



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

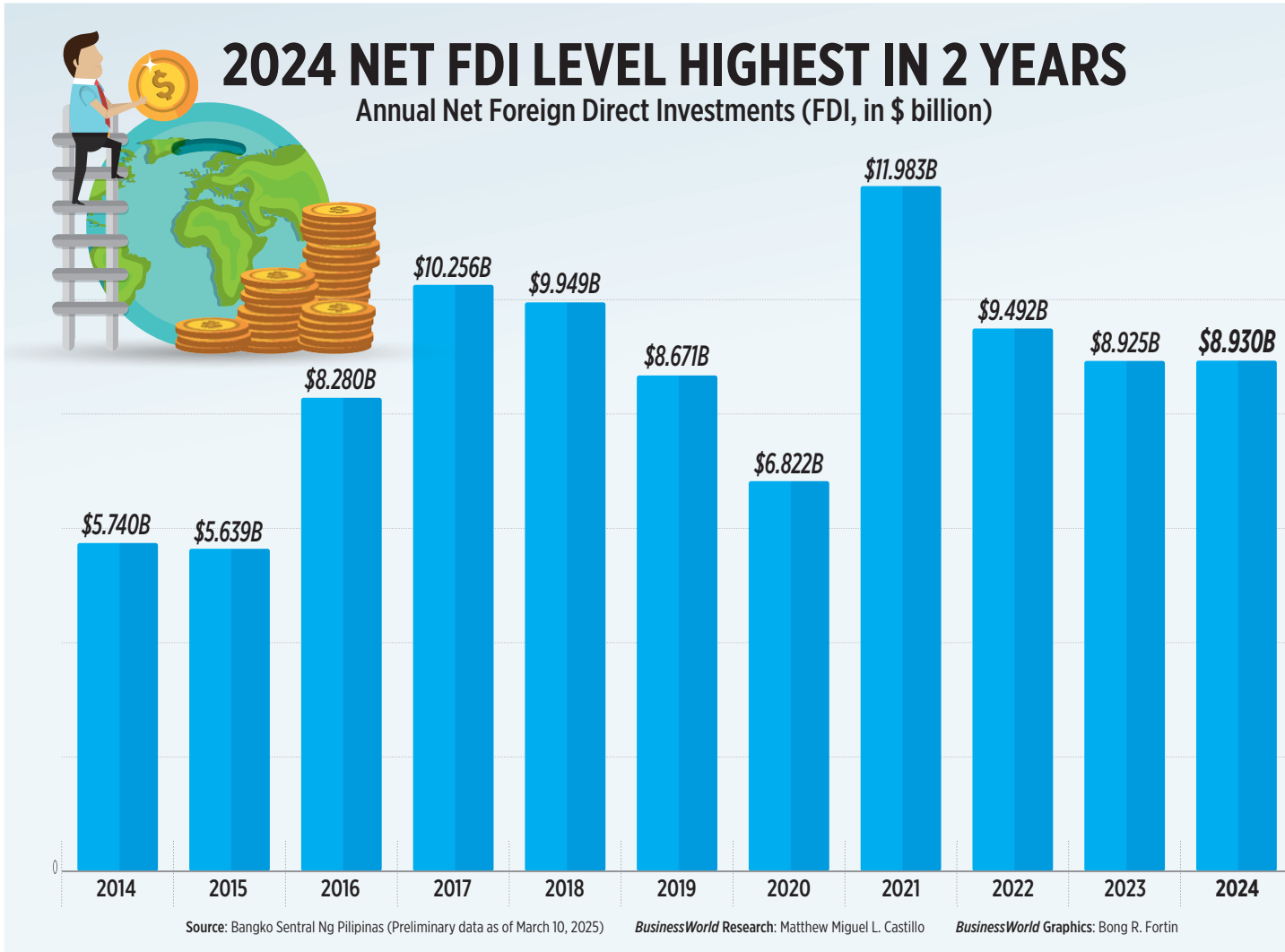
STOCK MARKET		ASIAN MARKETS				WORLD MARKETS		PESO-DOLLAR RATES		ASIAN MONIES-US\$ RATE		WORLD CURRENCIES		DUBAI CRUDE OIL
<div>6400</div> <div>6250</div> <div>6100</div> <div>5950</div> <div>5800</div> <div>5650</div> <div>62.48 PTS. 0.99%</div> <div>30 DAYS TO MARCH 10, 2025</div> <div>PSEi</div> <div>OPEN: 6,283.09</div> <div>HIGH: 6,360.77</div> <div>LOW: 6,279.42</div> <div>CLOSE: 6,360.77</div> <div>VOL.: 0.627 B</div> <div>VAL(P): 6.414 B</div>		<div>MARCH 10, 2025</div> <div><div>CLOSE</div><div>NET</div><div>%</div></div> <div>JAPAN (NIKKEI 225) 37,028.27 ▲ 141.10 0.38</div> <div>HONG KONG (HANG SENG) 23,783.49 ▼ -447.81 -1.85</div> <div>TAIWAN (WEIGHTED) 22,459.15 ▼ -116.92 -0.52</div> <div>THAILAND (SET INDEX) 1,180.13 ▼ -21.90 -1.82</div> <div>S. KOREA (KSE COMPOSITE) 2,570.39 ▲ 6.91 0.27</div> <div>SINGAPORE (STRAITS TIMES) 3,901.95 ▼ -12.53 -0.32</div> <div>SYDNEY (ALL ORDINARIES) 7,962.30 ▲ 14.10 0.18</div> <div>MALAYSIA (KLCSE COMPOSITE) 1,536.46 ▼ -10.81 -0.70</div>				<div>MARCH 7, 2025</div> <div><div>CLOSE</div><div>NET</div></div> <div>DOW JONES 42,801.720 ▲ 222.640</div> <div>NASDAQ 18,196.221 ▲ 126.966</div> <div>S&P 500 5,770.200 ▲ 31.680</div> <div>FTSE 100 8,679.880 ▼ -2.960</div> <div>Euro Stoxx50 4,694.750 ▼ -19.010</div>		<div>FX</div> <div>OPEN P57.250</div> <div>HIGH P57.200</div> <div>LOW P57.430</div> <div>CLOSE P57.410</div> <div>W.AVE. P57.346</div> <div>VOL. \$815.69 M</div> <div>20.40 CTS</div> <div>30 DAYS TO MARCH 10, 2025</div> <div>SOURCE : BAP</div>		<div>MARCH 10, 2025 LATEST BID (0900GMT)</div> <div><div>PREVIOUS</div></div> <div>JAPAN (YEN) 147.200 ▲ 148.030</div> <div>HONG KONG (HK DOLLAR) 7.768 ▲ 7.770</div> <div>TAIWAN (NT DOLLAR) 32.859 ▲ 32.827</div> <div>THAILAND (BAHT) 33.780 ▼ 33.580</div> <div>S. KOREA (WON) 1,454.020 ▲ 1,449.000</div> <div>SINGAPORE (DOLLAR) 1.331 — 1.331</div> <div>INDONESIA (RUPIAH) 16,335 ▼ 16,290</div> <div>MALAYSIA (RINGGIT) 4.420 ▼ 4.412</div>		<div>MARCH 10, 2025</div> <div><div>CLOSE</div><div>PREVIOUS</div></div> <div>US\$/UK POUND 1.2897 ▼ 1.2920</div> <div>US\$/EURO 1.0838 ▼ 1.0832</div> <div>US\$/AUSTRALIAN DOLLAR 0.6322 ▲ 0.6305</div> <div>CANADA DOLLAR/US\$ 1.4362 ▼ 1.4377</div> <div>SWISS FRANC/US\$ 0.8777 ▼ 0.8795</div>		<div>FUTURES PRICE ON NEAREST MONTH OF DELIVERY</div> <div>\$70.84/BBL</div> <div>▲ \$0.60</div> <div>30 DAYS TO MARCH 7, 2025</div>

