



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
6700 6220 5980 5740 5500 86.98 PTS. 1.39% 30 DAYS TO FEBRUARY 7, 2025 VAL(P): 6.061 B PSEi OPEN: 6,254.65 HIGH: 6,254.65 LOW: 6,154.99 CLOSE: 6,154.99 VOL.: 0.450 B VAL(P): 6.061 B	FEBRUARY 7, 2025 CLOSE NET % JAPAN (NIKKEI 225) 38,787.02 ▼ -279.51 -0.72 HONG KONG (HANG SENG) 21,133.54 ▲ 241.92 1.16 TAIWAN (WEIGHTED) 23,478.27 ▲ 161.67 0.69 THAILAND (SET INDEX) 1,282.09 ▲ 20.02 1.59 S. KOREA (KSE COMPOSITE) 2,521.92 ▲ -14.83 -0.58 SINGAPORE (STRAITS TIMES) 3,861.42 ▲ 31.00 0.81 SYDNEY (ALL ORDINARIES) 8,511.40 ▲ -9.30 -0.11 MALAYSIA (KLSE COMPOSITE) 1,590.91 ▲ 5.74 0.36	FEBRUARY 7, 2025 CLOSE NET Dow Jones 44,303.400 ▼ -444.230 NASDAQ 19,523.402 ▼ -268.589 S&P 500 6,025.990 ▼ -57.580 FTSE 100 8,700.530 ▼ -26.750 Euro Stoxx50 4,645.360 ▼ -16.290	FX OPEN HIGH LOW CLOSE W.AVE. VOL. SOURCE : BAP P58.050 P57.950 P58.090 P58.030 P58.014 \$1,284.20 M	FEBRUARY 7, 2025 LATEST BID (0900GMT) PREVIOUS JAPAN (YEN) 151.400 ▲ 152.780 HONG KONG (HK DOLLAR) 7.791 ▲ 7.786 TAIWAN (NT DOLLAR) 32.750 ▲ 32.851 THAILAND (BAHT) 33.870 ▲ 33.810 S. KOREA (WON) 1,453.440 ▲ 1,450.860 SINGAPORE (DOLLAR) 1.354 ▲ 1.354 INDONESIA (RUPIAH) 16,270 ▲ 16,325 MALAYSIA (RINGGIT) 4.437 ▲ 4.436	FEBRUARY 7, 2025 CLOSE PREVIOUS US\$/UK POUND 1.2409 ▼ 1.2440 US\$/EURO 1.0327 ▼ 1.0362 US\$/AUST DOLLAR 0.6271 ▲ 0.6257 CANADA DOLLAR/US\$ 1.4294 ▲ 1.4361 SWISS FRANC/US\$ 0.9094 ▲ 0.9050	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$77.80/BBL 88.00 82.80 79.60 76.40 73.20 70.00 30 DAYS TO FEBRUARY 7, 2025 \$0.40

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • FEBRUARY 7, 2025 (PSEi snapshot on S1/4; article on S2/2)

BPI	P131.300	BDO	P138.700	ICT	P358.200	ALI	P25.000	MWC	P30.850	PLUS	P33.000	GLO	P2,288.000	AP	P44.500	SM	P803.500	CBC	P87.300
Value	P972,166,067	Value	P652,292,453	Value	P542,119,904	Value	P324,733,450	Value	P310,349,695	Value	P245,929,420	Value	P244,087,490	Value	P226,532,855	Value	P212,722,905	Value	P188,763,241
P4.300	▲ 3.386%	-P5.400	▼ -3.747%	-P12.000	▼ -3.241%	-P0.350	▼ -1.381%	P1.800	▲ 6.196%	P1.000	▲ 3.125%	-P12.000	▼ -0.522%	P1.750	▲ 4.094%	-P22.500	▼ -2.724%	-P2.100	▼ -2.349%

BSP to cut rates by 25 bps — poll



PHILIPPINE STAR/MIGUEL DE GUZMAN

WORKERS are seen at the construction site of a depot and train station in Valenzuela City, which is part of the North-South Commuter Railway (NSCR).

