필리핀한인상공회의소뉴스

KOREAN CHAMBER OF COMMERCE PHILIPPINES NEWSLETTER

April 2024 Issue | Vol. 29

SPECIAL POINTS OF INTEREST

UPCOMING EVENT

NEDA says 6 percent Q1 growth possible

April 16, 2024 | Louella Desiderio | The Philippine Star

"It is possible. It can be lower, but not too much," NEDA Secretary Arsenio Balisacan told The STAR when asked if it is possible that first quarter economic growth reached six percent.

Businessworld / File

MANILA, Philippines — A six percent economic growth in the first quarter is possible given developments in the labor market and lower inflation, according to the National Economic and Development Authority (NEDA).

"It is possible. It can be lower, but not too much," NEDA Secretary Arsenio Balisacan told The STAR when asked if it is possible that first quarter economic growth reached six percent.

"I don't expect to go spectacularly high or even high. But I think that if we can get close to within the six to seven percent [target] for the year, I would be happy with that," he said in a recent interview.

Balisacan said additional data including exports, however, would still be needed to know how the economy performed in the first quarter.

Data released by the Philippine Statistics Authority (PSA) last week showed the country's exports of goods amounted to $11.84 billion in the January to February period, 12.3 percent higher than the $10.55 billion in the same period in 2023.

He said the best scenario for the first quarter performance would be to match the 6.4 percent gross domestic product (GDP) growth posted in the first quarter last year, adding that there have been positive developments in the labor market.

Latest data from the Philippine Statistics Authority (PSA) showed the unemployment rate dipped to 3.5 percent in February this year from 4.5 percent in January 2024 and 4.8 percent in February last year.

There were 1.80 million jobless Filipinos in February this year, also down from 2.15 million in January this year and 2.47 million in February 2023.

The country's unemployment level in February this year is the lowest since the 1.60 million jobless Filipinos recorded in December last year.

Balisacan said inflation this year is lower compared to last year's, which should be favorable for consumption.

While headline inflation quickened for the second straight month to 3.7 percent in March this year from 3.4 percent in February 2024 and 2.8 percent in January of this year, it is lower than the 7.6 percent print in March last year.

For the January to March period of this year, inflation averaged 3.3 percent, also lower than the 8.3 percent average in the same period in 2023.

Average inflation in the first quarter is also within the government's target range of two to four percent.

The PSA will release the first quarter economic performance data on May 9.

Earlier this month, the PSA said fourth quarter GDP growth was revised to 5.5 percent from 5.6 percent.

As a result, full-year 2023 GDP growth was also adjusted downward to 5.5 percent from 5.6 percent.

The PSA revises GDP estimates based on an approved revision policy, which is in line with international standard practices.

Earlier, the interagency Development Budget Coordination Committee trimmed the economic growth target for this year to six to seven percent from the previous goal of 6.5 to 7.5 percent, citing global trade disruptions and geopolitical tensions that could impact the economy.

Source: https://www.philstar.com/business/2024/04/16/2347914/neda-says-6-percent-q1-growth-possible

PHL ’seriously concerned’ over Israel-Iran conflict

April 16, 2024 | Malou Talosig-Bartolome | BusinessMirror

File photo: Iran launches drone and missile attack against Israel. (AP Photo/Tomer Neuberg)

THE Philippines joined the international community on Monday in voicing its apprehension over the increasing tension between Israel and Iran.

On Saturday night, Iran launched over 350 bomb drones and missiles over Israeli targets in retaliation for the Israeli airstrike on the Iranian consulate in Syria last week.

“The Philippines expresses its serious concern over the increasing tensions between Israel and Iran.

“We urge all parties to refrain from escalating the situation and to work towards a peaceful resolution of their conflict.

“The Philippines has long advocated for all states to adhere to the principles of international law and to the peaceful settlement of disputes,” the Department of Foreign Affairs said in a statement.

There are around 30,000 Filipinos in Israel and 2,000 in Iran. However, if the Israel-Iran war expands to the Middle East, it might affect the employment of more than 1 million Filipino workers in the region.

The country is also heavily dependent on oil imports from the Middle East.

There are 17 Filipino seafarers of cargo ship Galaxy Leader who are still being held by the Iran-backed Houthi militants in Yemen since November 2023.

