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:	6,050.36	
HIGH:	6,068.38	
LOW:	5,920.87	
CLOSE:	5,920.87	▼ 110.61 PTS. 1.83%
VOL.:	26.197 B	
VAL(P):	18.718 B	

30 DAYS TO DECEMBER 19, 2025

ASIAN MARKETS DECEMBER 19, 2025	CLOSE		NET	%
Japan (Nikkei 225)	49,507.21	▲	505.71	1.03
Hong Kong (Hang Seng)	25,690.53	▲	192.40	0.75
Taiwan (Weighted)	27,696.35	▲	227.82	0.83
Thailand (SET Index)	1,252.19	▲	2.12	0.17
S.Korea (Kse Composite)	4,020.55	▲	26.04	0.65
Singapore (Straits Times)	4,569.78	▼	-0.83	-0.02
Sydney (All Ordinaries)	8,621.40	▲	33.20	0.39
Malaysia (Klse Composite)	1,665.90	▲	19.00	1.15

WORLD MARKETS DECEMBER 19, 2025	CLOSE		NET
Dow Jones	48,134.890	▲	183.040
NASDAQ	23,307.620	▲	301.260
S&P 500	6,834.500	▲	59.740
FTSE 100	9,897.420	▲	59.650
Euro Stoxx50	4,883.020	▲	22.710

PESO-DOLLAR RATES FX	
OPEN	P58.600
HIGH	P58.530
LOW	P58.770
CLOSE	P58.700
W.AVE.	P58.645
VOL.	$1,384.46M

▼ 14.50 CTVS
30 DAYS TO DECEMBER 19, 2025 SOURCE : BAP

ASIAN MONIES-US$ RATE DECEMBER 19, 2025	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	157.7500	▼	155.9000
Hong Kong (HK dollar)	7.7808	▲	7.7818
Taiwan (NT dollar)	31.5040	▼	31.4930
Thailand (baht)	31.4000	▲	31.4700
S. Korea (won)	1,475.4200	▲	1,476.1200
Singapore (dollar)	1.2925	▼	1.2911
Indonesia (rupiah)	16,735.000	▼	16,710.000
Malaysia (ringgit)	4.0740	▲	4.0850

WORLD CURRENCIES DECEMBER 19, 2025	CLOSE		PREVIOUS
US$/UK pound	1.3375	▲	1.3346
US$/Euro	1.1708	▼	1.1720
US$/Aust dollar	0.6610	▲	0.6604
Canada dollar/US$	1.3801	▲	1.3779
Swiss Franc/US$	0.7952	▼	0.7961

DUBAI CRUDE OIL
FUTURES PRICE ON NEAREST MONTH OF DELIVERY
$60.01/BBL
▼ $0.30
30 DAYS TO DECEMBER 19, 2025

VOL. XXXIX • ISSUE 106
MONDAY • DECEMBER 22, 2025 • www.bworldonline.com
S1/1-12 • 3 SECTIONS, 20 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • DECEMBER 19, 2025 (PSEi snapshot on *S1/2*; article on *S2/2*)

		Value			
ICT	P549.500	P2,949,300,695	-P26.500	▼	-4.601%
MER	P575.000	P894,377,040	-P17.000	▼	-2.872%
SM	P700.000	P791,813,145	P0.000	—	0.000%
RCR	P7.970	P695,465,940	P0.070	▲	0.886%
SUN	P0.600	P540,001,210	P0.000	—	0.000%
BDO	P128.000	P499,592,511	-P2.600	▼	-1.991%
ALI	P21.300	P440,197,710	-P0.700	▼	-3.182%
AREIT	P44.000	P419,647,600	P0.900	▲	2.088%
JFC	P181.000	P343,328,540	-P1.000	▼	-0.549%
MWC	P40.100	P329,258,955	-P0.750	▼	-1.836%

BoP deficit sharply narrows in Nov.

By Katherine K. Chan

THE Philippines' balance of payments (BoP) deficit sharply narrowed in November amid higher remittance inflows during the holidays, the Bangko Sentral ng Pilipinas (BSP) reported late Friday.

