P25 IN METRO MANILA, PHILIPPINES

BusinessWorld

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

STOCK MARKET

PSEi — 30 DAYS TO MAY 16, 2025

OPEN:	6,459.74
HIGH:	6,471.88
LOW:	6,403.03
CLOSE:	6,465.53
VOL.:	0.731 B
VAL(P):	6.591 B

▼ 1.33 PTS. 0.02%

ASIAN MARKETS

MAY 16, 2025

	CLOSE		NET	%
Japan (Nikkei 225)	37,753.72	▼	-1.79	0.00
Hong Kong (Hang Seng)	23,345.05	▼	-108.11	-0.46
Taiwan (Weighted)	21,843.69	▲	113.44	0.52
Thailand (SET Index)	1,195.77	▲	1.28	0.11
S.Korea (Kse Composite)	2,626.87	▲	5.51	0.21
Singapore (Straits Times)	3,897.87	▲	5.93	0.15
Sydney (All Ordinaries)	8,343.70	▲	46.20	0.56
Malaysia (Klse Composite)	1,571.75	▼	-1.27	-0.08

WORLD MARKETS

MAY 16, 2025

	CLOSE		NET
Dow Jones	42,654.740	▲	331.990
NASDAQ	19,211.102	▲	98.783
S&P 500	5,958.380	▲	41.450
FTSE 100	8,684.560	▲	50.810
Euro Stoxx50	4,547.100	▲	24.740

PESO-DOLLAR RATES

FX — 30 DAYS TO MAY 16, 2025

OPEN	P55.670
HIGH	P55.510
LOW	P55.685
CLOSE	P55.635
W.AVE.	P55.587
VOL.	$2,145.20 M

▲ 11.10 CTVS
SOURCE : BAP

ASIAN MONIES-US$ RATE

MAY 16, 2025

	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	145.620	▲	145.790
Hong Kong (HK dollar)	7.814	▼	7.809
Taiwan (NT dollar)	30.203	▼	30.179
Thailand (baht)	33.240	▲	33.290
S. Korea (won)	1,398.120	▼	1,396.490
Singapore (dollar)	1.299	▼	1.297
Indonesia (rupiah)	16,435	▲	16,510
Malaysia (ringgit)	4.292	▼	4.285

WORLD CURRENCIES

MAY 16, 2025

	CLOSE		PREVIOUS
US$/UK pound	1.3272	▼	1.3287
US$/Euro	1.1163	▼	1.1206
US$/Aust dollar	0.6400	▼	0.6419
Canada dollar/US$	1.3965	▼	1.3983
Swiss Franc/US$	0.8377	▲	0.8372

DUBAI CRUDE OIL

FUTURES PRICE ON NEAREST MONTH OF DELIVERY
$63.79/BBL
▲ $0.08
30 DAYS TO MAY 16, 2025

VOL. XXXVIII • ISSUE 207 — MONDAY • MAY 19, 2025 • www.bworldonline.com — S1/1-12 • 3 SECTIONS, 20 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • MAY 16, 2025 (PSEi snapshot on *S1/2*; article on *S2/2*)

		Value			
ALI	P23.400	P946,714,710	P0.500	▲	2.183%
ICT	P410.000	P844,625,122	P3.000	▲	0.737%
BDO	P160.400	P755,506,752	-P0.900	▼	-0.558%
AC	P560.000	P394,997,875	-P25.000	▼	-4.274%
BPI	P135.900	P254,390,465	P0.900	▲	0.667%
SMPH	P24.750	P252,252,400	P0.650	▲	2.697%
JFC	P245.000	P186,794,680	P0.000	—	0.000%
SM	P875.000	P174,374,785	-P13.000	▼	-1.464%
AP	P35.500	P153,973,315	-P0.800	▼	-2.204%
GLO	P1,845.000	P152,485,380	-P48.000	▼	-2.536%

PSE hikes capital-raising goal to P170B

By Revin Mikhael D. Ochave
Reporter

THE Philippine Stock Exchange, Inc. (PSE) is increasing its capital-raising target this year to P170 billion from P120 billion and from P82.4 billion in actual capital raised last year, amid an easing trade war between the world's two biggest economies that had fed fears of a global recession.

The new goal is based on capital-raising activities that have been applied for and does not yet take into account GCash's planned initial public offering (IPO), PSE President and Chief Executive Officer Ramon S. Monzon told a virtual news briefing last week.

"We expect this year to be a very high capital-raising year, a very successful year for PSE," he added.

Mr. Monzon said capital raised at the PSE had reached P42.42 billion as of May 14.

