P25 IN METRO MANILA, PHILIPPINES

BusinessWorld

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

STOCK MARKET		
PSEi		
OPEN:	6,097.77	
HIGH:	6,142.86	
LOW:	6,089.65	
CLOSE:	6,119.88	▲ 24.92 PTS. 0.4%
VOL.:	1.414 B	
VAL(P):	5.180 B	
30 DAYS TO FEBRUARY 19, 2025		

ASIAN MARKETS FEBRUARY 19, 2025	CLOSE		NET	%
Japan (Nikkei 225)	39,164.61	▼	-105.79	-0.27
Hong Kong (Hang Seng)	22,944.24	▼	-32.57	-0.14
Taiwan (Weighted)	23,604.08	▼	-62.03	-0.26
Thailand (SET Index)	1,259.37	▲	1.89	0.15
S.Korea (Kse Composite)	2,671.52	▲	44.71	1.70
Singapore (Straits Times)	3,923.82	▼	-1.74	-0.04
Sydney (All Ordinaries)	8,419.20	▼	-61.80	-0.73
Malaysia (Klse Composite)	1,580.88	▼	-3.96	-0.25

WORLD MARKETS FEBRUARY 18, 2025	CLOSE		NET
Dow Jones	44,556.340	▲	10.260
NASDAQ	20,041.261	▲	14.488
S&P 500	6,129.580	▲	14.950
FTSE 100	8,766.730	▼	-1.280
Euro Stoxx50	4,740.790	▲	21.920

PESO-DOLLAR RATES		
FX		
OPEN	P58.200	
HIGH	P58.070	
LOW	P58.200	
CLOSE	P58.088	▲ 6.20 CTVS
W.AVE.	P58.117	
VOL.	$1,249.65 M	
30 DAYS TO FEBRUARY 19, 2025	SOURCE : BAP	

ASIAN MONIES-US$ RATE FEBRUARY 19, 2025	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	151.690	▲	151.930
Hong Kong (HK dollar)	7.776	—	7.776
Taiwan (NT dollar)	32.766	▼	32.720
Thailand (baht)	33.660	▲	33.690
S. Korea (won)	1,439.790	▲	1,441.350
Singapore (dollar)	1.342	—	1.342
Indonesia (rupiah)	16,330	▼	16,270
Malaysia (ringgit)	4.440	▲	4.444

WORLD CURRENCIES FEBRUARY 19, 2025	CLOSE		PREVIOUS
US$/UK pound	1.2615	▲	1.2605
US$/Euro	1.0441	▼	1.0458
US$/Aust dollar	0.6361	▲	0.6356
Canada dollar/US$	1.4190	—	1.4190
Swiss Franc/US$	0.9043	▲	0.9004

DUBAI CRUDE OIL
FUTURES PRICE ON NEAREST MONTH OF DELIVERY
$77.88/BBL ▲ $0.33
30 DAYS TO FEBRUARY 18, 2025

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • FEBRUARY 19, 2025 (PSEi snapshot on *S1/2*; article on *S2/2*)

		Value			
ICT	P347.000	P561,814,482	-P3.000	▼	-0.857%
PX	P5.070	P307,411,290	P0.730	▲	16.820%
MBT	P71.550	P294,048,176	-P2.450	▼	-3.311%
BPI	P127.600	P279,712,724	-P1.400	▼	-1.085%
BDO	P141.900	P263,569,434	-P1.100	▼	-0.769%
ALI	P24.800	P236,031,485	P1.250	▲	5.308%
SMPH	P23.150	P222,795,515	P0.300	▲	1.313%
URC	P71.500	P219,243,384	P4.750	▲	7.116%
SM	P795.000	P210,305,665	-P3.000	▼	-0.376%
MER	P500.000	P200,344,659	P9.000	▲	1.833%