ADB eyes approval of loans for transport, infrastructure

THE ASIAN Development Bank (ADB) is eyeing to approve loans related to the Philippine government's transport, infrastructure and social sector projects as part of its lending program this year.

"I think there will be more programs further down. We continue to support the 'Build Better More' agenda of the government," ADB Country Director for the Philippines Pavit Ramachandran told reporters on the sidelines of an event last week.

"These are continuing projects which we want to make sure are seen to completion and fruition," he added.

Mr. Ramachandran said one of the loans lined up this year is another package for the North-South Commuter Railway.

"The North-South Commuter Railway is an important investment, something we are committed to support. That will be one of the projects. It's an ongoing investment but the next tranche of investment has to be approved," he said.

The North-South Commuter Railway is among the Marcos administration's 16 flagship infrastructure projects.

The 147-kilometer railway will connect Clark Airport to Calamba, Laguna. The government is targeting its partial operation by the end of 2028. The project has a total funding of around P873 billion and is co-financed by ADB and the Japan International Cooperation Agency (JICA).

Mr. Ramachandran said the next tranche of financing for the railway would be a "sizable loan."

"It will be upwards of a billion (dollars) because it's the Malolos-Clark component of it. These are

all contracted sections but it's about making sure the financing is done."

Meanwhile, the ADB is also aiming to provide funding for social development projects.

"We are also looking at some social sector projects including support for the food voucher program," Mr. Ramachandran said.

The amount is yet to be finalized, but the financing for the food voucher program will likely range from \$300 million to \$400 million, he added.

In 2023, the Department of Social Welfare and Development (DSWD) launched the pilot of the food stamp program. Under the program, beneficiaries receive electronic transfer cards that are loaded with food credits. The DSWD scaled up the implementation of the program last year.

The multilateral lender also has investments planned for the health sector and infrastructure, Mr. Ramachandran added.

Meanwhile, Mr. Ramachandran said they are still finalizing the full lending program for 2025.

"We haven't locked in the details of the lending program because we haven't done what we call our programming mission," he said.

"That will happen perhaps towards the end of March-April where we'll sit down with the government and other stakeholders and discuss the details of individual projects, the total. At this stage, we don't have the full scope of that fully laid out yet."

The ADB earlier said it is allocating \$24 billion in lending to the Philippines for 2024 to 2029. — **Luisa Maria Jacinta C. Jocsen**

