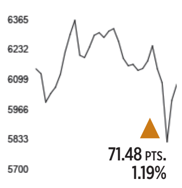
P25 IN METRO MANILA, PHILIPPINES

BusinessWorld

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

STOCK MARKET



PSEi

OPEN:	6,197.72
HIGH:	6,197.72
LOW:	6,067.97
CLOSE:	6,077.82
VOL.:	0.951 B
VAL(P):	13.314 B

ASIAN MARKETS

APRIL 10, 2025

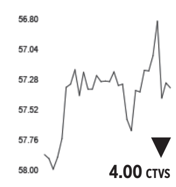
	CLOSE		NET	%
Japan (Nikkei 225)	34,609.00	▲	2,894.97	9.13
Hong Kong (Hang Seng)	20,681.78	▲	417.29	2.06
Taiwan (Weighted)	19,000.03	▲	1,608.27	9.25
Thailand (SET Index)	1,137.64	▲	49.46	4.55
S.Korea (Kse Composite)	2,445.06	▲	151.36	6.60
Singapore (Straits Times)	3,573.85	▲	180.16	5.31
Sydney (All Ordinaries)	7,709.60	▲	334.60	4.54
Malaysia (Klse Composite)	1,463.13	▲	62.54	4.47

WORLD MARKETS

APRIL 9, 2025

	CLOSE		NET
Dow Jones	40,608.450	▲	2,962.860
NASDAQ	17,124.972	▲	1,857.059
S&P 500	5,456.900	▲	474.130
FTSE 100	7,679.480	▼	-231.050
Euro Stoxx50	3,968.170	▼	-156.750

PESO-DOLLAR RATES



FX

OPEN	P57.180
HIGH	P57.140
LOW	P57.355
CLOSE	P57.350
W.AVE.	P57.223
VOL.	$1,482.50 M

SOURCE : BAP

ASIAN MONIES-US$ RATE

APRIL 10, 2025

	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	146.140	▼	145.350
Hong Kong (HK dollar)	7.763	▼	7.760
Taiwan (NT dollar)	32.833	▲	32.974
Thailand (baht)	34.190	▲	34.590
S. Korea (won)	1,462.930	▲	1,478.140
Singapore (dollar)	1.339	▲	1.348
Indonesia (rupiah)	16,795	▲	16,860
Malaysia (ringgit)	4.467	▲	4.496

WORLD CURRENCIES

APRIL 10, 2025

	CLOSE		PREVIOUS
US$/UK pound	1.2861	▲	1.2829
US$/Euro	1.1042	▲	1.1029
US$/Aust dollar	0.6162	▲	0.6014
Canada dollar/US$	1.4066	▼	1.4204
Swiss Franc/US$	0.8442	▲	0.8426

DUBAI CRUDE OIL

FUTURES PRICE ON NEAREST MONTH OF DELIVERY

$61.90/bbl

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S1/1-14 • 3 SECTIONS, 22 PAGES

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

		Value			
SM	P800.000	P2,425,982,615	P50.000	▲	6.667%
BDO	P154.300	P1,456,111,628	-P3.700	▼	-2.342%
ICT	P340.000	P982,491,466	-P8.000	▼	-2.299%
BPI	P133.000	P822,808,416	P1.500	▲	1.141%
ALI	P23.000	P564,739,480	P0.500	▲	2.222%
AC	P580.000	P385,009,490	P20.000	▲	3.571%
MER	P555.000	P383,475,650	P5.000	▲	0.909%
MBT	P72.300	P351,030,394	P2.300	▲	3.286%
JFC	P214.800	P281,565,596	-P2.400	▼	-1.105%
CNVRG	P18.000	P242,439,092	P0.200	▲	1.124%

BSP resumes easing with 25-bp cut

By Luisa Maria Jacinta C. Jocson
Senior Reporter

THE BANGKO SENTRAL ng Pilipinas (BSP) cut borrowing costs by 25 basis points (bps) on Thursday and signaled further easing amid a "more challenging external environment."