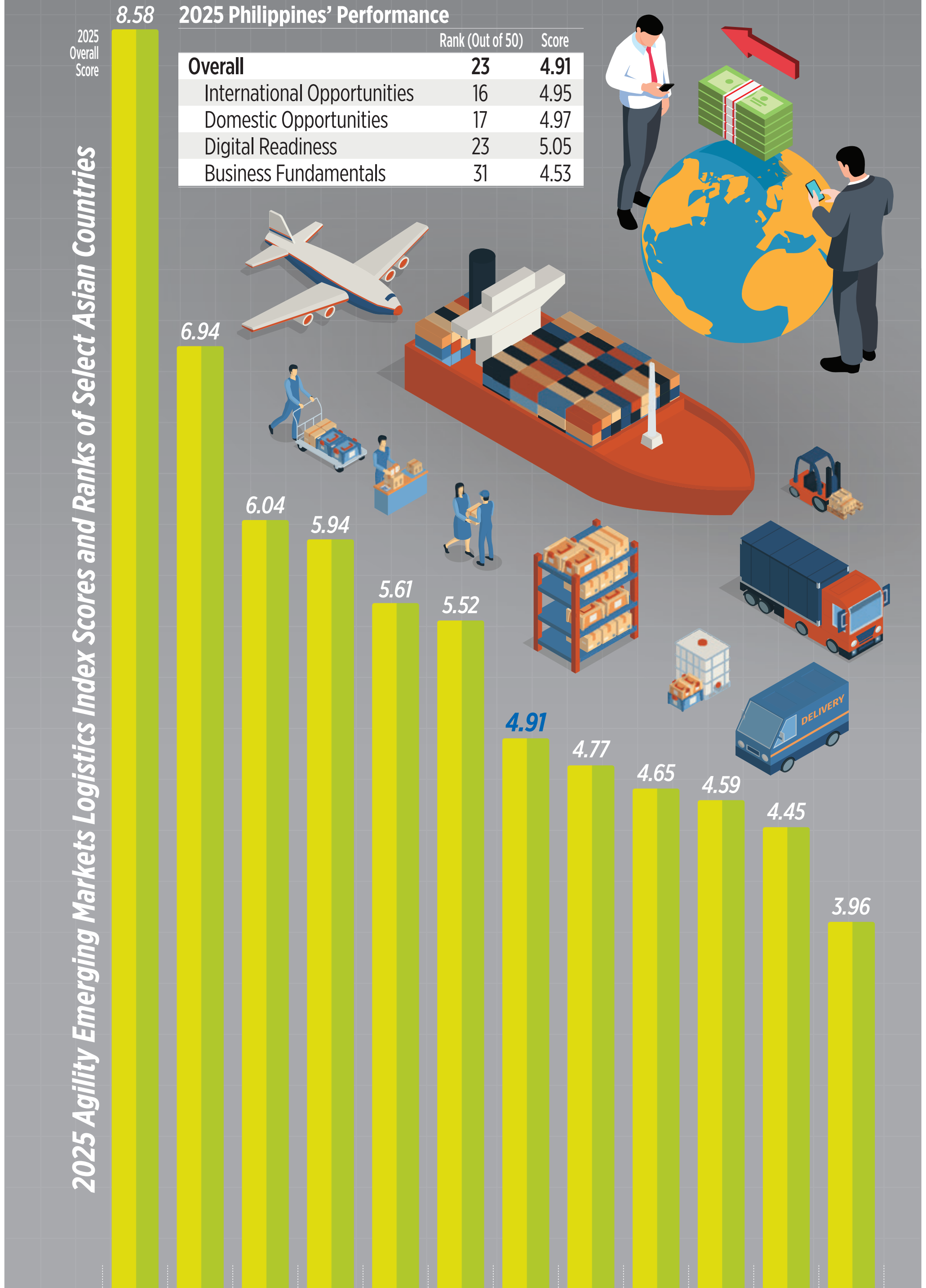
Inflation still top risk to PHL growth

PHILIPPINES FALLS TO 23RD IN 2025 AGILITY EMERGING MARKETS LOGISTICS INDEX

The Philippines fell five places to 23rd out of 50 emerging markets with an overall score of 4.91 in the 2025 edition of the Agility Emerging Markets Logistics Index. Its score was lower compared to the 5.06 overall score a year earlier. The index provides a snapshot of each country's current performance and future potential as a globally significant logistics market and investment destination.

2025 Philippines' Performance

	Rank (Out of 50)	Score
Overall	**23**	**4.91**
International Opportunities	16	4.95
Domestic Opportunities	17	4.97
Digital Readiness	23	5.05
Business Fundamentals	31	4.53



2025 Overall Rank (Out of 50)	1	2	5	6	9	10	23	27	30	33	39	49
Rank Changes from 2024	0	0	▼1	▼1	▲1	▼2	▼5	▼1	▲2	▼4	▼6	0
Country	CHINA	INDIA	MALAYSIA	INDONESIA	THAILAND	VIETNAM	PHILIPPINES	SRI LANKA	CAMBODIA	PAKISTAN	BANGLADESH	MYANMAR

Note:
The Transport Intelligence surveyed more than 550 logistics industry professionals and was conducted between October and December 2024.