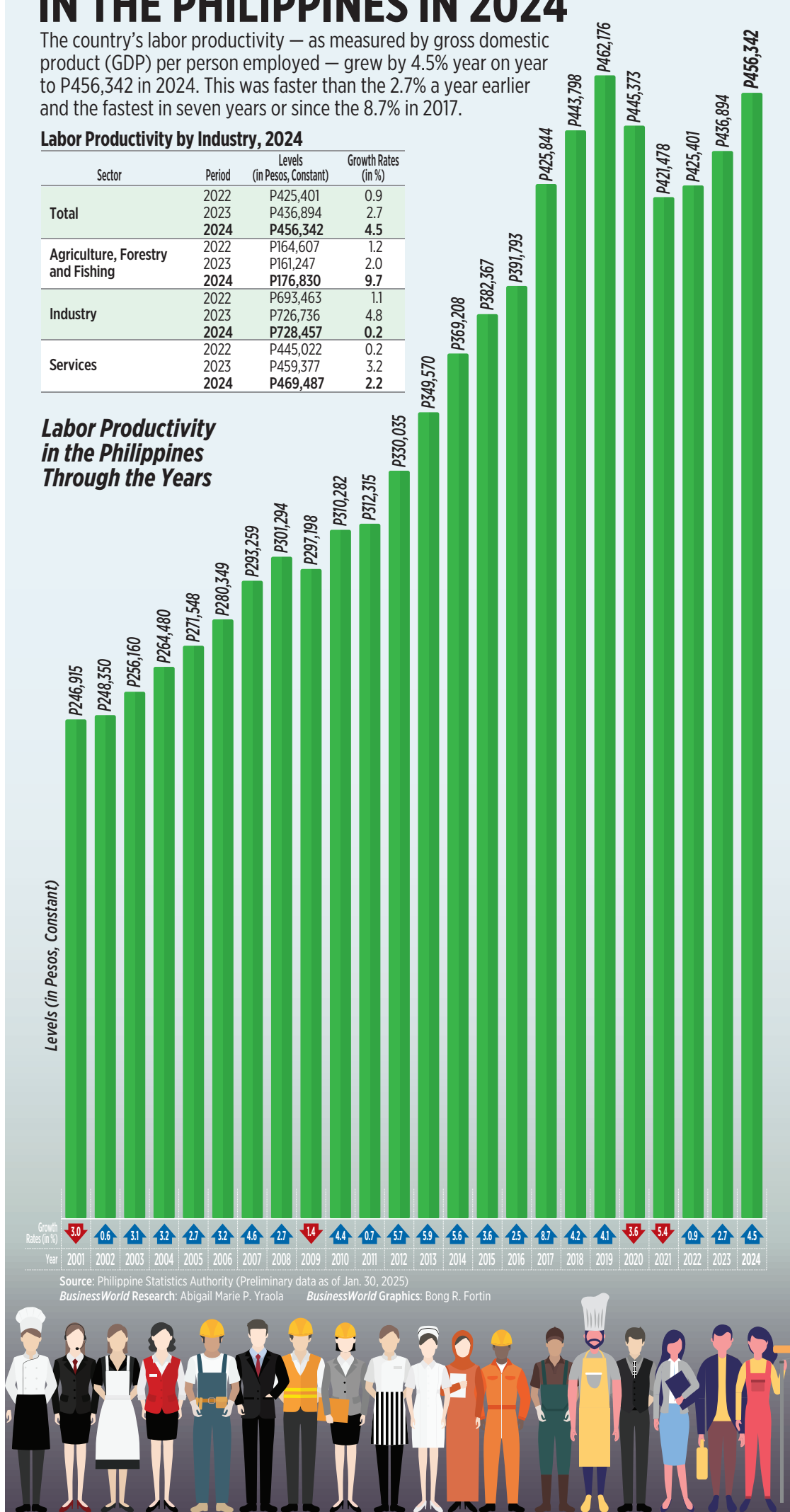
REAL GDP PER PERSON EMPLOYED IN THE PHILIPPINES IN 2024

The country's labor productivity — as measured by gross domestic product (GDP) per person employed — grew by 4.5% year on year to P456,342 in 2024. This was faster than the 2.7% a year earlier and the fastest in seven years or since the 8.7% in 2017.

Labor Productivity by Industry, 2024

Sector	Period	Levels (in Pesos, Constant)	Growth Rates (in %)
Total	2022	P425,401	0.9
	2023	P436,894	2.7
	2024	P456,342	4.5
Agriculture, Forestry and Fishing	2022	P164,607	1.2
	2023	P161,247	2.0
	2024	P176,830	9.7
Industry	2022	P693,463	1.1
	2023	P726,736	4.8
	2024	P728,457	0.2
Services	2022	P445,022	0.2
	2023	P459,377	3.2
	2024	P469,487	2.2

Labor Productivity in the Philippines Through the Years



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

THE BANGKO SENTRAL ng Pilipinas (BSP) is expected to cut rates for a fourth straight meeting on Thursday, analysts said, amid within-target inflation and weaker-than-expected gross domestic product (GDP).

A *BusinessWorld* poll conducted last week showed that 19 out of 20 analysts expect the Monetary Board to reduce the target reverse repurchase rate by 25 basis points (bps) at its policy review on Feb. 13.