Last Saturday, another container ship, MSC Aries, was taken by Iranian forces with a multinational crew on board that included four Filipinos, the Department of Migrant workers confirmed.

Israeli envoy: Expect condemnation

Israeli Ambassador to Manila Ilan Fluss said his country is “expecting the international community to condemn the attack of Iran against Israel.”

Asked to comment about the Department of Foreign Affairs (DFA) statement which stopped short of condemning the Iranian attack, Fluss replied.

“The Philippine government has issued a statement and we obviously respect the statement that was issued. But I’m not going to go into the nuances of the specific language.”

Addressing reporters via virtual press conference, he stressed: “It is important to say that the Philippines and Israel are friendly countries which are historically good and close relationship and we continue to build this relationship.”

Image credits: AP/Tomer Neuberg

Source: https://businessmirror.com.ph/2024/04/16/phl-seriously-concerned-over-israel-iran-conflict/

Foreign borrowing approvals down 48%

April 16, 2024 | Niña Myka Pauline Arceo | The Manila Times

The Manila Times®

APPROVED public sector foreign borrowings went down by almost 50 percent in the first quarter from a year earlier, the Bangko Sentral ng Pilipinas (BSP) said on Monday.

At $2.87 billion, the amount was 48 percent lower than the $5.56 billion approved by the central bank's policymaking Monetary Board in the same period last year.

It was also lower than the $3.32 billion approved in the fourth quarter of 2023.

The authorized borrowings for the first three months of 2024 comprised two project loans totaling $850 million and five program loans worth an aggregate $2.02 billion. *[Cont. page 3]*

Foreign borrowing approvals down 48%
[Cont. from page 2]

The borrowings, the BSP said, will be used for government infrastructure projects ($850 million) and health care policy reform programs ($910 million), digital transformation ($410 million), tax administration ($400 million), and inclusive finance development ($300 million).

Under the 1987 Constitution, foreign loans to be contracted or guaranteed by the Philippine government must first be approved by the Monetary Board.

Letter of Instruction 158, dated Jan. 21, 1974, also states that all foreign borrowing proposals by the national government, government agencies and government financial institutions must be submitted to the Monetary Board for approval-in-principle before actual negotiations start.

"The Bangko Sentral ng Pilipinas promotes the judicious use of the resources and ensures that external debt requirements are at manageable levels, to support external debt sustainability," the central bank said.

Foreign borrowing approvals totaled $14.49 billion last year, up from 2022's $10.32 billion, as the government sought to finance a budget deficit.

Source: https://www.manilatimes.net/2024/04/16/business/top-business/foreign-borrowing-approvals-down-48/1941589

Samsung returns to top of the smartphone market — industry tracker
April 16, 2024 | Agence France-Presse | The Philippine Star

A man walks past a signboard of Samsung Electronics displayed outside the company's Seocho building in Seoul on October 11, 2023.

AFP/Jung Yeon-je

SAN FRANCISCO, United States — Samsung regained its position as the top smartphone seller, wresting back the lead from Apple as Chinese rivals close the gap on both market leaders, industry tracker International Data Corp. (IDC) reported Monday.

South Korea-based Samsung overtook Apple as worldwide smartphone shipments grew nearly 8 percent in the first quarter of this year to 289.4 million, IDC said, citing its preliminary data.

It was the third consecutive quarter of growth in the global smartphone market, signalling that a recovery from a slump in the sector is underway, according to IDC.

IDC Worldwide Mobility and Consumer Device Trackers team vice president Ryan Reith expected top smartphone companies to gain share and small brands to struggle for position as recovery progresses.

Samsung shipped 60.1 million smartphones in the first quarter of this year, claiming nearly 21 percent of the market, according to IDC figures.

Apple shipped 50.1 million iPhones, garnering just over 17 percent of the market in the same period, IDC reported.

Apple smartphone shipments were down 9.6 percent in a quarter-over-quarter comparison, while Samsung shipments slipped less than one percent, according to the market tracker.

Meanwhile, China-based Xiaomi saw shipments grow about 33 percent to 40.8 million and Transsion about 85 percent to 28.5 million, taking third and fourth positions in the overall smartphone market, IDC reported.

