P25 IN METRO MANILA, PHILIPPINES

BusinessWorld

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

STOCK MARKET

PSEi — 30 DAYS TO JANUARY 15, 2025

OPEN:	6,332.65
HIGH:	6,373.07
LOW:	6,309.09
CLOSE:	6,330.46
VOL.:	0.592 B
VAL(P):	5.441 B

▲ 30.79 PTS. 0.48%

ASIAN MARKETS — JANUARY 15, 2025

	CLOSE		NET	%
Japan (Nikkei 225)	38,444.58	▼	-29.72	-0.08
Hong Kong (Hang Seng)	19,286.07	▲	66.29	0.34
Taiwan (Weighted)	22,514.57	▼	-282.95	-1.24
Thailand (SET Index)	1,350.46	▲	10.21	0.76
S.Korea (Kse Composite)	2,496.81	▼	-0.59	-0.02
Singapore (Straits Times)	3,771.72	▼	-17.05	-0.45
Sydney (All Ordinaries)	8,213.30	▼	-17.70	-0.22
Malaysia (Klse Composite)	1,562.12	▼	-14.34	-0.91

WORLD MARKETS — JANUARY 14, 2025

	CLOSE		NET
Dow Jones	42,518.280	▲	221.160
NASDAQ	19,044.393	▼	-43.709
S&P 500	5,842.910	▲	6.690
FTSE 100	8,201.540	▼	-22.650
Euro Stoxx50	4,344.920	▼	-12.340

PESO-DOLLAR RATES

FX — 30 DAYS TO JANUARY 15, 2025

OPEN	P58.650
HIGH	P58.575
LOW	P58.700
CLOSE	P58.575
W.AVE.	P58.657
VOL.	$1,372.05 M

▲ 4.50 CTVS

SOURCE : BAP

ASIAN MONIES-US$ RATE — JANUARY 15, 2025

	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	156.830	▲	157.910
Hong Kong (HK dollar)	7.788	▼	7.785
Taiwan (NT dollar)	32.974	▲	33.008
Thailand (baht)	34.720	▼	34.710
S. Korea (won)	1,458.910	▲	1,459.970
Singapore (dollar)	1.367	▲	1.369
Indonesia (rupiah)	16,315	▼	16,260
Malaysia (ringgit)	4.498	▲	4.500

WORLD CURRENCIES — JANUARY 15, 2025

	CLOSE		PREVIOUS
US$/UK pound	1.2202	▲	1.2194
US$/Euro	1.0301	▲	1.0257
US$/Aust dollar	0.6200	▲	0.6192
Canada dollar/US$	1.4344	▼	1.4369
Swiss Franc/US$	0.9117	▼	0.9156

DUBAI CRUDE OIL

FUTURES PRICE ON NEAREST MONTH OF DELIVERY

$82.25/BBL ▼ $0.15

30 DAYS TO JANUARY 14, 2025

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JANUARY 15, 2025 (PSEi snapshot on *S1/2*; article on *S2/2*)

		Value			
ICT	P395.000	P454,475,706	P5.800	▲	1.490%
AC	P570.000	P326,571,475	-P9.500	▼	-1.639%
BDO	P143.800	P311,093,690	-P0.200	▼	-0.139%
SMPH	P24.600	P295,083,570	P0.800	▲	3.361%
ALI	P26.200	P275,277,055	P0.700	▲	2.745%
TEL	P1,310.000	P222,091,055	P30.000	▲	2.344%
SGP	P12.400	P195,708,832	P0.360	▲	2.990%
MBT	P70.650	P163,805,325	-P0.350	▼	-0.493%
DITO	P1.860	P160,213,180	-P0.140	▼	-7.000%
SM	P834.500	P153,429,880	-P3.500	▼	-0.418%

Remittances jump 3.3% in November

By Luisa Maria Jacinta C. Jocson *Reporter*

MONEY SENT HOME by overseas Filipino workers (OFW) rose by an annual 3.3% in November amid the peso depreciation against the US dollar, the Bangko Sentral ng Pilipinas (BSP) said.

