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:	6,054.07	
HIGH:	6,112.99	
LOW:	6,054.07	
CLOSE:	6,076.22	▲ 23.89 PTS. 0.39%
VOL.:	3.167 B	
VAL(P):	6.166 B	
30 DAYS TO OCTOBER 14, 2025		

ASIAN MARKETS — OCTOBER 14, 2025	CLOSE		NET	%
Japan (Nikkei 225)	46,847.32	▼	-1,241.48	-2.58
Hong Kong (Hang Seng)	25,441.35	▼	-448.13	-1.73
Taiwan (Weighted)	26,793.15	▼	-130.27	-0.48
Thailand (SET Index)	1,268.29	▼	-18.69	-1.45
S.Korea (Kse Composite)	3,561.81	▼	-22.74	-0.63
Singapore (Straits Times)	4,355.05	▼	-34.79	-0.79
Sydney (All Ordinaries)	8,899.40	▲	16.60	0.19
Malaysia (Klse Composite)	1,611.46	▼	-3.73	-0.23

WORLD MARKETS — OCTOBER 13, 2025	CLOSE		NET
Dow Jones	46,067.580	▲	587.980
NASDAQ	22,694.608	▲	490.178
S&P 500	6,654.720	▲	102.210
FTSE 100	9,442.870	▲	15.400
Euro Stoxx50	4,719.930	▲	18.890

PESO-DOLLAR RATES — FX	
OPEN	P58.222
HIGH	P58.155
LOW	P58.305
CLOSE	P58.215
W.AVE.	P58.219
VOL.	$1,523.50
▲ 3.00 CTVS	
30 DAYS TO OCTOBER 14, 2025	SOURCE : BAP

ASIAN MONIES-US$ RATE — OCTOBER 14, 2025	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	152.0700	▲	152.2300
Hong Kong (HK dollar)	7.7750	▲	7.7779
Taiwan (NT dollar)	30.7490	▼	30.6700
Thailand (baht)	32.7100	▼	32.5300
S. Korea (won)	1,432.6300	▼	1,426.6900
Singapore (dollar)	1.3003	▼	1.2976
Indonesia (rupiah)	16,570.000	▼	16,555.000
Malaysia (ringgit)	4.2280	▼	4.2250

WORLD CURRENCIES — OCTOBER 14, 2025	CLOSE		PREVIOUS
US$/UK pound	1.3277	▼	1.3333
US$/Euro	1.1558	▼	1.1591
US$/Aust dollar	0.6456	▼	0.6519
Canada dollar/US$	1.4063	▲	1.4000
Swiss Franc/US$	0.8036	▲	0.8030

DUBAI CRUDE OIL	
FUTURES PRICE ON NEAREST MONTH OF DELIVERY	$63.45/BBL
▼	$1.45
30 DAYS TO OCTOBER 13, 2025	

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • OCTOBER 14, 2025 (PSEi snapshot on *S1/4*; article on *S2/2*)

		Value			
ICT	P537.000	P1,128,164,890	-P8.000	▼	-1.468%
BDO	P137.400	P365,902,045	P2.400	▲	1.778%
APX	P11.020	P256,866,066	P0.540	▲	5.153%
MER	P555.000	P236,863,770	P8.500	▲	1.555%
ALI	P23.250	P207,070,145	P0.100	▲	0.432%
PX	P10.600	P199,423,158	P0.200	▲	1.923%
AC	P471.400	P196,992,218	-P0.600	▼	-0.127%
BPI	P106.800	P181,019,395	-P0.200	▼	-0.187%
MWC	P37.900	P167,470,585	P1.200	▲	3.270%
SMPH	P23.000	P155,727,305	P0.400	▲	1.770%

Corruption scandal to slow PHL growth

THE PHILIPPINE ECONOMY may see a slowdown until early 2026 as the controversy over anomalous infrastructure projects dampens government spending, Finance Secretary Ralph G. Recto said on Tuesday.

At a Senate hearing for the Department of Finance budget, Mr. Recto said growth likely slowed in the third quarter as President Ferdinand R. Marcos, Jr. implemented reforms amid the corruption scandal.

"This (slowdown) could stretch until the first quarter of next year," he said. "The recent flood control controversy may have cast a shadow on public spending, but this is the start of a cleanup, and we only see upside over the next few months."

In July, Mr. Marcos flagged irregularities in flood control projects and launched the *sumbongsapangulo.ph* website, which lets citizens report substandard or nonexistent public works.

"The President himself is the whistleblower of this controversy. And his message is clear: We will never turn a blind eye to corruption," Mr. Recto said.