"While Apple managed to capture the top spot at the end of 2023, Samsung successfully reasserted itself as the leading smartphone provider in the first quarter," Reith said.

IDC expects Samsung and Apple to maintain their hold on the high end of the smartphone market while Chinese competitors seek to expand sales, according to Reith.

Nabila Popal, research director with IDC's Worldwide Tracker team, said: "There is a shift in power among the Top 5 companies, which will likely continue as market players adjust their strategies in a post-recovery world.

"Xiaomi is coming back strong from the large declines experienced over the past two years and Transsion is becoming a stable presence in the Top 5 with aggressive growth in international markets."

Source: https://www.philstar.com/business/technology/2024/04/16/2348105/samsung-returns-top-smartphone-market-industry-tracker

Feb factory output growth highest in five months on strong demand

April 13, 2024 | Ian Nicolas P. Cigaral | Philippine Daily Inquirer

BUSY SUMMER A clothes factory in Lapu-Lapu City should see increased output as companies ramp up to meet resurgent demand. —PHOTO COURTESY OF THE MEPZ WORKERS ALLIANCE

MANILA, Philippines — Local factory output posted its best expansion in five months in February on the back of resurgent demand for Filipino-made products, although headwinds are likely ahead.

A monthly survey of selected industries showed the volume of production index (VoPI)—a measure of manufacturing output—expanded 8.9 percent year-on-year in February, faster than the 6.2-percent growth in January and the fastest since September 2023, the Philippine Statistics Authority (PSA) reported on Friday.

Production of food products, which grew 9.2 percent, was the biggest contributor to the higher VoPI in February, the PSA said.

Overall, 10 out of 19 industries covered by the survey posted year-on-year increases in output.

The reading was consistent with the results of a separate poll by S&P Global, which showed that the Philippines' Purchasing Managers' Index or PMI improved to 51 in February, from 50.9 in January, after "subdued" demand seen at the start of the year rebounded.

The PMI is another gauge of the health of the manufacturing sector.

According to S&P, there was a renewed rise in export sales in February, albeit "fractional." It was the first time since November last year that the appetite for Filipino manufactured goods improved in markets abroad.

Production problems

The stronger demand, in turn, prompted factories to beef up their purchases of raw materials and other production requirements. But S&P said companies encountered problems in fulfilling orders due to material shortages that slowed production to "near-stagnation" and depleted inventories at the fastest rate since January 2022.

If advance estimates by S&P Global are to be believed, the persistent supply chain problems likely continued to weigh on the performance of Filipino manufacturers in March.

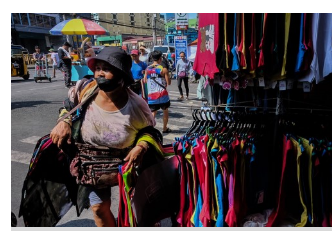
While the PMI reading was broadly unchanged at 50.9 last month, S&P Global said local factory output contracted for the first time since July 2022. At the same time, growth in new orders "moderated" in March compared to February.

According to the PSA, the average growth of VoPI stood at 7.5 percent in the first two months of 2024, better than the 2.6 percent expansion recorded in the comparable period last year.

Source: https://business.inquirer.net/454541/feb-factory-output-growth-highest-in-5-months-on-strong-demand

IMF hikes growth forecast for PHL

April 17, 2024 | Luisa Maria Jacinta C. Jocson | BusinessWorld



The International Monetary Fund (IMF) sees the Philippine economy growing by 6.2% this year. —PHILIPPINE STAR/RYAN BALDEMOR

THE INTERNATIONAL Monetary Fund (IMF) raised its gross domestic product (GDP) growth forecast for the Philippines for this year and 2025.

In its latest World Economic Outlook (WEO), the IMF upwardly revised its Philippine growth forecast to 6.2% for this year from 6% previously. This is within the government's revised 6-7% growth target.

"Real GDP growth for 2024 was revised slightly to 6.2% from the January WEO forecast of 6%, reflecting carryover from a better-than-expected outturn in the last quarter of 2023," IMF Representative to the Philippines Ragnar Gudmundsson said in an e-mail.

The Philippine economy grew by 5.5% in both the fourth quarter and full-year 2023.

