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:	5,704.82
HIGH:	5,804.31
LOW:	5,704.82
CLOSE:	5,778.14
VOL.:	0.651 B
VAL(P):	6.173 B

83.22 PTS 1.46%
30 DAYS TO NOVEMBER 5, 2026

PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • NOVEMBER 5, 2026 (PSEi snapshot on *S1/2*; article on *S2/2*)

ICT	P830.000	GCASH	P6.850	MBT	P61.000	AC	P541.500	BDO	P122.900
Value	P1,146,528,130	Value	P417,442,304	Value	P391,700,430	Value	P351,121,650	Value	P314,304,801
P0.000	— 0.000%	P0.150	▲ 2.239%	-P2.000	▼ -3.175%	P22.500	▲ 4.335%	P1.000	▲ 0.820%
SM	P574.000	JFC	P150.500	SMPH	P17.840	BPI	P97.600	GLO	P1,499.000
Value	P312,481,900	Value	P293,998,106	Value	P246,951,128	Value	P195,069,285	Value	P184,278,860
P39.000	▲ 7.290%	P11.000	▲ 7.885%	P0.640	▲ 3.721%	-P2.400	▼ -2.400%	-P1.000	▼ -0.067%

PESO-DOLLAR RATES

FX

OPEN	P63.333
HIGH	P62.900
LOW	P63.350
CLOSE	P62.970
W.AVE.	P63.143
VOL.	$2,005.05

56.50 CTVS
30 DAYS TO NOVEMBER 5, 2026
SOURCE : BAP

VOL. XL • ISSUE 75 | FRIDAY • NOVEMBER 6, 2026 • www.bworldonline.com | S1/1-12 • 2 SECTIONS, 18 PAGES

Inflation quickens to near 4-year high

By Katherine K. Chan
Reporter

HEADLINE INFLATION quickened to the fastest pace in nearly four years in October as high energy costs spilled over to transport, utilities, and restaurant services, the Philippine Statistics Authority (PSA) said on Thursday.

The headline clip, as measured by the consumer price index, accelerated to 7.8% from 7.2% in September and 1.7% a year ago. This was the highest since February 2023's 8.6%.

It also marked this year's peak so far, exceeding the 7.2% recorded in April and September.

October inflation outpaced the 7.6% median estimate of 22 analysts in a *BusinessWorld* poll, but was within the Bangko Sentral ng Pilipinas' (BSP) 7.1%-8.1% forecast.

The headline clip remained above the BSP's 3% target for an eighth straight month, bringing the year-to-date average to 5.6%.

National Statistician Claire Dennis S. Mapa said October inflation heated up due to faster inflation in transport, housing and utilities, as well as restaurants and accommodation services.

Transport inflation sizzled to a six-month high of 20.1% last month from 14.6% in September. Of this, gasoline inflation quickened to 51.1% (from 40.9%), while diesel inflation rose to 62.4% (from 61.3%).

Oil price adjustments were mixed in October. The price of gasoline fell by up to P1.11 a liter and diesel by P0.52 a liter, while kerosene rose by as much as P4.57 a liter.

As of end-October, the per liter price of gasoline ranged between P75.10 and P101.10, diesel between P88 and P102.50, and kerosene between P116 and P145.34 in Metro Manila and nearby areas.

Mr. Mapa likewise noted that the public transport fare hike imposed in late September drove up inflation for other passenger transport by road to an over three-year high of 11.6% in October from 5.4% in September.

"Our October inflation rate was really affected by the transport fare hike," he told a press briefing. "It did not have an impact (in September) because it was implemented only around the last two days of September, but it really had an impact this October... This will continue into November and December because of the base effect."

Meanwhile, inflation for housing, water, electricity, gas and other fuels came in faster at 9.3% in October from 8.4% a month earlier.

FOOD PRICES

Dining out also became more expensive last month, with inflation for restaurants and accommodation services picking up to 7.7% from 7% in September.

Mr. Mapa noted that this was largely due to second-round effects of elevated costs of energy, food, and raw materials, as well as the recent minimum wage hike in the National Capital Region (NCR).

On Sept. 26, the minimum wage in NCR was raised by P60, bringing nonagricultural workers' daily pay to P755 and those for agricultural workers and employees of retail, service, and small manufacturing establishments to P718.

On the other hand, food inflation slowed in October, partly offsetting the increases in other commodity groups. Inflation for the heavily weighted food and nonalcoholic beverages index eased to 6.1% in October from 6.7% in the prior month.

The Department of Economy, Planning, and Development said in a statement that improved food supply helped temper price pressures in October. Favorable weather conditions helped cool down food inflation during the month, it added.

