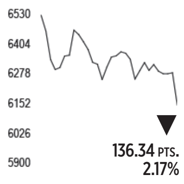
P25
IN METRO MANILA, PHILIPPINES

BusinessWorld

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

STOCK MARKET



PSEi

OPEN:	6,267.93
HIGH:	6,271.75
LOW:	6,145.24
CLOSE:	6,145.24
VOL.:	1.554 B
VAL(P):	14.315 B

▼ 136.34 PTS. 2.17%
30 DAYS TO AUGUST 26, 2025

ASIAN MARKETS

AUGUST 26, 2025

	CLOSE		NET	%
Japan (Nikkei 225)	42,807.82	▲	174.53	0.41
Hong Kong (Hang Seng)	25,829.91	▲	490.77	1.94
Taiwan (Weighted)	24,277.38	▲	512.91	2.16
Thailand (SET Index)	1,262.97	▲	9.58	0.76
S.Korea (Kse Composite)	3,209.86	▲	41.13	1.30
Singapore (Straits Times)	4,256.46	▲	3.44	0.08
Sydney (All Ordinaries)	8,972.40	▲	5.00	0.06
Malaysia (Klse Composite)	1,601.68	▲	4.21	0.26

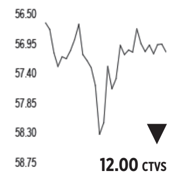
WORLD MARKETS

AUGUST 25, 2025

	CLOSE		NET
Dow Jones	45,282.470	▼	-349.270
NASDAQ	21,449.292	▼	-47.243
S&P 500	6,439.320	▼	-27.590
FTSE 100 *	9,321.400	▲	12.200
Euro Stoxx50	4,605.090	▼	-20.970

* CLOSING PRICE AS OF AUG. 22, 2025

PESO-DOLLAR RATES



FX

OPEN	P56.700
HIGH	P56.650
LOW	P57.100
CLOSE	P57.070
W.AVE.	P56.846
VOL.	$1,440.40

▼ 12.00 CTVS
30 DAYS TO AUGUST 26, 2025
SOURCE : BAP

ASIAN MONIES-US$ RATE

AUGUST 26, 2025

	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	147.5700	▼	147.2400
Hong Kong (HK dollar)	7.8008	▲	7.8120
Taiwan (NT dollar)	30.5510	▼	30.4550
Thailand (baht)	32.4500	▼	32.4300
S. Korea (won)	1,396.9500	▼	1,386.7500
Singapore (dollar)	1.2858	▼	1.2830
Indonesia (rupiah)	16,290.00	▼	16,250.00
Malaysia (ringgit)	4.2180	▼	4.2020

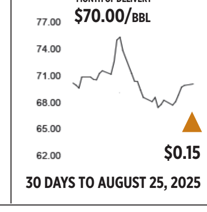
WORLD CURRENCIES

AUGUST 26, 2025

	CLOSE		PREVIOUS
US$/UK pound	1.3461	▼	1.3501
US$/Euro	1.1620	▼	1.1703
US$/Aust dollar	0.6479	▼	0.6494
Canada dollar/US$	1.3853	▲	1.3825
Swiss Franc/US$	0.8065	▲	0.8017

DUBAI CRUDE OIL

FUTURES PRICE ON NEAREST MONTH OF DELIVERY
$70.00/BBL



▲ $0.15
30 DAYS TO AUGUST 25, 2025

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S1/1-12 • 2 SECTIONS, 16 PAGES