Based on IMF projections for emerging and developing Asia, the Philippines is expected to post the second-fastest GDP growth this year, just behind India (6.8%). It is ahead of Vietnam (5.8%), Indonesia (5%), China (4.6%), Malaysia (4.4%) and Thailand (2.7%). *[Cont. page 5]*

IMF hikes growth forecast for PHL

[Cont. from page 4]

"Growth in emerging and developing Asia is expected to fall from an estimated 5.6% in 2023 to 5.2% in 2024 and 4.9% in 2025, a slight upward revision compared with the January 2024 WEO Update," according to the report.

The multilateral lender sees five Association of Southeast Asian Nations member economies (ASEAN-5) to expand by an average of 4.5% this year, slightly lower than the 4.7% forecast it gave previously.

The ASEAN-5, composed of the Philippines, Singapore, Malaysia, Vietnam, and Indonesia, is forecast to grow by 4.6% next year, slightly higher than its 4.4% projection in January.

For 2025, the IMF sees Philippine GDP growing by 6.2%, a tad higher than its previous forecast of 6.1% but below the government's 6.5-7.5% target.

Mr. Gudmundsson said the forecast for 2025 is supported by expectations of an "acceleration in domestic demand and investment."

Next year, the Philippines has the second-fastest projected growth in the region, just behind India and Vietnam (both at 6.5%).

"Over the medium term, structural reforms to close infrastructure and education gaps, attract greater foreign direct investments (FDIs), and harness benefits from the digital economy should help realize a (Philippine) growth potential of about 6-6.5%," Mr. Gudmundsson said.

"These reforms should be complemented by strengthening existing social protection schemes and addressing climate change through a more integrated strategy that includes a carbon pricing scheme," he added.

Economic managers are targeting 6.5-8% growth from 2026 to 2028.

Meanwhile, the IMF sees global growth settling at 3.2% for both 2024 and 2025. It raised its 2024 forecast by 0.1 percentage point but kept its 2025 projection unchanged from January.

"Nevertheless, the projection for global growth in 2024 and 2025 is below the historical (2000-2019) annual average of 3.8%, reflecting restrictive monetary policies and withdrawal of fiscal support, as well as low underlying productivity growth," the IMF said.

It said that emerging market and developing economies are expected to "experience stable growth through 2024 and 2025, with regional differences."

INFLATION

Meanwhile, the IMF sees inflation averaging 3.6% this year, lower than the 3.7% forecast in its January update.

"Inflation is projected to gradually approach the target of 3% in the second half of 2024, though risks remain tilted to the upside as a surge in food or fuel prices could lead to increased pressure for greater wage hikes and persistence in core inflation," Mr. Gudmundsson said.

Inflation accelerated for a second straight month to 3.7% in March, mainly due to high food and transport costs. The BSP sees inflation averaging 3.8% this year.

BSP Governor Eli M. Remolona, Jr. has said that upside risks to inflation have worsened, prompting the central bank to be "somewhat more hawkish than before."

Inflation could temporarily accelerate to above the 2-4% target over the next two quarters, according to the BSP.

The IMF also sees inflation averaging 3% in 2025, same as its previous estimate.

The BSP expects inflation to average 3.2% next year.

Mr. Gudmundsson said that the BSP should "maintain a sufficiently restrictive monetary policy stance until inflation fully returns to target."

"Scope for a gradual reduction in the policy rate could emerge later this year provided that inflation expectations are firmly anchored and upside risks to the inflation outlook do not materialize," he added.

At its latest meeting in April, the Philippine central bank left its benchmark rate unchanged at a near 17-year high 6.5% for a fourth straight meeting.

From May 2022 to October 2023, the Monetary Board raised borrowing costs by 450 basis points (bps).

Mr. Remolona told Bloomberg on Monday that if inflation continues to worsen, there is a chance that there will be no rate cuts this year.

The central bank will likely begin policy easing by the first quarter of 2025, he added.

Source: https://www.bworldonline.com/top-stories/2024/04/17/588624/imf-hikes-growth-forecast-for-phl/

UPCOMING EVENTS

KCCP
Korean Chamber of Commerce Philippines, Inc.

