Metrobank

2025 Outlook

Metrobank Research

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Market participants were anxiously waiting on the sidelines for a good two years before the US Fed finally pulled the trigger on its much-anticipated easing cycle.

However, barely a few months after the first Fed rate reduction in years, investors now face fresh uncertainties: What will a Trump 2.0 presidency bring to the global economy? Trump's impending return to the White House has doused cold water on the global bond market rally, with traders attempting to gauge the potential impact of trade tariffs and the prospect of mass deportation in the US. Will Jerome Powell hold on to his seat as the Federal Open Market Committee (FOMC) chair? Will he be able to continue his easing cycle? How will the economy of China weather the potential fallout from a new trade war? More importantly, what does 2025 have in store for the Philippine economy?

We will take you through our five calls for the coming year, looking at GDP growth, the inflation outlook, the interest rate environment, Bangko Sentral ng Pilipinas Governor Eli Remolona Jr.'s stand, and the fate of the peso against the US dollar.

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Global Outlook

Trump 2.0: Make America Great Again?

During Donald Trump's first term, his administration emphasized tax cuts, deregulation, trade protectionism, and looser business restrictions, stimulating private sector investments. This, in turn, expanded the national debt. As a result, long-term Treasury yields climbed as investors weighed government debt against future inflation risks and economic growth.

On his second term, Trump is proposing new policies that will impact global markets and economies, including the Philippines. What are they?

Higher Tariffs for the Rest of the World

Trump intends to impose higher across-the-board tariffs on its trading partners, in particular 60% tariffs on imports from China, 20% on imports from Canada and Mexico, and 10% across all other imports. The intent is to prioritize local producers and reduce the trade deficit of the US.

More Tax Cuts for US Companies

Tax deductions under the Tax Cuts and Jobs Act will phase out by 2025. Trump plans to expand some provisions under the said policy, including a reduction of corporate taxes for some domestic firms to 15% from the current 21%. While the said tax measure would reduce companies' tax expenses and encourage them to focus on producing locally, this would also reduce government tax revenues and potentially lead to higher US interest rates, borne from a projected increase in government borrowings meant to offset the revenue loss.

America First

In his last presidential campaigns, Trump promised stricter immigration policies, including a mass deportation plan in his second term. In one of his interviews with NBC, he said he would begin deporting undocumented immigrants who committed crimes and then proceed with "other people outside of criminals." He also expressed his intent to repeal birthright citizenship, which currently allows those born in the country with undocumented parents to acquire American citizenship.

United States

Growth: US Still Resilient, So Far

US economic growth has been resilient in 2024, especially in Q2 and Q3 which showed quarter-on-quarter GDP growth at 3.0% and 3.1%, respectively, driven by strong consumer growth. Fed Chair Jerome Powell also indicated that the Fed is satisfied with the status of the economy, as the US avoided a recession this year.

Fed: Calculated Steps Amid Uncertainties

The Federal Reserve (Fed)'s primary mandate is to ensure price stability and maximize employment in the United States.

The Fed reduced the Federal Funds Target Rate (FR) by 25 basis points (bps) to 4.25% - 4.50% in its last Federal Open Market Committee (FOMC) meeting from December 17-18. During the press conference after the meeting, Chair Jerome Powell said the committee continues to acknowledge the progress made toward the Fed's objectives, and that the Fed remains confident about the overall strength of the economy.

Inflation: Back as Fed's priority

Before commencing its easing cycle in August, the Fed emphasized that it was looking for convincing indications that inflation is moving sustainably towards the 2.0% target. Several central banks, including the European Central Bank, the Bank of England and even the Bangko Sentral ng Pilipinas, cut ahead of the Fed.

However, US inflation has been on a slight upward trend in recent months, with November headline Consumer Price Index (CPI) recorded at 2.7%, amid the faster year-on-year increases in food costs and energy, and the slower pace of core goods disinflation. This was slightly offset by the continuous slowdown of inflation in shelter prices, the main contributor to inflation. The recent trajectory in inflation, together with the policy uncertainties owing to Trump's return as US president, supports the case for a slower pace of rate cuts.

