HIGH	P58.170
LOW	P58.360
CLOSE	P58.270
W.AVE.	P58.261
VOL.	$1,740.50 M

▼ 7.00 CTVS
30 DAYS TO JANUARY 6, 2025
SOURCE : BAP

ASIAN MONIES-US$ RATE

JANUARY 6, 2025

	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	157.660	▼	157.270
Hong Kong (HK dollar)	7.775	▲	7.778
Taiwan (NT dollar)	32.830	▲	32.912
Thailand (baht)	34.610	▼	34.440
S. Korea (won)	1,464.220	▲	1,468.370
Singapore (dollar)	1.366	▲	1.370
Indonesia (rupiah)	16,190	▼	16,185
Malaysia (ringgit)	4.510	▼	4.497

WORLD CURRENCIES

JANUARY 6, 2025

	CLOSE		PREVIOUS
US$/UK pound	1.2478	▲	1.2420
US$/Euro	1.0358	▲	1.0308
US$/Aust dollar	0.6244	▲	0.6212
Canada dollar/US$	1.4377	▼	1.4447
Swiss Franc/US$	0.9056	▼	0.9082

DUBAI CRUDE OIL

FUTURES PRICE ON NEAREST MONTH OF DELIVERY
$75.20/BBL
— $0.0
30 DAYS TO JANUARY 3, 2025

VOL. XXXVIII • ISSUE 115 | TUESDAY • JANUARY 7, 2025 • www.bworldonline.com | S1/1-10 • 2 SECTIONS, 14 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JANUARY 6, 2025 (PSEi snapshot on *S1/2*; article on *S2/2*)

		Value			
ICT	P410.600	P797,411,648	P11.200	▲	2.804%
BDO	P147.900	P338,638,915	P2.900	▲	2.000%
DITO	P2.230	P305,039,890	P0.290	▲	14.948%
PLUS	P27.950	P206,760,105	-P1.000	▼	-3.454%
SM	P899.000	P193,852,465	-P9.000	▼	-0.991%
ALI	P27.000	P158,008,770	P0.050	▲	0.186%
BPI	P124.000	P143,011,069	-P0.500	▼	-0.402%
SMPH	P25.150	P126,105,500	-P0.050	▼	-0.198%
SGP	P11.900	P111,460,228	P0.400	▲	3.478%
JFC	P261.000	P87,585,978	-P5.600	▼	-2.101%

Maharlika plans its 1st investment in Q1

By Aubrey Rose A. Inosante
Reporter

THE MAHARLIKA Investment Corp. (MIC) is expected to make its first investment this quarter, most likely in the energy sector, its top official said.

"Definitely the first quarter. I think we had a year to set up. We had a year to basically put our governance in place. We obtained our formal approval to begin hiring last end of July," MIC President and Chief Executive Officer Rafael D. Consing, Jr. said in an interview with *BusinessWorld* on Jan. 2.

The MIC has yet to make any investments since President Ferdinand R. Marcos, Jr. signed the law creating the country's first wealth fund in July 2023.

The Maharlika Investment Fund (MIF) had initially committed to make its first investments before the end of 2024.

Mr. Consing said sovereign wealth fund is "ready" and backed with funding and the needed workforce, but will not invest "without the benefit of due diligence."

MIC earned P2.3 billion in interest income in 2024, Mr. Consing said.

Under the law, the Development Bank of the Philippines (DBP) and the Land Bank of the Philippines were mandated to contribute P25 billion and P50 billion, respectively, as the initial seed capital for the MIF. The two state lenders have remitted the funds to the Bureau of the Treasury in September 2023.

Mr. Consing said the MIC's strategic plan will be up for board approval on Jan. 9. This after it made some changes after meeting with the Governance Commission for Government-Owned and -Controlled Corporations (GCG) before the holidays, he added.

The MIC is looking into investing in energy, food security, healthcare, and resource development, particularly mining.

"In the first quarter, that would be the energy sector. Healthcare, if it turns out okay, if our due diligence results turn out okay, first half. I would say early second quarter for the latter two," Mr. Consing said.