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

ICT	P390.000	BDO	P158.000	BPI	P131.900	URC	P75.000	ALI	P23.500	PLUS	P37.500	SMPH	P25.000	MER	P502.000	PX	P6.260	JFC	P264.000
Value	P1,092,849,162	Value	P365,044,196	Value	P283,872,327	Value	P271,864,304	Value	P261,551,650	Value	P215,155,385	Value	P174,791,360	Value	P158,626,491	Value	P149,668,114	Value	P147,910,344
P5.000	▲ 1.299%	P0.500	▲ 0.317%	P0.500	▲ 0.381%	P3.200	▲ 4.457%	P0.050	▲ 0.213%	P0.450	▲ 1.215%	P0.650	▲ 2.669%	P1.500	▲ 0.300%	P0.510	▲ 8.870%	P11.200	▲ 4.430%

As December saw lowest monthly tally in 11 years,

FDI net inflows inch up 0.1% in 2024



By **Luisa Maria Jacinta C. Jocson** Reporter

NET INFLOWS of foreign direct investments (FDI) into the Philippines inched up by just 0.1% in 2024 but plunged in December to its lowest monthly tally in 11 years, amid uncertainty in global trade, data from the central bank showed.

Preliminary data from the Bangko Sentral ng Pilipinas (BSP) showed FDI net inflows edged higher to \$8.93 billion in 2024 from \$8.925 billion in 2023, ending two straight years of declining inflows.