Data from the central bank showed that cash remittances coursed through banks grew by 3.3% to $2.81 billion in November from $2.72 billion in the same month a year ago.

However, the amount of remittances in November was the lowest in six months or since the $2.58 billion posted in May.

Month on month, cash remittances declined by 8.7% from $3.08 billion posted in October.

BSP data showed remittances from land-based workers jumped by 3.9% year on year to $2.22 billion in November, while money sent by sea-based workers inched up by 1% to $585.505 million.

Meanwhile, personal remittances, which include inflows in kind, increased by 3.5% to $3.12 billion in November from $3.02 billion a year earlier.

Remittances from workers with contracts of one year or more rose by 3.7% to $2.4 billion, while money sent home by workers with contracts of less than a year edged higher by 1.7% to $650 million.

11-MONTH PERIOD

In the January-to-November period, cash remittances climbed by 3% to $31.11 billion from $30.21 billion a year earlier.

"Cash remittances are projected to increase by 3% for the full-year 2024," the central bank said.

The end-November remittances accounted for 90.2% of the BSP's full-year projection of $34.5 billion.

"The growth in cash remittances from the United States, Saudi Arabia, Singapore, and the United Arab Emirates (UAE) contributed mainly to the increase in remittances in January-November 2024," the central bank said.

"In terms of country sources, the US accounted for the largest share of overall cash remittances January-November 2024, followed by Singapore and Saudi Arabia."

The United States accounted for 40.9% of overall remittances in the 11-month period, followed by Singapore (7.1%), Saudi Arabia (6.3%), Japan (5%) and the United Kingdom (4.7%).

Other top sources of remittances were the UAE (4.4%), Canada (3.5%), Qatar (2.9%), Taiwan (2.8%) and South Korea (2.5%).

Remittances, S1/5

Corruption still the main concern for Filipino executives in 2025 — survey

CORRUPTION remained the top concern of business executives this year, according to a survey of members of the Management Association of the Philippines (MAP).

"We did a survey late last year, and we will certainly address the top seven concerns of MAP members," said MAP President Alfredo S. Panlilio at the MAP Inaugural Meeting on Wednesday at Shangri-La The Fort.

Aside from corruption, the survey showed other top concerns of management executives include education, the economy, ease of doing business (EODB), climate change, cybersecurity, and dealing with local government units (LGUs).

The survey, conducted late last year, showed fewer MAP members or 45% said that corruption is a top concern for 2025. In the previous survey, 47% of the members said they see corruption as a top concern.

Rising concern over education was also seen in the survey results after 38% of members identified it as a top concern versus 25% in the previous survey.

Around 33% of MAP members are concerned about the economy this year, versus 40% in the previous survey.

According to Mr. Panlilio, MAP plans to address the top concerns through its four thrusts — member engagement; country competitiveness; environmental, social, and governance (ESG) and shared prosperity; and investing in the youth.

"Last year, there were five thrusts. This year, we will merge it into four. Last year's cluster on innovation, technology, and digitalization has been merged into the cluster on country competitiveness," he said.

"Not so much because there is less to do, but because our hope is that in focusing, we sharpen impact," he added.

Mr. Panlilio said the MAP will also continue working with the Anti-Red Tape Authority to address issues on corruption, EODB, and LGUs.

The survey showed 21% of MAP members expressed concern about dealing with LGUs, versus 13% in the previous survey.

"You know, when I was in PLDT Inc. during the pandemic, we had some issues also, but ARTA came in a big way to help us. Actually, there was a directive by the President then to improve connectivity, and one of the hindrances at that time was the licensing and business permits," Mr. Panlilio said.

Corruption, S1/5

NPL ratio eases in November

THE PHILIPPINE banking system's gross nonperforming loan (NPL) ratio eased in November, preliminary data from the Bangko Sentral ng Pilipinas (BSP) showed.

The industry's gross NPL ratio slipped to 3.54% in November from the over two-year high of 3.6% in October.

However, it rose from 3.41% in the same month a year ago.

