

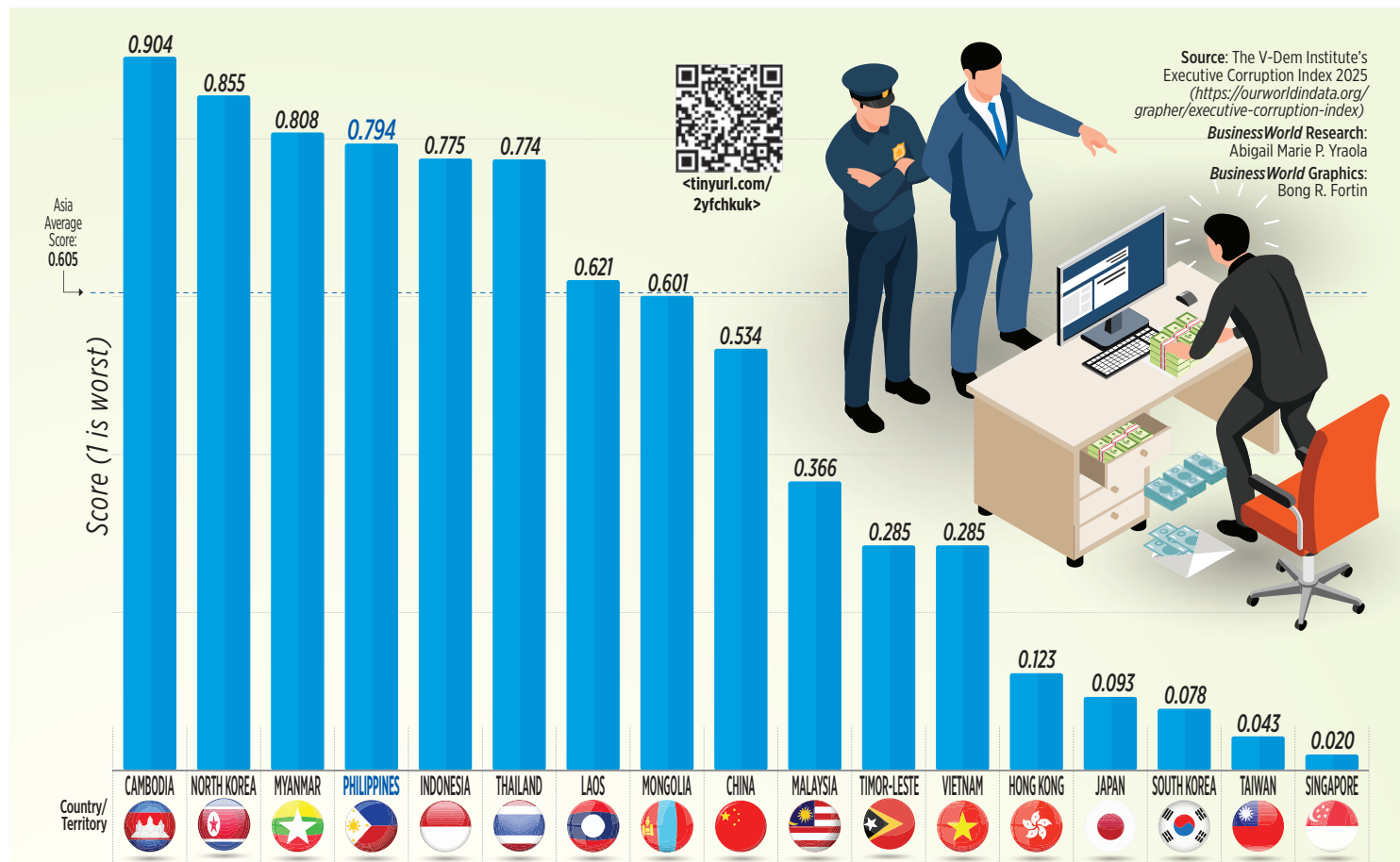
STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEi OPEN: 5,947.01 HIGH: 5,951.92 LOW: 5,896.80 CLOSE: 5,896.80 VOL: 1.208 B VAL(P): 5.364 B 44.72 PTS. 0.75% 30 DAYS TO MAY 19, 2026	MAY 19, 2026 JAPAN (NIKKEI 225) 60,550.59 ▼ -265.36 -0.44 HONG KONG (HANG SENG) 25,797.85 ▲ 122.67 0.48 TAIWAN (WEIGHTED) 40,175.56 ▼ -716.26 -1.75 THAILAND (SET INDEX) 1,517.51 ▼ -0.23 -0.02 S.KOREA (KSE COMPOSITE) 7,271.66 ▼ -244.38 -3.25 SINGAPORE (STRAITS TIMES) 5,060.98 ▲ 64.23 1.29 SYDNEY (ALL ORDINARIES) 8,604.70 ▲ 99.40 1.17 MALAYSIA (KLSE COMPOSITE) 1,727.27 ▼ -0.44 -0.03	MAY 18, 2026 DOW JONES 49,686.120 ▲ 159.950 NASDAQ 26,090.734 ▼ -134.411 S&P 500 7,403.050 ▼ -5.450 FTSE 100 10,323.750 ▲ 128.380 EURO STOXX50 5,068.470 ▲ 21.190	FX OPEN P61.600 HIGH P61.550 LOW P61.750 CLOSE P61.750 W.AVE. P61.698 VOL. \$1,209.05 M 0.0 CMO 30 DAYS TO MAY 19, 2026 SOURCE: BAP	MAY 19, 2026 LATEST BID (0900GMT) PREVIOUS JAPAN (YEN) 159.1100 ▼ 158.8500 HONG KONG (HK DOLLAR) 7.8320 ▼ 7.8305 TAIWAN (NT DOLLAR) 31.6590 ▼ 31.5790 THAILAND (BAHT) 32.6400 ▼ 32.6000 S. KOREA (WON) 1,509.4000 ▼ 1,496.7200 SINGAPORE (DOLLAR) 1.2810 ▼ 1.2791 INDONESIA (RUPIAH) 17,695.000 ▼ 17,640.000 MALAYSIA (RINGGIT) 3.9750 ▼ 3.9700	MAY 19, 2026 CLOSURE PREVIOUS US\$/UK POUND 1.3395 ▲ 1.3368 US\$/EURO 1.1617 ▼ 1.1639 US\$/AUSTRALIAN DOLLAR 0.7113 ▼ 0.7160 CANADA DOLLAR/US\$ 1.3762 ▼ 1.3741 SWISS FRANC/US\$ 0.7872 ▲ 0.7851	\$107.89/BBL FUTURES PRICE ON NEAREST MONTH OF DELIVERY 130.00 121.00 112.00 103.00 94.00 85.00 \$0.59 30 DAYS TO MAY 18, 2026