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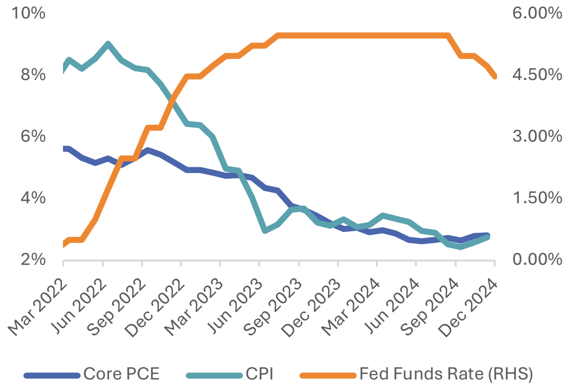
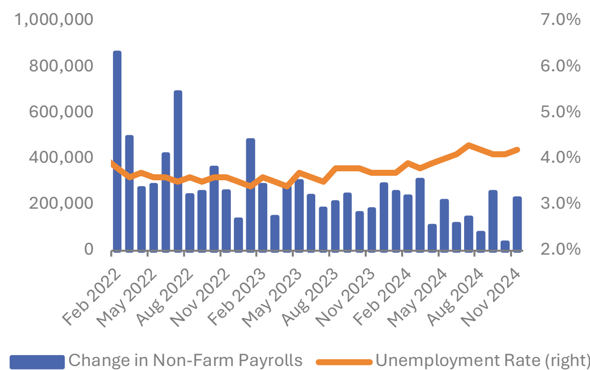


Source: Bloomberg

Labor Market: Cooling but not Cold

The weakness in the labor market this year has been one of the main concerns of the Fed, as data showed elevated unemployment and low non-farm payroll numbers.

The monthly gain in non-farm payrolls recorded in October was the lowest this year, mainly attributed to the Boeing strikes and disruptions caused by hurricanes. In November, US non-farm payrolls increased by 227,000. While the latest jobs print suggests a possible increase in non-farm payrolls, the US unemployment rate stood at 4.2% as of November, slightly higher than the 4.1% in October.



Economic Projections: Dot Plot Ticking Higher

The latest Summary of Economic Projections point to expectations of higher inflation and lower unemployment rate in the near-to-medium term, a reversal from the Fed's guidance in the preceding months. The Fed expects only 50 bps worth of cuts in 2025 and a higher terminal rate of 3.00%.

Fed's macroeconomic projections for the US

		2024	2025	2026	2027	Long run
Real GDP	*Dec 2024*	2.0	2.0	2.0	2.0	1.8
	Sep 2024	2.5	2.1	2.0	1.9	1.8
Unemployment Rate	*Dec 2024*	4.4	4.4	4.3	4.2	4.2
	Sep 2024	4.2	4.3	4.3	4.3	4.2
PCE Inflation	*Dec 2024*	2.3	2.1	2.0	2.0	2.0
	Sep 2024	2.4	2.5	2.1	2.0	
Core PCE Inflation	*Dec 2024*	2.6	2.2	2.0	2.0	
	Sep 2024	2.8	2.5	2.2	2.0	
Dot Plot	*Dec 2024*		3.875	3.375	3.125	3.000
	Sep 2024	4.375	3.375	2.875		2.875

Chair Powell said that he thinks the US economy is "in a good place." However, he has also begun anticipating the impact of policy changes on the US economy when the new administration comes in. Still, despite policy uncertainties, the Fed anticipates faster economic growth this year and the next compared to its previous projections.

Elevated inflation, together with policy uncertainties, compelled Fed officials to adjust projections on the dot plot. The latest SEP showed that the median target FFR in 2025 is now at 3.875%, higher than the 3.375% in September. This translates to a cumulative 50-bp cut in 2025 instead of the previously expected 100 bps. It also revealed that the Fed expects the terminal rate to settle higher at 3.00%.

