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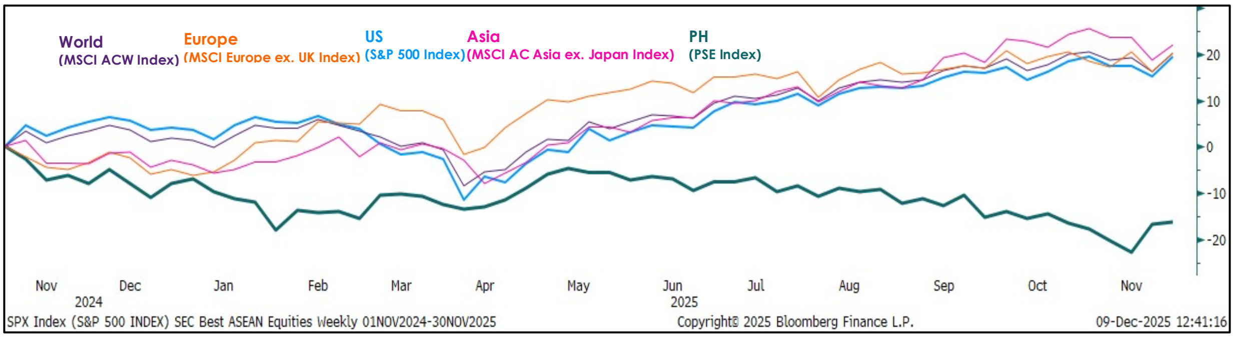
Global equities delivered modest gains in November; PSEi improved by 1.56% amid positive market sentiment

Figure 1. ***Selected Equity Indices Weekly Movement, November 2024 – November 2025 (normalized % change)***



Basic Source: Bloomberg Finance L.P., 2025 Prepared by: ERTD-ERAD

1. Global equity markets delivered modest gains in November 2025 (**Figure 1**), as strong corporate earnings and optimism over a potential U.S. Federal Reserve rate cut were offset by concerns about elevated technology valuations. Developed market equities rose by 0.3%, while U.S. stocks recorded a slight 0.2% increase. Despite robust profit growth, notably from companies linked to artificial intelligence (AI), technology was the worst-performing sector, shifting to defensive sectors such as healthcare and consumer staples.

2. Eurozone equities recorded a positive performance in November, supported by solid earnings momentum in the financial and information technology sectors. European equities ex-UK gained 1.1%, benefiting from less technology concentration compared to the U.S. market and a robust 12% earnings per share growth outlook for 2026. Despite weakness in the autos sector, investors responded positively to improving fundamentals and more attractive relative valuations versus U.S. markets.

3. In contrast to other global markets, equities in the MSCI Asia ex-Japan Index lagged as investors locked in gains following a very strong year. The decline in Asia ex-Japan was also driven by weakness in technology-heavy markets such as Korea (-3%) and Taiwan (-4%) in U.S. dollar terms. Despite a supportive global earnings environment, sentiment in the region cooled amid concerns over elevated valuations and softer momentum in the semiconductor sector.

4. The Philippine equity market showed slight improvement (**Table 1**), with PSEi closing the month at 6,022.24, an increase of 1.56%, reflecting positive sentiment in the local market. However, the broader All Shares Index declined by 0.69%. Nevertheless, gains were observed in almost all sectors, except for Industrials due to weaker manufacturing sentiment.

Table 1. ***PSEi Performance as of End of November 2025***

Index/Sector	Close	Comparative Change (%)	
		m-o-m	YTD
PSEi	6,022.24	1.56	*(7.76)*
All Shares	3,568.34	*(0.69)*	*(4.81)*
Financials	2,004.50	2.17	*(7.09)*
Industrials	8,625.63	*(2.72)*	*(7.33)*
Holding Firms	4,855.98	0.76	*(13.91)*
Property	2,218.47	2.44	*(6.68)*
Services	2,375.31	4.89	14.10
Mining and Oil	13,715.01	7.50	75.17

Basic Sources: PSE, 2024; PSE, 2025a PSE, 2025b Prepared by: ERTD-ERAD

5. Market capitalization rose to PHP19.14 trillion in November from PHP18.98 trillion in October, a growth of 0.88%, signaling a modest rebound in equity valuations. Meanwhile, total trading value and volume in November declined to PHP165.83 billion and 24.67 billion shares, respectively, indicating subdued investor participation in the secondary market. This was particularly evident among retail investors, whose participation in trading activity dropped to 13.65% from 18.42% in October.

