



Singapore remains a key source of PH portfolio investments

The Bangko Sentral ng Pilipinas reports that Singapore was the Philippines' second- and third-largest source of foreign portfolio investment inflows in January and February 2012, respectively. In 2011, Singapore was already the largest source of foreign portfolio inflows for the Philippines, up from being the second-biggest in 2010.

In terms of foreign direct investment inflows, Singapore was the third-largest source of foreign equity capital into the Philippines in 2011. The Philippines' National Statistical Coordination Board reports that approved FDIs from Singapore rose 105.0% to P14.93 billion in 2011 from P7.28 billion in 2010, accounting for 5.8% of approved FDIs into the Philippines last year.

Records at the Philippines' Securities and Exchange Commission show, however, that foreign investments from



MBC Images

The trading floor of the PSE

Singapore in newly registered domestic corporations and partnerships dropped 25.9% to P24.2 million in 2011 from P32.7 million in 2010. ■

The PSBC Newsletter is a quarterly publication of the Philippines-Singapore Business Council that provides the latest socio-economic updates on the Philippines and Singapore, as well as news on developments in trade and investments between the two countries.

PSBC Chairman
GUILLERMO D. LUCHANGCO

PSBC Vice Chairman
FERNANDO ZOBEL DE AYALA

PSBC Executive Committee Members
CEFERINO L. BENEDICTO
CORAZON S. DE LA PAZ - BERNARDO
LANCEY. GOKONGWEI
RICARDO J. ROMULO
ALFONSO YUCHENGCO III

PSBC Executive Director
PETER ANGELO V. PERFECTO

PSBC Deputy Director
MARC P. OPULENCIA

PSBC SECRETARIAT
2/F, AIM Conference Center
Benavidez Street cor Trasierra Street
Legaspi Village, 1229 Makati City, Philippines
Tel (+63 2) 751-1139
Fax (+63 2) 751-1160

PH exports increase strongest in Asia in January

Philippine merchandise exports rose 3.1% to US\$4.1 billion in January 2012 from US\$4.0 billion in January 2011, according to the country's National Statistics Office. In comparison, the Philippine National Economic and Development Authority reports that neighboring countries' exports contracted in the same month: China, -0.5%; Malaysia, -1.3%; Japan, -2.6%; Vietnam, -3.0%; Singapore, -3.3%; Korea, -7.0%; Hong Kong, -8.4%; and Taiwan, -8.4%.

Looking at trade between the Philippines and Singapore, however,

exports of goods from the Philippines to Singapore shrank 40.8% to US\$339.4 million in January from US\$573.6 million a year ago. For the full year 2011, Philippine merchandise exports to Singapore actually decreased 41.6% to US\$4.28 billion from US\$7.32 billion in 2010, while merchandise imports from Singapore also went down 5.7% to US\$4.89 billion from US\$5.19 billion in 2010. Thus, the Philippines incurred a trade deficit with Singapore of US\$615.5 million in 2011 from a trade surplus of US\$2.13 billion in 2010. ■

Philippine labor secretary calls for review of holidays

Amidst pending proposals in the Philippine Congress to declare more non-working holidays, Labor Secretary Rosalinda Baldoz issued a policy statement on 22 February 2012. "Declaring holidays has implications on productivity and competitiveness. It is associated with issues on rights at work," the labor secretary said. "Reviewing the implementation of holidays is necessary to contribute to the Philippine development goal of inclusive growth, through decent and productive work."

The Philippine government has declared 18 holidays for 2012—12 regular holidays and 6 special non-working days. For the first time, the Philippines observed the Chinese New Year holiday last 23 January.

According to the Bureau of Working Conditions, the Philippines has more holidays than Australia, which has

eight; Singapore, 11; Indonesia, 14; Japan and Thailand, 15 each; Malaysia and South Korea, 16 each; and Hong Kong, 17. Only China has more holidays, at 29, than the Philippines.

Citing a policy brief prepared by the Institute of Labor Studies, the labor department pointed out that holiday economics "seemed to have created a negative, or at best, insignificant impact on [the] level of tourism activities and on employment." The ILS paper also mentioned the adverse impact of holidays on small businesses.

There are five holidays common to both the Philippines and Singapore: New Year's Day, Chinese New Year, Good Friday, Labor Day, and Christmas Day. ■

Philippine visitors to Singapore up 24% in 2011

From No. 10, the Philippines now ranks No. 6 in terms of visitor arrivals to Singapore. More flights into the city-state from Manila, Clark, Cebu, and Davao and rising disposable incomes enabled more Filipinos to dine, shop, and be entertained in Singapore, with their number jumping 24.0% from 544,000 in 2010 to 678,000 in 2011.

Meanwhile, Philippine Department of Tourism statistics show that Singapore is the leading source of tourists from Southeast Asia into the Philippines. The number of visitors from Singapore went up 13.8% to 137,802 in 2011 from 121,083 in 2010. Recently, Philippine Ambassador to Singapore Minda Calaguian Cruz helped boost the Philippine tourism campaign by bringing the Singapore-based ambassadors of Brazil, Cambodia, Canada, Mexico, and Peru to the Puerto Princesa Underground River, which has been voted as one of the "New 7 Wonders of Nature." ■

Department of Tourism



The Puerto Princesa Underground River

OFW remittances from Singapore up 3.2% in January

According to the Bangko Sentral ng Pilipinas, remittances of overseas Filipino workers from Singapore rose 3.2% from US\$68.36 million in January 2011 to US\$70.52 million in January this year. This amount consisted of US\$51.77 million from land-based workers and US\$18.75 million from sea-based workers.

For the full year 2011, OFW remittances from Singapore increased 7.5% to US\$789.24 million from US\$734.13 million in 2010.

In the 2010 Survey on Overseas Filipinos as reported by the National Statistics Office in February 2012, Singapore was the fourth leading destination of OFWs in Asia, with around 121,000 Filipinos as of the survey period.

As of December 2010, the Commission on Filipinos Overseas estimated the number of Filipinos in Singapore at 160,020—44,000 permanent migrants, 67,420 temporary migrants, and 48,600 irregular migrants. ■

Join the Philippines-Singapore Business Council!

The PSBC was established in 1994 to promote trade and investments between the Philippines and Singapore. The council is composed of top business executives who seek to explore business opportunities between the two countries and to promote the exchange of views on policies of mutual concern. The Makati Business Club serves as the secretariat of the PSBC.

For membership inquiries, contact the PSBC Coordinator at (+63 2) 751-1139 or send an email to michael.mundo@mbc.com.ph