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • MAY 19, 2026 (PSEi snapshot on S1/3; article on S2/2)

ICT	ALI	BDO	MER	MBT	PGOLD	SM	GLO	JFC	BPI
P794.500	P14.740	P115.000	P616.000	P63.800	P48.200	P598.000	P1,804.000	P133.000	P88.550
Value P1,016,975,090	Value P422,343,560	Value P258,362,103	Value P240,997,620	Value P228,826,233	Value P203,992,160	Value P191,742,960	Value P169,423,740	Value P159,006,068	Value P157,427,044
-P5.500 ▼ -0.688%	-P0.480 ▼ -3.154%	P0.000 — 0.000%	-P20.000 ▼ -3.145%	-P1.700 ▼ -2.595%	P1.550 ▲ 3.323%	-P2.000 ▼ -0.333%	P1.000 ▲ 0.055%	-P2.300 ▼ -1.700%	-P0.750 ▼ -0.840%

BoP deficit narrows to \$2.1B in April



Philippines fourth most corrupt country among its peers in East and Southeast Asia

The Philippines' executive corruption index score stood at 0.794 (where 1 is worst) in the latest edition of the Executive Corruption Index published by the Varieties of Democracy (V-Dem) Institute. The country was worse than the Asian average of 0.605. It was the country's worst corruption score in 40 years or since it posted 0.918 in 1985. The index assesses the extent of corruption involving high-ranking members of the executive, including bribery, theft, and misuse of funds.

