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:	6,401.20
HIGH:	6,489.66
LOW:	6,401.20
CLOSE:	6,468.98
VOL.:	1.774 B
VAL(P):	10.228 B

▲ 49.93 PTS. 0.77%

30 DAYS TO JULY 3, 2025

ASIAN MARKETS

JULY 3, 2025

	CLOSE		NET	%
Japan (Nikkei 225)	39,785.90	▲	23.42	0.06
Hong Kong (Hang Seng)	24,069.94	▼	-151.47	-0.63
Taiwan (Weighted)	22,712.97	▲	135.23	0.60
Thailand (SET Index)	1,126.19	▲	10.50	0.94
S.Korea (Kse Composite)	3,116.27	▲	41.21	1.34
Singapore (Straits Times)	4,016.19	▲	5.42	0.14
Sydney (All Ordinaries)	8,595.80	▼	-1.90	-0.02
Malaysia (Klse Composite)	1,548.99	▼	-1.22	-0.08

WORLD MARKETS

JULY 2, 2025

	CLOSE		NET
Dow Jones	44,484.420	▼	-10.520
NASDAQ	20,393.130	▲	190.241
S&P 500	6,227.420	▲	29.410
FTSE 100	8,774.690	▼	-10.640
Euro Stoxx50	4,473.010	▲	20.090

PESO-DOLLAR RATES

FX

OPEN	P56.330
HIGH	P56.210
LOW	P56.340
CLOSE	P56.250
W.AVE.	P56.281
VOL.	$1,457.90 M

▲ 11.50 CTVS

30 DAYS TO JULY 3, 2025

SOURCE : BAP

ASIAN MONIES-US$ RATE

JULY 3, 2025

	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	143.870	▲	144.090
Hong Kong (HK dollar)	7.850	—	7.850
Taiwan (NT dollar)	28.897	▲	29.034
Thailand (baht)	32.320	▲	32.420
S. Korea (won)	1,360.970	▼	1,358.910
Singapore (dollar)	1.273	▲	1.274
Indonesia (rupiah)	16,185	▲	16,235
Malaysia (ringgit)	4.218	▲	4.223

WORLD CURRENCIES

JULY 3, 2025

	CLOSE		PREVIOUS
US$/UK pound	1.3662	▼	1.3690
US$/Euro	1.1791	▲	1.1772
US$/Aust dollar	0.6576	▲	0.6563
Canada dollar/US$	1.3589	▼	1.3650
Swiss Franc/US$	0.7920	▼	0.7923

DUBAI CRUDE OIL

FUTURES PRICE ON NEAREST MONTH OF DELIVERY

$68.60/BBL

▲ $0.45

30 DAYS TO JULY 2, 2025

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JULY 3, 2025 (PSEi snapshot on *S1/2*; article on *S2/2*)

		Value			
PLUS	P38.750	P2,198,518,505	-P6.250	▼	-13.889%
ALI	P27.900	P1,035,745,655	-P0.450	▼	-1.587%
BPI	P127.000	P605,417,593	-P0.700	▼	-0.548%
BLOOM	P4.700	P497,933,951	-P0.300	▼	-6.000%
BDO	P154.600	P416,360,990	P4.600	▲	3.067%
AC	P607.000	P338,354,255	P12.000	▲	2.017%
SMPH	P24.450	P336,552,145	P0.650	▲	2.731%
SM	P902.000	P324,422,520	P16.000	▲	1.806%
GTCAP	P655.000	P273,847,285	P20.000	▲	3.150%
ICT	P419.000	P248,849,996	P4.000	▲	0.964%

BSP sees room for 2 more rate cuts

THE BANGKO SENTRAL ng Pilipinas (BSP) on Thursday said there is room for two more rate cuts this year as inflation remains benign.

"There's room [to cut] because inflation is low, and growth is a bit lower also. Except that the cuts cannot really compensate entirely for the slowdown in growth," BSP Governor Eli M. Remolona, Jr. told reporters.

The BSP last month cut the target reverse repurchase rate by 25 basis points (bps) to 5.25% from 5.5% amid a moderating inflation outlook and weaker-than-expected first-quarter economic growth.

Inflation cooled to an over five-year low of 1.3% in May. This brought the five-month average to 1.9%, slightly below the BSP's 2-4% target band.