Sources: Bloomberg Finance L.P., 2025; PSE, 2024; PSE, 2025a; PSE, 2025b; PSE, 2025c; JP Morgan, 2025; Reuters, 2025a; Reuters, 2025b

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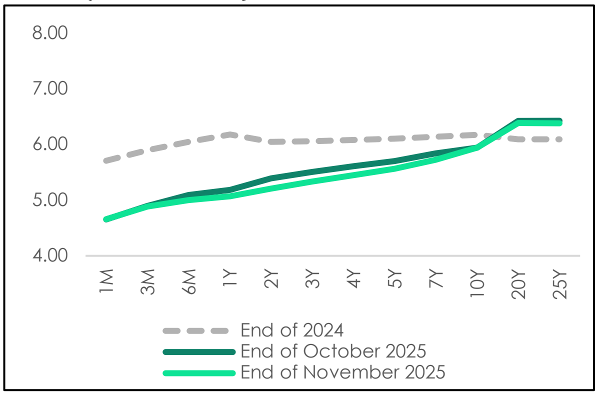
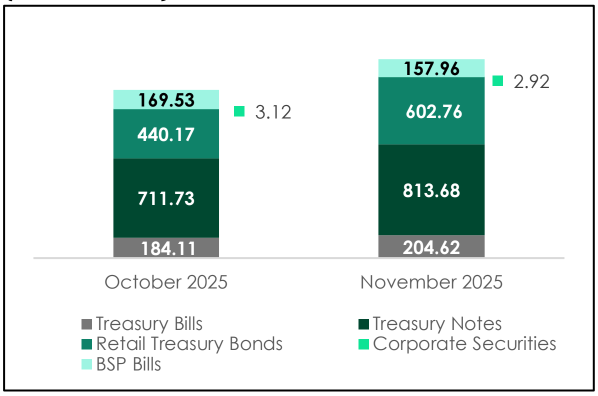
Global bond performance remained mixed in November; Local FI trade volume expands amid strong investor demand

Figure 2. ***End of Period Yields across Benchmark Tenors (%, BVAL Yield)***



Basic Sources: PDS, 2024; PDS, 2025a; PDS, 2025b   Prepared by: ERTD-ERAD

Figure 3. ***PDEx Fixed Income Trade Volume Trends (in PHP Billion)***



Basic Source: PDS, 2025c   Prepared by: ERTD-ERAD

6. Global bond markets delivered mixed results in November. U.S. Treasury yields fell, resulting in a 0.6% gain in bonds, outperforming other government bond markets amid expectations of future rate cuts. UK government bonds were relatively flat, with returns at 0.1% in November, influenced by the budget announcement and lower-than-expected forecasted gilt supply. In the eurozone, German Bunds underperformed as the government's higher-than-expected borrowing plans put upward pressure on yields. Japanese government bond yields, one of the worst-performing markets, continued to rise amid concerns over depreciating yen and inflationary risks.

7. In the domestic front, the benchmark yield curve in November was flatter than the October curve across most tenors, especially on the long end **(Figure 2)**. Short-term yields declined across the 90-day to 365-day tenors amid expectations of accommodative monetary policy. This decline extended to midterm yields, which posted the most pronounced changes, reflecting stronger investor confidence in the medium term amid easing inflation and lowered interest rates. Long-term yields also moved slightly lower, contributing to the overall flattening of the curve.

8. Domestic fixed-income trading volume in November 2025 rose by 18.11% to PHP1.78 trillion from PHP1.51 trillion in October **(Figure 3)**, driven by higher trading activity in government securities. Specifically, Treasury Bills, Treasury Notes, and Retail Treasury Bonds expanded by 11.14%, 14.32%, and 36.94%, respectively. Further, the Bureau of the Treasury noted that strong demand reflected continued investor confidence in government securities, particularly evident in the 17 November 2025 Treasury Bills auction, which recorded a 3.8 times oversubscription.

9. Meanwhile, the Securities and Exchange Commission (SEC) approved the PHP20 billion bond offer program of the Metro Pacific Tollways Corporation (MPTC), which will be listed in the Philippine Dealing & Exchange Corp. (PDEx) on 02 December. The bonds will be fixed-rate, peso-denominated, and structured in up to three different tenors (3 years, 5 years, and 10 years). MPTC intends to use the net proceeds to finance and complete key expressway projects, including Manila–Cavite Expressway (CAVITEX), Cavite–Laguna Expressway (CALAX), and Lapu-Lapu Expressway (LLEX), among others; refinance existing bridge-facility debt; and general corporate purposes.