Metrobank Research's Take on US

Metrobank Research maintains its previous expectation that the Fed will continue with its easing cycle in the next two years to support the labor market and stimulate economic growth in the US amid easing but still-elevated inflation. We still look for the Fed to deliver a total of 75 bps worth of cuts in 2025 followed by another 75 bps in the succeeding year, bringing the target FFR to its terminal rate of 3.00% by end-2026. This forecast has been previously revised to account for policy uncertainties following Trump's win as president and the red sweep in Congress.

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China

Growth: Tepid Progress

China's slower economic growth is mainly due to weaker domestic demand. The real estate sector and the construction industry have particularly impeded growth, with their combined contribution reaching -0.6% in Q3.

In the first three quarters of 2024, China expanded by 4.8% year-on-year (YoY), slower than the 5.2% in the same period last year. This is also slower than the first nine months pre-pandemic average of 6.8%.

On a quarter-on-quarter (QoQ) basis, China's economy expanded by 0.9% in Q3, exhibiting a slight pickup from the 0.5% in Q2. Still, this is slower than the Q3 pre-pandemic average of 1.6%.

The Property Crisis and the Government's Response

In September 2024, the Chinese government unveiled a number of stimulus measures to boost the real estate sector and overall economic activity. To date, measures implemented include:

1. Monetary easing measures
    a. Policy rate adjustments
        i. Reduced the five-year loan prime rate by a cumulative 60 basis points (bps) to 3.6% from 4.3% as of end-2023.
        ii. Reduced the one-year loan prime rate by a cumulative 35 bps to 3.1% from 3.45% as of end-2023.
        iii. Reduced the 7-day reverse repurchase rate by a cumulative 30 bps to 1.5% from the previous 1.8% as of end-2023.
    b. Reserve requirement changes
        i. Implemented two reserve requirement ratio (RRR) reductions in 2024, bringing the RRR down to 6.6%. This released approximately CNY 2. trillion (USD 278.1 billion) in long-term liquidity.
2. Demand-side measures
    a. Support for housing
        i. Provided a CNY 300 billion (USD 42.5 billion) relending facility that will support government-subsidized housing projects.
        ii. This allowed local state-owned enterprises to buy reasonably priced commercial homes and convert them into affordable housing.

Growth Outlook: Gradual Recovery

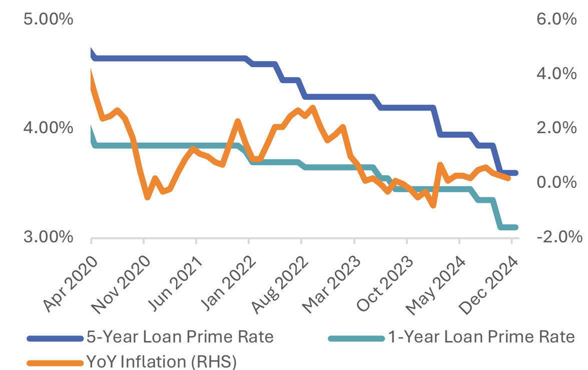
Major international institutions forecast a gradual economic slowdown in China over the next two years. The International Monetary Fund (IMF) projects 4.8% expansion in 2024 and 4.5% growth in 2025. Downside risks include a possible worsening of the real estate market, potentially affecting consumer confidence and domestic demand, while government measures to support domestic demand could strain China's public finances.

The World Bank, meanwhile, forecasts a 4.8% expansion in 2024 and 4.5% growth in 2025, revising the 2024 GDP growth projection upwards due policy easing and better-than-expected net exports. However, the World Bank highlights challenges ahead, mainly slower domestic demand growth and continued property sector adjustments.

Inflation: Weak Demand Pressure

In November, China's consumer prices rose by 0.2% year-on-year, slower than the 0.4% Bloomberg consensus estimate for the month, continuing the trend of weak price growth. This brings year-to-date inflation for the first eleven months to 0.3% year-on-year, much lower than historical norms. This indicates ongoing challenges in the recovery of domestic demand.