Mr. Consing said he believes that investments in the energy sector, particularly transmission lines, would be "most impactful."

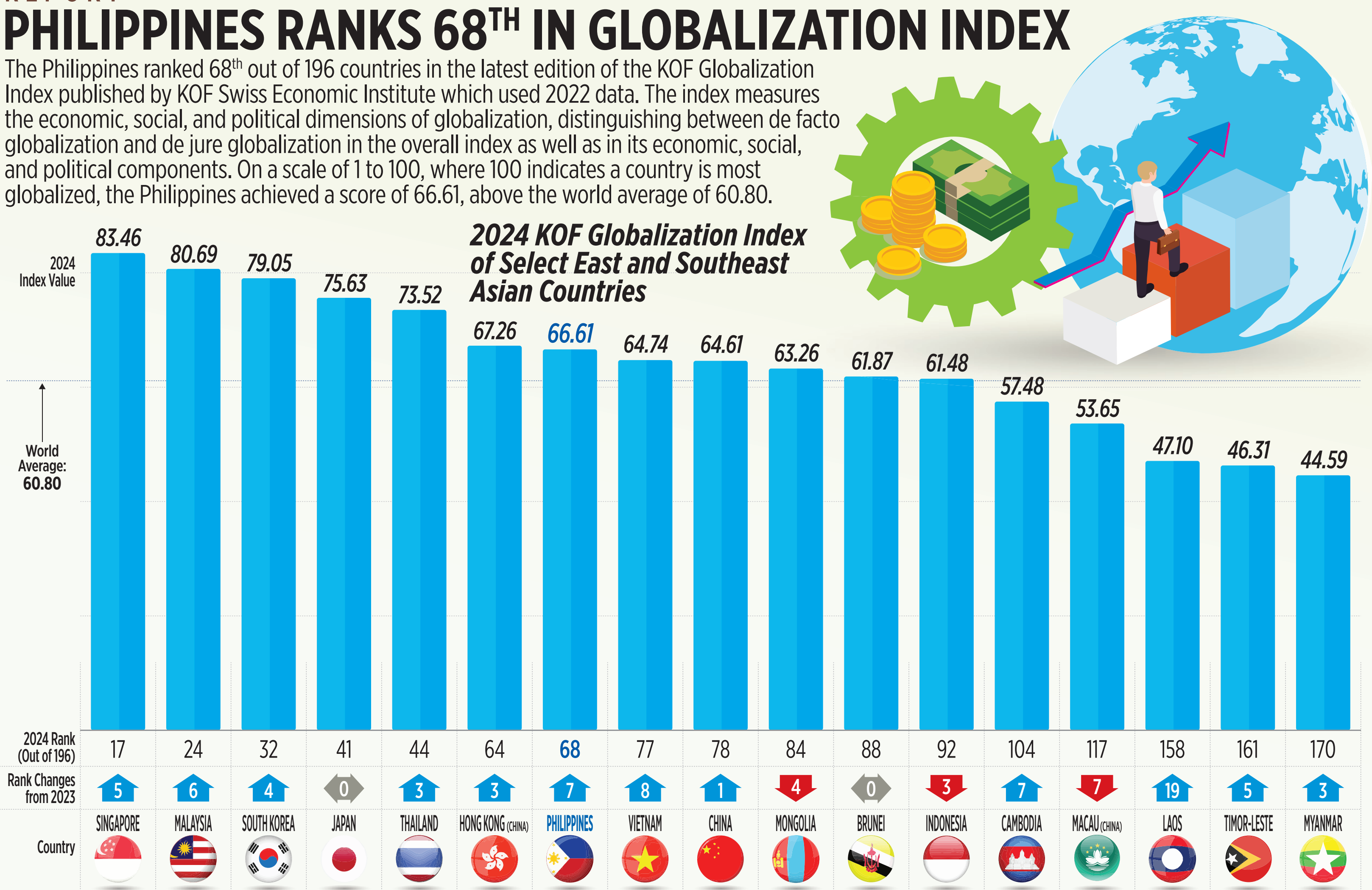
"That's why ideally, we'd like to be able to buy into the national grid, if we're able to. Or number two, we have also separately signed MOUs (memoranda of understanding) with the likes of Mindoro and Palawan, which fall under the SPUGS [small power utilities group] category," he said.

