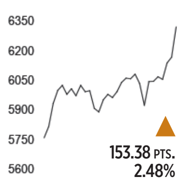
P25 IN METRO MANILA, PHILIPPINES

BusinessWorld


33rd EJAP-AYALA Business Journalism Awards

The 2023 Business News Source of the Year Award

STOCK MARKET



153.38 PTS. 2.48%

30 DAYS TO JANUARY 6, 2026

PSEi

OPEN:	6,190.07
HIGH:	6,342.96
LOW:	6,190.07
CLOSE:	6,317.91
VOL.:	1.339 B
VAL(P):	8.313 B

ASIAN MARKETS

JANUARY 6, 2026

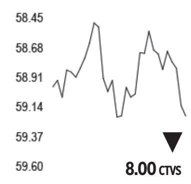
	CLOSE		NET	%
Japan (Nikkei 225)	52,518.08	▲	685.28	1.32
Hong Kong (Hang Seng)	26,710.45	▲	363.21	1.38
Taiwan (Weighted)	30,576.30	▲	471.26	1.57
Thailand (SET Index)	1,274.09	▼	-5.96	-0.47
S.Korea (Kse Composite)	4,525.48	▲	67.96	1.52
Singapore (Straits Times)	4,731.98	▲	51.48	1.10
Sydney (All Ordinaries)	8,682.80	▼	-45.80	-0.52
Malaysia (Klse Composite)	1,672.35	▼	-7.97	-0.47

WORLD MARKETS

JANUARY 5, 2026

	CLOSE		NET
Dow Jones	48,977.180	▲	594.790
NASDAQ	23,395.822	▲	160.193
S&P 500	6,902.050	▲	43.580
FTSE 100	10,004.570	▲	53.430
Euro Stoxx50	5,006.250	▲	49.080

PESO-DOLLAR RATES



▼ 8.00 CTVS

30 DAYS TO JANUARY 6, 2026

FX

OPEN	P59.070
HIGH	P59.070
LOW	P59.210
CLOSE	P59.210
W.AVE.	P59.152
VOL.	$1,385.67M

SOURCE : BAP

ASIAN MONIES-US$ RATE

JANUARY 6, 2026

	LATEST BID (0900GMT)		PREVIOUS
Japan (yen)	156.4000	▲	156.7900
Hong Kong (HK dollar)	7.7870	▲	7.7876
Taiwan (NT dollar)	31.4940	▼	31.4550
Thailand (baht)	31.1700	▲	31.3200
S. Korea (won)	1,445.8900	▼	1,445.2000
Singapore (dollar)	1.2796	▲	1.2863
Indonesia (rupiah)	16,745.000	▼	16,735.000
Malaysia (ringgit)	4.0440	▲	4.0700

WORLD CURRENCIES

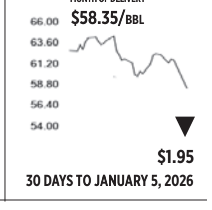
JANUARY 6, 2026

	CLOSE		PREVIOUS
US$/UK pound	1.3542	▲	1.3434
US$/Euro	1.1711	▲	1.1685
US$/Aust dollar	0.6718	▲	0.6675
Canada dollar/US$	1.3766	▼	1.3783
Swiss Franc/US$	0.7924	▼	0.7951

DUBAI CRUDE OIL

FUTURES PRICE ON NEAREST MONTH OF DELIVERY

$58.35/BBL



▼ $1.95

30 DAYS TO JANUARY 5, 2026

VOL. XXXIX • ISSUE 115

WEDNESDAY • JANUARY 7, 2026 • www.bworldonline.com

S1/1-10 • 2 SECTIONS, 14 PAGES

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JANUARY 6, 2026 (PSEi snapshot on *S1/2*; article on *S2/2*)

		Value		
JFC	P210.000	P927,090,982	P26.600 ▲	14.504%
BDO	P143.600	P874,946,085	P4.100 ▲	2.939%
ICT	P603.000	P863,059,680	P32.500 ▲	5.697%
SM	P735.000	P301,676,405	P24.000 ▲	3.376%
SMPH	P23.400	P298,908,315	P0.100 ▲	0.429%
BPI	P121.000	P289,056,804	P2.900 ▲	2.456%
MBT	P70.000	P260,245,636	P0.150 ▲	0.215%
ALI	P22.500	P215,534,670	P0.050 ▲	0.223%
MER	P594.000	P192,487,690	P9.000 ▲	1.538%
PLUS	P16.900	P188,896,074	P0.320 ▲	1.930%

BSP: Rate cut on the table in Feb.

FURTHER MONETARY POLICY easing might come as early as the Monetary Board's first meeting for 2026 amid subdued inflation and dismal economic growth last year, the Bangko Sentral ng Pilipinas (BSP) said.

Asked about the likelihood of a February cut, BSP Governor Eli M. Remolona, Jr. said: "(It's) on the table. Unlikely *pero puwede naman* (but we could deliver it)."

Mr. Remolona said that the latest December inflation print of 1.8% is a "reasonably low rate," even as it quickened from 1.5% in November. Year on year, it slowed from 2.9% in December 2024.

