

33rd EJAP-AYALA Business Journalism Awards The 2023

PSEi OPEN: 6,059.31 HIGH: 6,059.31 5,955.73 LOW: CLOSE: 5,987.75 0.479 B VOL.: 30 DAYS TO FEBRUARY 11, 2025 VAL(P): 5.818 B

FEBRUARY 11, 2025 NET % 14.15 0.04 Japan (Nikkei 225) * 38.801.17 Hong Kong (Hang Seng) 21,294.86 -227.12 -1.06 23,384.05 131.91 1.285.11 14.62 1.15 THAILAND (SET INDEX) 17.78 0.71 S.KOREA (KSE COMPOSITE) 2,539.05 SINGAPORE (STRAITS TIMES) 3,862.44 SYDNEY (ALL ORDINARIES) 8,484.00 1.20 0.01 MALAYSIA (KLSE COMPOSITE) *1,589.95

FEBRUARY 10, 2025 NET CLOSE Dow Jones 44.470.410 167.010 NASDAQ 19,714.270 190.868 S&P 500 6,066.440 🔺 40.450 FTSF 100 8,767.800 🔺 67.270

OPEN P58.165 P58.120 HIGH LOW P58.250 P58.190 CLOSE P58.185 W.AVE. 9.50 ctvs VOI \$1.193.80 M 30 DAYS TO FEBRUARY 11, 2025 SOURCE: BAP

FEBRUARY 11, 2025 LATEST BID (0900GMT) **PREVIOUS** Japan (yen) 151.960 Hong Kong (HK dollar) 7.792 151.960 152,310 7.789 TAIWAN (NT DOLLAR) 32.802 THAILAND (BAHT) 34.050 33.870 S. KOREA (WON) 1,452.150 1,450.860 INDONESIA (RUPIAH) 16.370 16.340 4.467

FEBRUARY 11, 2025 US\$/UK POUND US\$/Euro US\$/AUST DOLLAR CANADA DOLLAR/US\$ 1.4334 SWISS FRANC/US\$

CLOSE

1.2370

1.0313

0.6276

0.9116

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\$77.99/BBL PREVIOUS ▼ 1.2411 1.0330 0.6278 1.4316 **30 DAYS TO FEBRUARY 10, 2025**

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\$1/1-10 • 2 SECTIONS, 16 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • FEBRUARY 11, 2025 (PSEi snapshot on S1/2; article on S2/2)

P140.800 P332.000 P23.300 P24.000 P83.500 P161,120,810 P275,726,226 P242,407,635 P1,106,655,736 P556,350,547 P456,493,997 P383,458,750 Value P150,916,070 P131,815,635 P0.700 -P1.300 -P0.500 ▼ -2.041% -P16.600 ▼ -4.762% ▼ -0.544% **▼** -5.285% **3.750**%

PHL faces risks from Trump tariff threat

THE PHILIPPINES is among the economies in Asia that may be at risk from spillover effects of US President Donald J. Trump's plan to impose reciprocal tariffs on trade partners, analysts said.

Nomura Global Markets report noted that emerging Asian economies have higher tariff rates on US exports, "thus at risk of higher reciprocal tariffs."

"Over 90% of the exports of India, the Philippines, Thailand and China (destined for the US) have higher relative tariff rates and are therefore most at risk of higher reciprocal tariffs," Nomura Global Markets Research said in a report.

Data from Nomura showed that 100% of Philippine exports to the US could be subject to higher tariffs, representing 2.6% of gross domestic product (GDP).

2024 CPI Score (Out of 100)

Mr. Trump on Monday said he would announce plans to impose reciprocal tariffs on other countries over the next two days, Reuters reported.

Mr. Trump made the statement after signing two proclamations ending all exclusions on steel and aluminum tariffs first imposed during his first term and raising duties on both metals to 25%. (Read related story "In latest trade war salvo, Trump raises tariffs on aluminum, steel imports" on S1/8.)

Mr. Trump said he was also looking at tariffs on cars, semiconductor chips and pharmaceuticals.

Reciprocal tariffs would mean the US will impose the same tariff rate on imports from other countries as other countries impose on US exports.

Leonardo A. Lanzona, an economics professor at the Ateneo de Manila University, said "tit-fortat" policies can "trigger disruptions in the global supply chains, thereby resulting in higher prices for all traded goods and services."

"Since China is a major supplier of intermediate goods and consumer products for the Philippines, any disruption or increase in prices due to tariffs or retaliatory policies could lead to higher production costs for

Philippine businesses," he said in an e-mail.