Maharlika, S1/8

REPORT

PHILIPPINES RANKS 68TH IN GLOBALIZATION INDEX

The Philippines ranked 68th out of 196 countries in the latest edition of the KOF Globalization Index published by KOF Swiss Economic Institute which used 2022 data. The index measures the economic, social, and political dimensions of globalization, distinguishing between de facto globalization and de jure globalization in the overall index as well as in its economic, social, and political components. On a scale of 1 to 100, where 100 indicates a country is most globalized, the Philippines achieved a score of 66.61, above the world average of 60.80.



Country	2024 Index Value	2024 Rank (Out of 196)	Rank Changes from 2023
SINGAPORE	83.46	17	▲ 5
MALAYSIA	80.69	24	▲ 6
SOUTH KOREA	79.05	32	▲ 4
JAPAN	75.63	41	0
THAILAND	73.52	44	▲ 3
HONG KONG (CHINA)	67.26	64	▲ 3
PHILIPPINES	66.61	68	▲ 7
VIETNAM	64.74	77	▲ 8
CHINA	64.61	78	▲ 1
MONGOLIA	63.26	84	▼ 4
BRUNEI	61.87	88	0
INDONESIA	61.48	92	▼ 3
CAMBODIA	57.48	104	▲ 7
MACAU (CHINA)	53.65	117	▼ 7
LAOS	47.10	158	▲ 19
TIMOR-LESTE	46.31	161	▲ 5
MYANMAR	44.59	170	▲ 3

Philippines' Profile

Dimensions	Rank	Index Value
Economic	109/193	56.23
Social	107/201	62.69
Political	50/201	80.77

Top 10

2024 Rank (Out of 196)	Country	Rank Changes from 2023	2024 Index Value
1	The Netherlands	▲ 2	89.72
2	Switzerland	▼ 1	89.58
3	Belgium	▼ 1	88.90
4	United Kingdom	▲ 3	87.95
5	Germany	0	87.69
6	Sweden	▼ 2	87.63
7	Austria	▼ 1	87.60
8	France	▲ 2	86.72
9	Denmark	▼ 1	86.48
10	Finland	▼ 1	86.16

Bottom 10

2024 Rank (Out of 196)	Country	Rank Changes from 2023	2024 Index Value
196	Somalia	0	30.26
195	Eritrea	0	33.24
194	Central African Rep.	0	36.87
193	West Bank and Gaza	0	37.42
192	Afghanistan	0	37.80
191	Bhutan	▼ 5	39.44
190	Solomon Islands	0	39.53
189	Burundi	▼ 4	39.77
188	Comoros	▲ 1	39.86
187	Haiti	0	40.85

Source: KOF Swiss Economic Institute's The KOF Globalization Index 2024 *(https://kof.ethz.ch/en/news-and-events/media/press-releases/2024/12/globalisation-index.html)*
***BusinessWorld* Research**: Abigail Marie P. Yraola and Karis Kasarinlan Paolo D. Mendoza
***BusinessWorld* Graphics**: Bong R. Fortin

FUEL PRICE TRACKER
(week-on-week change)

GASOLINE		
Dec. 24	▲	P0.50
Dec. 31	▼	P0.30
Jan. 7	▲	P1.00
DIESEL		
Dec. 24	▲	P14.45
Dec. 31	▼	P0.30
Jan. 7	▲	P1.40
KEROSENE		
Dec. 24	▲	P0.75
Dec. 31	▼	P0.90
Jan. 7	▲	P1.00

- *Jan. 7, 12:01 a.m.* — Caltex Philippines
- *Jan. 7, 6 a.m.* — Petron Corp.; Phoenix Petroleum; Pilipinas Shell Petroleum Corp.; PTT Philippines Corp.; Seaoil Philippines, Inc.
- *Jan. 7, 8:01 a.m.* — Cleanfuel (Shaw Autogas, Inc.)