The Monetary Board on Thursday reduced the target reverse repurchase rate by 25 bps to 5.5% from 5.75%. All 17 economists in a *BusinessWorld* poll last week predicted a 25-bp cut.

Rates on the overnight deposit and lending facilities were also lowered to 5% and 6%, respectively.

"The Monetary Board noted the more challenging external environment, which would dampen global gross domestic product (GDP) growth and pose a downside risk to domestic economic activity," BSP Governor Eli M. Remolona, Jr. said.

"On balance, the more manageable inflation outlook and the risks to growth allow for a shift toward a more accommodative monetary policy stance," he added.

Mr. Remolona noted the risks to the inflation outlook have also eased and remained "broadly balanced" until 2027.

The central bank slashed its risk-adjusted inflation forecasts to 2.3% in 2025 from 3.5% previously; and to 3.3% in 2026 from 3.7% previously. It also now expects inflation to average 3.2% in 2027.

"Like the rest of the world, we're looking at slower growth, but unlike the rest of the world, we're looking at lower inflation," Mr. Remolona said.

"The rest of the world is looking at higher inflation. The lower inflation rates that we're looking at give us more degrees of freedom," he added.

Latest data from the local statistics authority showed inflation slowed to 1.8% in March from 2.1% in February, its slowest rate in nearly five years.

This brought average inflation to 2.2% in the first quarter, well within the central bank's 2-4% target.

"Upside pressures come from possible increases in transport charges, meat prices, and utility rates," Mr. Remolona said.

On the other hand, downside risks could come from "continuing effects of lower tariffs on rice imports and the expected impact of weaker global demand."

US TARIFFS

Mr. Remolona said the US' new tariff announcement had already been factored into its policy decision.

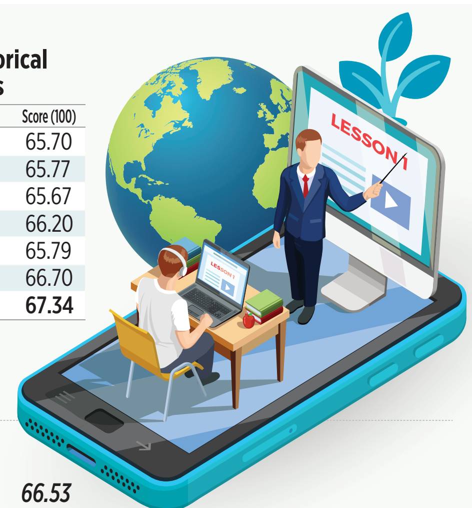
BSP, S1/9

PHILIPPINES RISES IN SOCIAL PROGRESS INDEX

The Philippines went up two places to 86th out of 170 countries in the 2025 edition of the Global Social Progress Index by nonprofit organization Social Progress Imperative in partnership with global wealth manager AlTi Teidemann. It was the country's best performance in six years or since it placed 85th in 2018. With an overall score of 67.34 out of 100 points, the Philippines' score was above the global average of 64.02.

Philippines' Historical Ranks and Scores

Year	Rank	Score (100)
2018	85/169	65.70
2019	87/169	65.77
2020	91/169	65.67
2021	89/169	66.20
2022	91/169	65.79
2023	88/170	66.70
2024	**86/170**	**67.34**



2025 Social Progress Index Scores and Ranks of Select East and Southeast Asian Countries

2024 Global Average: 64.02

Country	2025 Score (Out of 100)	Rank (Out of 170)	Rank Changes from 2024 Edition
JAPAN	87.12	14	0
SINGAPORE	86.73	15	0
SOUTH KOREA	85.22	22	0
MALAYSIA	74.34	46	▼ 1
VIETNAM	70.98	61	▲ 4
THAILAND	70.97	62	▲ 4
CHINA	69.08	72	▼ 3
INDONESIA	67.81	82	▼ 1
PHILIPPINES	67.34	86	▲ 2
MONGOLIA	66.53	89	▲ 3
TIMOR-LESTE	57.40	117	▼ 3
CAMBODIA	55.84	121	0
LAOS	52.90	124	▲ 3
MYANMAR	51.46	127	▼ 3