Data from the BSP showed the amount of soured loans dipped by 0.7% to P520.53 billion as of end-November from P524.31 billion a month earlier. Year on year, bad loans rose by 14.6% from P454.28 billion.

Loans are considered nonperforming once they remain unpaid for at least 90 days after the due date. These are deemed as risk assets since borrowers are unlikely to pay.

The loan portfolio of Philippine banks increased by 1.2% to P14.72 trillion as of end-November from P14.55 trillion at end-October. Year on year, it jumped by 10.4% from P13.34 trillion in the same period in 2023.

Past due loans inched lower by 0.8% to P635.62 billion as of November from P640.88 billion a month earlier. Year on year, it climbed by 12.8% from P563.38 billion.

This brought the past due ratio to 4.32% in November, lower than 4.4% in October but higher than 4.22% a year ago.

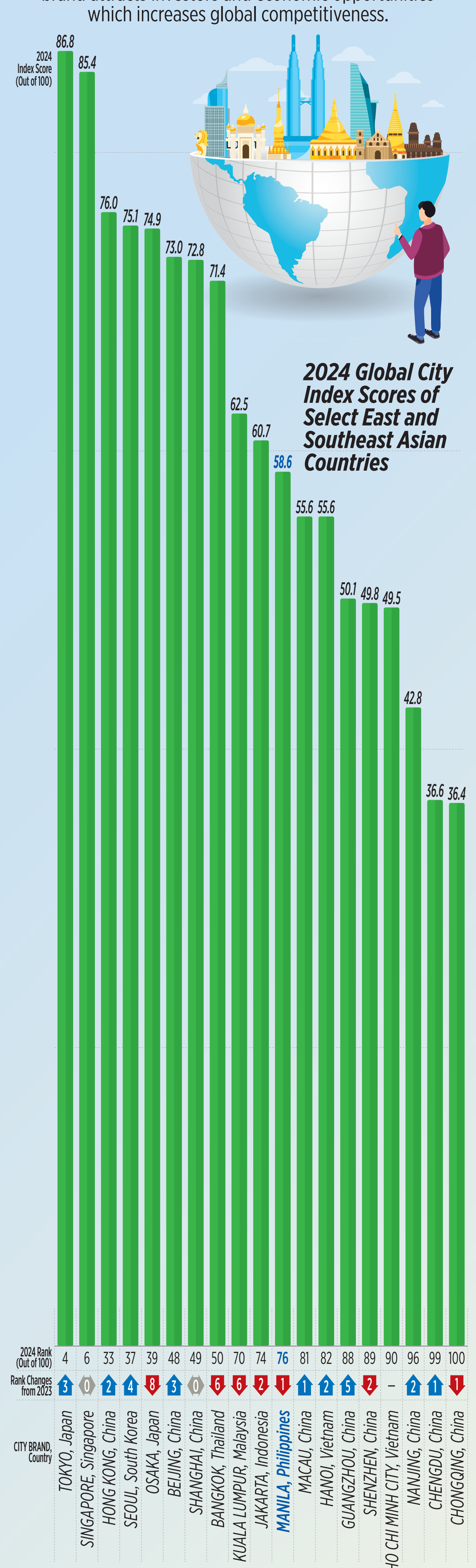
On the other hand, restructured loans stood at P293.7 billion at end-November, up by 0.3% from P292.75 billion in the previous month. However, it declined by 4% from P305.81 billion in November 2023.

Restructured loans accounted for 2% of the industry's total loan portfolio, lower than 2% in October and 2.29% in the same month in 2023.

NPL, S1/5

MANILA SLIPS IN GLOBAL CITY INDEX

Manila fell a notch to 76th out of 100 cities in the 2024 Global City Index by the brand valuation consultancy Brand Finance. The report ranks 100 cities based on their brand's reputation and consideration across seven dimensions: live, study, retire, visit, invest, work locally, and work remotely. The index claims that a strong city brand attracts investors and economic opportunities which increases global competitiveness.



