



BusinessWorld



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

STOCK MARKET		ASIAN MARKETS				WORLD MARKETS		PESO-DOLLAR RATES		ASIAN MONIES-US\$ RATE		WORLD CURRENCIES		DUBAI CRUDE OIL																																																																																																				
<div><p>PSEI OPEN: 5,994.64 HIGH: 6,107.62 LOW: 5,994.64 CLOSE: 6,094.96 VOL.: 1.064 B 30 DAYS TO FEBRUARY 18, 2025 VAL(P): 6.296 B</p></div>		<div><p>FEBRUARY 18, 2025</p><table><tr><th></th><th>CLOSE</th><th>NET</th><th>%</th></tr><tr><td>JAPAN (NIKKEI 225)</td><td>39,270.40</td><td>▲ 96.15</td><td>0.25</td></tr><tr><td>HONG KONG (HANG SENG)</td><td>22,976.81</td><td>▲ 360.58</td><td>1.59</td></tr><tr><td>TAIWAN (WEIGHTED)</td><td>23,666.11</td><td>▲ 160.78</td><td>0.68</td></tr><tr><td>THAILAND (SET INDEX)</td><td>1,254.99</td><td>▲ -1.49</td><td>-0.12</td></tr><tr><td>S.KOREA (KOSPI COMPOSITE)</td><td>2,626.81</td><td>▲ 16.39</td><td>0.63</td></tr><tr><td>SINGAPORE (STRAITS TIMES)</td><td>3,923.79</td><td>▲ 18.94</td><td>0.49</td></tr><tr><td>SYDNEY (ALL ORDINARIES)</td><td>8,481.00</td><td>▼ -56.10</td><td>-0.66</td></tr><tr><td>MALAYSIA (KLSE COMPOSITE)</td><td>1,584.84</td><td>▲ 2.08</td><td>0.13</td></tr></table></div>					CLOSE	NET	%	JAPAN (NIKKEI 225)	39,270.40	▲ 96.15	0.25	HONG KONG (HANG SENG)	22,976.81	▲ 360.58	1.59	TAIWAN (WEIGHTED)	23,666.11	▲ 160.78	0.68	THAILAND (SET INDEX)	1,254.99	▲ -1.49	-0.12	S.KOREA (KOSPI COMPOSITE)	2,626.81	▲ 16.39	0.63	SINGAPORE (STRAITS TIMES)	3,923.79	▲ 18.94	0.49	SYDNEY (ALL ORDINARIES)	8,481.00	▼ -56.10	-0.66	MALAYSIA (KLSE COMPOSITE)	1,584.84	▲ 2.08	0.13	<div><p>FEBRUARY 17, 2025</p><table><tr><th></th><th>CLOSE</th><th>NET</th></tr><tr><td>Dow Jones *</td><td>44,546.080</td><td>▼ -165.350</td></tr><tr><td>NASDAQ *</td><td>20,026.773</td><td>▲ 81.129</td></tr><tr><td>S&P 500 *</td><td>6,114.630</td><td>▲ -0.440</td></tr><tr><td>FTSE 100</td><td>8,768.010</td><td>▲ 35.550</td></tr><tr><td>Euro Stoxx50</td><td>4,718.870</td><td>▲ 17.700</td></tr></table><p>* CLOSING PRICES AS OF FEB. 14, 2025</p></div>			CLOSE	NET	Dow Jones *	44,546.080	▼ -165.350	NASDAQ *	20,026.773	▲ 81.129	S&P 