The corruption scandal sparked investigations by the Senate, the House of Representatives, Justice department, and the newly formed Independent Commission for Infrastructure. It also renewed scrutiny over the Department of Public Works and Highways (DPWH), slowed infrastructure spending, and triggered a P255-billion cut in the DPWH's budget for 2026.

"If part of the budget hadn't been lost to corruption, the economy might've been growing by around 6% to 6.2%, and revenue collections from the BIR (Bureau of Internal Revenue) and BoC (Bureau of Customs) would've been higher," Mr. Recto said.

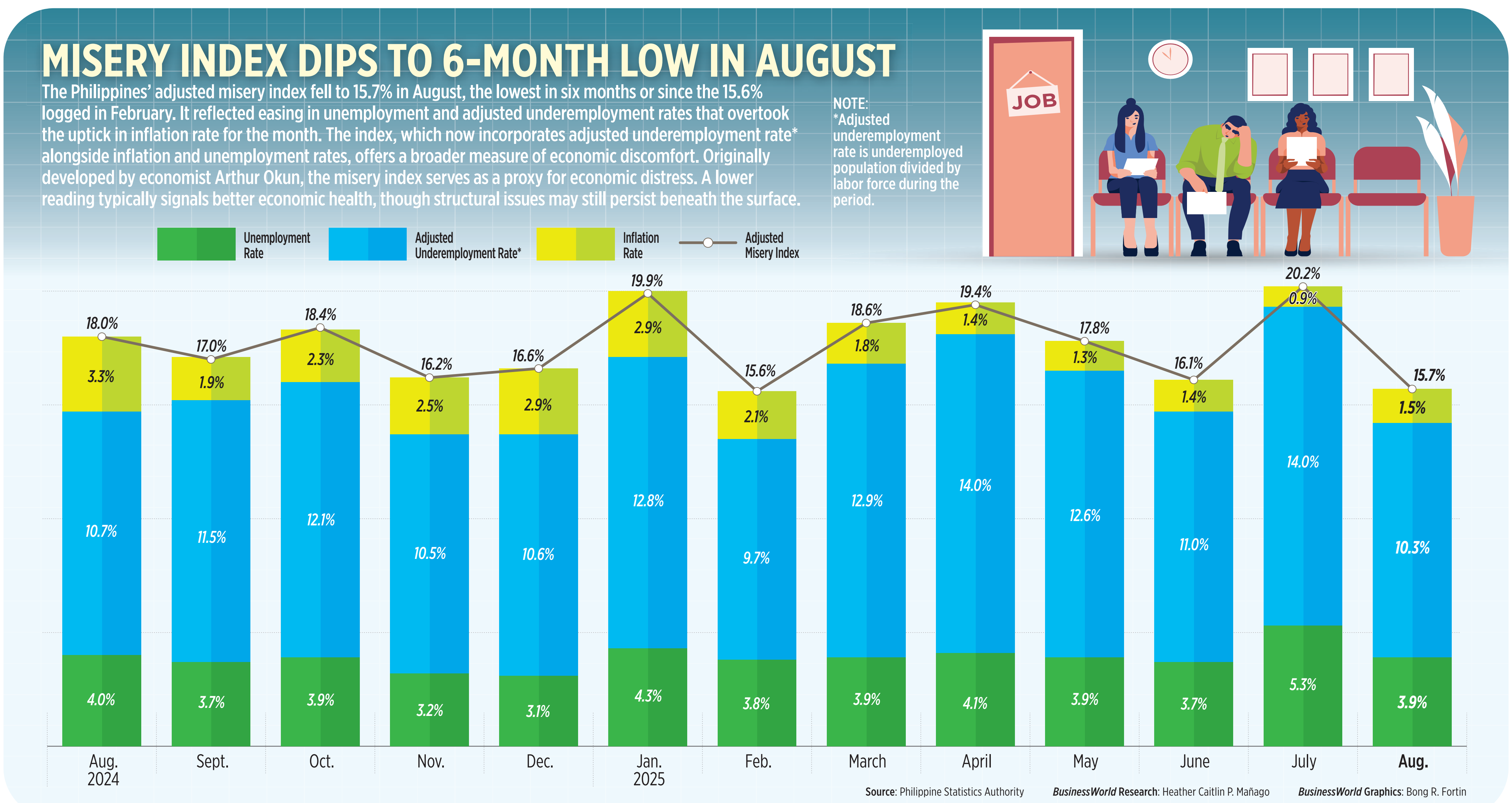
Despite this, he remained confident that the economy would still meet the lower end of the government's 5.5% to 6.5% growth goal this year.

In the first six months of the year, the country's gross domestic product (GDP) growth averaged 5.4%.

The Finance chief also noted that weather-related disruptions affected economic activity in the third quarter.

