



BusinessWorld



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

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
6530 6404 6278 6152 6026 5900 83.15 PTS, 1.32% 30 DAYS TO AUGUST 28, 2025 PSEi OPEN: 6,279.05 HIGH: 6,279.05 LOW: 6,190.19 CLOSE: 6,190.19 VOL: 0.953 B VAL(P): 7.003 B	AUGUST 28, 2025 CLOSE NET % JAPAN (NIKKEI 225) 42,828.79 ▲308.52 0.73 HONG KONG (HANG SENG) 24,998.82 ▼-202.94 -0.81 TAIWAN (WEIGHTED) 24,236.45 ▼-283.45 -1.16 THAILAND (SET INDEX) 1,253.92 ▲5.89 0.47 S. KOREA (KSE COMPOSITE) 3,196.32 ▲9.16 0.29 SINGAPORE (STRAITS TIMES) 4,252.90 ▲7.33 0.17 SYDNEY (ALL ORDINARIES) 8,980.00 ▲19.50 0.22 MALAYSIA (KLCSE COMPOSITE) 1,587.07 ▼-0.84 -0.05	AUGUST 27, 2025 CLOSE NET DOW JONES 45,565.230 ▲147.160 NASDAQ 21,590.140 ▲45.870 S&P 500 6,481.400 ▲15.460 FTSE 100 9,255.500 ▼-10.300 EURO STOXX50 4,587.150 ▲24.700	56.50 56.95 57.40 57.85 58.30 58.75 4.00 CTVS 30 DAYS TO AUGUST 28, 2025 FX OPEN P57.050 HIGH P56.930 LOW P57.170 CLOSE P57.120 W.AVE. P57.085 VOL. \$1,864.19 SOURCE : BAP	AUGUST 28, 2025 LATEST BID (0900GMT) PREVIOUS JAPAN (YEN) 147.0900 ▲147.9400 HONG KONG (HK DOLLAR) 7.7933 ▼7.7858 TAIWAN (NT DOLLAR) 30.5350 ▲30.6080 THAILAND (BAHT) 32.3200 ▲32.4300 S. KOREA (WON) 1,387.1700 ▲1,396.7000 SINGAPORE (DOLLAR) 1.2842 ▲1.2881 INDONESIA (RUPIAH) 16,340.00 ▲16,355.00 MALAYSIA (RINGGIT) 4.2160 ▲4.2320	AUGUST 28, 2025 CLOSE PREVIOUS US\$/UK POUND 1.3499 ▲1.3441 US\$/EURO 1.1646 ▲1.1588 US\$/AUSTRALIAN DOLLAR 0.6518 ▲0.6468 CANADA DOLLAR/US\$ 1.3771 ▼1.3851 SWISS FRANC/US\$ 0.8006 ▼0.8065	FUTURES PRICE ON NEAREST MONTH OF DELIVERY \$69.25/BBL 77.00 74.00 71.00 68.00 65.00 62.00 30 DAYS TO AUGUST 27, 2025

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PHILIPPINE STOCK EXCHANGE’S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • AUGUST 28, 2025 (PSEi snapshot on S1/2; article on S2/2)

BDO	P135.500	ICT	P480.000	SM	P760.000	BPI	PT12.500	AC	P551.000	GLO	P1,555.000	JFC	P240.000	ALI	P28.150	TEL	P1,222.000	PGOLD	P41.500
Value	P761,073,321	Value	P727,242,972	Value	P420,857,685	Value	P321,677,757	Value	P292,914,850	Value	P290,757,880	Value	P281,055,532	Value	P263,653,155	Value	P191,538,610	Value	P173,433,470
-P4.700	▼ -3.352%	-P5.000	▼ -1.031%	-P0.500	▼ -0.066%	-P3.100	▼ -2.682%	-P14.000	▼ -2.478%	-P30.000	▼ -1.893%	P5.000	▲ 2.128%	-P0.950	▼ -3.265%	P8.000	▲ 0.659%	-P0.950	▼ -2.238%

BSP cuts rates for 3rd straight meeting

By Katherine K. Chan

THE BANGKO Sentral ng Pilipinas (BSP) on Thursday cut its key policy rate for a third meeting in a row and signaled another cut this year that may be the last for this monetary easing cycle.