A *BusinessWorld* poll of 17 analysts yielded a median estimate of 1.5% for June inflation, which is scheduled to be released on Friday (July 4).

Asked if slowing inflation gives the BSP room to cut, Mr. Remolona replied: "Absolutely."

When asked if this would mean two rate cuts this year, he replied: "It's possible. We still have meetings in August, October, and December."

"The slowdown in (first-quarter) growth was due to uncertainty. Big-ticket consumption items and investments were postponed, and exports slowed down," Mr. Remolona said in mixed English and Filipino.

The Monetary Board's remaining policy meetings this year are scheduled for Aug. 28, Oct. 9, and Dec. 11.

Mr. Remolona said the central bank will remain data dependent before deciding if more rate cuts are needed to support economic growth.

The Development Budget Coordination Committee (DBCC) cut the gross domestic product (GDP) growth target to 5.5-6.5% for this year from 6-8% previously, due to heightened global uncertainties stemming from the US trade policy shifts and the conflict in the Middle East.

The DBCC also narrowed the GDP growth target range to 6-7% for 2026 to 2028 from 6-8% previously.

Mr. Remolona said the revised DBCC growth targets were more "realistic."

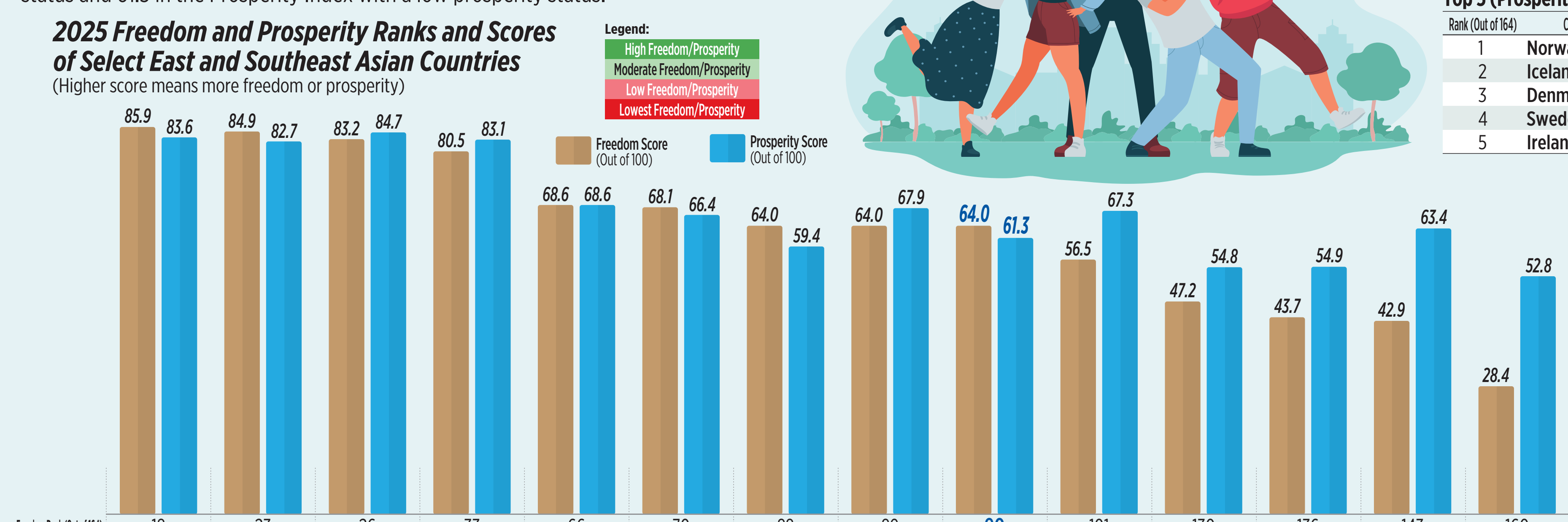
Rate cuts, S1/9

PHILIPPINES RANKS 90TH AND 99TH IN FREEDOM AND PROSPERITY RANKINGS

The Philippines placed 90th in Freedom Index and 99th in Prosperity Index out of 164 countries in the latest edition of the Freedom and Prosperity Indexes by US-based think tank Atlantic Council. Out of 100 possible points, the Philippines scored 64.0 in the Freedom Index with a low freedom status and 61.3 in the Prosperity Index with a low prosperity status.