"This, in turn, may contribute to inflation or force companies to look for alternative (and possibly more expensive) suppliers," he added.

China is usually the Philippines' biggest source of imports, while the United States is the country's top destination for exports.

Meralco power rates up in Feb.

By Sheldeen Joy Talavera Reporter

CUSTOMERS of Manila Electric Co. (Meralco) face higher bills as the power distributor is set to raise rates for February due to higher generation charge.

The overall rate will climb by P0.2834 per kilowatt-hour (kWh) to P12.0262 per kWh in February from P11.7428 per kWh in January, the company said in a statement on Tuesday.

This will translate to an upward adjustment of around P57 in the total electricity bill of residential customers with a consumption of 200 kWh. Those consuming 300 kWh, 400 kWh and 500 kWh will have to pay an additional P85, P114 and P144, respectively, this month.

Meralco attributed the increase in the overall electricity rate to the generation charge, which rose by P0.3845 per kWh due to higher costs from independent power producers (IPP) and power supply agree-

IPP charges increased by P0.8355 per kWh due to lower average plant dispatch, a weaker peso and higher liquefied natural gas terminal fees imposed by First Gas Sta. Rita and Sta. Lorenzo.

Charges from the PSAs also climbed by P0.0837 per kWh.

Meralco said the peso depreciation affected 97% of IPP costs and 61% PSA costs that were dollar-denominated.

The local unit closed at P58.365 a dollar on Jan. 31, weakening by 52 centavos from its P57.845 finish on Dec. 27.

However, these higher costs were offset by the P3.005-per-kWh drop in charges from the Wholesale Electricity Spot Market (WESM). The average and peak demand in the Luzon grid both declined, offsetting the impact of the increase in the average capacity on outage.

IPPs, PSAs and WESM accounted for 29%, 43% and 28%, respectively, of the power distributor's total energy requirement for the

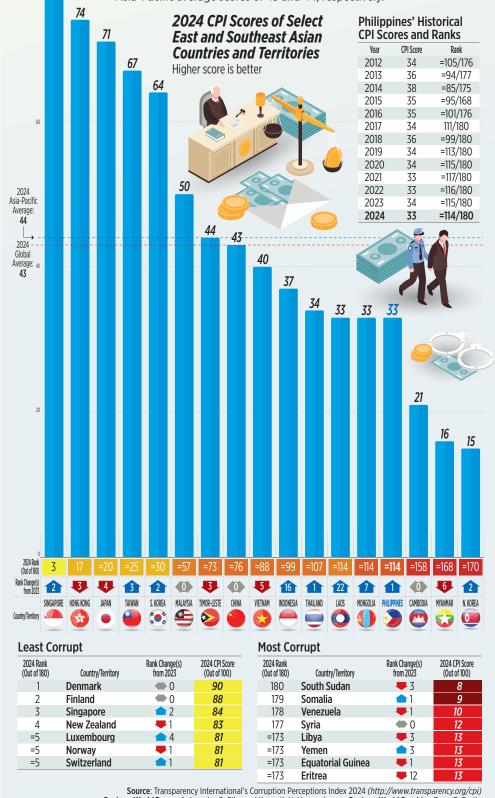
On other components, the transmission charge dipped by P0.0013 per kWh as lower ancillary service charges mitigated the impact of the first of the three monthly collections for the recovery of costs of reserve market suppliers.

The Energy Regulatory Commission (ERC) directed the recovery of the remaining 70% of the reserve market settlement fees incurred in March last year. It will be billed to customers over three months beginning this month.

Meralco, S1/5

PHILIPPINES' PERCEIVED CORRUPTION **RANK IMPROVES IN 2024**

The Philippines climbed a notch to 114th out of 180 countries and territories with a score of 33 (out of 100) in the 2024 Corruption Perceptions Index (CPI) by watchdog Transparency International. It was the country's highest rank since reaching the 113th spot in 2019. However, the country's score lagged behind both global and Asia-Pacific average scores of 43 and 44, respectively.



PHL urged to pursue critical mineral deal with United States

By Justine Irish D. Tabile Reporter

THE PHILIPPINES should pursue a sectoral agreement with the United States with a focus on critical minerals, even as it hopes to forge a free trade agreement (FTA) under President Donald J. Trump's administration.