If realized, this would bring the benchmark rate to 5.5% from the current 5.75%.

This would also mark the fourth straight meeting the BSP cut rates since it began its easing cycle in August.

In 2024, the central bank slashed borrowing costs by a total of 75 bps.

On the other hand, one analyst expects the central bank to keep interest rates steady at the meeting.

"We are expecting the BSP to cut the policy rate by 25 bps to 5.5% at its Monetary Board meeting," Security Bank Corp. Vice-President and Research Division Head Angelo B. Tan-ingo said.

Pantheon Macroeconomics Chief Emerging Asia Economist Miguel Chanco said monetary policy normalization is "far from over" amid elevated interest rates.

"I'm expecting the Monetary Board to cut further this week, by another 25 bps, especially with fourth-quarter GDP coming in softer than expectations and with inflation remaining firmly within the BSP's target range," he said.

Citi Economist for the Philippines Nalin Chutchotitham said the BSP is likely to deliver a 25-bp cut on Thursday after weaker-than-expected 2024 growth and a moderate inflation outlook.

BSP Governor Eli M. Remolona, Jr. earlier said a rate cut is still "on the table" for this week.

"The central bank might use the slower-than-expected growth last quarter as the primary justification for the cut, along with a stable inflation environment that allows the central bank to focus more on boosting the economy," Bank of the Philippine Islands (BPI) Lead Economist Emilio S. Neri, Jr. said.

Chinabank Research said price pressures have remained "generally mild and manageable."

"Headline inflation staying stable at 2.9% in January, and core inflation even easing slightly, will be a key input to the Monetary Board," Nomura Global Markets Research analyst Euben Paracuelles said.

Headline inflation remained steady at 2.9% in January, within the central bank's 2-4% target band.

HSBC economist for ASEAN Aris D. Dacanay said inflation is "not so much of a concern" as the latest consumer price index output was well-within target.

WEAK GROWTH

Meanwhile, analysts noted that the latest economic output data could prompt further policy easing.

PHL dollar reserves slip to \$103 billion at end-January

THE PHILIPPINES' dollar reserves dipped in January, according to preliminary data by the Bangko Sentral ng Pilipinas (BSP).

Data from the central bank showed gross international reserves (GIR) declined by 3% to \$103.02 billion at the end of January from \$106.26 billion at the end of December 2024.

Year on year, dollar reserves inched down by 0.2% from \$103.27 billion.

"The month-on-month decrease in the GIR level reflected

mainly the BSP's net foreign exchange operations, and drawing down on the National Government's (NG) deposits with the BSP to pay off its foreign currency debt obligations," the BSP said.

As of end-January, the level of dollar reserves was enough to cover about 3.6 times the country's short-term external debt based on residual maturity.

It was also equivalent to 7.3 months' worth of imports of goods and payments of services and primary income.

"By convention, GIR is viewed to be adequate if it can finance at least three-months' worth of the country's imports of goods and payments of services and primary income," the BSP said.

Ample foreign exchange buffers protect an economy from market volatility and ensure the country can pay its debts in the event of an economic downturn.

BSP data showed foreign currency deposits plunged by 46.3% to \$733.5 million from \$1.37 bil-

lion a month ago. It also fell by 36.9% from \$1.16 billion in January last year.

Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said the lower foreign exchange holdings was due to the peso volatility in the past months.

The peso closed at P58.365 versus the greenback at end-January, depreciating by 52 centavos from P57.845 at end-December.

"GIR as of end-January declined for the fourth straight

month after some net payment of the National Government's foreign debt maturities and other obligations denominated in US dollars or other foreign currencies," Mr. Ricafort added.

Meanwhile, the central bank's foreign investments dropped by 3.7% to \$86.13 billion as of January from \$89.48 billion in the previous month. Year on year, investments inched lower by 1.3% from \$87.28 billion.

Dollar, S1/8

BSP, S1/8