10. The approval of the MPTC bond program will add to the 2025 admissions of PDEx, which stood at 22 new listings and enrollments as of 17 November 2025, with a year-to-date total value of PHP408.77 billion, while the total level of tradable corporate debt instruments is PHP 1.3 trillion, issued by 41 companies, comprised of 161 securities.

Sources: BTR, 2025; JP Morgan, 2025; Malaya, 2025; PDS, 2024; PDS, 2025a; PDS, 2025b; PDS, 2025c; Schroders, 2025; SEC, 2025a

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Philippines' BOP posted a USD706M surplus in October; Trade deficit narrowed to USD3.83 billion

Figure 4. ***PH Balance of Payments Position, October 2024 & October 2025 (in USD million)***

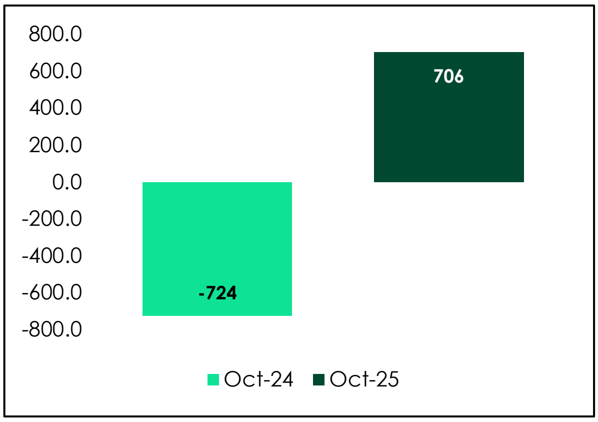
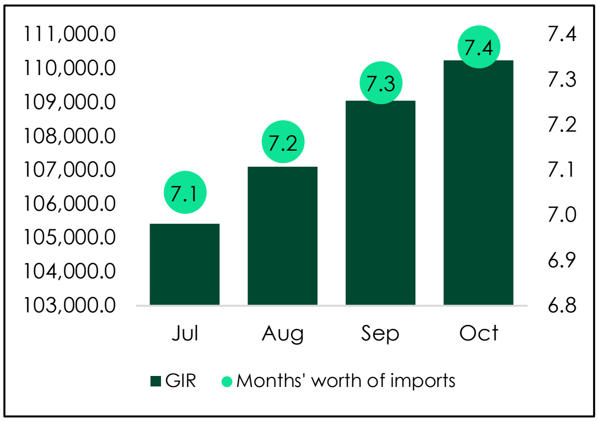


Figure 5. ***Gross International Reserves, July – October 2025 (in USD million)***



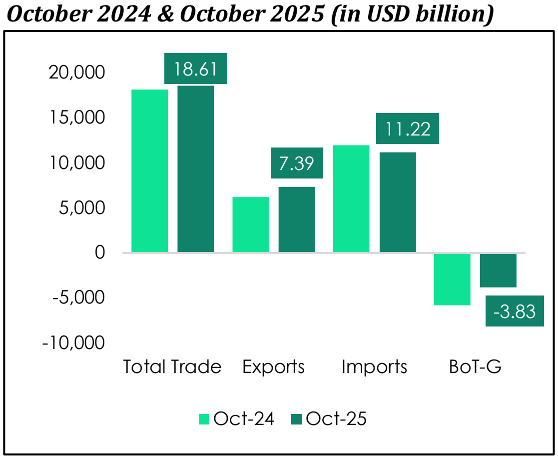
Basic Source: BSP, 2025a; BSP. 2025b

Prepared by: ERTD-ERAD

11. The Philippines recorded a balance of payments (BOP) surplus of USD706 million in October 2025, reversing the USD724 million deficit of the same month last year (**Figure 4**). The improvement reflects stronger external inflows alongside moderating import demand. Seasonal remittance inflows from overseas Filipino workers (OFWs), resilient business process outsourcing (BPO) revenues, higher export receipts, increased foreign tourism earnings, and other structural U.S. dollar inflows also contributed to the surplus.

12. The Bangko Sentral ng Pilipinas (BSP) attributed the stronger BOP position to sustained inflows, which contributed to a rise in gross international reserves (GIR), which reached USD110.2 billion as of end-October (**Figure 5**). This level provides a solid external liquidity buffer equivalent to 7.4 months' worth of imports of goods and payments of services and primary income—well above the three-month adequacy standard. The country's current GIR position enhances the economy's capacity to meet foreign exchange requirements, including import and external debt obligations.