"Our approach is anticipatory and strategic, ensuring that available fiscal space is directed toward high-impact, fast-disbursing projects to counteract the potential growth slowdown and help keep full-year GDP growth within the

Corruption, S1/5



Central Luzon garment factory faces closure amid US tariffs, rising wages

By Justine Irish D. Tabile
Reporter

A GARMENT FACTORY in Central Luzon is facing closure, as rising labor costs and increasing pressure from US tariffs weigh on its operations, an industry group said.

"Due to the unfavorable business environment, the latest wage increases, the reciprocal tariff issue, and related circumstances, the company investor is considering closure of a factory in Region 3," Confederation of Wearables Exporters of the Philippines (CONWEP) Executive Director Maritess Jocson-Agoncillo told *BusinessWorld*.

"We are trying our best to minimize job loss as of now. We are trying our best to retain jobs," she added.

At the Department of Trade and Industry's budget hearing at the Senate on Monday, Senator Maria Imelda "Imee" R. Marcos revealed that a factory producing high-end garments and travel goods is set to close.

"That is 3,000 jobs… I think they are closing… We certainly do not want them to close," she said, adding that the factory had employed around 10,000 at the height of its business.

In response to this, Trade Secretary Ma. Cristina A. Roque said that the Department of Trade and Industry is trying to help the company address its issues.

"We are still resolving their issues. In fact, I am meeting with them on the 16th… We don't want them to close; we will really help them as best as we can," she added.

Foreign Buyers Association of the Philippines (FOBAP) President Robert M. Young said that many factories are considering closure because of the US tariffs.

"There is no significant widespread closure in Region III, however, all the factories are now contemplating layoffs, temporary closure, and suspended work — all kinds of this reduced productivity," he said in a phone interview.

Garment factory, S1/9

Flood control scam derails credit rating upgrade for PHL

By Adrian H. Halili *Reporter*

THE FINANCE CHIEF on Tuesday said the multibillion-peso flood control scandal prevented the Philippines from getting a credit rating upgrade from S&P Global Ratings.

"If [only] we did not have the flood control issue," Finance Secretary Ralph G. Recto told reporters on the sidelines of a Senate budget hearing. "We met with S&P, and they were ready to give us a credit rating upgrade this year."

The controversy, which involves "ghost" projects and fund misuse in government flood control programs, has triggered investigations by Congress, the Commission on Audit, the Ombudsman, and the Independent Commission for Infrastructure.

PHILIPPINE STAR/RYAN BALDEMOR

PEOPLE cross a bridge along Juan Luna Street in Divisoria, Manila, where a flood control project remains unfinished.

The Marcos administration is facing increasing scrutiny over flood control projects, where billions of pesos in public funds were diverted through padded contracts and shell companies.

The scandal highlighted spending inefficiencies and governance lapses that credit agencies closely monitor when evaluating institutional credibility and fiscal management.

Asked whether the Philippines can achieve an "A" credit rating in the next two years, Mr. Recto said: "I hope so."

He said the government wants to maintain its current credit rating, despite the multibillion-peso corruption scandal.

"There is a big chance they will maintain it, but there was a bigger chance for a credit rating upgrade," he added.

In November 2024, S&P affirmed its "BBB+" long-term credit rating for the Philippines, which is a notch below the "A" level grade targeted by the government.

Credit rating, S1/9

Bank secrecy reform needed to curb corruption — BSP

FISCAL TRANSPARENCY reforms, starting with the easing of the bank secrecy law, may help curb corruption more effectively than demonetizing large-value peso bills, the Bangko Sentral ng Pilipinas (BSP) said.

In a research blog posted on Tuesday, BSP officials said the proposed demonetization of P1,000 and P500 bills is a "blunt, high-cost instrument against corruption."

"If the objective is to combat corruption, financial transparency reforms offer far greater promise. Chief among them is reforming the bank secrecy law (Republic Act No. 1405), still one of the strictest in the world," they said.

The blog post was authored by BSP Assistant Governor Maria Margarita Debuque-Gonzales, BSP Deputy Governor Mamerto E. Tangonan and Eloisa T. Glindro, director at the BSP's Currency Policy and Integrity Department (CPID).

"Easing bank secrecy — with appropriate safeguards — would empower investigators to trace illicit funds, match deposits to asset declarations, and build prosecutable cases," the BSP officials said. "Unlike demonetization, which imposes broad costs on the public, transparency reform targets corruption at its source."

Former Finance Secretary Cesar V. Purisima earlier suggested the demonetization of P1,000 and P500 bills to curb corruption, as it would make it more difficult to transport large sums of cash.

His proposal came after a Senate probe revealed that several Public Works officials delivered around P1 billion in cash packed in multiple suitcases to a lawmaker.

Bank secrecy, S1/9