Philippine economic growth in 2025 also likely fell below the government's target, he added.

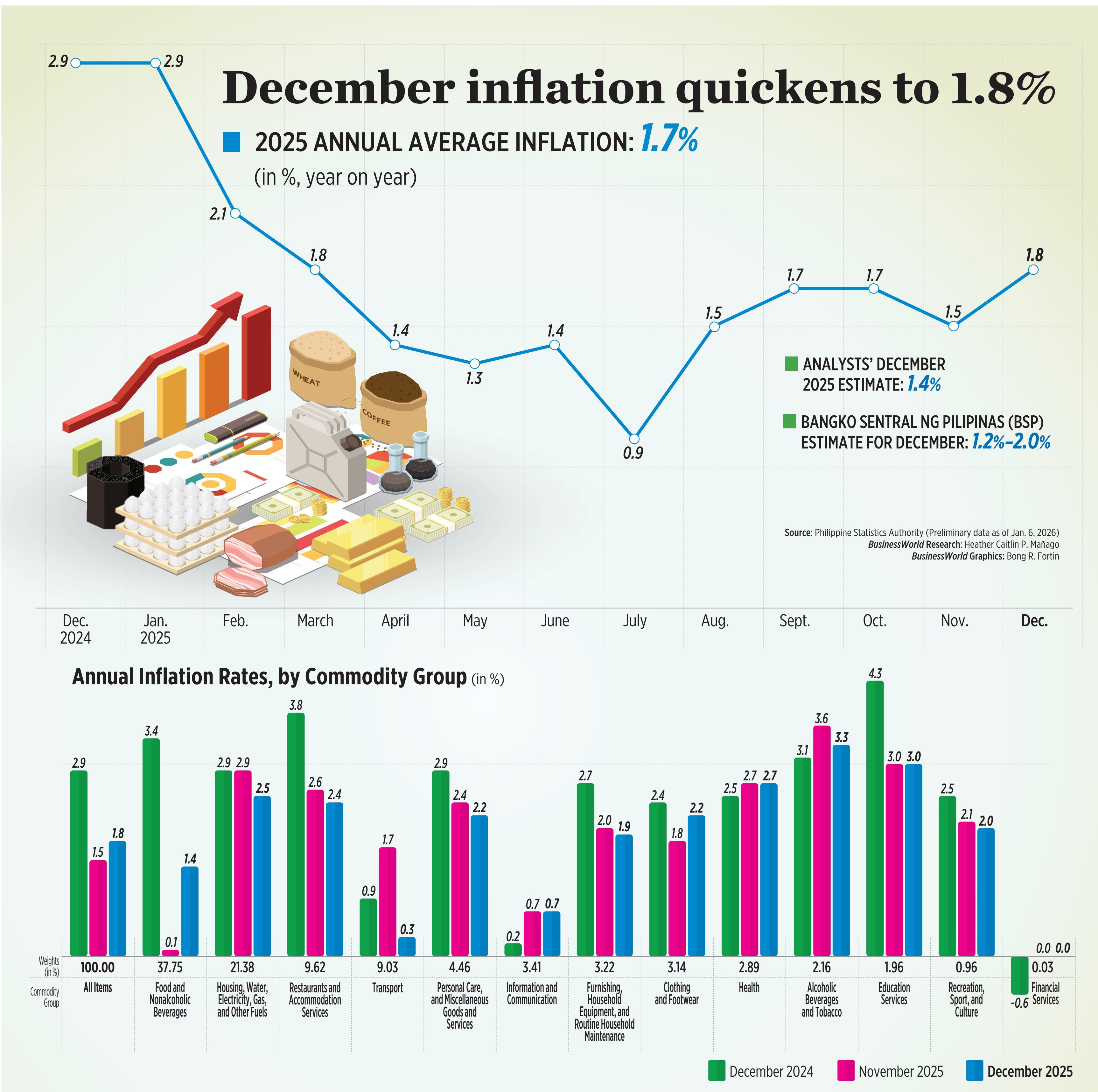
"I can say that we're very close to where we want to be in terms of policy," he told journalists in Mandaluyong City. "There's a chance that we may cut some more, and there's also a chance that we may not move at all. But there's not a lot of probability that we will raise in 2026."

The Monetary Board ended last year with a fifth straight 25-basis-point (bp) cut at its Dec. 11 meeting, bringing the key policy rate to its lowest in over three years at 4.5%.

It has so far delivered 200 bps in total cuts since it began its easing cycle in August 2024.

The central bank chief said the country's gross domestic product (GDP) may have expanded by 4.6% last year as the flood control corruption scandal continued to drag consumer and investor confidence.

Rate cut, S1/5



Inflation eases to 1.7% in 2025, slowest in 9 years

By Katherine K. Chan *Reporter*

HIGHER FOOD PRICES during the holiday season lifted inflation to 1.8% in December, although the full-year average eased to 1.7% — the slowest in nearly a decade, the Philippine Statistics Authority (PSA) reported on Tuesday.