Top 5

2025 Overall Rank (Out of 50)	Country	2025 Overall Score	Rank Changes from 2024
1	China	8.58	0
2	India	6.94	0
3	UAE	6.31	0
4	Saudi Arabia	6.08	▲2
5	Malaysia	6.04	▼1

Bottom 5

2025 Overall Rank (Out of 50)	Country	2025 Overall Score	Rank Changes from 2024
50	Venezuela	3.69	▼2
49	Myanmar	3.96	0
48	Mozambique	3.99	▼2
47	Angola	4.00	0
46	Libya	4.23	▼4

Source: Transport Intelligence's 2025 Agility Emerging Markets Logistics Index *(https://emli.agility.com/)*
***BusinessWorld* Research**: Lourdes O. Pilar ***BusinessWorld* Graphics**: Bong R. Fortin

A REACCELERATION of inflation is still the biggest headwind to the Philippines' economic outlook this year, which may pose a risk to the central bank's easing cycle, a Moody's Analytics economist said.

"The acceleration in inflation is the biggest risk for the Philippine economy and these are coming from both domestic and external factors," Moody's Analytics economist Sarah Tan said in an interview on *Money Talks with Cathy Yang* on One News on Wednesday.

"Domestically, I think the risk is that food inflation remains elevated due to frequent weather disruptions that could hurt domestic supply," she said.

In January, inflation remained steady at 2.9% although food inflation alone accelerated to 4% from 3.5% in December.

Several storms hit the country late last year, which resulted in billions of pesos worth of agricultural damage.

"Externally, I think we worry that the tariffs imposed by the US could cause global inflation to rise due to the disruptions to supply-chain networks," Ms. Tan said.

However, she said that the impact of the US President Donald J. Trump's restrictive trade policies on the Philippines will likely be minimal.

"If we take a step back and look at the trade relationship between the Philippines and the US, it is quite clear that the Philippines' trade deficit with the US is rather small, especially when you compare that with other economies, be it globally or with ASEAN (Association of Southeast Asian Nations) economies."

"That really means that the Philippines is unlikely to be high on President Trump's list," she added.

Since taking office in January, Mr. Trump has already slapped a 10% tariff on Chinese goods as well as duties on all steel and aluminum imports beginning March.

On the other hand, Mr. Trump's plan to impose reciprocal tariffs on all countries that charge duties on US imports may have a more significant impact on the Philippines.

"If there's a universal reciprocal tariff that's going to be imposed by the US, then that will hurt the Philippines because the duties that are levied on US imports into the Philippines is higher than the other way around," she said.

"If there is a matching of tariffs, then that will make Philippine goods to the US more costly and less competitive, which will ultimately hurt our Filipino manufacturers and exporters."

The US is typically the top destination for Philippine-made goods. In 2024, exports to the US were valued at $12.12 billion or 16.6% of total export sales.

"I believe the impact on the Philippines is rather small given the low trade exposure with the US. That said, there are indirect channels of impact on the Philippines," Ms. Tan added.

Inflation, S1/5

PHILIPPINE STAR/EDD GUMBAN

A MEAT VENDOR waits for customers at a market in Manila.

Agri dep't finalizing MAV allocation for pork

THE Department of Agriculture (DA) is finalizing the minimum access volume (MAV) quota for pork imports this month amid pressure from meat importers and traders.

"The general direction for MAV will be 55,000 metric tons (MT), although not yet finalized," Agriculture Secretary Francisco P. Tiu Laurel, Jr. said on the sidelines of an event in Valenzuela City.

Of the 55,000 MT, Mr. Laurel said 30,000 MT will be allocated for meat processors and 10,000 MT will be "equally distributed" among traders.

The DA will be given an allocation of 15,000 MT to address any potential spike in pork prices.

Under Executive Order No. 50, pork tariffs are at 15% for shipments within the MAV and 25% for those exceeding the quota.

Meat traders have been calling on the DA to issue the MAV allocation for 2025 as soon as possible to avoid supply disruptions. They claimed that the MAV quotas should have been released in the first week of January.