29th KCCP Annual General Membership Meeting

on April 18, 2024 (Thursday) 05:30PM
Ayala Ballroom, Makati Sports Club

R.S.V.P.
Ms. Chi or Ms. Sang at info@kccp.ph | 8404-3099 | 8885-7342
FREE FOR KCCP Members

KCCP
Korean Chamber of Commerce Philippines, Inc.

29th KCCP Annual General Membership Meeting
April 18, 2024 | 6:00pm | Makati Sports Club
PROGRAM

05:30	**Registration / Networking**
06:00	**National Anthem**(Philippines & Korea) -Philippine National Anthem *(to be performed by PUP Bagong Himig Serenata)*
	Welcome Remarks Mr. Hyunchong Joseph Um President Korean Chamber of Commerce Philippines, Inc.
	Congratulatory Message Mr. Seung Man Sang Deputy Chief of Mission and Consul General Embassy of the Republic of Korea
	Congratulatory Message Ms. Eunina Mangio President Philippine Chamber of Commerce & Industry
06:15	**Special Greetings from Partner Organizations** Mr. Robert Yupangco Chairman Philippines-Korea Economic Council Mr. Marlon Tagorda President, Philippine KOICA Fellows Association
06:25	**Briefing: Invest in PEZA | Opportunities and Incentives for Korean Investors/Locators** Mr. Tereso O. Panga Director General Philippine Economic Zone Authority
6:40	**Wine Toasting** Mr. Man Yeong Youn President, United Korean Community Association
06:45	**Dinner [w/ KCCP Activity Presentation]** Special Performance (by PUP Bagong Himig Serenata)
07:40	**Briefing : Recent Trends in Trade and Investment between Korea and the Philippines** Mr. Sujung Lee Director General Korea Trade Center Manila (KOTRA)
07:55	**Video Message from KCCP Scholars**
08:00	**Introduction of 17th KCCP President**
08:10	**Message from the KCCP President and Introduction of KCCP Board of Directors**
08:25	**Raffle & Acknowledgement of Sponsors**
08:30	**Closing Remarks**

AMCHAM NORTH LUZON The American Chamber of Commerce of the Philippines, Inc. · ANZCHAM Philippines · CANCHAM · eccp European Chamber of Commerce of the Philippines · JCCIPI · KCCP · PAMURI

2024

JFC CLARK INTERNATIONAL MIXER

Don't miss this great networking opportunity to expand your connection!

TUESDAY APRIL 23

6:00PM - 9:00PM

CLARK MARRIOTT HOTEL

5398 MANUEL A ROXAS HIGHWAY ZONE, CLARK FREEPORT

TARIFF:

JFC MEMBERS - PHP 2,500
GUESTS - PHP 2,800

Get a chance to win a round trip ticket to Australia from QANTAS Spirit of Australia

EVENT PARTNERS

ASAP HELI FORKLIFT · ALVEO an AyalaLand company · ASTORIA · BERTHAPHIL CLARK FREEPORT · Canon · cloudstaff · CONVERGE BUSINESS · CROWN WORLDWIDE GROUP · EASTERN COMMUNICATIONS · KMC · GLOBUS family of brands · HINO A Toyota Group Company · Marubeni · Ortigas Land · Payoneer · Philippine Retirement Authority · Regus · via.com An EbixCash Initiative

EXCLUSIVE AIRLINE PARTNER

QANTAS Spirit of Australia

RAFFLE PARTNERS

THE ASCOTT LIMITED · Hilton · lyf · ATLANTIS Philippines · somerset · Sunlight Air · swissôtel CLARK · citadines · WORKQC+ Sales & Marketing Outsourcing


