

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
PSEi OPEN: 5,848.59 HIGH: 5,873.62 LOW: 5,799.32 CLOSE: 5,799.32 VOL: 0.565 B VAL(P): 8.503 B 30.56 PTS. 0.53% 30 DAYS TO JUNE 1, 2026	JUNE 1, 2026 JAPAN (NIKKEI 225) 66,934.33 ▲ 604.83 0.91 HONG KONG (HANG SENG) 25,398.18 ▲ 215.79 0.86 TAIWAN (WEIGHTED) 45,337.91 ▲ 604.97 1.35 THAILAND (SET INDEX)* 1,568.37 ▼ -0.60 -0.04 S.KOREA (KSE COMPOSITE) 8,788.38 ▲ 312.23 3.68 SINGAPORE (STRAITS TIMES)* 5,037.86 ▲ 48.67 0.98 SYDNEY (ALL ORDINARIES) 8,729.40 ▼ -2.30 -0.03 MALAYSIA (KLSX COMPOSITE)* 1,683.07 ▼ -1.86 -0.11	MAY 29, 2026 DOW JONES 51,032.460 ▲ 363.490 NASDAQ 26,972.620 ▲ 55.149 S&P 500 7,580.060 ▲ 16.430 FTSE 100 10,409.280 ▼ -16.680 EURO STOXX50 5,190.620 ▲ 4.420	FX OPEN P61.650 HIGH P61.650 LOW P61.750 CLOSE P61.746 W.AVE. P61.726 VOL. \$998.92 M 15.60 CTS 30 DAYS TO JUNE 1, 2026 SOURCE: BAP	JUNE 1, 2026 LATEST BID (0900GMT) PREVIOUS JAPAN (YEN) 159.4800 ▼ 159.2600 HONG KONG (HK DOLLAR) 7.8369 ▼ 7.8362 TAIWAN (NT DOLLAR) 31.3290 ▲ 31.4120 THAILAND (BAHT) 32.5600 ▼ 32.4400 S. KOREA (WON) 1,507.0200 ▲ 1,507.0900 SINGAPORE (DOLLAR) 1.2774 ▼ 1.2764 INDONESIA (RUPIAH) 17,865.000 — 17,865.000 MALAYSIA (RINGGIT) 3.9630 — 3.9630	JUNE 1, 2026 CLOSE PREVIOUS US\$/UK POUND 1.3457 ▼ 1.3459 US\$/EURO 1.1648 ▼ 1.1659 US\$/AUSTRALIAN DOLLAR 0.7175 ▼ 0.7183 CANADA DOLLAR/US\$ 1.3821 ▲ 1.3795 SWISS FRANC/US\$ 0.7839 ▲ 0.7810	DUBAI CRUDE OIL FUTURES PRICE ON NEAREST MONTH OF DELIVERY 116.50 \$103.70/BBL 111.20 105.90 100.60 95.30 90.00 \$4.50 30 DAYS TO MAY 29, 2026

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • JUNE 1, 2026 (PSEi snapshot on SI/2; article on S2/2)

ICT	P780.000	BPI	P93.500	JFC	P130.600	MER	P575.000	BDO	P114.100	MBT	P63.500	SM	P588.000	ALI	P14.520	SMPH	P18.420	SGP	P30.000
Value	P1,671,584,955	Value	P852,706,113	Value	P727,984,729	Value	P466,842,870	Value	P387,255,607	Value	P308,167,075	Value	P279,937,280	Value	P269,718,214	Value	P223,278,512	Value	P211,882,650
P27.500	▲ 3.654%	-P0.400	▼ -0.426%	P3.700	▲ 2.916%	P4.500	▲ 0.789%	P0.000	— 0.000%	P0.000	— 0.000%	P14.000	▲ 2.439%	-P0.060	▼ -0.412%	P0.020	▲ 0.109%	P0.150	▲ 0.503%

BSP eyes stronger response vs inflation

MANILA — The Philippine central bank said on Monday it may consider a stronger monetary policy response if elevated inflation expectations become entrenched, vowing it “will take all necessary action” to ensure that inflation returns to its 3% target.