Philippines' Scorecard (2024)

	Score
Social Progress Index	**67.34**
Basic Human Needs	**79.94**
Nutrition and Medical Care	78.08
Water and Sanitation	88.93
Housing	78.84
Safety	73.91
Foundations of Well-being	**64.49**
Basic Education	75.59
Information and Communications	69.89
Health	45.53
Environmental Quality	58.98
Opportunity	**57.59**
Rights and Voice	50.49
Freedom and Choice	74.52
Inclusive Society	58.44
Advanced Education	46.92

Note:
The 2025 edition uses 2024 data. The index evaluates a country's social progress by measuring 12 indicators divided into three major categories: basic needs, foundations of well-being, and opportunity.

Top 5

Rank (Out of 170)	Country	Rank Changes from 2024 Edition	2025 Score (Out of 100)
1	Norway	0	91.95
2	Denmark	▲ 1	91.65
3	Finland	▼ 1	91.28
4	Sweden	0	90.75
5	Switzerland	0	90.44

Bottom 5

Rank (Out of 170)	Country	Rank Changes from 2024 Edition	2025 Score (Out of 100)
170	South Sudan	0	26.50
169	Central African Rep.	0	27.42
168	Chad	0	29.46
167	Afghanistan	0	32.11
166	Dem. Rep. of the Congo	0	37.23

Source: AlTi Tiedemann & Social Progress Imperative's Global Social Progress Index 2025 *(https://www.socialprogress.org/alti-global-social-progress-index)*
***BusinessWorld* Research**: Matthew Miguel L. Castillo ***BusinessWorld* Graphics**: Bong R. Fortin

PHL eyes tariff talks with USTR

By Chloe Mari A. Hufana
Reporter

THE PHILIPPINE government is willing to negotiate with the United States to lower the 17% tariff imposed on Philippine-made goods, according to Frederick D. Go, special assistant to the president for investment and economic affairs.

This comes after US President Donald J. Trump on Wednesday paused the steep new tariffs imposed on most of its trading partners, including the Philippines, for 90 days. However, the blanket 10% duty on nearly all US imports will remain in effect. (*Read related story "Trump's tariff pause focuses trade war on China" on S1/7*).

In a virtual Palace briefing, Mr. Go said he will head to Washington to discuss the tariff on Philippine goods with the US Trade Representative (USTR), but there is no definite date yet.

"This is not about appealing [the tariffs], but about negotiating," Mr. Go said.

"The best possible outcome is a free trade agreement [between the Philippines and the US] — a free trade agreement means zero tariffs on their side and zero tariffs on our side — that's probably the best possible outcome of that meeting, but again it's open communication, dialogue, cooperation and let's see what we can negotiate," he added.

Citing the National Economic and Development Authority, Mr. Go estimated the 17% tariffs on Philippine goods will have a "small" 0.1% effect on the country's gross domestic product (GDP) over the next two years.

"First of all, what we can clearly see in the reciprocal tariffs imposed by America on the world is that the Philippines has a slight advantage," he added.

USTR, S1/7

Moody's Analytics trims PHL growth forecast on US tariffs

MOODY'S ANALYTICS trimmed its gross domestic product (GDP) forecast for the Philippines amid "weaker growth prospects" due to the impact of the US reciprocal tariffs.

"The US dealt the Philippines a harder blow than we expected, declaring a 17% tariff, so we have trimmed our GDP growth forecast to 5.8% from 5.9% in our March baseline," it said in a report.

"Again, we'll have to wait and see whether the diluted 10% tariff will last long term or revert to 17%."

Moody's Analytics' forecast is below the government's 6-8% target this year.

A chart from Moody's Analytics showed the Philippines' 17% tariff could have a direct hit of -0.4% on GDP.

"Although US President Donald J. Trump has just declared a 90-day freeze on most of the harsh tariffs announced a week ago and applied a 10% blanket tariff in their place, the April baseline represents the economic toll they'll have should they eventually go ahead in full."