Some of the big IPOs expected include those from west zone water concessionaire Maynilad Water Services, Inc. and mobile wallet operator GCash.

"I'm really looking at IPOs, follow-on offerings, stock rights offerings and private placements because after all, the exchange is the platform where companies are supposed to raise capital," the PSE chief said.

PSE, S1/9

Philippine potential in focus at BusinessWorld Economic Forum 2025

THE PHILIPPINES is on track to build a bigger and more competitive economy, with government initiatives, private sector investments and international interest coming together to create more opportunities for millions of Filipinos.

The progress will be in focus at the BusinessWorld Economic Forum 2025 at the Grand Ballroom of the Grand Hyatt Manila in Bonifacio Global City, Taguig on May 22.

With the theme "Unlocking Philippines' Potential," the forum will bring together policymakers, economists, top executives and business leaders from various industries.

Participants will engage in a full day of discussions about where the country's economic growth is heading and what challenges must be addressed. The forum will also serve as a platform for open dialogue on critical strategies for sustainable development.

The opening keynote session titled "The Philippines at an inflection point" will be delivered

BusinessWorld ECONOMIC FORUM
UNLOCKING PHILIPPINES' POTENTIAL

by Arsenio M. Balisacan, secretary of the Department of Economy, Planning, and Development. His presentation is expected to cover both risks and opportunities tied to internal policies and global trends.

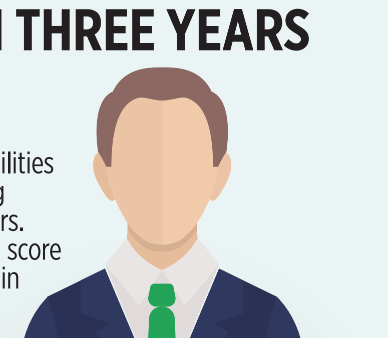
Andrew Tsang, country economist for the Philippines at the ASEAN+3 Macroeconomic Research Office (AMRO), will talk about how the Philippines can keep pace with evolving global conditions with a keynote titled "Redefining the Philippines' role in a changing global economy."

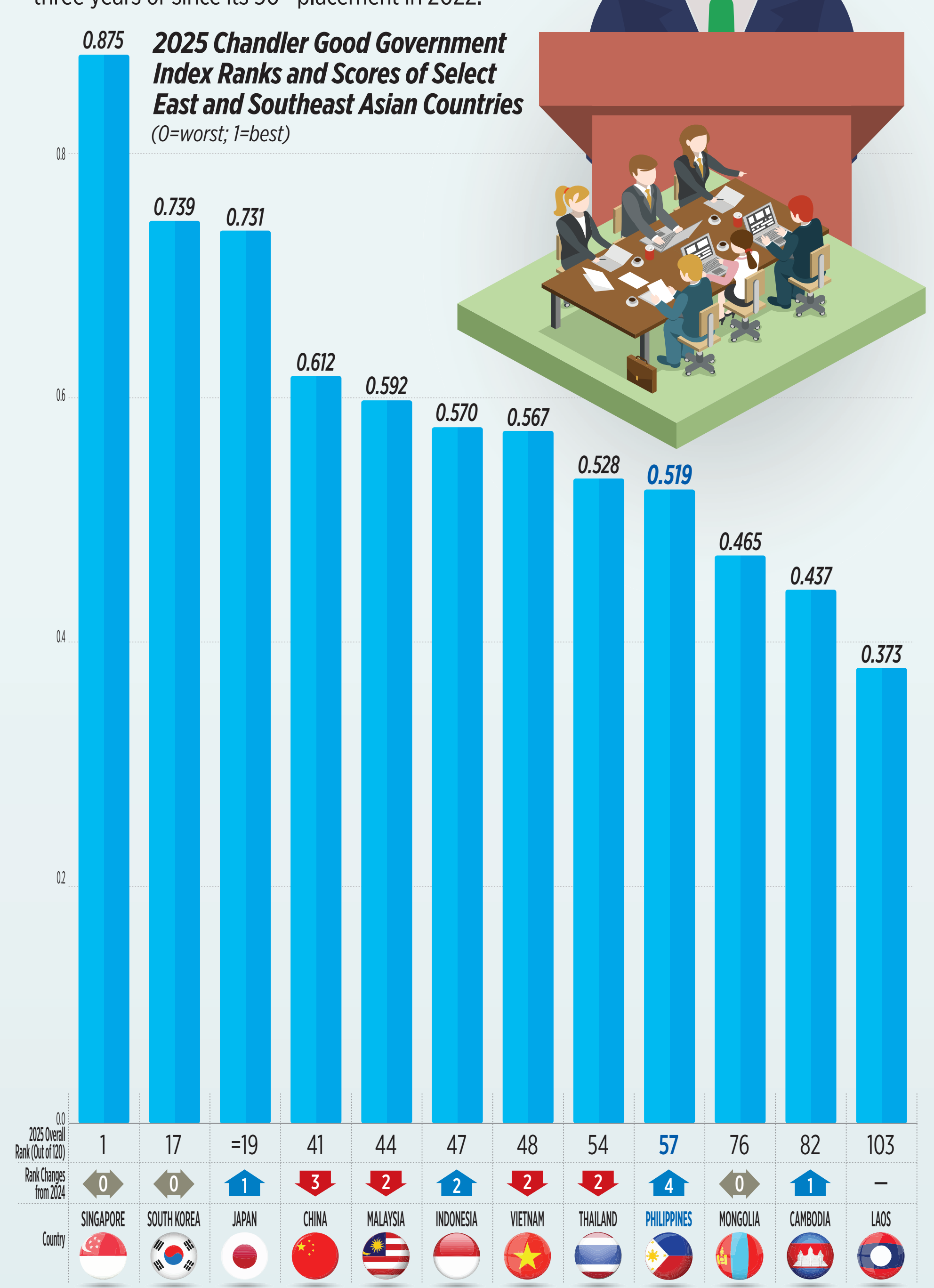
Special Assistant to the President for Investment and Economic Affairs Frederick D. Go will deliver the second keynote titled "The roadmap to a high-growth economy." He is expected to provide an overview of economic reforms and how these can spur inclusive development.