“If the data and our assessment of evolving risks point to higher inflation expectations becoming entrenched, then we may consider a stronger response,” the Bangko Sentral ng Pilipinas (BSP) said in an e-mailed response to a Reuters query.

The BSP raised its key policy rate by 25 basis points to 4.50% in April.

Here are more details and context of the central bank’s responses:

The BSP said it does not target a specific exchange rate level and intervenes only when excessive volatility poses a serious risk to inflation expectations. The peso has risen 6.1% vs. the dollar in the last three months, according to LSEG data.

The Philippines is sensitive to oil price shocks due to its high dependence on oil imports and current account deficits, but a weaker peso cushions the impact by supporting exports, remittances and revenues from business process outsourcing, the BSP said.

BSP Governor Eli M. Remolona, Jr. said in May the central bank was considering an off-cycle rate hike ahead of a scheduled meeting on June 18.

‘SLOWFLATION’

Meanwhile, the Philippines is experiencing “slowflation,” with slowing growth and accelerating inflation amid oil shocks from the Middle East war, putting the central bank in a difficult policy setting, Metropolitan and Bank Trust Co. (Metrobank) said.

In a commentary on Friday, Metrobank research officer Marian Monette Florendo Obias noted that the economy has not reached stagflation as domestic growth is only weak but not stagnant, while the unemployment rate is seen holding steady.

“The domestic economy remains fragile and highly sensitive to geopolitical developments, with ongoing local political squabbles weighing on overall sentiment,” she said. “For now, while stagflation risks are rising, the Philippines remains in the early phase of ‘slowflation.’”

According to Ms. Obias, ‘slowflation’ refers to an economic condition with fast inflation, weak but still positive growth, and still stable employment.

BSP, SI/9

Philippines moves to build strategic petroleum reserves

MOTORISTS may get some relief from high fuel costs this week as pump prices are set for a major rollback, while the government moves to build strategic petroleum reserves to shield the Philippines from future oil supply shocks linked to the war in the Middle East.

At a briefing on Monday, Energy Secretary Sharon S. Garin said there will be a major rollback this week, with gasoline prices set to decrease by at least P4.76 per liter, diesel by P9.26 per liter, and kerosene by P10.86 per liter.

The decline in fuel prices came after five consecutive weeks of hike in gasoline prices and a second week for diesel.

With the downward adjustments, the prevailing fuel prices in the National Capital Region will reach as high as P84.74 per liter for gasoline, P82.54 per liter for diesel, and P102.94 per liter for kerosene.

While the Iran war remains unresolved, Ms. Garin said the fuel prices are now moving closer to the “pre-war prices” of around P50 to P60 per liter.

“Hopefully, with no more surprises in the events that are happening in the Middle East, especially with Iran, Israel, and US hopefully it goes steady and we go back to the previous prices, or at least not as high as before,” she said.

The Philippines is increasingly vulnerable to the Middle East conflict as it depends heavily on the region for its oil imports, rais-

ing concerns over energy security and higher fuel costs.

As of May 29, the country’s fuel inventory is equivalent to 45.97 days, slightly higher than the 44.82 days last week.

The average inventory for gasoline is 47.10 days, while diesel has an average inventory of 44.36 days. Kerosene has an average inventory of 143.64 days; 65.03 days for jet fuel; 41.30 days for fuel oil; and 42.13 days for liquefied petroleum gas.

Ms. Garin said the government is working on the establishment of a strategic petroleum reserve program, which includes building new stockpiling facilities.

“This will be a more systematic and a more organized system, one that won’t be reactive, as we will have our own reserves in the Philippines, sufficient enough to weather any effects or disruptions in the other parts of the world or in the countries where we get our oil,” she said.

The Energy chief said the DoE is working with state-run firms Philippine National Oil Co. (PNOC) and Maharlika Investment Corp. (MIC) to explore options to build at least 30 days’ worth of additional reserves.