Figure 6. ***PH External Trade Performance, October 2024 & October 2025 (in USD billion)***



Basic Source: PSA, 2025

Prepared by: ERTD-ERAD

13. According to the Philippine Statistics Authority (PSA), the country's trade deficit narrowed by 34.2% year-on-year to USD3.83 billion in October, driven by a 19.4% increase in exports to USD7.39 billion, up from USD6.19 billion in the same month last year (**Figure 6**). Meanwhile, imports fell by 6.5% year-on-year to USD11.22 billion from USD12.01 billion, driven mainly by lower imports of transport equipment (USD-344.72 million) and mineral fuels, lubricants, and related materials (USD-330.59 million). Overall, the country's total external trade in goods amounted to USD18.6 billion, an annual increase of 2.3% from USD18.20 billion in the same period of the previous year.

14. Nonetheless, electronic products remained the country's top export, amounting to USD4.18 billion, or 56.6% of total export receipts in October. This was followed by machinery and transport equipment (5.8%) and other manufactured goods (5.3%). Meanwhile, the U.S. was the largest export market, accounting for USD1.16 billion or 15.7% of total exports.

Sources: BSP, 2025a; BSP, 2025b; PNA, 2025a; PSA, 2025a

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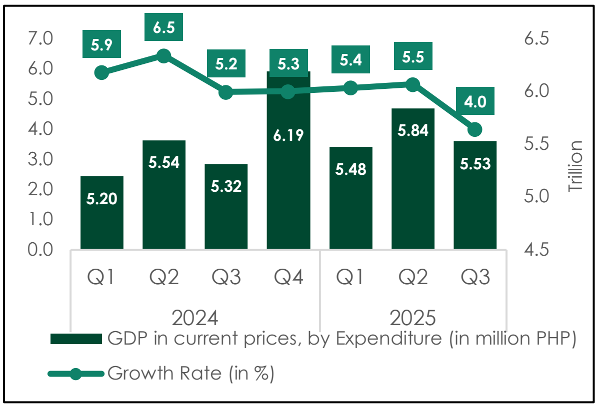
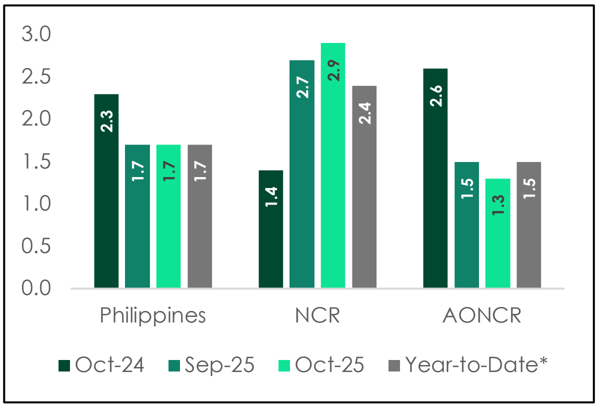
PH GDP up by 4.0% y-o-y in Q3 with anticipated expansion by Q4; Headline inflation stable at 1.7% in October 2025

Figure 7. ***GDP in Constant Prices, by expenditure (in PHP trillion), 2024 to 2025***



Source: PSA, 2025b Prepared by: ERTD - ERAD

Figure 8. ***Headline inflation in the Philippines, NCR, and Areas Outside of NCR, as of October 2025***



Source: PSA, 2025c Prepared by: ERTD - ERAD

15. The PSA reported that the Philippine economy has grown by 4.0% year-on-year (y-o-y) from PHP5.32 trillion in October 2024 to PHP5.53 trillion in October 2025 (**Figure 7**). During this period, all sectors generally exhibited an upward trend, with Agriculture, Forestry, and Fishing, Industry, and Services at 2.8%, 0.7%, and 5.5%, respectively. The expansion of GDP was primarily driven by the 6.2% increase in the expenditures on Professional and Business Services, followed by Wholesale and Retail Trade growing by 5.0% and by Financial and Insurance Activities increasing at 5.5%. Only the construction industry slightly slowed down by -0.5%, from PHP384.94 billion to PHP383.05 billion, during the same period.

16. As of the third quarter of 2025, the GDP comprises 86.5% of the Gross National Income, which is equivalent to PHP6.39 trillion, whereas the Net Primary Income from the rest of the world contributes 13.5%, or PHP862.33 billion. Property income and compensation produced a total inflow of PHP985.17 billion and a total outflow of PHP122.84 billion.