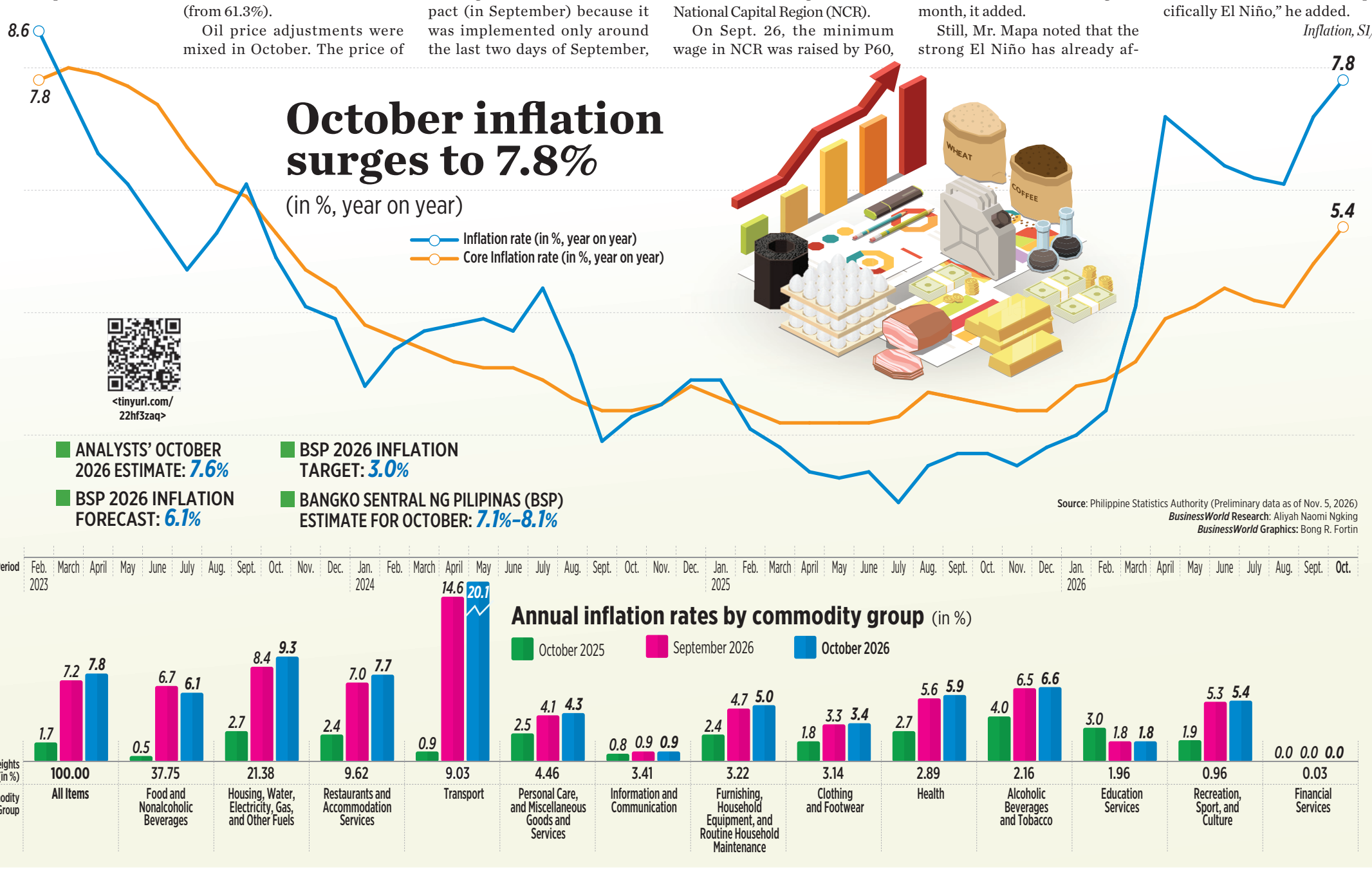
Still, Mr. Mapa noted that the strong El Niño has already affected local palay (unmilled rice) production, with rice inflation picking up to 20.7% in October from 20.3% in September.

Based on PSA data, the average cost of local regular milled rice jumped by 24.17% year on year to P49.87 per kilo in October from P40.16 per kilo, while well-milled rice rose by 18.71% annually to P56.19 per kilo from P47.34 per kilo.

"As for the impact of El Niño, this will now feed through to food prices. That is why we are seeing food prices — while they slowed as a whole... some items increased, particularly rice," Mr. Mapa said.

"Our palay production declined in the third quarter of 2026, and one of the major reasons for this is, of course, the weather, specifically El Niño," he added.

Inflation, S1/9



Bank lending up 11.4% in Sept.