Least Corrupt Countries and Territories		Most Corrupt Countries and Territories	
Country/Territory	Score (1 is worst)	Country/Territory	Score (1 is worst)
Denmark	0.003	Venezuela	0.979
Sweden	0.004	Chad	0.976
Luxembourg	0.007	Cameroon	0.926
Switzerland	0.010	Guinea	0.923
Norway	0.011	Nicaragua	0.917
Finland	0.016	Tajikistan	0.912
Ireland	0.017	Iraq	0.911
New Zealand	0.017	Yemen	0.907
Germany	0.020	Cambodia	0.904
Singapore	0.020	South Sudan	0.900

Philippines' Historical Performance	
Year	Score (1 is worst)
1985	0.918
...	...
2015	0.575
2016	0.624
2017	0.649
2018	0.649
2019	0.690
2020	0.794
2021	0.794
2022	0.794
2023	0.794
2024	0.794
2025	0.794

By Katherine K. Chan
Reporter

STEADY INFLOWS from remittances and the services sector despite emerging external pressures helped narrow the Philippines' balance of payments (BoP) gap to a three-month low in April, Bangko Sentral ng Pilipinas (BSP) data showed.

Based on central bank data released on Tuesday, the country's BoP gap narrowed to \$2.124 billion last month from the \$2.637-billion deficit in March and \$2.558-billion shortfall in April last year.

This was the narrowest deficit recorded since the \$373 million seen in January. It also marked the sixth consecutive month that the country's BoP position settled at a shortfall.

In the four months to April, the Philippines' BoP deficit widened to \$7.411 billion from \$5.516 billion in the same period a year ago.

BoP refers to the country's economic transactions with other nations. A deficit shows that the country spent more than it re-

ceived, while a surplus indicates more funds entered the country.

Stable dollar inflows from remittances and business process outsourcing, slightly better capital flows and softer import bill may have helped narrow the country's BoP deficit in April, Jonathan L. Ravelas, a senior adviser at Reyes Tacandong & Co., said via Viber.

However, Union Bank of the Philippines Chief Economist Ruben Carlo O. Asuncion said the wider four-month deficit was likely due to lingering external pressures considering the country's large trade gap.

"The narrower BoP deficit in April reflects some normalization after earlier outflows, but the wider year-to-date gap highlights persistent external pressures, particularly from the country's large trade deficit amid strong import demand and softer exports," he said in a Viber message.

"While remittances and services continue to provide support, these have not been enough to offset the current account shortfall, with capital flows remaining sensitive to global conditions," Mr. Asuncion added.

BoP, SI/10

Peso still Asia's 'weakest link' despite BSP policy tightening

THE PHILIPPINE PESO will likely remain the weakest Asian currency despite further monetary policy tightening by the central bank as the economy remains vulnerable to volatile global oil prices amid the ongoing Middle East war, analysts said.

This as the peso on Tuesday closed at the record-low level of P61.75 versus the greenback, the same finish logged on Monday, Bankers Association of the Philippines data showed.

In a report published late on Monday, ING Think economists noted that the impact of oil price swings on the local unit could offset the expected support of additional policy rate hikes by the Bangko Sentral ng Pilipinas (BSP).

"We continue to expect a frontloaded but measured tightening cycle, worth 75 bps (basis points) in 2026," said ING Regional Head of Research for Asia Pacific Deepali Bhargava, Senior Economist

for South Korea and Japan Min Joo Kang, and Chief Economist for Greater China Lynn Song.

"While this could provide some near-term support to the PHP (Philippine peso), the currency's trajectory will remain closely tied to oil price dynamics," they added.

A separate report from MUFG Bank, Ltd. on Tuesday showed that the peso suffered the sharpest depreciation among currencies in emerging markets in Asia since the Middle East war erupted on Feb. 28.

Based on the report penned by MUFG Senior Currency Analyst Michael Wan, the local unit declined by 6.6% against the dollar from Feb. 28 to May 18.