500 *	6,114.630	▲ -0.440	FTSE 100	8,768.010	▲ 35.550	Euro Stoxx50	4,718.870	▲ 17.700	<div><p>FX OPEN P58.080 HIGH P58.080 LOW P58.285 CLOSE P58.150 W.AVE. P58.212 VOL. \$1,666.60 M 30 DAYS TO FEBRUARY 18, 2025 SOURCE : BAP</p></div>		<div><p>FEBRUARY 18, 2025 LATEST BID (0900GMT)</p><table><tr><th></th><th></th><th>PREVIOUS</th></tr><tr><td>JAPAN (YEN)</td><td>151.930</td><td>▼ 151.760</td></tr><tr><td>HONG KONG (HK DOLLAR)</td><td>7.776</td><td>▲ 7.780</td></tr><tr><td>TAIWAN (NT DOLLAR)</td><td>32.720</td><td>▲ 32.702</td></tr><tr><td>THAILAND (BAHT)</td><td>33.690</td><td>▲ 33.720</td></tr><tr><td>S. KOREA (WON)</td><td>1,441.350</td><td>▲ 1,442.520</td></tr><tr><td>SINGAPORE (DOLLAR)</td><td>1.342</td><td>▼ 1.341</td></tr><tr><td>INDONESIA (RUPIAH)</td><td>16,270</td><td>▼ 16,210</td></tr><tr><td>MALAYSIA (RINGGIT)</td><td>4.444</td><td>▼ 4.430</td></tr></table></div>				PREVIOUS	JAPAN (YEN)	151.930	▼ 151.760	HONG KONG (HK DOLLAR)	7.776	▲ 7.780	TAIWAN (NT DOLLAR)	32.720	▲ 32.702	THAILAND (BAHT)	33.690	▲ 33.720	S. KOREA (WON)	1,441.350	▲ 1,442.520	SINGAPORE (DOLLAR)	1.342	▼ 1.341	INDONESIA (RUPIAH)	16,270	▼ 16,210	MALAYSIA (RINGGIT)	4.444	▼ 4.430	<div><p>FEBRUARY 18, 2025</p><table><tr><th></th><th>CLOSE</th><th>PREVIOUS</th></tr><tr><td>US\$/UK POUND</td><td>1.2605</td><td>▲ 1.2593</td></tr><tr><td>US\$/EURO</td><td>1.0458</td><td>▼ 1.0473</td></tr><tr><td>US\$/AUST DOLLAR</td><td>0.6356</td><td>▼ 0.6362</td></tr><tr><td>CANADA DOLLAR/US\$</td><td>1.4190</td><td>— 1.4190</td></tr><tr><td>SWISS FRANC/US\$</td><td>0.9004</td><td>▲ 0.9002</td></tr></table></div>			CLOSE	PREVIOUS	US\$/UK POUND	1.2605	▲ 1.2593	US\$/EURO	1.0458	▼ 1.0473	US\$/AUST DOLLAR	0.6356	▼ 0.6362	CANADA DOLLAR/US\$	1.4190	— 1.4190	SWISS FRANC/US\$	0.9004	▲ 0.9002	<div><p>FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$77.55/BBL 30 DAYS TO FEBRUARY 17, 2025</p></div>	
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VOL. XXXVIII • ISSUE 146 **WEDNESDAY • FEBRUARY 19, 2025 • www.bworldonline.com** SI/1-12 • 2 SECTIONS, 16 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • FEBRUARY 18, 2025 (PSEi snapshot on SI/2; article on SI/2)