PHILIPPINE BANK LENDING growth picked up to a four-month high in September as demand for credit from businesses and consumers remained resilient, data from the Bangko Sentral ng Pilipinas (BSP) showed.

Universal and commercial banks' total outstanding loans, net of reverse repurchase agreements, rose by 11.4% to P15.265 trillion as of September from P13.704 trillion a year ago, preliminary BSP data showed.

"Loans from universal and commercial banks (U/KBs) grew year on year by 11.4% in September from 11% in August, reflecting sustained credit demand from businesses and consumers," the central bank said in a statement on Thursday.

This was the fastest lending growth recorded in four months or since 12.1% in May.

Month on month, big banks' loans to residents and nonresidents went up by about 1% from P15.121 trillion.

Lending to residents climbed by 11.7% to P14.952 trillion at end-September from P13.389 trillion a year earlier, faster than 11.3% in August. This accounted for the bulk of the total bank loans extended during the period.

Banks' loans for residents' production activities stood at P12.837 trillion, up by an annual 11% from P11.568 trillion. This was faster than the 10.6% uptick as of end-August.

The BSP said the growth was largely driven by increased lending to key sectors including electricity, gas, steam, and air-conditioning supply; manufacturing; real estate activities; transportation and storage; wholesale and retail trade, and repair of motor vehicles and motorcycles; and financial and insurance activities.

Meanwhile, big banks' consumer loans to residents went up by 16.2% to P2.115 trillion at end-September from P1.82 trillion a year ago. This was the same annual expansion seen at end-August.

Consumer loans include credit card, motor vehicle, and general-purpose salary loans, but exclude residential real estate loans.

"Consumer loans to residents also increased by 16.2% in September due in part to the sustained expansion in credit card and motor vehicle loans," the BSP noted.

Broken down, credit card loans jumped 22.8% year on year to P1.344 trillion, while loans for motor vehicles rose by 5% to P542.032 billion. However, both eased from the 23.3% and 5.8% growth rates, respectively, recorded as of August.

Lending, S1/12

Poll: Q3 GDP growth likely slowed to 2.7%

By Justine Irish D. Tabile
Senior Reporter

THE PHILIPPINE ECONOMY likely grew at a slower pace year on year in the third quarter amid elevated inflation, weak household consumption and sluggish investment, economists said.

A *BusinessWorld* poll of 16 economists and analysts yielded a median gross domestic product (GDP) growth estimate of 2.7% for the July-to-September period.

If realized, this would be slower than the 3.9% expansion in the third quarter of 2025.

However, it would be a modest pickup from the 2.3% expansion in the second quarter this year.

This would bring the average GDP growth to 2.6% in the first nine months, below the government's 3.5%-4.5% full-year target.

The Philippine Statistics Authority (PSA) will release the third-quarter GDP data on Monday (Nov. 9).

"Growth should be supported by public spending, seasonal activity and a gradual recovery in consumption. However, elevated inflation and borrowing costs are likely to restrain household spending, while weak investment remains a key drag," Maybank Economist Azril Rosli said in an e-mail.

Inflation accelerated to 7.2% in September from 6.1% in August. This brought the nine-month average to 5.4% and the third-quarter average to 6.5%, amid persistently high fuel and food prices.

Security Bank Research Head and Chief Economist Angelo B. Taningco said a potential downside GDP surprise could stem from modest growth in household consumption amid persistent inflationary pressures.

"Capital formation (is) again anemic on lack of public construction activity given dampened sentiment by private businesses and on public works," he said, adding that government spending may have moderated due to bad weather.

Mr. Taningco said the trade deficit also widened "despite better export performance as import costs turned more hefty given elevated oil prices and peso depreciation."

China Banking Corp. (Chinabank) Chief Economist Domini S. Velasquez said domestic demand likely remained weak, although favorable base effects may have supported a modest improvement in growth in the third quarter versus the second quarter.

"However, the recovery is expected to remain modest amid weak domestic demand," she said in an e-mail.

Ms. Velasquez said household consumption, which accounts for around 70% of GDP, is expected to slow from its 2.8% growth in the second quarter "amid elevated inflation, weak consumer confidence, soft labor market conditions, and moderating remittance growth."

University of Asia and the Pacific Economist Marco Antonio C. Agonia said the Middle East conflict continued to dampen economic activity through elevated prices and heightened uncertainty.

"Macro headwinds from the Middle East war in the form of elevated price pressures and significant uncertainty continue to weigh on growth prospects, keeping household spending and capital formation notably subdued," he said in an e-mail.

Mr. Agonia said a slower contraction in government spending, particularly infrastructure outlays, may have provided a marginal improvement from the second quarter.

GDP, S1/9