PNOC, which is mandated to ensure a stable, adequate, and sustainable supply of energy for the country, will take the lead in this effort to secure reserves.

Funding for the program will be managed by MIC, which oversees the country’s sovereign wealth fund.

Petroleum, SI/8

Philippine factory activity returns to growth in May

By Justine Irish D. Tabile
Senior Reporter

PHILIPPINE FACTORY activity bounced back in May as stronger domestic demand boosted output and new orders, although supply chain disruptions and rising costs linked to the Middle East conflict continued to weigh on manufacturers, S&P Global said on Monday.

S&P Global Philippines Manufacturing Purchasing Managers’ Index

(PMI) improved to 50.8 in May from 48.3 in April. However, S&P Global said the latest uptick “was only modest and historically subdued.”

A PMI reading above 50 denotes better operating conditions than in the preceding month, while a reading below 50 shows deterioration.

“The latest PMI data for the Filipino manufacturing sector presented a mixed picture,” Maryam Baluch, economist at S&P Global Market Intelligence, said in the report.

“While manufacturers registered renewed growth in output and new orders, supply-chain disruption and cost pressures worsened as the Middle East conflict entered its third month,” she added.

Among Association of Southeast Asian Nations economies with available May PMI data on Monday, the Philippines’ reading trailed Vietnam (52.8) but ahead of Myanmar (49.3).

S&P Global attributed the overall expansion in the Phil-

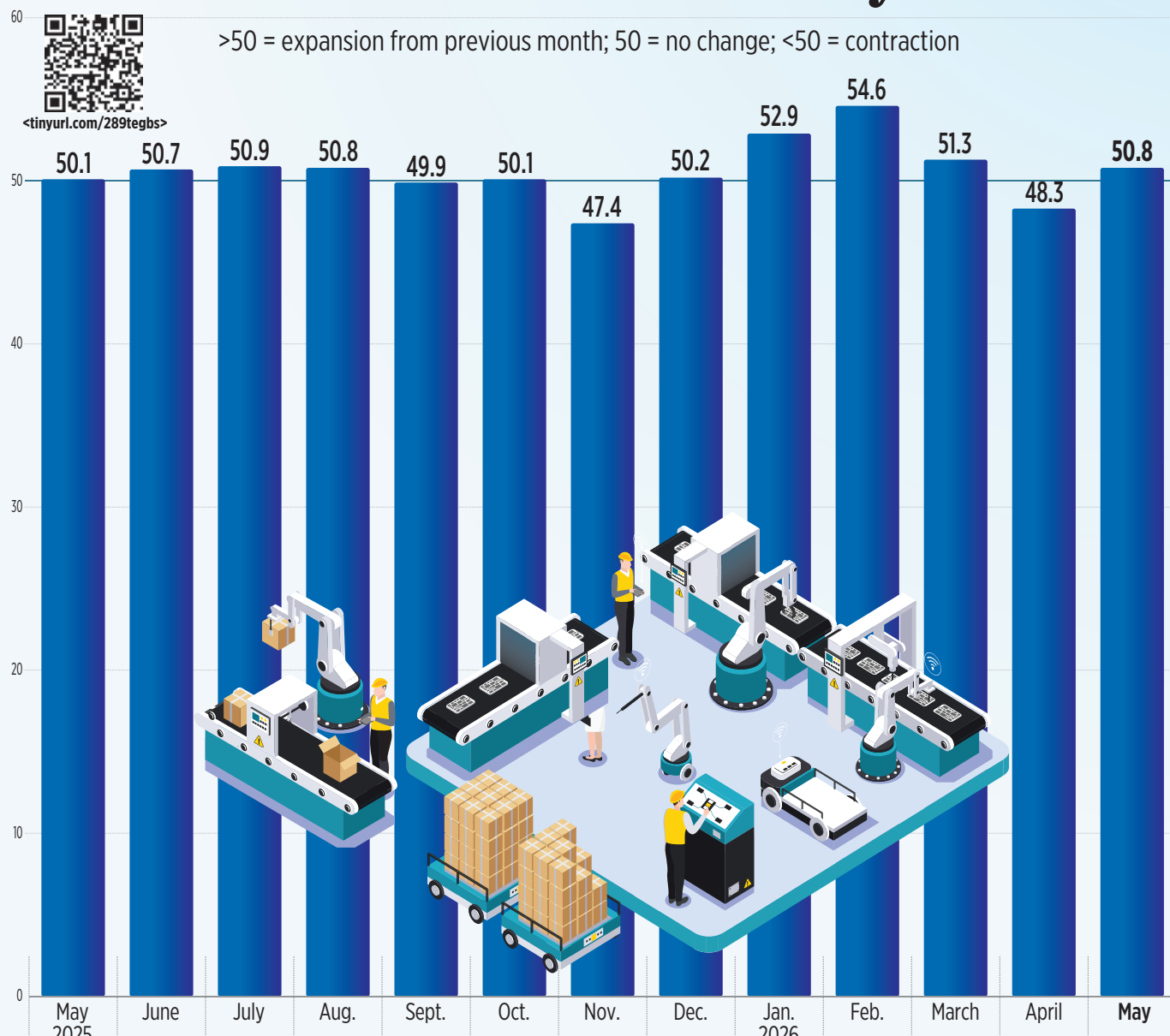
ippines’ manufacturing activity to the rise in new orders in May, after a sharp drop in April.