The Monetary Board reduced the target reverse repurchase rate by 25 basis points (bps) to 5% from 5.25%, as expected by 20 analysts in a *BusinessWorld* poll last week. This was also the lowest level

in nearly three years or since November 2022.

Rates on the overnight deposit and lending facilities were also lowered by 25 bps each to 4.5% and 5.5%, respectively.

The central bank has so far lowered borrowing costs by a total of 125 bps since it began its easing cycle in August last year. It delivered two 25-bp cuts each at its last two meetings in April and June.

“Based on the latest data, I think this puts us at our sweet spot for both inflation and output,” BSP Governor Eli M. Remolona, Jr. said during a briefing.

Inflation fell to a nearly six-year low of 0.9% in July, bringing average inflation in the first seven months to 1.7%.

The Philippine economy expanded by an annual 5.5% in the second quarter, picking up from 5.4% in the first quarter but slower than the 6.5% growth in the second quarter of 2024. In the first half, gross domestic product growth averaged 5.4%, below the government’s 5.5% to 6.5% growth target range for this year.

“The projected inflation rate over the next year or so is where we want it to be. Output is moving

to where we think our capacity is,” Mr. Remolona said. “The policy rate itself is at our ‘Goldilocks’ rate — neither too high nor too low.”

“I would characterize this as still dovish, but slightly less so than before in terms of the forward guidance... We had to look at so many scenarios because there’s still a lot of uncertainty.”

The BSP projected inflation to average 1.7% this year, a tad higher than its 1.6% projection in June. Its inflation projection for 2026 is at 3.3% from 3.4% previously. For 2027, inflation is projected to rise to 3.4% from 3.3% previously.

Despite reaching a “sweet spot,” Mr. Remolona said there is space for another rate cut this year. “The data can change. The sweet spot can move.”

“I think we have space for one more cut. If the data develops the way we think it will develop, then maybe one more cut this year,” the BSP chief said, adding that this could mark the end of the current easing cycle. “That’s the likely evolution in the policy rate. Of course, if something bad happens to output that suggests there’s a lack of demand, then we cut some more.”

“Overall, we see the inflation outlook to be very manageable, inflation expectations to be well-anchored but we still see more significant risks to the inflation outlook than the output outlook,” Mr. Remolona said.

The Monetary Board has two more policy meetings this year, in October and December.

In a statement, the BSP noted that potential electricity rate adjustments and increased rice tariffs could “raise inflationary pressures over the policy horizon.”

BSP, S1/14

Philippines seeking US tariff exemptions for selected exports

By Kenneth Christiane L. Basilio Reporter

THE PHILIPPINES is asking the US to exempt exports of agricultural products and other goods from the 19% tariff imposed by US President Donald J. Trump, a Trade official said on Thursday.

Trade Undersecretary Allan B. Gepty said the government is seeking US tariff exemptions for exports of agricultural commodities, electronics, vehicle tires, bags and aircraft parts.

“We submitted a list of products we asked the US to exempt from the imposed tariff rates, because these are key and complementary items. And some of them, in fact, are not even produced or manufactured there (in the US),” he told senators at a Senate briefing on the tariff set by Washington on Philippine exports.

“The immediate need right now is we want to negotiate for an exemption, because we want to protect our industries whose

main export market is the US,” he added.

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

“We already submitted to the US the products that should be exempted from the reciprocal tariffs,” he said.

Mr. Gepty said about 23% of the country’s total exports to the US are exempted from the 19% tariff.