COLLABORATING PARTNER
KCCP
Korean Chamber of Commerce Philippines, Inc.
2nd Philippine
ESG
Investors Summit
Unveiling the Power of ESG Investing
14 May 2024 . Solaire Resort . Entertainment City . The Philippines
FEATURED EXPERT DISCUSSANTS
TBA
BUREAU OF TREASURY
DEP. GOV. CHUCHI G. FONACIER
HEAD - FINANCIAL SUPERVISION SECTOR
BANGKO SENTRAL NG PILIPINAS
MR. JAIME F. MENDEJAR
SENIOR MANAGER, SUSTAINABLE FINANCE - APAC
HSBC HONG KONG
MS. KATRINA F. FRANCISCO
PARTNER
SGV & CO.
MR. MARK DINESH
MARKET LEAD - SOUTHEAST ASIA
AXA CLIMATE
ATTY. ALAIN CHARLES J. VELOSO
PARTNER
QUISUMBING TORRES
ATTY. INA ALEXANDRA A. DOMINGUEZ
PARTNER
QUISUMBING TORRES
MR. OLIVER Y. TAN
PRESIDENT & CEO
CITICORE RENEWABLE ENERGY CORP.
MS. KRISTINE I. AGUIRRE
ADVISORY PARTNER & ESG LEAD
KPMG R.G. MANABAT & CO.
MR. TIMOTHY M. DANIELS
CONSULTANT, INVESTOR RELATIONS & SUSTAINABILITY
SM INVESTMENTS CORP.
DR. C. KENDRA GOTANGCO GONZALES
DIRECTOR
ATENEO INSTITUTE OF SUSTAINABILITY
ATTY. PEDRO H. MANIEGO, JR.
CHAIRMAN
INSTITUTE OF CORPORATE DIRECTORS
MS. MARIA CORAZON G. DIZON
MEMBER
INSTITUTE OF CORPORATE DIRECTORS
MS. GINGGAY HONTIVEROS-MALVAR
CHIEF REPUTATION & SUSTAINABILITY OFFICER
ABOITIZ EQUITY VENTURES, INC.
MS. MA. CECILIA T. CRUZABRA
TREASURER
ACEN
MR. ERWIN O. AVANTE
CHIEF FINANCE OFFICER
ENERGY DEVELOPMENT CORP.
MR. MATTHIAS GELBER
CO-FOUNDER
ESG INNOVATION HUB
MS. ERIKA LEUNG RODRIGUEZ
HEAD - SUSTAINABLE INVESTING, APAC
KKR
MR. JOSE UY III
SVP & HEAD, CORPORATE AFFAIRS
NESTLÉ PHILIPPINES, INC.
MR. JONAS MARIE A. DUMDUM
INDUSTRY SOLUTIONS CONSULTANT
NOMURA RESEARCH INSTITUTE
MS. LEAH MAGALLANES
VP, SUSTAINABILITY AND F&B
SM HOTELS AND CONVENTIONS CORP.
MR. COLIN STELEY
SUSTAINABILITY DIRECTOR
STRATCON
MS. PING MANONGDO
COUNTRY DIRECTOR - PHILIPPINES
ECO-BUSINESS
AND MORE!
BE AT THE FOREFRONT AS THE 2ND PHILIPPINE ESG INVESTORS SUMMIT SHOWCASES INTERACTIVE PANEL DISCUSSIONS AND ENGAGING KEYNOTES COVERING CORE THEMES OF THE ESG SPACE
PRESENTING ENTITIES, ENDORSING PARTNERS AND ESTEEMED PATRONS
HSBC
SGV
Climate
Quisumbing Torres
CITICORE RENEWABLE ENERGY
KPMG R.G. Manabat & Co.
SM INVESTMENTS
Ateneo Institute of Sustainability
ICD
ACEN
BDO
CEMEX
energy
KKR
NRI
SM HOTELS AND CONVENTIONS
stratcon.ph
Eco-Business
ARCADIS
Asia Brewery
Metrobank
PARKWAY
plasticbank
acted
British
CCI FRANCE PHILIPPINES
CFA Society Philippines
FMAP
KCCP
NORDCHAM
SustainablePH
BusinessWorld
iMPACT
Business Insight
Manila Standard
AND MORE!
ED GALLINERO
evg@pcm-asia.org
+632 8800 9201
REGISTER NOW
SEATS ARE RUNNING OUT!
www.pcm-asia.org/2ESGPH
ADMISSION FEE PER REGISTRANT*
REGISTRANT | MEMBER | NON-MEMBER
LOCAL | PHP 13,000.00 | PHP 20,000.00
FOREIGN | USD 500.00 | USD 800.00
SEATS ARE LIMITED. FIRST COME, FIRST SERVED BASIS SHALL BE STRICTLY OBSERVED.
*Inclusive of full access to the event proceedings, materials, meal functions and networking receptions.
COPYRIGHT © The 2nd Philippine ESG Investors Summit. All Rights Reserved.