Preliminary central bank data showed the BoP deficit stood at $225 million in November, sharply narrowing from the $2.276-billion gap seen in the same month last year.

"The Philippines' balance of payments registered a modest deficit of $225 million in November 2025," the central bank said in a statement.

Month on month, the BoP position swung to a deficit from the $706-million surplus posted in October.

November marked the first time in four months that the country's BoP position fell to a deficit or since the $167-million gap in July.

BoP refers to the country's economic transactions with other nations. A surplus indicates more funds entered the country, while a deficit shows that the country spent more than it received.

John Paolo R. Rivera, senior research fellow at the Philippine Institute for Development Studies, attributed the BoP deficit in November to increased import demand amid the holiday season, as well as debt repayments and portfolio outflows.

"While this snapped a short surplus streak, it does not signal a structural shift as remittances and services exports remain supportive," he said via Viber.

In the January-to-November period, the country's BoP position swung to a $4.834-billion deficit, from the $2.117-billion surfeit a year ago.

Robert Dan J. Roces, an economist at SM Investments Corp., said the country's BoP cumulative deficit widened as "imports and financial outflows arrived earlier and faster than exports and inflows."

This, he noted, does not indicate a weakening of the country's external buffers.

"While November's sharp narrowing was helped by seasonal remittance inflows, portfolio adjustments, and some easing in import payments, the year-to-date gap was driven by earlier front-loaded imports of capital goods and energy, a weaker trade balance amid softer global demand, and episodic portfolio outflows during periods of higher US yields and FX (foreign exchange) volatility," Mr. Roces added in a Viber message.