The 2024 FDI tally was also the highest in two years but below the BSP's forecast of \$9 billion.

Investments in equity and investment fund shares rose by 13.1% to \$2.7 billion in 2024 from \$2.39 billion in 2023.

Net foreign investments in equity capital climbed by 42.4% to \$1.54 billion last year from \$1.08 billion in 2023.

Placements increased by 4.3% to \$2.17 billion, while withdrawals fell by 37.1% to \$628 million.

BSP data showed these placements mainly came from Japan (38%), the United Kingdom (35%), the United States (10%), and Singapore (8%).

Investments were mostly channeled into manufacturing (68%), followed by real estate (12%), and information and communication (5%) industries.

Meanwhile, net investments in debt instruments stood at \$6.23 billion, down by 4.7% from \$6.53 billion in 2023.

Reinvestment of earnings likewise declined by 11.2% to \$1.17 billion from \$1.31 billion.

DECEMBER SLUMP

In December alone, FDI net inflows plunged by 85.2% to \$110 million from \$743 million in the same month in 2023.

Month on month, inflows likewise fell by 88% from \$922 million.

December saw the lowest FDI net inflow in 11 years or since the \$102.16 million recorded in December 2013.

"While nonresidents' net equity capital investments rose, FDI declined due to increased debt repayments by resident corporations to their nonresident direct investors," the BSP said.

The higher debt repayments brought net investments in debt instruments to an outflow of \$19 million in December, a reversal of the \$618-million inflow in the same month in 2023.

FDI, SI/9

Pharma industry eyes 9% growth this year

By **Justine Irish D. Tabile** Reporter

THE PHILIPPINE pharmaceutical industry is targeting at least 9% growth this year amid the implementation of the universal healthcare law, an industry group said.

"The growth is estimated at 9%. The increase is driven by requirements in the implementation of the universal healthcare law," Philippine Pharmaceutical Manufacturers Association (PPMA) President Higinio P. Porte, Jr. told *BusinessWorld*.

In particular, he said that the industry is banking on the implementation of the universal healthcare law's outpatient drug benefit program.

"The outpatient drug benefit will be rolled out this year, wherein outpatients visiting health centers or public hospitals once given prescriptions will be provided vouchers that they can redeem in public hospitals and accredited drugstores," he added.

The PPMA currently has 75 members, of which 45 are manufacturers and traders of drug products. Other members include major suppliers of raw and packaging materials, medical machines, and services.

Last year, the local pharmaceutical market was estimated at P285 billion, representing a 5% growth from the P270-billion market value in 2023.

If the 9% projection is realized, it means the local pharmaceutical market will reach P310 billion in market value this year.

However, only 34% of the estimated total market value in 2024 are products manufactured locally, according to Mr. Porte.

Although there are improvements in the approval of certificates of product registration (CPR), he said the lengthy process remains a concern for the sector.

"Although the delays in CPR and licenses approval significantly improved, about half of applications are beyond Citizens' charter," he said. "These delays have a great impact on the launches of new products both locally manufactured and imported."

Sought for comment, Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said that the reason must be because of the economies of scale in other countries.

"The global supply chain [for pharmaceutical products] is strong. India, which is a source for many countries, already has economies of scale," he said in a Viber message.

"They offer the best global technologies at the lowest possible cost or price, benefiting developing countries," he added.

However, he said that there is an opportunity to increase the local share of manufacturing amid changes in the global supply chain and worldwide distribution.

"Let's see if Trump's higher tariffs, reciprocal tariffs, and trade wars would adversely affect the global supply chains and worldwide marketing or distribution," said Mr. Ricafort.

Last month, US President Donald J. Trump said that he will impose 25% or higher tariffs on pharmaceutical imports with plans to increase it over the course of a year, along with his plans to impose tariffs on vehicle and semiconductor chip imports, Reuters reported.

The US is the largest market for most Indian generic drugmakers, accounting for 31% or \$8.7 billion of the industry's overall exports last year.

Pharma, SI/9

Thrift banks to request lower MLR after RRR cut

THRIFT BANKS will ask the Bangko Sentral ng Pilipinas (BSP) to lower the minimum liquidity ratio (MLR) for the industry to 16%, as the reserve requirement ratio (RRR) cut takes effect later this month.

"I'm sure they will be open to that. Especially now that we have a 0% [RRR] already. So, let's see. We will continue to probably request from them (the BSP)," Chamber of Thrift Banks (CTB) President and CARD SME Bank Vice-Chairperson Mary Jane A. Perreras told reporters on the sidelines of the CTB General Membership Meeting on Friday.