DA wants maximum SRP on imported rice

By Adrian H. Halili
Reporter

THE DEPARTMENT of Agriculture (DA) is seeking to impose a maximum suggested retail price (MSRP) for imported rice in an effort to further lower rice prices and curb profiteering by traders.

"We will be coming up with an (MSRP) system very soon, hopefully by the end of January it should already be released," Agriculture Secretary Francisco P. Tiu Laurel, Jr. told reporters on Monday.

"It's like saying this should be the maximum price, but it's not a price cap," he added.

Last week, the DA said prices of some imported rice brands remained elevated despite lower import tariffs.

President Ferdinand R. Marcos, Jr. last year issued Executive Order No. 62 which slashed tariffs on rice imports to 15% from 35% previously until 2028.

The lower tariff rates on rice, which took effect on July 5, 2024, was aimed at bringing down prices and curbing inflation.

Mr. Tiu Laurel said the MSRP should further lower the price of imported premium and special rice, which remained as high as P60 per kilogram in local markets as of Jan. 3.

"In our meetings with importers, and this week we will be meeting also some of the retailers and additional importers, it is clear to us that there should not be a P60 per kilo of imported rice seen in the market," Mr. Tiu Laurel said.

Also on Monday, DA Assistant Secretary and Spokesperson Arnel V. de Mesa said that the MSRP on imported rice would depend on the rice variety, but did not give a specific price ceiling.

"In effect, (we) are giving reference that the price of the commodity, especially rice, ay *dapat hindi lalampas sa ganitong presyo*, (it should not exceed a certain price)" he said at a media briefing.

Rice, S1/5

NGCP marks fruitful 2024, eyes completion of key projects soon

IN THE PHOTO are (from left to right) Department of Energy Secretary Raphael P.M. Lotilla, President Ferdinand R. Marcos, Jr., and National Grid Corp. of the Philippines (NGCP) President Anthony L. Almeda *(Read related story on S1/2)*.

'No new taxes' stance likely to hamper fiscal consolidation progress

OUTLOOK 2025

THE PHILIPPINE government must consider passing "politically acceptable" tax measures, such as those related to wealth, luxury goods, and carbon emissions, if it wants to achieve its fiscal consolidation goals.

"The Marcos administration's pledge to introduce 'no new taxes' has made things much worse from the standpoint of fiscal consolidation, especially with economic growth coming in much weaker than expected in the recent period," Pantheon Macroeconomics Chief Emerging Asia Economist Miguel Chanco said in an e-mail.

Slower gross domestic product (GDP) growth is a risk to the government's fiscal consolidation plan as it affects revenue collections, he said. This would also affect the administration's goal to bring down both the deficit-to-GDP and debt-to-GDP ratios.

"From my perspective, there's certainly a need to question the fundamental position to not introduce new taxes," Mr. Chanco said.

Finance Secretary Ralph G. Recto has so far remained firm on his "no new taxes" stance, with the administration only pursuing reform measures pending in Congress and looking to improve tax collection efficiency.

"For now, we are interested in passing all our pending revenue measures in Congress including tweaked, enhanced Passive Income and Financial Intermediary Taxation Act (PIFITA) and the Capital Markets Efficiency Promotion Act substitute bills," Mr. Recto said in a Viber message.

Other Department of Finance (DoF)-backed bills yet to be passed by lawmakers include the excise tax on single-use plastics, the rationalization of the mining fiscal regime, and the proposed hike to the motor vehicle road user's charge.

John Paolo R. Rivera, a senior research fellow at the Philippine Institute for Development Studies, said the government's "no new taxes" stance, while meant to ease consumers' financial burden amid elevated inflation post-pandemic, limits the government's ability to bridge the fiscal gap.

"As debt servicing increases and infrastructure spending remains a priority, sustaining this stance may become untenable beyond 2025, especially if growth slows," Mr. Rivera said in a Viber message.

Taxes, S1/8