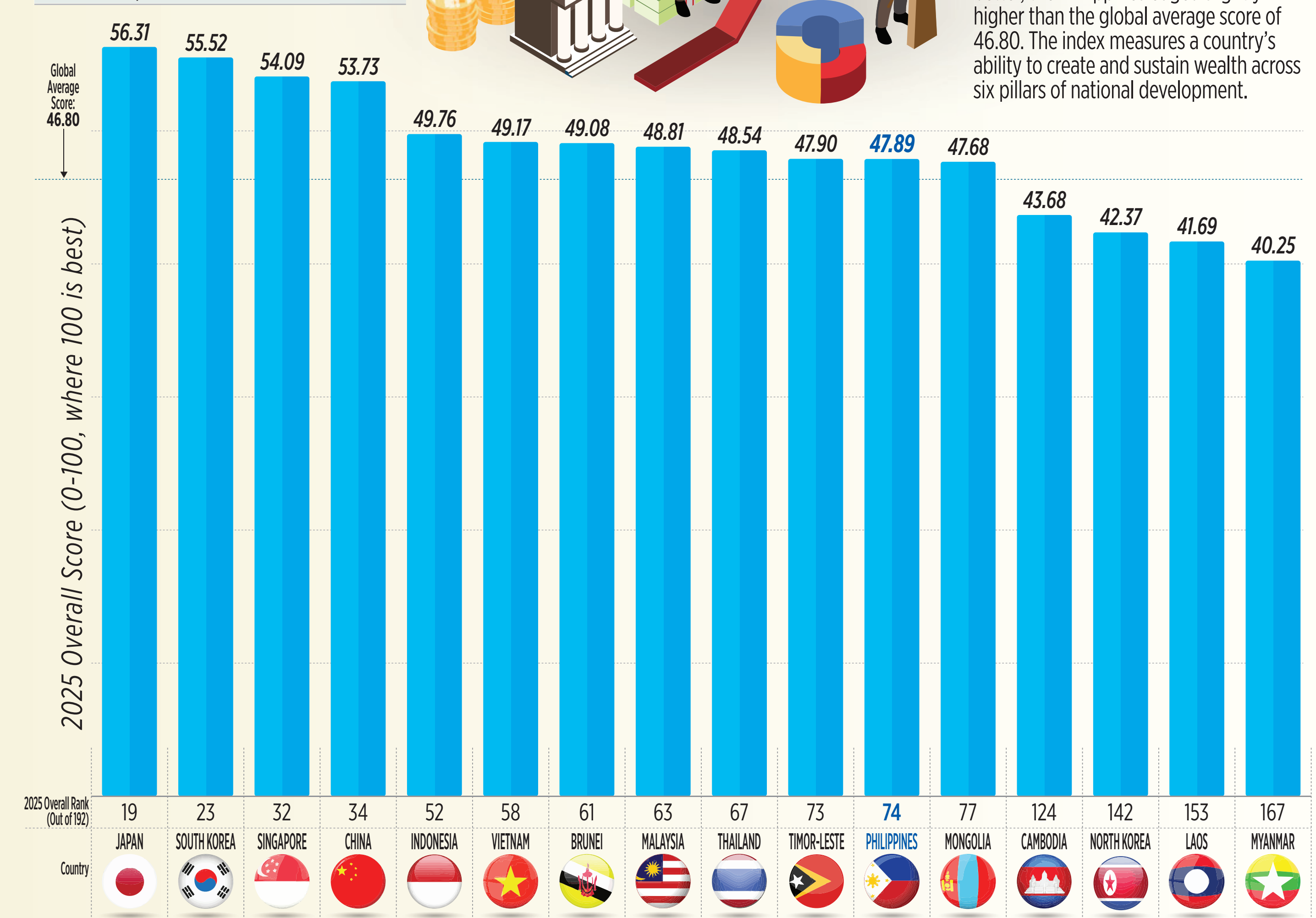
BoP, S1/10

Philippines lands 74th in sustainability list, but still lags behind its regional peers

Philippines' 2025 Performance

Subindex	Rank (Out of 192)	Score (Out of 100)
Sustainable Competitiveness	74	47.89
Social Capital	47	50.13
Economic Sustainability	61	52.98
Governance	79	54.70
Resource Intensity	82	51.16
Intellectual Capital	92	41.12
Natural Capital	167	37.22

The Philippines ranked 74th out of 192 countries in the 2025 edition of the Global Sustainable Competitiveness Index (GSCI) by Swiss–Korean think tank and management consultancy SolAbility. This put the country as the sixth least sustainable country among its peers in the East and Southeast Asian region. With a score of 47.89 out of 100 where higher is better, the Philippines edged slightly higher than the global average score of 46.80. The index measures a country's ability to create and sustain wealth across six pillars of national development.



Source: SolAbility's The Global Sustainable Competitiveness Index 2025 (*https://solability.com/the-global-sustainable-competitiveness-index*) ***BusinessWorld*** **Research**: Abigail Marie P. Yraola ***BusinessWorld*** **Graphics**: Bong R. Fortin

Corruption issues may dampen gov't spending until first half of 2026

GOVERNMENT spending will likely remain slow until the first half of 2026 as governance issues linger, dragging economic growth below target until 2027, ANZ Research said.

"Public infrastructure spending is unlikely to rebound until governance issues are resolved, probably in the second half of 2026," ANZ Research economist Arindam Chakraborty said in the think tank's Asia Economic Outlook for the first quarter of 2026.

The country's gross domestic product (GDP) growth slumped to 4% in the third quarter after a wide-scale corruption in public infrastructure projects dampened government spending and household consumption.

This was the slowest growth seen in over four years or since the 3.8% contraction in the first quarter of 2021, during the height of the coronavirus disease 2019 (COVID-19) pandemic.

As of September, GDP growth averaged 5%, below the government's 5.5-6.5% target.

"The primary drag came from a contractionary fiscal stance arising from governance failures in public infrastructure projects," Mr. Chakraborty said. "This change in fiscal stance has not only disrupted capital formation but also weighed heavily on sentiment, with businesses reluctant to commit new funds and households deferring discretionary spending."

Government spending fell for a third straight month in October to P430.6 billion, down 7.76% from the P466.8-billion expenditure recorded a year ago.

Corruption, S1/10

Employers group hopes for investor recovery in 2026

THE Employers Confederation of the Philippines (ECoP) expects economic growth to fall below 5% this year amid weak investor confidence, but noted that prospects could improve in 2026 if the government succeeds in restoring trust and pushing through reforms.