PSA data showed that last month's consumer price index (CPI) quickened to 1.8% from 1.5% in November. Year on year, it slowed from 2.9% in December 2024.

December saw the fastest inflation since February or when inflation stood at 2.1%, but matched the 1.8% in March.

The latest CPI fell within the central bank's 1.2-2% forecast for the month, but above the 1.4% median estimate in a *BusinessWorld* poll of 14 analysts conducted last week.

December marked the tenth consecutive month that inflation undershot the Bangko Sentral ng Pilipinas' (BSP) 2-4% target.

The December print brought average inflation to 1.7% in 2025, easing from 3.2% in 2024. This was the slowest rate in nine years or since the 1.3% clip in 2016. It was also a tad above the central bank's 1.6% estimate for the year.

"The major reason (for faster inflation) is really food, nonalcoholic beverages, particularly vegetables," National Statistician Claire Dennis S. Mapa told a press briefing on Tuesday.

"(Prices of) vegetables and flour products rose. These are what we used for consumption in December, part of the holiday effect," he added in mixed English and Filipino.

Inflation for the heavily weighted food and nonalcoholic beverages index accelerated to 1.4% from 0.1% in November amid faster price increases in cereals, cereal products, vegetables, tubers, fish and fruits.

According to Mr. Mapa, onion prices surged by 79% in December, followed by broad beans which rose by 41%, eggplants by 29.4%, okra by 28%, string beans by 24%, and tomatoes by 20.1%.

He also attributed the costlier vegetables last month to weather disruptions in November.

Inflation, S1/5

ADB expects PHL household spending to improve in 2026

By Aubrey Rose A. Inosante *Reporter*

THE ASIAN Development Bank (ADB) said household consumption in the Philippines is likely to rebound in 2026 on the back of easing inflation and interest rates, after a corruption scandal and adverse weather dampened spending in recent months.

However, analysts warned that depending on tax relief to spur consumption could undermine fiscal consolidation efforts.

ADB Country Director for the Philippines Andrew Jeffries said household final consumption expenditure, which accounts for over 70% of the economy, is expected to "strengthen in 2026 amid low inflation and accommodative monetary policy."

"More broadly, policies need to focus on raising incomes and reducing vulnerability," he said in an e-mailed statement to *BusinessWorld*.

Mr. Jeffries said these measures should include expanding higher-quality employment, boosting productivity through skills upgrading, and targeted social protection for vulnerable households.

This comes as private consumption growth moderated in the third quarter of 2025, particularly discretionary spending on recreation, hotels and restaurants, partly due to weather-related disruptions, he said.

Data from the Philippine Statistics Authority (PSA) showed household final consumption expenditure slowed to 4.1% in the third quarter from 5.2% a year ago.

This was the slowest since the 4.8% contraction in the first quarter of 2021. Excluding pandemic years, it was the slowest growth in private spending since the 2.6% increase in the third quarter of 2010.

The PSA will release the fourth-quarter and annual 2025 preliminary gross domestic product (GDP) data, including household consumption, on Jan. 29.

ADB, S1/5

Factory output grows at slowest pace in 7 months

MANUFACTURING OUTPUT growth fell to a seven-month low in November, weighed down by weak domestic consumption and sluggish export demand.

Preliminary results of the Philippine Statistics Authority's (PSA) latest Monthly Integrated Survey of Selected Industries showed factory output, as measured by the volume of production index, fell by 1.5% year on year in November, a reversal from the revised 1% growth in October.

Year on year, the decline slowed from the 4.5% drop in November 2024.

The November reading was the slowest output growth in seven months or since the 2.4% decline in April 2025.

On a monthly basis, November's output contracted by 2.8%, reversing the 5% growth in October. Stripping out seasonality factors, it slipped by 3.5%.

Year to date, factory output fell by 0.1%, a reversal from the 0.7% growth in the same period in 2024.

PSA data showed the November manufacturing performance was mainly due to the slower month-on-month growth in food products (4.2% in November from 8.1% in October); and the decline in coke and refined petroleum products (-11.4% from -2.7%); and beverages (-2.8% from 4.9% growth).

"Manufacturing output contracted by 1.5% in November, reflecting a sharper deterioration in operating conditions as the Philippines Manufacturing Purchasing Managers' Index (PMI) fell to 47.4 from 50.1, driven by weak domestic and export demand and typhoon-related production disruptions," Union Bank of the Philippines Chief Economist Ruben Carlo O. Asuncion said in an e-mail.

S&P Global PMI fell to over a four-year low of 47.4 in November, a reversal from the 50.1 in October.

"Beyond these, we continue to monitor declining export orders, softer purchasing activity, thinning inventories, and early signs of labor shedding — signals consistent with a sector adjusting to both global headwinds and domestic supply constraints," added Mr. Asuncion.

Nicholas Antonio T. Mapa, chief economist at Metropolitan Bank & Trust Co., said the manufacturing performance reflected the slowdown in economic activity in the third quarter.

"In particular, softer household consumption may have weighed on volume of production," he said in an e-mail.

Factory, S1/5