2025 Freedom and Prosperity Ranks and Scores of Select East and Southeast Asian Countries

(Higher score means more freedom or prosperity)



	JAPAN	TAIWAN	SINGAPORE	SOUTH KOREA	MALAYSIA	MONGOLIA	INDONESIA	THAILAND	PHILIPPINES	VIETNAM	LAOS	CAMBODIA	CHINA	MYANMAR
Freedom Rank (Out of 164)	18	23	26	33	66	70	88	89	90	101	130	136	143	160
Freedom Status	High Freedom	High Freedom	High Freedom	High Freedom	Moderate Freedom	Moderate Freedom	Low Freedom	Low Freedom	Low Freedom	Low Freedom	Lowest Freedom	Lowest Freedom	Lowest Freedom	Lowest Freedom
Prosperity Rank (Out of 164)	24	28	18	26	71	82	103	72	99	74	117	116	94	123
Prosperity Status	High Prosperity	High Prosperity	High Prosperity	High Prosperity	Moderate Prosperity	Moderate Prosperity	Low Prosperity	Moderate Prosperity	Low Prosperity	Moderate Prosperity	Low Prosperity	Low Prosperity	Low Prosperity	Low Prosperity

Top 5 (Freedom Index)

Rank (Out of 164)	Country	Score (Out of 100)	Status
1	Denmark	93.8	High Freedom
2	Luxembourg	92.7	High Freedom
3	Sweden	91.6	High Freedom
4	Switzerland	91.4	High Freedom
5	Ireland	91.2	High Freedom

Top 5 (Prosperity Index)

Rank (Out of 164)	Country	Score (Out of 100)	Status
1	Norway	91.6	High Prosperity
2	Iceland	90.1	High Prosperity
3	Denmark	90.0	High Prosperity
4	Sweden	89.4	High Prosperity
5	Ireland	89.1	High Prosperity

Note:
—The Freedom Index evaluates economic, political and legal factors while the Prosperity Index measures income, environment, minorities, health, education and inequality.

Philippines' Performance (2025)

Indicator	Score (Out of 100)
Freedom Score	**64.0**
Economic Subindex	70.8
Political Subindex	67.5
Legal Subindex	53.5
Prosperity Score	**61.3**
Income	55.3
Health	72.8
Inequality	62.3
Environment	54.7
Minority Rights	54.9
Education	67.6

Source: Atlantic Council's 2025 Freedom and Prosperity Indexes: How political freedom drives growth (*https://www.atlanticcouncil.org/in-depth-research-reports/report/the-path-to-prosperity-the-2025-freedom-and-prosperity-indexes/*)

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Finance department eyes tax on online gaming

By Aubrey Rose A. Inosante *and* **Revin Mikhael D. Ochave**
Reporters

THE DEPARTMENT of Finance (DoF) is proposing a tax on online gaming, as well as studying potential policies to curb unrestricted access to gambling, including digital gambling platforms.

At the same time, the Bangko Sentral ng Pilipinas (BSP) is set to issue a circular that would require banks and e-wallets to protect their users from the growing risks of online gambling.

This comes as some lawmakers have filed measures seeking stricter regulation of online gambling amid reports of growing addiction among Filipinos.

Finance Secretary Ralph G. Recto told *BusinessWorld* in an e-mail that the department is "cognizant of the concerns of Filipinos regarding online gambling."

"Given this, we are already studying and will propose an online gaming tax," he said, without giving details.

"We are also studying other potential policy options to deter unimpeded and practically unrestricted access to gambling, particularly digital gambling platforms."

Mr. Recto proposed implementing limits on playing time or cash-in to help prevent addiction, as well as displaying clear warnings about the risks of gambling. He also proposed a ban on government officials from participating in all types of gambling, including online gambling.

"However, a careful study must be done by regulatory authorities on the administrative feasibility of implementing these proposals, and other additional requirements that may be imposed to limit the potential harmful effects of gambling," he said.

Mr. Recto said the DoF supports "strong safeguards" to regulate all forms of gambling in the country.

"In particular, we strongly support restricting access to gambling facilities to those who are at least of legal age. PAGCOR (Philippine Amusement and Gaming Corp.) already prohibits minors and financially vulnerable individuals from entering gaming venues," he said.