In a Viber message to *BusinessWorld*, Meat Importers and Traders Association (MITA) President Jess C. Cham said the DA is tweaking the MAV guidelines to favor processors over traders, a move that the group called a "2-class distinction."

"It is unfair and unjust to licensees who are not processors," he said.

"They have acquired quota legally and fairly following the MAV guidelines. Other sectors will be deprived of affordable pork and rendered uncompetitive."

In a letter addressed to Mr. Laurel, the MITA expressed concern that the quotas for the MAV have not been distributed. The group noted that last year, the full pork quota was only released in September.

"We do not think the outcome was good for the consumers or the economy," it said.

MITA also opposed a proposed amendment to the guidelines that only processors would be eligible to file an application either as a regular licensee or entrant.

Under the amendment, public and private entities may also qualify to secure license for the purpose of participating in the government's food security programs.

The existing guidelines state there are only "licensees" and new entrants, and the only way to retain and acquire quota is by the licensees' utilization or performance.

"The reemergence of 'class distinctions' is obviously contrary to existing guidelines and very problematic — classifying the licensees only as trader or processor," MITA said.

"What about the producers and commercial food service providers? What are they entitled to?"

MITA noted that a two-class distinction is "very shallow and superficial."

"After nearly three decades of MAV, the licensees have developed and established their unique characteristics. They are no longer confined to the four classes of the initial year. We now see the emergence of licensees with meat shops, meat cutting plants, cold storage facilities and logistics, serving across different trade channels and not merely confined to any solitary one," it added.

MITA said licensees have acquired and retained quota in accordance with the guidelines.

"Hence any reallocation not in accordance with current guidelines is in fact an 'appropriation' and that is unfair and unjust," it said, adding that the move will affect small processors who are unable to import and will render them uncompetitive against the larger establishments that have access to MAV.

Pork, S1/3

Recto expects PHL-US investment ties to stay strong amid tariff threats

ECONOMIC MANAGERS expect ties between the Philippines and US to remain strong amid the Trump administration's tariffs threats.

"Generally, we see that the strong economic and investment ties between the Philippines and the US will remain," Finance Secretary Ralph G. Recto told *BusinessWorld* in a Viber message on Feb. 18.

Economic managers held their monthly meeting on Monday, where they discussed current macroeconomic and trade policies, including those announced by the US.

Other officials who attended the meeting include Trade Secretary Ma. Cristina Aldeguer-Roque, Office of the Special Assistant to the President for Investment and Economic Affairs Secretary Frederick D. Go, Budget Secretary Amenah F. Pangandaman, and National Economic and Development Authority Secretary Arsenio M. Balisacan.

"The economic managers discussed how we can capitalize on implementation of the Corporate Recovery and Tax Incentives for Enterprises to Maximize Opportunities for Reinvigorating the Economy (CREATE MORE) Act," Mr. Recto added.

Mr. Recto and Ms. Roque signed the implementing rules and regulations (IRR) of CREATE MORE.

President Ferdinand R. Marcos, Jr. last November signed into law the CREATE MORE Act, which seeks to make the country more competitive and attractive to investors.

Meanwhile, Mr. Recto also recently met with US Ambassador to the Philippines MaryKay L. Carlson to advance trade and investment ties between the two countries "in line with the new Trump administration policies."

"Ambassador Carlson reaffirmed that the countries' bilateral trade relationship is in a good position and is aligned with the US' prosperity agenda," the Department of Finance (DoF) said in a Facebook post.

Ms. Carlson also noted the US investors' "bullishness" towards the Philippines, particularly on the planned Luzon Economic Corridor and other high-value industries such as semiconductor and manufacturing supply chains.

"The Finance chief also highlighted the alignment of the country's economic and development priorities with the foreign policy of the Trump administration," the DoF said.

US President Donald J. Trump on Wednesday threatened a 25% tariff on automobiles, pharmaceuticals, and semiconductor imports, with an announcement expected as early as April 2.

He is also eyeing to impose reciprocal tariffs on countries that tax US imports, which raised concerns of a broader trade war.

The Philippines' semiconductor industry may face lower demand if Mr. Trump pushes through with the plan to impose 25% tariffs on semiconductor imports.

"Philippines is at risk of losing demand for its semiconductor products especially as the US being one of our biggest trading partners for these products," Oikonomia Advisory and Research, Inc. economist Reinielle Matt M. Erece said.

Recto, S1/3