This was followed by the Indian rupee, which went down by 5.6%, Indonesian rupiah (5%), Thai baht (4.8%), South Korean won (4%), Malaysian ringgit (2.1%), Japanese yen (1.8%), Singapore dollar (1.1%), Vietnamese dong (1.1%), and Taiwan dollar (1%).

Peso, SI/10

Marcos raises concern over stagflation risk

PRESIDENT Ferdinand R. Marcos, Jr. warned of a possible stagflation scenario, citing the threat of slowing economic growth alongside persistent inflation, while signaling that his government may tolerate higher prices for certain non-essential food items.

"We were able to keep food prices stable, but supplies are feeling the pinch," Mr. Marcos said during a roundtable discussion with Japanese media in Malacañang on Monday. A video and transcript were provided to Palace reporters.

Mr. Marcos said some producers and suppliers had sought government permission to increase the prices of "non-critical" food products.

The Philippines, which relies heavily on imported fuel, has been hit hard by the ongoing Iran conflict. This has prompted the



PHILIPPINE STAR/MIGUEL DE GUZMAN
VENDORS wait for customers at the Commonwealth Market, March 5.

government to declare a year-long energy emergency amid threats to oil supply and rising inflation.

"To the economy, the concern that we have is the concern about stagflation... so this is

what we have been trying to control," Mr. Marcos said.

Stagflation refers to a period of weak economic growth combined with persistently high inflation.

Some analysts have earlier flagged stagflation risks after inflation quickened to a near three-year high of 7.2% in April from 4.1% in March due to soaring gas prices. This was the fastest headline print since the 7.6% seen in March 2023, and also well-above the central bank's 5.6%-6.4% estimate for the month.

In the first quarter, gross domestic product (GDP) grew by 2.8%, slowing from the 5.4% expansion in the same quarter last year and the revised 3% GDP growth in the fourth quarter of 2025.

The President said the government will make efforts to slow down rising food costs. Last week, he imposed a P50 price cap on rice.

Stagflation, SI/10

Political violence possible if Duterte removed — GeoQuant

By Chloe Mari A. Hufana
Reporter and
Justine Irish D. Tabile
Senior Reporter

THE IMPEACHMENT proceedings against Vice-President Sara Duterte-Carpio have raised the possibility of further instability and political violence in the country, according to an assessment by a unit of Fitch Solutions.

"Public impeachment hearings against VP Sara Duterte have sharply increased Social Polarization and Government Risks by

intensifying the Marcos-Duterte power struggle, with the potential for further instability and political violence if she is removed from contention for the 2028 presidency," GeoQuant said in a report released on Tuesday.

The Senate on Monday convened as an impeachment court for the trial of Ms. Duterte who faces charges of corruption, misuse of public funds, betrayal of public trust, and an alleged plot to assassinate President Ferdinand R. Marcos, Jr.

Ms. Duterte's trial is expected to start by the first week of June.

GeoQuant noted that social polarization risk and government risk began to increase when the House Committee on Justice began hearings on the impeachment complaint against Ms. Duterte on March 25.

"The case pits two of the country's most powerful political families against one another, Marcos and Duterte, who ran as a team in the 2022 general elections but have fallen out over differing constituency and policy agendas," it said.

"With Marcos' tenure up in May 2028, Duterte is his likely successor, but impeachment

would prohibit her from running. Marcos claims not to be behind the investigation, but his allies control the House of Representatives and her removal from the field of potential candidates would allow Marcos to find an ally as successor."

If convicted, Ms. Duterte would be barred from running for public office.

"Expect both Government and Social Polarization Risks to continue to rise as long as the process continues, with the potential for political violence rising [if] Duterte is sidelined," GeoQuant said.

Political violence, SI/10



Real impact in private hospitals

ASSESSING the impact of Philippine Health Insurance Corp.'s (PhilHealth) expanded healthcare packages in private hospitals, President Ferdinand R. Marcos, Jr. and PhilHealth President and CEO Dr. Edwin M. Mercado visited St. Elizabeth Hospital and the Alfredo R.A. Bengzon Patient Access Ward in The Medical City earlier this May. (See story on S1/3).