Last year the BSP rejected the thrift banking industry's call to reduce the MLR, saying there was no need. It noted the 20% MLR was "appropriate," as it ensures that thrift banks "have adequate liquid assets to withstand potential stress events while continuing to meet their clients' funding needs."

"During the pandemic it was at 16%. Now they have brought it back to 20%. So hopefully they can bring it back even if little by little," Ms. Perreras said.

In April 2020, the BSP lowered the MLR for stand-alone thrift banks, rural banks

and cooperative banks to 16% from 20% to help these lenders meet clients' demand for funds during the pandemic.

This regulatory relief measure expired at the end of 2022, bringing the MLR back to 20%.

Ms. Perreras said the BSP could reconsider its earlier stance due to the expected increase in loan volume after the RRR cut takes effect.

The RRR for thrift lenders will be reduced by 100 basis points to 0%, effective March 28. The RRR is the portion of reserves that banks must hold onto to ensure they can meet liabilities in case of sudden withdrawals. When a bank is required to hold a lower reserve ratio, it has more funds to lend to borrowers.

"That (RRR cut) will increase the volume of loans, hopefully. Because there will be more liquidity that will be in the market. And we're still also hoping that after the RRR is reduced to zero, the MLR could be reduced next," she said.

Ms. Perreras said a reduction in MLR would further boost lending.

"We're hoping that maybe that would be next. Because that is much better for

us, especially for banks to be able to lend more... I'm sure they have reasons why they are keeping it at 20%. But we hope that they would also reconsider our request," she said.

THRIFT LOANS

Meanwhile, Ms. Perreras said loans disbursed by thrift banks could hit around P900 billion this year, driven by the RRR cut and increased lending to small businesses and the agriculture sector.

"I think this growth will continue this year. Especially that now, we have a zero-reserve requirement (ratio). So, that loan portfolio, we expect that to be growing because we have more liquidity to do more loans outside," she said.

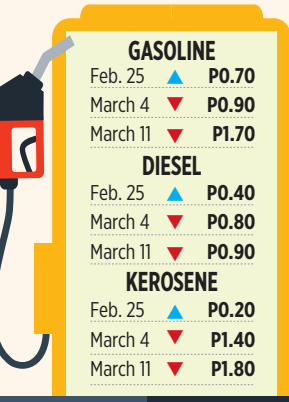
In 2024, thrift banks disbursed loans worth P770 billion, Ms. Perreras said in a speech on Friday. This was around 15% higher than the P667.63-billion loans in 2023.

She told reporters that the sector's net income and assets could grow by 6-7% this year.

However, cybersecurity issues continue to pose a risk for the sector.

Thrift banks, SI/9

FUEL PRICE TRACKER



- **March 11, 12:01 a.m.** — Caltex Philippines
- **March 11, 6 a.m.** — Petron Corp.; Phoenix Petroleum; Pilipinas Shell Petroleum Corp.; PTT Philippines Corp.; Seaoil Philippines, Inc.
- **March 11, 8:01 a.m.** — Cleanfuel (Shaw Autogas, Inc.)

World Bank says PHL needs reforms in education, health

THE PHILIPPINES should focus on reforms that will improve learning and health outcomes, as well as boost private sector competitiveness to sustain economic growth, a World Bank official said on Monday.

"I see the Philippines has good opportunities. But of course, [it] will also need to invest in reform efforts and continue boosting with reforms and opening up its market," World Bank Country Director for the Philippines, Malaysia, and Brunei Zafer Mustafaoglu said on *Money Talks with Cathy Yang* on One News.

He said these reforms are needed for the Philippines to sustain growth amid global uncertainty.

He pointed to reforms that would improve health and learn-

ing outcomes, enhance competitiveness of the private sector, boost community resilience and address gaps in infrastructure.

The Philippines has seen low learning outcomes, especially after the strict lockdowns during the coronavirus disease 2019 pandemic.

"We see that at the age of 10... Almost 90% of them are having difficulty in comprehending what they read. This, of course, is an area that we are focusing very much on improving educational outcomes," Mr. Mustafaoglu said.

A World Bank report previously showed that around 91% of 10-year-olds in the Philippines cannot read and understand an age-appropriate text, which is known as "learning poverty."

Mr. Mustafaoglu also noted that a child born in the Philippines today will be able to achieve only around 52% of their productive potential by age 18 due to the lack of education and adequate health services.

The Philippines is seeking a \$600-million loan from the World Bank to fund a project aimed at improving learning outcomes in public schools.

"We are focusing on improving regulatory business environments, its implementation, deepening financial markets that both provide access to finance but also stability, and also firm entry into the markets to create more product firms and help them grow," Mr. Mustafaoglu said.

World Bank, SI/9