Top 10

2024 Rank (Out of 100)	CITY BRAND, Country	2024 Index Score (Out of 100)
1	LONDON, United Kingdom	90.9
2	NEW YORK, United States	89.8
3	PARIS, France	87.8
4	TOKYO, Japan	86.8
5	DUBAI, UAE	86.0
6	SINGAPORE, Singapore	85.4
7	LOS ANGELES, United States	85.0
8	SYDNEY, Australia	83.7
9	SAN FRANCISCO, United States	82.9
10	AMSTERDAM, Netherlands	82.1

Bottom 10

2024 Rank (Out of 100)	CITY BRAND, Country	2024 Index Score (Out of 100)
100	CHONGQING, China	36.4
99	CHENGDU, China	36.6
98	IZMIR, Turkey	39.7
97	BANGALORE, India	42.1
96	NANJING, China	42.8
95	KARACHI, Pakistan	43.9
94	DHAKA, Bangladesh	44.1
93	ANTALYA, Turkey	44.8
92	ZAGREB, Croatia	46.3
91	LAGOS, Nigeria	47.0

Source: Brand Finance's 2024 Global City Index *(https://brandirectory.com/reports/global-city-index)*
***BusinessWorld* Research**: Lourdes O. Pilar ***BusinessWorld* Graphics**: Bong R. Fortin

Marcos inks law to develop natural gas industry

By John Victor D. Ordoñez *Reporter*

PRESIDENT Ferdinand R. Marcos, Jr. has signed into law a bill that aims to develop the country's natural gas industry as the Philippines seeks to diversify its power mix and fast-track its transition to renewable energy (RE).

Republic Act (RA) No. 12120 or the Philippine Natural Gas Industry Development Act seeks to promote natural gas as a "cost-effective source of energy and an indispensable contributor to energy security."

Aside from establishing the Philippine Downstream Natural Gas Industry (PDNGI), the law also aims to develop the Philippines as a liquefied natural gas (LNG) trading and transshipment hub within Asia-Pacific.

The law also wants to promote natural gas as a transition fuel to renewable energy by creating a legal and regulatory framework for the downstream natural gas industry.

The Philippines is under pressure to seek other sources of energy as the Malampaya gas field, which supplies a fifth of all power generated in the country, is expected to run out of easily recoverable gas by 2027.

The government is trying to raise the share of RE in the country's energy mix to 35% by 2030 and to 50% by 2040 from 22%.

Under the law, the Department of Energy (DoE) will be the lead agency for the industry, with the power to evaluate, approve and issue permits for natural gas facilities. It will prepare the PDNGI Development Plan, as well as establish standards on gas quality, facility and a code of practice for the industry.

"(The) procurement and utilization of indigenous natural gas, including without limitation, by gas-fired power plants, shall be prioritized over imported natural gas provided that is consistent with the state's policy of ensuring energy security and consumer welfare," the law stated.

The law also noted that power produced from indigenous natural gas will have priority over other conventional energy sources.

Under the law, an entity may hold an interest in upstream and downstream natural gas facilities as well as the supply of natural gas, but this will be subject to competition laws.

The processing and grant of all permits for PDNGI facilities will go through the Energy Virtual One-Stop Shop under the DoE.

Under the law, substantial investments for the development of PDNGI facilities will have to undergo an evaluation for possible entitlement to certain fiscal incentives.

"The purchase and sale of indigenous natural gas, aggregated gas and power generated by generation facilities using indigenous natural gas and aggregated gas shall be exempt from value-added tax (VAT)," the law stated.

Philippine Petroleum Association President Edgar Benedict C. Cutiongco said the new law would streamline licensing and permitting for natural gas industry players, which could reduce the country's reliance on imported gas.

"The law underscores the importance of tapping indigenous oil and gas reserves... RA 12120 is likely to encourage the government and private entities to expedite exploration and development indigenous oil and gas resources," Mr. Cutiongco said in a Viber message.

In a statement, the Power for People Coalition said the law would only benefit gas companies and is unlikely to lower power costs for consumers.

Natural gas, S1/5