"Even if a 10% tariff on most trading partners becomes a permanent US policy, many Asia-Pacific economies will suffer direct and indirect bruising as intraregional trade diminishes," it added.

The tariffs are expected to weaken the country's goods exports to the US, as it is the largest buyer of Philippine-made goods.

The Philippines' top destination for exports is the United States, accounting for about 17% of the total in 2024.

"Further, slowing growth in China will hit service exports, especially in tourism-related sectors. Prior to the COVID-19 (coronavirus disease 2019) pandemic, Chinese tourists were the country's largest group of visitors," it added.

Moody's Analytics flagged the uncertainties from countries' tariff negotiations with the Trump administration.

"The big unknown is how negotiations might alter the extent and duration of tariffs in all directions and whether the US will extend its 90-day pause on tariffs for 75 countries."

Mr. Trump's tariffs have shown the steepest increases since the 1930s, it added.

"Uncertainty is palpable, with tumbling and volatile equity markets headlining financial market turbulence."

"The negative and pervasive impact of a sustained rise in uncertainty cannot be understated. Household and business sentiment is crumbling, and if the calamity continues, monetary policy easing that was supposed to characterize 2025 will lose some of its potency."

Consumers are also expected to spend less amid the economic uncertainty. Businesses are also seen to hold back on investments, it added.

The slew of tariffs also "increase the odds of a global recession," Moody's Analytics said.

"Under those tariffs, inflation across Asia would stay subdued amid weaker trade and growth dynamics. Inflation in the US, however, would rise as tariffs increased prices of producer and consumer goods."

Meanwhile, Moody's Analytics said Philippine inflation will likely remain within the 2-4% target band for the rest of the year.

It also expects the central bank to deliver another 25-basis-point (bp) rate cut in the second half, following its April policy decision.

'TOO EARLY'

Meanwhile, Fitch Solutions unit BMI said the Philippine GDP may grow by 5.2% this year if the US implements a 17% tariff on the Philippines.

Moody's, S1/7

PHL urged to ramp up competitiveness amid Trump tariff reprieve

By Justine Irish D. Tabile
Reporter

THE PHILIPPINES should boost efforts to improve its competitiveness in attracting investments amid the 90-day pause on US President Donald J. Trump's higher reciprocal tariffs.

"It is difficult to read Trump's mind. Who knows, there might be another 'shocker' after the 90-day recess," said Robert M. Young, president of the Foreign Buyers Association of the Philippines, in a Viber message on Thursday.

"In the meantime, let's all get back to work and sharpen our pencils to re-evaluate and shape up to be able to compete globally. As it is, the Philippines is considered the last option due to the higher cost of doing business," he added.

Mr. Young said it is high time for the Philippines to ramp up its capabilities as competition heats up with other markets.

"The Philippines' focus should be on the major categories like agricultural products, electronics, minerals, and manufactured items like garments and apparel," he added.

Mr. Trump on Wednesday announced a 90-day pause on the higher reciprocal tariffs on most of the US' trading partners, including members of the Association of Southeast Asian Nations (ASEAN).

The US slapped ASEAN countries with some of the highest tariffs. Cambodia is facing a 49% tariff, followed by Laos (48%), Vietnam (46%), Myanmar (44%), Thailand (36%), Indonesia (32%), Malaysia (24%), and Brunei (24%).

The Philippines was slapped with a 17% tariff, which is among the lowest in the region, only second to Singapore's baseline rate of 10%.

With the 90-day pause now in place, all countries including the Philippines will face a blanket 10% duty until July.

Meanwhile, Philippine Chamber of Commerce and Industry Chairman George T. Barcelon said that the business sector is still adopting a wait-and-see stance.

"[This pause] is a good development ... This period would give us some time to clarify the matter of if and when they will reimpose, whether it is across-the-board coverage or select goods still," said Mr. Barcelon in a phone interview.

Competitiveness, S1/9