“Improved client demand and new customer wins were said to have driven growth,” it said. “Underlying data hinted that the upturn stemmed from improved domestic demand.”

However, S&P Global said that exports remained bleak, after overseas sales dropped at the sharpest pace since July 2020.

Factory activity, SI/9

Philippine manufacturing PMI bounces back in May



Source: S&P Global’s Philippines Manufacturing Purchasing Managers’ Index (Data as of June 1, 2026) BusinessWorld Research: Abigail Marie P. Yraola BusinessWorld Graphics: Bong R. Fortin

FUEL PRICE TRACKER

(week-on-week change)

Fuel Type	May 19	May 26	June 2
GASOLINE	▲ P1.21	▲ P1.60	▼ P4.76
DIESEL	▲ P2.82	▲ P1.96	▼ P9.26
KEROSENE	▼ P2.11	▲ P1.45	▼ P10.86

• June 2, 12:01 a.m. — Calltex Philippines
 • June 2, 6 a.m. — Petron Corp.; Phoenix Petroleum; Shell Philippines Corp.; PTT Philippines Corp.; Seaoil Philippines, Inc.
 • June 2, 8:01 a.m. — Cleanfuel (Shaw Autogas, Inc.)

Institutional credibility now a bigger risk to PHL economy, ex-central banker says

THE GOVERNMENT could face a tougher task as growing political instability could translate to weaker confidence in the Philippine economy, which may compound external risks, a former central banker said.

GlobalSource Partners Principal Advisor Diwa C. Guinungo said issues surrounding the country’s political institutions, particularly the Senate, may now pose a greater risk to the economy than external shocks such as the oil crisis and artificial intelligence.

“With respect to external shocks, we have very little con-

trol. But with respect to domestic issues, particularly political issues, I think we have better latitude in terms of control and management,” he told *Money Talks with Cathy Yang* on One News on Monday.

Asked what is the bigger economic threat between the two, Mr. Guinungo said: “It’s (the) institutional issues and credibility of our political institutions.”

This came after the chaos that ensued in the Senate last month following a leadership shake-up allegedly orchestrated in time for Vice-President Sara Duterte-Carpio’s im-

peachment trial and Senator Ronald M. dela Rosa’s impending arrest linked to his alleged role in former President Rodrigo R. Duterte’s anti-drug campaign.

The former Bangko Sentral ng Pilipinas (BSP) deputy governor noted that governance issues arising from the recent controversies surrounding lawmakers create uncertainties about the country’s capacity to provide stability and long-term viability to investors.

This, he added, could eventually impact investor confidence and social cohesion.

Credibility, SI/8