Forum, S1/9

PHILIPPINES IMPROVES TO ITS BEST GOOD GOVERNANCE RANKING IN THREE YEARS

The Philippines went up four places to 57th out of 120 countries in the fifth edition of the Chandler Good Government Index (CGGI) by the Chandler Institute of Governance. The index evaluates the governance capabilities and public sector effectiveness of each country by using equally weighted indicators categorized into seven pillars. On a scale of 0 to 1, where 1 is best, the country's overall score grew to 0.519. This was the country's best performance in three years or since its 50th placement in 2022.





Top 10

2025 Overall Rank (Out of 120)	Country	2025 Overall Score (0-1, Where 1 is Best)
1	Singapore	0.875
2	Denmark	0.833
3	Norway	0.830
4	Finland	0.827
5	Sweden	0.821
6	Switzerland	0.812
7	The Netherlands	0.788
8	Germany	0.787
9	United Arab Emirates	0.780
10	Luxembourg	0.774

Bottom 10

2025 Overall Rank (Out of 120)	Country	2025 Overall Score (0-1, Where 1 is Best)
120	Venezuela	0.209
119	Sierra Leone	0.272
118	Angola	0.285
117	Zimbabwe	0.287
116	Nigeria	0.289
115	Lebanon	0.290
114	Mali	0.296
113	Iran	0.325
112	Mozambique	0.326
=110	Burkina Faso	0.329
=110	Bolivia	0.329

Philippines' Profile (2025)

	Rank (Out of 120)	Score (1 = Best)
Overall	**57**	**0.519**
Pillars:		
Financial Stewardship	49	0.59
Strong Institutions	53	0.51
Robust Laws & Policies	60	0.49
Attractive Marketplace	61	0.50
Helping People Rise	64	0.63
Leadership & Foresight	70	0.41
Global Influence & Reputation	71	0.37

Philippnes' Historical Performance

Year	Rank	Score (1 = Best)
2021	48/104	0.541
2022	50/104	0.530
2023	56/104	0.502
2024	61/113	0.495
2025	**57/120**	**0.519**

Note:
- The latest iteration of the index showed that CGGI scores from 2021 to 2024 were recalculated to ensure comparability across all years.

Source: The Chandler Institute of Governance's Chandler Good Government Index 2025 *(https://chandlergovernmentindex.com/)*
***BusinessWorld* Research**: Abigail Marie P. Yraola
***BusinessWorld* Graphics**: Bong R. Fortin

Election-tied spending may shield growth from tariffs

HOUSEHOLD CONSUMPTION during the election period and state expenditures once the ban on spending on certain infrastructure projects is lifted are expected to cushion the effects of higher US tariffs on Philippine economic growth.

"We project that the impact of US tariffs can be offset by election spending activities and lifting of the ban on certain public works after the elections," Budget Secretary Amenah F. Pangandaman told *BusinessWorld* in a Viber Message last week.

