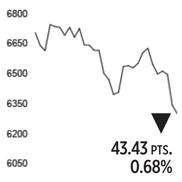
P25 IN METRO MANILA, PHILIPPINES

BusinessWorld

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

STOCK MARKET



PSEi

OPEN:	6,353.95
HIGH:	6,374.72
LOW:	6,290.89
CLOSE:	6,299.67
VOL.:	0.706 B
VAL(P):	5.749 B

▼ 43.43 PTS. 0.68%

30 DAYS TO JANUARY 14, 2025

ASIAN MARKETS

JANUARY 14, 2025

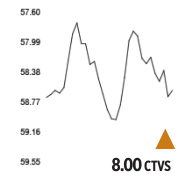
	CLOSE		NET	%
Japan (Nikkei 225)	38,474.30	▼	-716.10	-1.83
Hong Kong (Hang Seng)	19,219.78	▲	345.64	1.83
Taiwan (Weighted)	22,797.52	▲	309.19	1.37
Thailand (SET Index)	1,341.76	▼	-12.58	-0.93
S.Korea (Kse Composite)	2,497.40	▲	7.84	0.31
Singapore (Straits Times)	3,786.79	▼	-4.91	-0.13
Sydney (All Ordinaries)	8,231.00	▲	39.10	0.48
Malaysia (Klse Composite)	1,576.46	▼	-9.13	-0.58

WORLD MARKETS

JANUARY 13, 2025

	CLOSE		NET
Dow Jones	42,297.120	▲	358.670
NASDAQ	19,088.102	▼	-73.526
S&P 500	5,836.220	▲	9.180
FTSE 100	8,224.190	▼	-24.300
Euro Stoxx50	4,357.260	▼	-22.680

PESO-DOLLAR RATES



FX

OPEN	P58.600
HIGH	P58.470
LOW	P58.620
CLOSE	P58.620
W.AVE.	P58.547
VOL.	$1,423.50 M

▲ 8.00 CTVS

30 DAYS TO JANUARY 14, 2025 SOURCE : BAP

ASIAN MONIES-US$ RATE

JANUARY 14, 2025

	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	157.910	▼	157.310
Hong Kong (HK dollar)	7.785	▲	7.786
Taiwan (NT dollar)	33.008	▲	33.124
Thailand (baht)	34.710	▲	34.810
S. Korea (won)	1,459.970	▲	1,472.620
Singapore (dollar)	1.369	▲	1.375
Indonesia (rupiah)	16,260	▲	16,270
Malaysia (ringgit)	4.500	▲	4.508

WORLD CURRENCIES

JANUARY 14, 2025

	CLOSE		PREVIOUS
US$/UK pound	1.2194	▲	1.2107
US$/Euro	1.0257	▲	1.0179
US$/Aust dollar	0.6192	▲	0.6139
Canada dollar/US$	1.4369	▼	1.4426
Swiss Franc/US$	0.9156	▼	0.9178