In a statement on Friday, ECoP President Sergio R. Ortiz-Luis, Jr. was quoted as saying that this year is shaping up to be "disappointing" for the economy, as investors have become more cautious following corruption and flood control controversies.

In the third quarter, gross domestic product grew by 4%, the slowest in over four years, bringing the nine-month average to 5%. This was below the government's revised full-year growth target of 5.5% to 6.5%.

Mr. Ortiz-Luis, who is also the president of the Philippine Exporters Confederation, Inc., said subdued investor sentiment is reflected in the sharp decline in investment-related visits to the Philippines, which he said will further put the country behind its regional peers.

Employers group, S1/12

Approved building permits fall 22.6% in Oct.

By Heather Caitlin P. Mañago

APPROVED building permits declined by 22.6% year on year in October, signaling a slowdown in construction activity amid economic headwinds, the Philippine Statistics Authority (PSA) said in a report.

Preliminary data showed building projects covered by the permits fell to 12,705 in October from 16,405 a year earlier.

This was a reversal from the 23.2% expansion in October 2024 and was steeper than the revised 18.5% contraction in September 2025.

In October, construction projects covered 3.48 million square meters (sq.m.) of floor area, down 20.2% year on year from 4.36 million sq.m.

These building projects that received approval were valued at P43.63 billion, 13.5% lower than a year earlier when it reached P54.45 billion.

"The sharp drop in building permits reflects high borrowing costs and tighter liquidity, which forced developers to delay projects amid corruption-related uncertainty and softer consumer demand," Jonathan L. Ravelas, a senior adviser at Reyes Tacandong & Co., said in a Viber message.

Marco Antonio C. Agonia, economist at the University of Asia and the Pacific, attributed the decline to the pessimistic economic outlook after weaker-than-expected third-quarter gross domestic product (GDP) growth.

GDP expanded by an annual 4% in the three months through September, the slowest growth logged since the 3.8% contraction in the first quarter of 2021.

Mr. Ravelas warned that the slowdown in construction, a key driver of economic activity, signals a weaker project pipeline and fewer job opportunities.

The number of jobless Filipinos rose by about 570,000 to 2.54 million in October from a year earlier, even as overall employment increased by 460,000, the PSA reported.

This brought the jobless rate to 5% from 3.8% in the previous month and 3.9% a year ago. It was also the highest in three months or since the post-pandemic high of 5.3% in July.

The unemployment rate averaged 4.13% in the first 10 months from 4% in the same period a year ago.

PSA data also showed residential projects, which made up 62.2% of all permits, fell sharply by 27.4% to 7,900 in October.

These projects were valued at P15.20 billion, down from P25.10 billion a year earlier.

Single homes, which accounted for almost 87% of the residential category, fell by 17.3% year on year to 6,847.

Applications for apartment buildings also tumbled by 54.8% to 909 while applications for duplex or quadruplex homes plummeted by 78.4% to 126.

On the other hand, nonresidential projects contracted by 6.6% year on year to 3,097 permits from 3,316 in October 2024. This accounted for 24.4% of the total.

Permits for nonresidential projects were valued at P22.84 billion, slipping by 23.2% from a year earlier.

Meanwhile, approved commercial construction applications contracted by 10.9% to 2,032. These made up 65.6% of all nonresidential projects.

Industrial permits fell by 3.1% to 253, while institutional projects were flat at 614 approvals.

There were 127 permits for agricultural projects that were approved, up by 86.8%, while 17 permits for other nonresidential works fell by 22.8%.

Approved permits for additions, or construction that increases the height or area of an existing building, also plunged by 54.1% to 196.

Building permits, S1/12

NGCP takes over beleaguered AKELCO line

THE National Grid Corp. of the Philippines (NGCP) formally assumes ownership, operation, and maintenance of the Caticlan-Unidos 69-kilovolt line, formerly managed by the Aklan Electric Cooperative (AKELCO) near the Caticlan Airport. NGCP is addressing the recurring outages on the overhead bypass line built as a temporary fix to the damaged line, and it will soon undertake a full reconductoring of the affected transmission line.