Ms. Pangandaman, who heads the Development Budget Coordination Committee (DBCC), said government capital spending is likely to accelerate in the coming quarters.

The Commission on Elections' 45-day ban on public works spending started on March 28 and ended with the May 12 elections.

The Philippine economy grew slower than expected in the first quarter at 5.4% from 5.9% a year earlier. It was below the government's 6-8% target for the year.

The slowdown was partly attributed to heightened uncertainty from US President Donald J. Trump's reciprocal tariffs announced in April. The higher duties, including a 17% tariff on Philippine exports, were suspended for 90 days pending negotiations.

Ms. Pangandaman expects election-related spending to lift economic growth after the 18.7% increase in state expenditures as agencies front-loaded ahead of the election ban.

Department of Economy, Planning, and Development Undersecretary Rosemarie G. Edillon said state spending could moderate in the second quarter since it was covered by the ban in April and parts of May.

Ms. Pangandaman said disbursements are expected to pick up toward the latter part of May to June after the election ban is lifted.

However, analysts warned the boost could be short-lived.

Election-related spending could only provide a "short-term" boost, said John Paolo R. Rivera, a senior research fellow at the Philippine Institute for Development Studies.

"This may partially offset the drag from external headwinds like the US tariffs, especially if government agencies frontload infrastructure projects and political campaigns sustain high levels of economic activity," he said in a Viber Message on Sunday.

He said the momentum from election spending might not be enough to sustain growth beyond the second quarter if export-facing sectors suffer losses or investment slows.

The benefits are "transitory," while higher tariffs could have longer-term structural effects such as reduced export competitiveness, supply-chain shifts and investor uncertainty, he added.

Philippine export growth slowed to 6.2% in the last quarter from 8.1% a year earlier as companies remained cautious about trade.

Reinielle Matt M. Erece, an economist at Oikonomia Research and Advisory, Inc., said relying on government spending to drive growth is unsustainable and could exhaust the state budget and trigger more borrowings. — **Aubrey Rose A. Inosante**

FULL STORY
Read the full story by scanning the QR code with your smartphone or by typing the link
<tinyurl.com/ysnvk49d>

Philippine banks' March bad loan ratio softens

PHILIPPINE BANKS' bad loan ratio eased to a three-month low in March as total loans increased, according to data from the Bangko Sentral ng Pilipinas (BSP).

The industry's gross bad loan ratio dipped to 3.3% from 3.38% in February and 3.39% a year earlier.

Bad loans inched up 0.5% to P516.12 billion at end-March from a month earlier and climbed 11.1% from a year ago.

Loans are considered nonperforming once they remain unpaid for at least 90 days after the due date. They are risky assets because borrowers are unlikely to pay.

The loan portfolio of the Philippine banking system rose 3% to P15.63 trillion as of end-March from a month earlier and by 14.2% from a year earlier.

Past due loans were up by 1.3% to P646.37 billion as of March from a month earlier and 9.8% more than a year ago. This brought the past due loan ratio to 4.14% from 4.2% in February and 4.3% a year earlier.

Restructured loans edged up 0.1% to P311.48 billion in March from February and by 5.7% year on year.

Restructured loans accounted for 1.99% of the industry's total loans from 2.05% a month earlier and 2.15% a year ago.

Banks' loan loss reserve hit P490.56 billion in March, up 0.2% month on month and 4.9% year on year. This brought the loan loss reserve ratio to 3.14% from 3.23% at end-February and 3.42% in March 2024.

Lenders' bad loan coverage ratio, which gauges the allowance for potential losses due to bad loans, slipped to 95.05% in March from 95.36% in February and 100.66% a year ago.

Reinielle Matt M. Erece, an economist at Oikonomia Advisory and Research, Inc., attributed the lower nonperforming loan (NPL) ratio to faster bank lending growth.

"As the NPL ratio is simply dividing the NPL amount to total loan growth, faster lending growth may reduce the ratio," he said in a Viber message.

Outstanding loans of universal and commercial banks rose 11.8% to P13.19 trillion from a year ago, the central bank earlier said.

Michael L. Ricafort, chief economist at Rizal Commercial Banking Corp., said the double-digit growth in bank loans "effectively expanded the denominator, thereby mathematically reducing the NPL ratio."

Earlier BSP data showed bank lending rose 11.8% year on year to P13.19 trillion in March.

Mr. Ricafort said rate cuts by the central bank reduced financing costs and improved borrowers' ability to pay back their loans. — **Luisa Maria Jacinta C. Jocson**

FULL STORY
Read the full story by scanning the QR code with your smartphone or by typing the link **<tinyurl.com/yng4ju5v>**