SMPH	P22.850	ALI	P23.550	BDO	P143.000	ICT	P350.000	BPI	P129.000	GLO	P2,300.000	JFC	P257.000	MBT	P74.000	AC	P551.500	AP	P43.600
Value	P403,836,520	Value	P364,479,095	Value	P337,967,420	Value	P317,635,214	Value	P289,222,780	Value	P212,879,120	Value	P205,873,300	Value	P178,375,148	Value	P168,513,415	Value	P166,078,855
P1.000	▲ 4.577%	P1.150	▲ 5.134%	P4.400	▲ 3.175%	P0.000	— 0.000%	P1.000	▲ 0.781%	P30.000	▲ 1.322%	P4.000	▲ 1.581%	P0.750	▲ 1.024%	P1.500	▲ 0.273%	P1.600	▲ 3.810%

New incentives for carmakers eyed

By Justine Irish D. Tabile
Reporter

THE PHILIPPINE government is finalizing an incentive program that seeks to encourage car companies to boost manufacturing operations in the country, according to the Office of the Special Assistant to the President for

Investment and Economic Affairs (OSAPIEA).

OSAPIEA chief Frederick D. Go said the government would soon introduce the Revitalizing the Automotive Industry for Competitiveness Enhancement (RACE) program.

“The previous administration came up with the Comprehensive Automotive Resurgence Strategy (CARS) program, and that’s already

done, but we want to continue promoting the vehicle industry,” he told reporters on Monday.

Mr. Go said the RACE program would provide incentives to companies that will manufacture new car models in the country.

The program will be implemented by the Department of Trade and Industry (DTI), unlike CARS, which was established through an executive order.

“We designed RACE so that it is a department initiative,” Mr. Go said, noting that funds have been allotted for the program through the 2025 General Appropriations Act.

The RACE program has been allotted P250 million under the DTI’s budget for locally funded projects. Created through Executive Order No.182 by then President Benigno S. Aquino III, the CARS program

aimed to attract new investments in the automotive industry.

It provided three slots for car manufacturers, which were required to produce at least 200,000 units of an enrolled model to avail themselves of the incentives.

However, only two slots were filled — Toyota Motor Philippines Corp. (TMP), which produces the Vios sedan, and Mitsubishi Motors Philippines Corp. (MMPC),

which manufactures the Mirage hatchback and Mirage G4 sedan.

Mr. Go hinted the RACE program could accept more than three participants.

“We learned from CARS... The (RACE) program is slightly different, but the intent is the same, that if you introduce more local components into the vehicle, then you can qualify for the (incentives),” he added.

Carmakers, SI/2

MANILA SLIPS TO 2nd IN PRIME GLOBAL CITIES INDEX

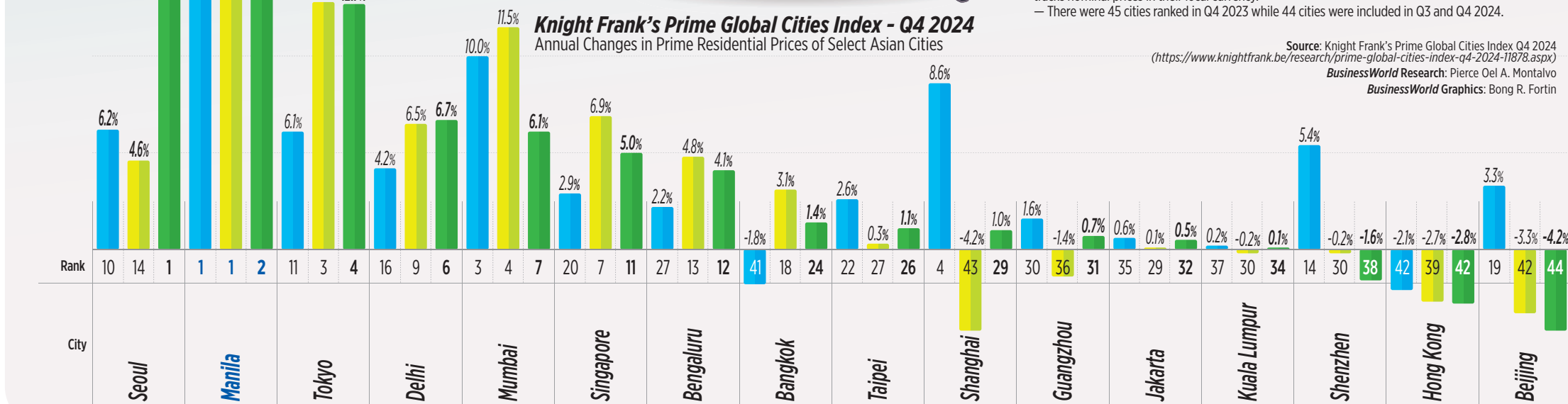
The Philippine capital’s prime residential prices rose by 17.9% year on year in the fourth quarter of 2024 based on the latest edition of the Prime Global Cities Index by real estate consultancy firm Knight Frank. Manila placed second among 44 residential markets, losing its top position to Seoul, South Korea. The index tracks the performance of luxury residential prices across key global cities on a quarterly basis using data compiled by its global research network.