DUBAI CRUDE OIL

FUTURES PRICE ON NEAREST MONTH OF DELIVERY

$82.40/BBL

▲ $4.45

30 DAYS TO JANUARY 13, 2025

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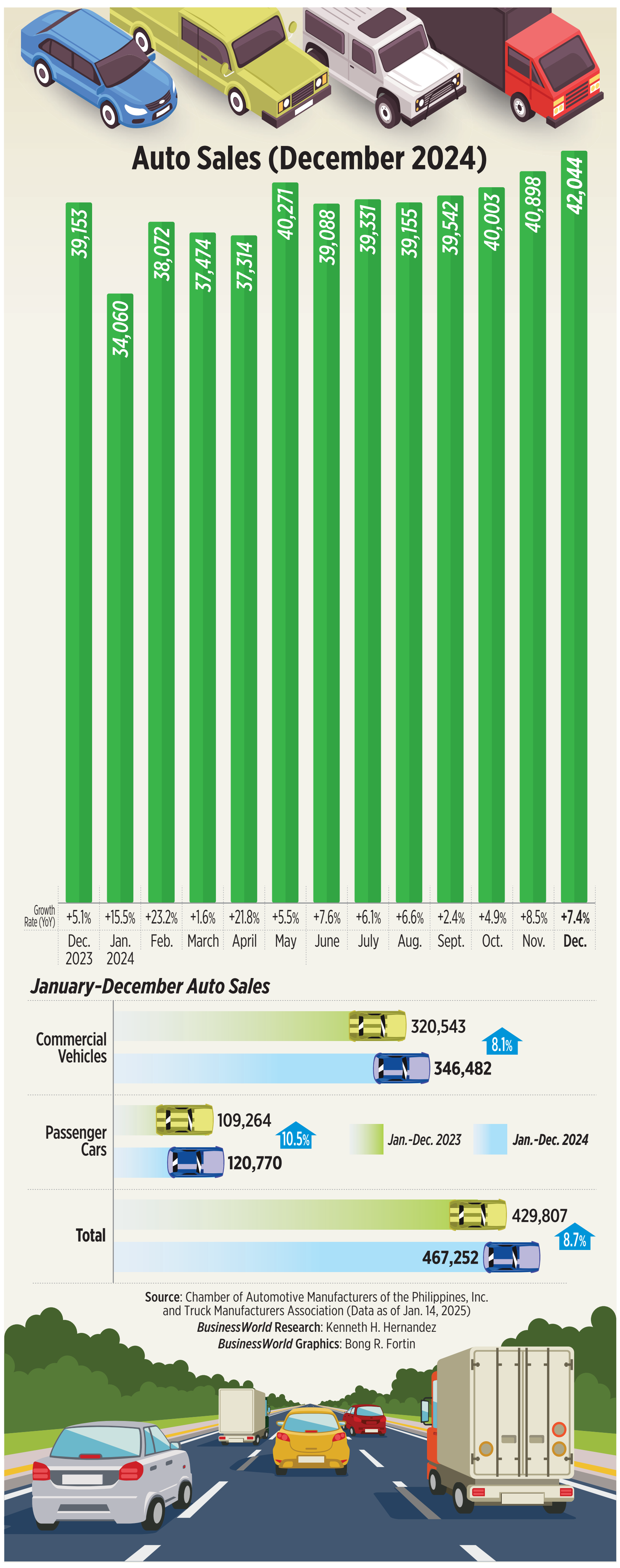
PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JANUARY 14, 2025 (PSEi snapshot on *S1/2*; article on *S2/2*)

		Value			
URC	P69.800	P576,597,812	-P5.200	▼	-6.933%
ALI	P25.500	P527,371,885	P0.250	▲	0.990%
ICT	P389.200	P305,582,294	-P3.000	▼	-0.765%
MBT	P71.000	P294,221,272	-P0.100	▼	-0.141%
SM	P838.000	P258,990,155	P4.000	▲	0.480%
SMPH	P23.800	P232,521,865	P0.000	—	0.000%
BPI	P118.000	P220,171,688	-P0.100	▼	-0.085%
AC	P579.500	P217,320,600	-P3.500	▼	-0.600%
BDO	P144.000	P184,629,846	-P2.700	▼	-1.840%
SGP	P12.040	P174,998,870	P1.260	▲	11.688%

2024 car sales rise but miss target



NEW VEHICLE SALES in the Philippines hit a record-high 467,252 in 2024, but fell short of the full-year target, according to an industry group.

A joint report by the Chamber of Automotive Manufacturers of the Philippines, Inc. (CAMPI) and the Truck Manufacturers Association (TMA) showed total vehicle sales last year jumped by 8.7% from 429,807 units in 2023.

It missed the industry's 468,300 sales target by 0.2% last year.

For the January-to-December period, commercial vehicle sales increased by 8.1% to 346,482 units, while passenger car sales rose by 10.5% to 120,770 units.

Sales of commercial vehicles, which accounted for 74.15% of the total, were driven by Asian utility vehicles (AUV) and light commercial vehicles.

AUV sales jumped by 33.7% to 81,818 units, while sales of light commercial vehicles rose by 2.1% to 253,412 units.