In June, the United States was the top destination for Philippine-made goods amounting to \$1.22 billion, 35.2% higher from the same month a year ago.

Around 53% of the Philippines’ total exports to the US were semiconductors and electronics, Mr. Gepty said.

The US has yet to set new global tariffs for semiconductors and pharmaceuticals. Mr. Trump had earlier said he plans to announce higher tariffs on imports of semiconductors, but companies that plan to build manufacturing facilities in the US would be exempted.

Tariff, S1/14

PHL pledges full funding for JICA-assisted infrastructure projects

THE Philippine government has committed to fully financing its counterpart share in Japan International Cooperation Agency (JICA)-assisted infrastructure projects, aiming to resolve budget constraints that have delayed implementation.

Transportation Secretary Vivencio “Vince” B. Dizon said counterpart funding issues were raised during a roundtable meeting with Japanese parliamentarians on official development assistance (ODA).

“(Counterpart funding and right-of-way issues are) the main causes of the delay of the project. I personally assured them that the President himself is giving the assurances that these will be fully funded,” Mr. Dizon told reporters on Wednesday.

Ongoing projects supported by JICA include the Davao City Bypass, Metro Manila Subway Project, and North-South Commuter Railway (NSCR).

Problems surrounding the budget allocation and funding flows have delayed project implementation. Around 29 projects were delayed last year, according to the Department of Economy, Planning, and Development in its ODA Portfolio Review Report.

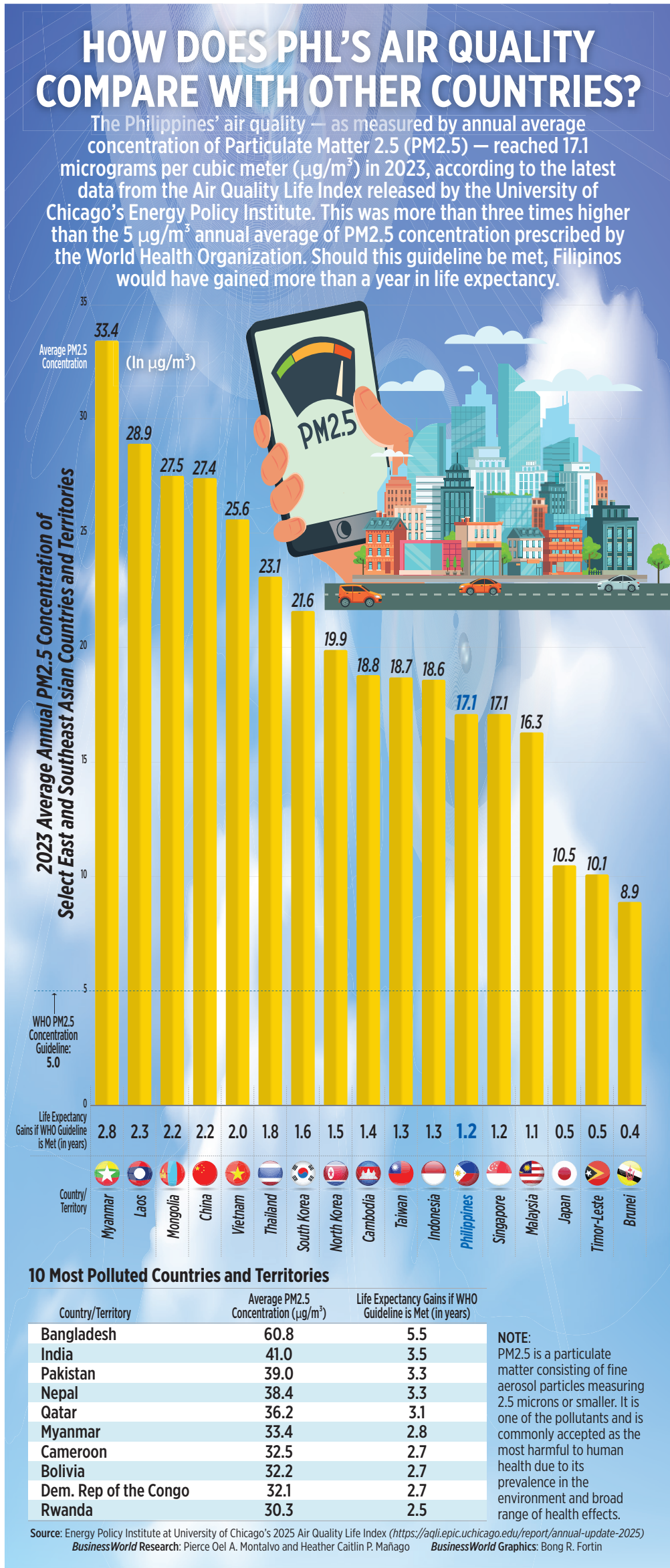
Japan remains the Philippines’ top development partner, accounting for 33.41% of total active commitments, or \$13.23 billion across 82 loans and grants.