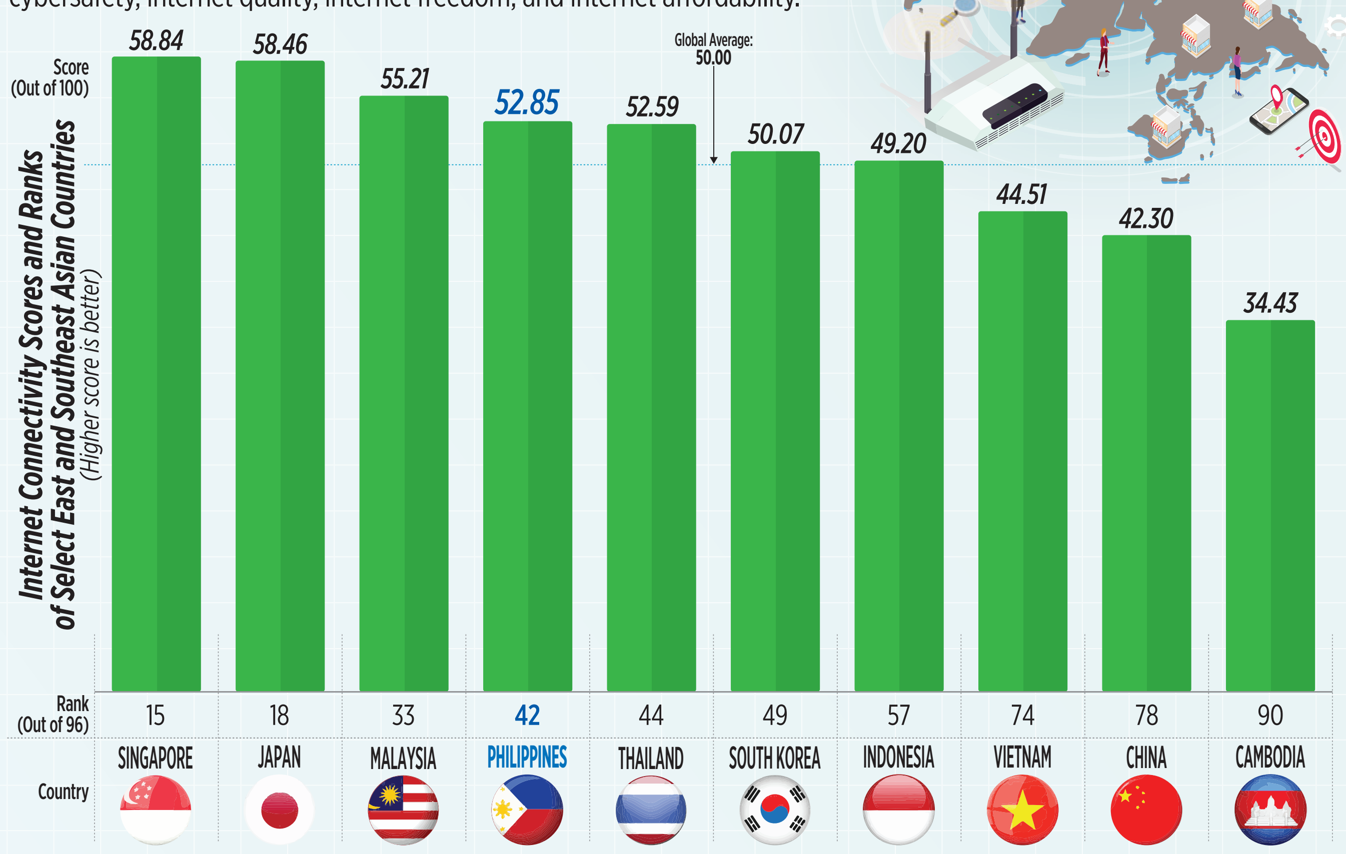
PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • AUGUST 26, 2025 (PSEi snapshot on *S1/2*; article on *S2/2*)

		Value			
BDO	P131.200	P2,175,061,453	-P11.400	▼	-7.994%
ICT	P453.200	P1,271,267,814	-P36.600	▼	-7.472%
ALI	P28.500	P1,229,388,585	P1.400	▲	5.166%
BPI	P112.100	P875,419,523	-P2.200	▼	-1.925%
MER	P546.000	P868,618,195	-P1.000	▼	-0.183%
SM	P770.000	P663,611,760	-P6.000	▼	-0.773%
RCR	P7.740	P552,930,036	-P0.360	▼	-4.444%
DNL	P4.660	P445,070,460	-P0.330	▼	-6.613%
SMPH	P22.900	P418,474,655	-P0.850	▼	-3.579%
AC	P563.000	P379,375,625	-P17.000	▼	-2.931%

Contractors to face tax fraud audit

PHILIPPINES SURPASSES GLOBAL AVERAGE IN INTERNET CONNECTIVITY INDEX

The Philippines ranked 42nd out of 96 countries in the Internet Connectivity Index by eSim service provider Saily. On a scale of 0 to 100, where a higher score means a country is accessible to travelers, the Philippines scored 52.85, surpassing the global average score of 50. The index rates a country's internet connectivity through four pillars: cybersafety, internet quality, internet freedom, and internet affordability.