Top 10			Bottom 10		
Q4 2024 Rank	City	Year-on-year % change	Q4 2024 Rank	City	Year-on-year % change
1	Seoul	18.4%	44	Beijing	-4.2%
2	Manila	17.9%	43	Wellington	-3.5%
3	Dubai	16.9%	42	Hong Kong	-2.8%
4	Tokyo	12.7%	41	Vienna	-2.6%
5	Nairobi	8.3%	40	Melbourne	-1.9%
6	Delhi	6.7%	39	Auckland	-1.7%
7	Mumbai	6.1%	38	Shenzhen	-1.6%
8	Madrid	5.5%	37	London	-1.0%
9	Perth	5.3%	36	New York	-0.3%
10	Lisbon	5.3%	35	Frankfurt	-0.1%

Notes:
— The valuation-based index does not only track the movement of prime residential prices but also tracks nominal prices in their local currency.
— There were 45 cities ranked in Q4 2023 while 44 cities were included in Q3 and Q4 2024.

Source: Knight Frank’s Prime Global Cities Index Q4 2024
(<https://www.knightfrank.be/research/prime-global-cities-index-q4-2024-11878.aspx>)
BusinessWorld Research: Pierce Oel A. Montalvo
BusinessWorld Graphics: Bong R. Fortin



Below-target growth to support further rate cuts

EXPECTATIONS of below-target growth and manageable inflation should support further rate cuts by the Bangko Sentral ng Pilipinas (BSP) this year, DBS Bank said in a report.

At the same time, a Nomura Global Markets Research analyst said the BSP could have delivered a rate cut instead of a pause at last week’s meeting amid “persistent” uncertainty.

“The growth-inflation dynamic backs further rate cuts, with the real rate buffer considerably wide at 2.5%-2.75%, providing room for monetary policy to be growth supportive,” DBS Senior Economist Radhika Rao said.

DBS expects gross domestic product (GDP) to grow below 6% this year after a weaker-than-expected 5.6% growth in 2024. The government is targeting 6-8% growth this year.

Inflation has been “buoyant” in the past few months, DBS said. Headline inflation remained steady at 2.9% in January, within the central bank’s 2-4% target.

“Food supply disruptions due to a lagged impact of typhoons, utility costs and a weaker peso were behind this spurt, though are likely to be viewed as temporary and will not deter the central bank from a dovish path,” it added.

DBS expects the central bank to deliver up to 50 basis points (bps) worth of rate cuts this year.

“After a 75-bp rate reduction in 2024, the BSP is likely to bide time to monitor risk of further tariffs and the consequent inflation/US dollar path, before resuming further easing,” Ms. Rao said.

The BSP left the benchmark rate unchanged at 5.75% on Feb. 13, with BSP Governor Eli M. Remolona, Jr. citing global uncertainties due to US trade policies.

Nomura Global Markets Research analyst Euben Paracuelles said central banks, including the BSP, might struggle to consider the implications of US President Donald J. Trump’s tariff policies.

“I think this is going to be a sort of a persistent type of uncertainty. We will never really get a good handle of it. And I think sometimes it’s better to be just reactive than proactive just because of the extent of the uncertainty,” he said in an interview on *Money Talks with Cathy Yang* on One News on Tuesday.

Mr. Remolona last week said the BSP is recalibrating their models to better account for these uncertainties and other “unusual” phenomena.