17. However, the gross domestic product (GDP) has shrunk by 5.38% quarter-on-quarter from PHP5.84 trillion in the second quarter of the year to PHP5.53 trillion by the third. The Department of Finance (DOF) reports that the slowing down of the economy is a temporary result of public underspending in construction, with emphasis that the same will rebound through budget reforms on infrastructure. Even so, the government anticipates economic expansion by the fourth quarter due to an increase in holiday consumption and export and prudent fiscal utilization.

18. Inflation has also been stable at 1.7% for October 2025, from 2.3% in the year prior. Areas outside the National Capital Region (AONCR) have slightly lower inflation at 1.3% as compared to 2.9% within NCR. The lower inflation is brought about by the slower increase in prices of food and non-alcoholic beverages (from 1.0% to 0.5%), alcoholic beverages and tobacco (from 4.1% to 4.0), health (from 2.8% to 2.7%), transport (1.0% to 0.9%), and recreation, sport, and culture (2.1% to 0.9%). On the other hand, faster annual increases were recorded for clothing and footwear (from 1.7% to 1.8%), housing, water, electricity, gas and other fuels (2.1% to 2.7%), information and communication (from 0.6% to 0.7%), and personal care, and miscellaneous goods and services (2.4% to 2.5%).

19. National food inflation has also slowed down in October 2025 due to a slower year-on-year increase in the prices of vegetables, tubers, plantains, cooking bananas and pulses to 16.6% from 19.4% in the month prior.

Sources: DOF, 2025; PNA,2025b; PSA, 2025b; PSA, 2025c; PSA, 2025d

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SEC Investor Protection Week emphasizes financial literacy; Approves Blockshoals sandbox and eases regulatory burdens

SEC spearheads 6th Investor Protection Week (IPW)

Photo Source: Office of the Commission Secretary

20. In observance of Proclamation No. 486 (2019), which aimed to strengthen investor protection amid rising investment scams, the SEC celebrated the sixth annual Investor Protection Week (IPW) from November 8 to 14, 2025, under the theme "*InvestED Tayo sa Kinabukasang Sigurado*". SEC Chairperson Francis Ed. Lim emphasized the importance of financial literacy in helping Filipino families make informed financial decisions and avoid investment scams and predatory lending schemes. The weeklong event kicked off with the Run for Financial Literacy in Intramuros, Manila, and continued with activities at the SEC Headquarters promoting smart investing, responsible borrowing, and vigilance against fraud. The SEC also partnered with DOF, the Bureau of the Treasury, the Philippine Stock Exchange, and the Philippine Anti-Organized Crime Commission in conducting these activities.

21. Blockshoals Technologies, Inc. received approval from the SEC, on 12 November 2025, to test their financial products and services in the SEC's regulatory sandbox, known as StratBox. The testing period will run for 24 months with the possibility to be shortened or extended, subject to periodic review. Under SEC Memorandum Circular No. 9, Series of 2024, the Stratbox controls the environment of a certain financial innovation tested in a regulatory sandbox program aiming to be eventually promoted to the general public. Blockshoals becomes the fourth company to be cleared by the SEC in its application for the SEC Stratbox. It is a Philippine-based fintech company that acts as a technology and infrastructure intermediary for virtual asset services (i.e., crypto/digital-asset related services) instead of a traditional bank.

22. To strictly implement the maximum processing times under Republic Act (RA) No. 11032, or the Ease of Doing Business and Efficient Government Service Delivery Act of 2018, the Commission has issued a draft memorandum circular for public comments, providing the Guidelines on the Classification, Processing, and Submission of Amendment Applications Filed through the Electronic Application for Modification of Entity Data (eAMEND) Portal, and the Imposition of Penalties for Non-submission of Amendment Documents. Amendment applications through eAMEND that are currently classified as simple processing will be considered complex transactions, and those under regular processing will be deemed highly technical, which must be processed within 7 and 21 working days, respectively. The exposure draft also includes admission of an affidavit of undertaking instead of monitoring clearance to differentiate complex amendments from simple transactions, and provides penalties for failure to submit amendment documents within 15 calendar days from the payment of the required fees.

23. To further improve the ease of doing business and reduce the compliance costs for micro, small, and medium enterprises, the Commission proposed raising the threshold for requiring audited financial statements from corporations with PHP600,000 in assets or liabilities to PHP3 million, subject to approval of the DOF. Under the proposal, corporations below the PHP3 million threshold will only need to submit financial statements certified under oath by their treasurer or chief financial officer, starting with fiscal years ending on or after 31 December 2025.

Sources: SEC, 2025b; SEC,2025c; SEC,2025d; SEC, 2025e

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