The country’s active ODA portfolio rose by 6% to \$39.6 billion in 2024.

Mr. Dizon also said the government is accelerating public works projects, including those for transportation and flood control.

“We will cooperate continuously with JICA and the other Japanese agencies to make sure that these projects are completed quickly and are completed with the utmost quality that Japan is very well known for,” he said.

JICA, S1/14



Budget deficit shrinks to P18.9B in July

By Aubrey Rose A. Inosante Reporter

THE NATIONAL Government’s (NG) budget deficit sharply narrowed in July amid the sluggish pace of revenue collection and spending, the Bureau of the Treasury (BTr) said on Thursday.

Data from the BTr showed that the budget gap shrank by 34.42% to P18.9 billion in July from P28.8 billion in the same month a year ago.

Month on month, the fiscal gap plunged by 92.17% from the P241.6-billion deficit in June.

In July, revenues went up by 3.26% to P472.3 billion from P457.4 billion in the same month last year, as higher tax collections offset the decline in nontax revenues.

Tax revenues, which made up the bulk of revenue collections, jumped by 5.01% to P423 billion in July from P402.8 billion in the same month in 2024.

Collections by the Bureau of Internal Revenue (BIR) rose by 4.83% to P335.3 billion in July from P319.8 billion a year ago. This included a P3.8-billion tax refund.

“The BIR sustained its strong performance due to higher revenues from corporate income tax. This was followed by personal income tax, tax on government securities, excise tax on tobacco products, percentage tax on banks and financial institutions, and documentary stamp tax,” the BTr said.

Collections by the Bureau of Customs (BoC) increased by 6% to P85.2 billion, net of a P256-million tax refund, while other offices’ revenues fell by 3.47% to P2.6 billion.

The BTr attributed the higher Customs revenue to the 12.69% year on year increase in excise tax collections, as well as the 6.13% rise in value-added tax collections.

On the other hand, nontax revenues slid by 9.66% to P49.3 billion in July from P54.6 billion in the same month in 2024, mainly due to the 62.6% plunge in collections by other offices to P13 billion.

However, this was offset by the 82.42% surge in Treasury income to P36.3 billion in July from P19.9 billion a year ago. This was attributed to strong dividend remittances, interest income on NG deposits, and NG share from Manila International Airport Authority’s profits.

Meanwhile, government spending inched up by 1.02% to P491.2 billion in July from P486.2 billion in the same month in 2024.

The BTr said the increase was driven by higher National Tax Allotment releases to local government units, the Annual Block Grant to the Bangsamoro Autonomous Region in Muslim Mindanao, interest payments and personnel services expenditures.

“Spending in July was weighed down by the timing of big-ticket disbursements of the Department of Public Works and Highways, Department of Social Welfare and Development, and Department of National Defense for their respective banner programs,” it said.

Deficit, S1/14