Philippines' Scorecard

Dimensions	Rank (Out of 96)	Score (Out of 100)
Overall	42	52.85
Internet affordability	35	54.56
Cybersafety	38	56.40
Internet quality	44	54.32
Internet freedom	69	46.11

Top 10

Rank (Out of 96)	Country	Score (Out of 100)
1	France	62.99
2	Denmark	62.66
3	Italy	62.58
4	Poland	62.18
5	Spain	62.13
6	The Netherlands	62.12
7	Finland	61.24
8	Lithuania	60.74
9	Portugal	60.43
10	Romania	60.23

Bottom 10

Rank (Out of 96)	Country	Score (Out of 100)
96	Zimbabwe	17.22
95	Algeria	32.59
94	Pakistan	32.63
93	Venezuela	33.00
92	Cameroon	33.88
91	Angola	33.92
90	Cambodia	34.43
89	Uganda	36.08
88	Oman	37.04
87	Bangladesh	37.94

Source: Saily's Internet Connectivity Index 2025 (https://saily.com/nl/internet-connectivity-index/)
BusinessWorld Research: Matthew Miguel L. Castillo
BusinessWorld Graphics: Bong R. Fortin

THE BUREAU of Internal Revenue (BIR) will investigate the contractors allegedly involved in anomalous flood control projects for possible tax fraud, according to Commissioner Romeo D. Lumagui, Jr.

"The BIR will undertake a parallel investigation of contractors implicated in irregular flood control projects. We will support the President's crusade by auditing the tax returns and payments of these entities," Mr. Lumagui said in a statement on Tuesday.

The tax agency's probe comes after President Ferdinand R. Marcos, Jr. ordered a sweeping crackdown on corruption in public works, particularly in flood control.

Mr. Marcos earlier this month identified 15 contractors that have cornered around 20% or P100 billion worth of flood control projects out of the P545-billion budget since 2022.

Mr. Lumagui said the tax fraud investigation will focus on the contractors involved in these anomalous flood control projects as identified by Mr. Marcos.

"Should any contractor be found to have underpaid or evaded taxes, the BIR will not issue an updated tax clearance to them. The contractor will be disqualified from participating in future government procurements, and the final settlement of their existing government contracts will be suspended," he said.

Contractors, S1/9

Illegal gambling boom could put PHL at risk of returning to 'gray list'

THE BANGKO SENTRAL ng Pilipinas (BSP) is still studying further regulations to help curb risks related to e-gambling, as the proliferation of illegal sites could derail the country's anti-money laundering efforts.

BSP Governor Eli M. Remolona, Jr. said the central bank can do more to tighten safeguards on e-gambling, after it ordered all electronic wallet providers to remove in-app gambling assets.

"We're still studying it. Basically, as before, we just want to put sand in the wheels. *Marami pang pwedeng gawin* (There's more that can be done)... along the same lines," he told reporters on the sidelines of the 2025 Manila Tech Summit in Taguig City.

Following the BSP's order, e-wallets, banks, and its other supervised institutions have removed links that would direct users to gaming or gambling websites.

Asked if the rise of e-gambling could affect the Philippines' efforts to remain out of the Financial Action Task Force (FATF) "gray list," Mr. Remolona replied: "Yes, but this will be resolved."

He said illegal gambling sites will be addressed by the Department of Information and Communications Technology.

In February, the FATF removed the Philippines from its list of jurisdictions under increased monitoring for "dirty money" after over three years or since June 2021.

The next assessment is slated for 2027, when the FATF will verify if the country's anti-money laundering measures are being sustained and still in place.

In June, the European Commission removed the Philippines from its list of "third countries" flagged with "high risk" of money laundering and terrorism financing.

"Exiting the FATF gray list and EU's (European Union) high-risk list this year was not just compliance, it was a global validation," Fintech Alliance.PH Chairman and Rizal Commercial Banking Corp. Executive Vice-President and Chief Innovation and Inclusion Officer Angelito "Lito" M. Villanueva said in a speech during the Tech Summit.

Mr. Villanueva said the organization condemns the misuse of digital payment platforms for e-gambling.

"We uphold a zero-tolerance policy against the misuse of digital payment platforms for illegal businesses, especially online gambling," Mr. Villanueva said. "Consumer protection and industry integrity are nonnegotiable."

In recent years, e-wallets have helped fuel the popularity of gambling websites after integrating gambling-related services in their apps, making it easy for users to access online casinos.