“The uncertainty in itself is the one that’s going to create some downside pressure and growth, whether it’s weighing on business sentiment and other indirect channels,” Mr. Paracuelles said.

Rate cuts, SI/10

Metro Manila commuters face higher LRT-1 fares

By Ashley Erika O. Jose
Reporter

COMMUTERS in Metro Manila will pay higher fares for the Light Rail Transit Line 1 (LRT-1) starting April 2 after the Department of Transportation (DoTr) approved a new fare matrix.

In a letter dated Feb. 14 but published on Tuesday, the DoTr said it had approved the petition of Light Rail Manila Corp. (LRMC) for adjustments in the LRT-1 fare matrix.

The letter was signed by Transportation Undersecretary for Railways Jeremy S. Regino.

Beginning April 2, the boarding fare will be raised to P16.25 from P13.29, while the distance per kilometer fare will be increased to P1.47 from P1.21.

Based on the approved fare matrix, the maximum fare for a single-journey end-to-end trip will increase by P10 to P55 from P45. This will cover the trip from FPJ Station (formerly Roosevelt) in Quezon City to Baclaran Station in Pasay City, including the last station of the Cavite extension Phase 1.

Meanwhile, stored value cardholders will pay P9 more for the end-to-end trip, bringing the fare to P52.

The approved rate is lower than LRMC’s proposal to raise the end-to-end-trip fare to P60 for single-journey tickets and P58 for stored value cards.

LRMC President and Chief Executive Officer Enrico R. Benipayo said the company is grateful for the approval of new fares.

“In the past 10 years of operating and maintaining the 40-year-old railway line, this will only be the second time that LRMC has been allowed

to implement fare adjustments for LRT-1,” he said in a statement.

The private operator took over LRT-1 from Light Rail Transit Authority (LRTA) in 2015.

The company said the newly approved fare matrix, which is lower than its petition, is the same as its fare adjustment petition in 2022.

Under its concession agreement, the private operator may seek a fare adjustment once every two years. Mr. Benipayo has said previously the approved rate in 2023 is still well below the notional fare and has resulted in a fare deficit of P2.17 billion.

LRT-1, SI/2

PHL on track to become upper middle-income country by 2026

THE World Bank expects the Philippines to become an upper middle-income country (UMIC) by 2026 even as growth fell below 6% last year.

“Under our current baseline growth assumptions, average growth of 6% from 2025 to 2026, the Philippines is likely to reach upper middle-income status by 2026,” World Bank Country Director for the Philippines, Malaysia, and Brunei Zafer Mustafaoglu told *BusinessWorld* in an e-mailed reply to questions.

The World Bank expects the country to grow by 6.1% in 2025 and 6% in 2026.

The Philippines grew by a weaker-than-expected 5.6% in 2024, slightly faster than 5.5% in 2023.

The Marcos administration expects the Philippines to reach UMIC status over the next two years (2025-2026).

The World Bank updates country classifications by income level on July 1 every year, based on the gross national income (GNI) per capita of the previous calendar year.

The World Bank computes a country’s GNI through the Atlas method, which serves as the basis of its income classifications —

low, lower-middle, upper-middle and high. GNI refers to the total amount of money earned by its residents both within and outside its borders.

The Philippines remained a lower middle-income country even as GNI per capita rose to \$4,230 in 2023 from \$3,950 in 2022.

Under the World Bank’s classification, the threshold for a lower middle-income country stood at \$1,146-\$4,515 GNI per capita in 2023, while the threshold for an upper middle-income country stood at \$4,516-\$14,005.

Once the Philippines reaches upper middle-income status, the country will lose access to official development assistance loans that are typically long term and have low interest rates.

“As the Philippines transitions to upper middle-income status, sustaining growth and achieving its 2040 vision of consolidating a middle-class society and eliminating poverty requires a shift from investment-led to productivity-driven growth,” Mr. Mustafaoglu said.

PHL, SI/10