Sales of light-duty trucks went up by 1.7% to 6,545 units, while those of medium-duty trucks grew by 5.8% to 3,970 units.

On the other hand, sales of heavy-duty trucks dropped by 27.3% to 737 units.

Toby Allan C. Arce, head of sales trading at Globalinks Securities and Stocks, Inc., said vehicle sales would continue to grow this year.

"Philippine car sales in 2025 are likely to grow by 6-8%, driven by demand for passenger cars and commercial vehicles, especially AUVs and light commercial vehicles," he said in a Viber message.

Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said the electric vehicle (EV) segment would be another sales growth driver.

"The Philippines has yet to catch up with other countries in increasing the demand for EVs and hybrid vehicles, given increased competition in terms of lower prices from China, Vietnam and other countries," he said in a Viber message.

The Board of Investments had projected EV adoption in the country to have reached 5% by the end of 2024, based on the projections of the Accelerating the Adoption and Scale-up Electric Mobility for Low-Carbon City Development in the Philippines project.

CAMPI President Rommel R. Gutierrez said in August he expected EV sales to account for fewer than 10% of the total industry sales.

DECEMBER SALES

Meanwhile, CAMPI-TMA data showed a 7.4% increase in sales in December to 42,044 from 39,153 units in December 2023.

"In December 2024 alone, the industry recorded 42,044 units sold, a 2.8% [increase] month over month," said Mr. Gutierrez.

"The positive results in December reflect the continued strength of the industry, with strong growth in both passenger cars and key commercial vehicle segments. The overall market remains on track to sustain growth into 2025," he added.

Passenger car sales rose by an annual 5.5% to 10,125 in December. Month on month, passenger vehicle sales were up by 2.94%.

However, the bulk came from sales of commercial vehicles that grew by 8% to 31,919 in December. Month on month, commercial vehicle sales were up 2.8%.

Sales of AUVs grew by 4.1% year on year to 6,829 units in December. However, month on month sales fell by 13.4%.

Sales of light commercial vehicles went up by 9% to 24,099, while those of light trucks jumped by 11.2% to 616 units.

Heavy truck sales surged by 83.3% to 99 units, while sales of medium trucks dropped 3.5% to 276.

Car sales, S1/9

Penalties for motorists without RFID to be implemented by March

By Ashley Erika O. Jose
Reporter

MOTORISTS passing through expressways without electronic toll collection (ETC) devices or radio frequency identification (RFID) tags would be fined starting March, the Toll Regulatory Board (TRB) said.

The new tollway guidelines, which were supposed to be enforced last year, are tentatively scheduled to be implemented by March 1, TRB Executive Director Alvin A. Carullo told *BusinessWorld* on Tuesday.

Mr. Carullo said the government is only targeting to fine motorists without RFID tags first. Fines on motorists with insufficient wallet balance will not yet be implemented, he added.

"Fines for no valid ETC device will be implemented, but fines for (motorists with) no sufficient load balance will not yet be implemented," Mr. Carullo said in a Viber message.

The tollway guidelines under Joint Memorandum Circular (JMC) No. 2024-001 were supposed to be enforced starting Oct. 1 last year.

However, the Department of Transportation (DoTr) deferred the implementation to 2025 to give tollway operators and concerned agencies time to fine-tune their operations.

All motorists entering an access highway without an ETC device will face a fine of P1,000 for the first offense, P2,000 for the second offense and P5,000 for subsequent offenses, according to the memo issued last year.

RFID, S1/9

PHILIPPINE STAR/EDD GUMBAN

TAXPAYERS line up to file their income tax returns at the Bureau of Internal Revenue office in Manila.

BIR says it exceeded 2024 collection goal

THE Bureau of Internal Revenue (BIR) on Tuesday said it exceeded its revised P2.85-trillion collection goal in 2024, mainly driven by value-added tax (VAT) collection.

"Although the numbers are still being finalized, the BIR confirmed that they have definitely reached the P2.848-trillion mark for 2024," BIR Commissioner Romeo D. Lumagui, Jr. said in a press release.