However, concerns over rising gambling addiction and mounting debt have prompted lawmakers and regulators to consider measures to ban or restrict online gambling in the country.

Union Bank of the Philippines, Inc. Chief Economist Ruben Carlo O. Asuncion said the government risks losing its "hard-won gains" against money laundering if it has no clear action on unregulated e-gambling platforms.

Gambling, S1/9

Philippines could be hit with more tariffs as Trump threatens countries with digital taxes

By Aubrey Rose A. Inosante *and* **Justine Irish D. Tabile** *Reporters*

THE PHILIPPINES may face additional tariffs after US President Donald J. Trump's fresh tariff threat against countries that impose digital taxes on US technology companies, analysts said.

In a post on Truth Social, Mr. Trump threatened countries that have digital taxes with "substantial additional tariffs" on their exports to the US if they do not remove these laws.

"With this truth, I put all countries with digital taxes, legislation, rules, or regulations, on notice that unless these discriminatory actions are removed, I, as President of the United States, will impose substantial additional tariffs on that country's exports to the USA, and institute export restrictions on our highly protected technology and chips," Mr. Trump said.

The Philippines, which began enforcing its digital tax law in June, may be among the countries facing additional US tariffs.

"Likely to have an impact on us since we impose 12% VAT (value-added tax) on digital services," Ateneo Center for Economic Research and Development Director Ser Percival K. Peña-Reyes said in a Viber message.

Republic Act No. 12023 imposes a 12% VAT on nonresident digital service providers such as Netflix, Amazon, and Google. The law aims to level the playing field between local and foreign digital platforms.

"This could be part of Trump's reciprocal tariffs on digital transactions that are taxed by different countries around the world, especially by developed countries," Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said in a Viber message.

"So, there is a risk of retaliatory US tariffs in the country (Philippines), though the effect could still be minimal or negligible," he added.

Mr. Peña-Reyes warned that the US may hike the current 19% tariff on Philippine goods since Mr. Trump remains "unpredictable."

The US began imposing a 19% tariff on Philippines goods on Aug. 7.

Mr. Ricafort said the US president could still try to get concessions in terms of reduced digital transaction taxes for US companies as part of the trade negotiations.

Mr. Trump in February signed a memorandum to combat the digital service taxes imposed by foreign governments on American companies.

The directive renewed the digital service tax investigations that were initiated during Mr. Trump's first term while also investigating additional countries that use digital service tax.

Analysts cautioned the Philippine government against hastily lifting the VAT on US technology firms.

"(This is) something the government should study and weigh carefully — revenues lost from lifting tax versus revenues from lower exports due to higher tariff," Mr. Peña-Reyes said.

Digital taxes, S1/10

Steamlined rooftop solar financing needed to unlock potential

By Sheldeen Joy Talavera
Reporter

WHILE rooftop solar financing in the Philippines is gaining traction, more efforts are needed to unlock its potential, according to major banks.

Dexter Lloyd C. Cuajotor, head of retail lending at Bank of the Philippine Islands (BPI), said the demand for solar rooftop financing solutions are expected to continue to expand in the coming years.

"BPI is optimistic about the rising demand for solar financing, driven by the steady growth in solar energy adoption, supported by the continued decline in solar installation costs brought by more solar panel providers in the market, more favorable government policies and stronger awareness campaigns that highlight the benefits of renewable energy," he told *BusinessWorld*.

Rooftop solar facility refers to a solar photovoltaic (PV) energy generating system built on the rooftop of a residential, commercial building, or industrial facility, which is used for self-consumption or commercial purposes.

As of April, behind-the-meter solar PV systems had an installed capacity of 46 megawatts, data from the Department of Energy (DoE) showed.

Compared with large-scale renewable energy projects, rooftop solar projects tend to be viewed to be "lower risk and more scalable" as they require less capital expenditures and are quicker to implement, Mr. Cuajotor said.

He said that among the challenges faced by banks when evaluating rooftop solar financing are the availability of reliable solar panel providers, insufficient collateral property to cover the loan, and when savings on electricity do not cover the monthly amortization.

"The financing requirements of rooftop solar systems are generally much smaller versus utility-scale solar projects, so it is understandable that there is more attention on the latter," Juan Paolo E. Colet, managing director of China Bank Capital Corp., said via Viber.

Mr. Colet said that there are banks that are supportive of rooftop solar developers amid growing demand for loans in the sector.

Solar financing, S1/10