Senator Sherwin T. Gatchalian earlier filed a bill that seeks to implement stricter regulations on online gambling, such as raising the minimum legal gambling age to 21 from 18, to protect young Filipinos from early exposure to online gambling.

Mr. Gatchalian's bill also seeks to prohibit e-wallets from linking to gambling sites.

Online gaming, S1/10

Filipino traders ride crypto hype despite volatility

By Aaron Michael C. Sy
Reporter

MORGAN SPENCER C. YAO, 26, is holding back on cryptocurrency investment amid volatile markets stemming from a global trade war.

"The crypto market follows the tech market, which is affected by investors' outlook on the economy, which has been on the downside lately because of tariffs," he told *BusinessWorld*. "Tech stocks are very speculative."

Arlone P. Abello, executive director and founding chairman of the Innovative Movement of The Philippine Association of Crypto Traders (IMPACT) and chief executive officer (CEO) at Global Miranda Miner Group, said Filipino crypto investors have turned "cautiously bullish" since US President Donald J. Trump took office in January.

Mr. Trump has issued an executive order setting up a cryptocurrency working group that would propose how to regulate digital assets and create a national cryptocurrency reserve — one that only uses tokens already owned by the government.

Mark Uyeda, acting chairman of the US Securities and Exchange Commission (SEC), has said a crypto task force would be developed to create a regulatory framework.

Bitcoin, the world's largest cryptocurrency by market value, appreciated by 15% or $14,224.95 year on year to $107,654.15 as of June 30, according to Yahoo Finance.

FOCUS

Mr. Abello said the US plan to establish a cryptocurrency reserve has boosted sentiment.

"Many Filipino traders are expressing renewed confidence, with some saying: 'If the US government is taking Bitcoin seriously, so should we,'" he said in an e-mailed reply to questions.

The Philippines remains a promising region for cryptocurrency growth, with blockchain-based financial services driving adoption, Wei Zhou, CEO at Coins.ph, said in a separate e-mail.

"As regulatory frameworks evolve globally, including recent developments in the United States, the Philippines has an opportunity to enhance its local regulatory approach to build greater trust and confidence among Filipino users and investors," he added.

Crypto, S1/9

National Government debt jumps to P16.92 trillion

THE NATIONAL Government's (NG) outstanding debt hit a fresh high of P16.92 trillion at the end of May as new domestic debt issuances were partly offset by the stronger peso, the Bureau of the Treasury (BTr) said on Thursday.

The latest data from the BTr showed that outstanding debt inched up by 0.99% or P166.2 billion to P16.92 trillion from P16.75 trillion at end-April.

Year on year, outstanding debt jumped by 10.24% from P15.35 trillion as of end-May 2024.

The BTr said the "minimal increase" in total debt is mainly due to the net issuances of new domestic securities, "which reflect sustained investor confidence in the Philippine economy."

"This was partially offset by the valuation effects of a stronger peso, helping reduce the value of external obligations," it added.

The BTr data used a foreign exchange rate of P55.615 per dollar at end-May, strengthening from P55.933 per dollar at end-April and P58.524 at end-May 2024.

In May, the bulk or 69.6% of the debt stock came from domestic sources, while external obligations made up the rest.

"This reflects the government's strong bias for domestically sourced financing, which helps mitigate foreign exchange risks and strengthen the local capital market," the BTr said.

Domestic debt, which was made up of government securities, increased by 1.64% to P11.78 trillion as of end-May from P11.59 trillion as of end-April.

"This increase was mainly due to net issuances totaling P190.87 billion, but it was slightly tempered by the P0.91-billion downward valuation effect of a stronger peso against the US dollar," it said.

Year on year, domestic borrowings climbed by 12.81% from P10.44 trillion at end-May 2024.

On the other hand, external debt slipped by 0.46% to P5.14 trillion at end-May from P5.16 trillion in the previous month.

The decrease was due to P3.55 billion in net repayments and the strengthening of the peso, which slashed the peso value of foreign debt by P29.35 billion.

"These were partly offset by a P9.14-billion revaluation resulting from third-currency fluctuations against the US dollar," the BTr said.

Year on year, foreign debt rose by 4.6% from P4.9 trillion at end-May 2024.

Debt, S1/9