The BIR's collection target for 2024 was 22% higher than the P2.34-trillion collection in 2023, when revenue rose by 8% annually but missed its P2.64-trillion target.

"The exact figures will be finalized by around mid-February, and by then, the collection figures will only increase past the DBCC (Development Budget Coordination Committee) target," he added.

The BIR said 2024 would mark the first time the agency surpassed its collection target in two decades, excluding 2020 when the target was significantly lowered due to the pandemic.

Last year's target was lowered from the original P3.05-trillion goal.

The BIR said revenues were mainly driven by VAT collections, as it failed to hit the goal for other tax types.

"Moreover, this was accomplished despite the country's gross domestic product (GDP) growing by a weaker-than-expected 5.2% in the third quarter," the BIR said.

In the first 11 months of 2024, BIR revenue collections increased by 13.88% to P2.67 trillion, which already accounted for 93.64% of the full-year program.

Last year, the BIR implemented a 1% withholding tax on online sellers to address tax leakages in the digital economy. It also created a task force to go after taxpayers using "fake transactions" and "ghost receipts" to avoid the payment of income tax and VAT liabilities.

"Our dedication to good governance reforms, manifested by our shift to a taxpayer-oriented agency, has increased the voluntary compliance of taxpayers. This goes to show that if government agencies improve their services, processes and programs, our countrymen will do the right thing and pay their proper share of taxes," Mr. Lumagui said.

Last week, the BIR told a Senate hearing its tobacco excise tax collections reached P134 billion in 2024, falling short of its P185.3-billion target by 28%.

The BIR attributed the lower excise tax collection to the illicit tobacco trade and consumer preference for vape products. — **Aubrey Rose A. Inosante**

BMI forecasts 6.3% growth for PHL this year

By Luisa Maria Jacinta C. Jocson *Reporter*

FURTHER monetary easing is seen to prop up gross domestic product (GDP) growth in the Philippines, Fitch Solutions' unit BMI said, as this would provide much-needed support to domestic demand.

"For the Philippines, we are expecting growth to accelerate from 5.8% in 2024 to 6.3% in 2025. The main driver is monetary policy loosening," BMI Asia Country Risk Analyst Shi Cheng Low said in a webinar on Tuesday.

The government is targeting 6-8% GDP growth this year.

For the first nine months of 2024, growth averaged 5.8%. Preliminary fourth-quarter and full-year GDP data will be released on Jan. 30.

"Keep in mind that investment has been quite weak in the first quarter and third quarter. So about 150 basis points (bps) of cuts by the end of 2025 should help boost the Philippine economy going forward," he added.

The Bangko Sentral ng Pilipinas (BSP) began its easing cycle in August last year, delivering 75 bps worth of cuts for 2024.

The central bank has signaled further easing this year as the current policy rate at 5.75% is still in "restrictive territory," BSP Governor Eli M. Remolona, Jr. said.

Mr. Low said another growth driver is the rebound in private consumption as inflation continues to ease.

Headline inflation averaged 3.2% in 2024, within the 2-4% central bank target.

"We expect inflation to stay within the target for the rest of the year, obviously barring external shocks and also because the labor market has actually been improving," he said.

This year, the BSP expects inflation to average 3.3%.

However, Mr. Low said their growth forecast for this year hinges on the expectation that US President-elect Donald J. Trump would not be aggressive in the implementation of his tariff proposals.

"If that's the case, we are going to lower our projections downwards. And I think that's the biggest risk for the Philippines because the US is one of [its] biggest trading partners," he said.

Mr. Trump, who is set to assume the presidency on Jan. 20, has pledged to impose import tariffs of up to 10% across the globe and 60% for Chinese goods.

"In sum, we expect the growth outlook to improve at least for the Philippines over the coming quarters," Mr. Low added.

SERVICE BOOST

Meanwhile, HSBC in a separate commentary said the Philippines is expected to be one of the fastest-growing economies in Southeast Asia, mainly driven by a boost in services.

BMI, S1/8