"We do have a good chance of being able to pull that (FTA), but I think it would have to be sectoral. It can't be the entire free trade agreement," said Jose Manuel D. Romualdez, Philippine ambassador to the US, at the US-Philippines Society press briefing on Tuesday.

"We've had some discussions during the first Trump administrathe FTA, but that obviously was abbreviated, and so we have a chance now to renew that," he added.

Mr. Romualdez said the idea was floated during his talks with former US Commerce Secretary Wilbur L. Ross, Jr.

"His advice to me was for us to pursue a sectoral type of FTA, like for instance in minerals, which we can offer the US, and then on the aspect of other areas where we can also be helpful, like semiconductors," he said.

"While the US is trying to bring all of that back into the US, we are one of seven countries that have been identified as trusted allies of the US. So, we can be a recipient of some of that semiconductor industry that's being moved out of China," he added.

Asked why critical minerals should be a priority, Mr. Romualdez said this is an area where the Philippines and the US could mutually benefit from.

"It's one of our natural resources, and part of our wealth. And we could get better prices for nickel, for instance, if we were able to process it here," he said.

More than 90% of Philippine nickel exports go to China, Mr. Romualdez said.

"They get the entire thing, and they even dictate prices. So,

we want to change that. We've been pursuing the critical minerals agreement with the US, even during the Biden administration, and we will pursue it even more vigorously this time," he added.

Earlier this year, the Philippine Department of Trade and Industry said the country would double efforts to secure an FTA with the US.

"The Philippines needs the FTA with the US, and equally important is that the partners within the region, like Japan and South Korea, need us to have an FTA with the US," said Trade Undersecretary Ceferino S. Rodolfo.

"This is so they can secure a non-China supply chain for certain critical industries, including our minerals for batteries." he added.

The Philippines is the biggest exporter of nickel ore concen trate, accounting for more than one-fourth of the global supply. Of the country's total nickel ore concentrate exports, over 98% go to China, while 1% go to Japan.

Rene D. Almendras, a member of US-Philippines Society, said that the Philippines should push for a sectoral agreement focusing on critical minerals as it will benefit provincial areas.

"A revitalized mining industry will benefit rural and provincial areas that have been neglected in the past. So, if we're able to revive that industry, then the benefits will be very, very good in the areas where we most need it," he said.

"The geographic location of those mines and hopefully those processing facilities will spur development in those areas where it is badly needed. And the Marcos administration is doing a really good job trying to decentralize the economy," he added.

However, Mr. Almendras said the Philippines would have to first address potential investors' concerns over power supply.

Aside from a sectoral FTA, Mr. Romualdez said there is a good chance that the US Generalized System of Preferences (GSP) would be reauthorized by the US Congress.

Critical mineral, S1/5

Philippines' ranking inches up in global corruption perceptions index

THE PHILIPPINES saw a slight improvement in its ranking in a global corruption perceptions index by Transparency International, although its score remained well below the global average.

In the watchdog's 2024 Corruption Perceptions Index (CPI), the Philippines ranked 114th out of 180 countries with a score of

33 out of 100, up a spot from 115th last vear.

SCORE

This was the Philippines' best ranking since 2018 when it

However, Manila's score of 33 is below the global average of 43, and the Asia-Pacific region's average of 44. A score of 0-9 means "highly corrupt," while a score of 90-100 means "very clean."

The Philippines lagged most Asia-Pacific countries in the index, which ranked countries and territories according to the levels of public-sector corruption perceived by experts and businesspeople.

Singapore ranked third in the global index and first in the Asia-Pacific region with a score of 84.

Other Asia-Pacific economies that scored higher than the Philippines in the index include Japan (71), Taiwan (67), South Korea (64), Malaysia (50), Timor-Leste (44), China (43), Vietnam (40), Indonesia (37), Nepal (34) and Thailand (34).

70-79 80-89 90-100

Manila got the same score as Laos and Mongolia, and was higher than Cambodia (21), Myanmar (16) and North Korea (15).

In a statement, Transparency International regional advisers

for Asia-Pacific Ilham Mohamed, Yuambari Haihuie and Urantsetseg Ulziikhuu said the index showed governments in the region are "still failing to deliver on anti-corruption pledges" amid a climate crisis.

"After years of stagnation, the 2024 average score for the region has dropped by one point to 44. This is especially devastating

considering corruption's detrimental impact on climate change — the biggest challenge humanity faces," they said.

"Corruption obstructs environmental policy, hijacks climate financing and hinders the enforcement of regulations and policies, leaving the most vulnerable with little recourse."

Corruption, S1/5