China Inflation and Policy Rates



Source: Bloomberg

Metrobank Research's Take on China

Given the low-inflation environment and the relatively gloomy growth prospects for China amid continued

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adjustments in its real estate sector, Metrobank Research forecasts a continued policy rate reduction from the PBOC in 2025. This is aligned with the Central Economic Work Conference held in December, when Chinese policy makers decided to implement a "moderately loose" monetary policy in the coming year, recognizing the need to expand domestic demand.

We also expect inflation to slightly accelerate in 2025 following the recent policy rate reductions and stimulus measures that aim to boost domestic demand.

However, the growth impact of lower interest rates may be partly offset by geopolitical risks and increased US tariffs, which could slow down or reverse China's better-than-expected exports performance in recent periods.

Eurozone

ECB: Rates on Their Way Down

The European Central Bank (ECB)'s main mandate is to ensure price stability within the eurozone maintaining inflation at 2% over the medium term, supporting the economy and employment.

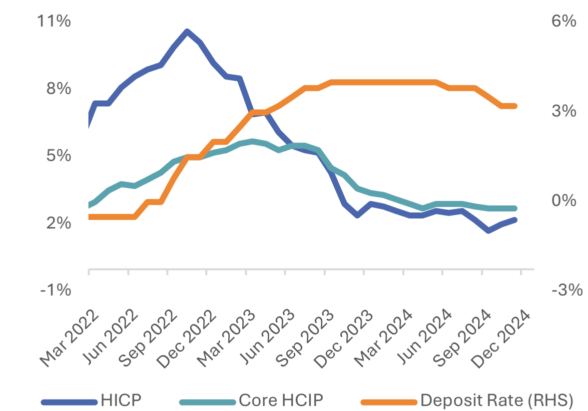
At the ECB's Governing Council (GC) meeting on December 14, key interest rates have been cut by 25 bps, bringing down its deposit rate to 3.00% from 3.25%. The ECB likewise reduced the interest rates on the main refinancing operations and marginal lending facility by 25 bps to 3.15% and 3.40%, respectively. This marked the fourth rate cut for 2024, following its initial cut in June 2024, which preceded the easing cycle of the US Federal Reserve. This reflected improving inflation in the eurozone.

Inflation: Easing Across the Zone

The harmonized index of consumer prices (HICP) reflects price changes on a representative basket of goods and services in the eurozone. From elevated inflation of 5.5% in 2023, inflation has already significantly subsided this year, with average monthly year-on-year HICP settling at 2.4% in the January to November period. However, this is still a little above the 2% annualized inflation target of the ECB. The latest print in November settled at 2.2% year-on-year, up from 2.0% in the preceding month, owing to higher commodity prices like food and gas.

On the other hand, core HICP which excludes energy and food, remained steady in November at 2.7%. This is attributed to still high but modestly easing services inflation, partially offset by the slight increase in goods inflation.

Euro Zone Inflation and Policy Rate



Source: Bloomberg

Growth: Slowly but Surely

With inflation on track to reach the 2.0% target, ECB staff and the Eurosystem staff which includes euro area national central banks (NCBs) are now focused on supporting economic growth through policy rate changes. During the last Governing Council meeting, ECB officials indicated that the "economy should strengthen over time, although more slowly than previously expected."

Economic Projections: Risks from Outside the Zone

Eurosystem staff and ECB staff macroeconomic projections for the euro area

		2024	2025	2026
HICP	***Dec 2024:*** *Eurosystem staff*	2.4	2.1	1.9
	Sep 2024: *ECB staff*	2.5	2.2	1.9
	Jun 2024: *Eurosystem staff*	2.5	2.2	1.9
	Mar 2024: *ECB staff*	2.3	2.0	1.9
Real GDP	***Dec 2024:*** *Eurosystem staff*	0.7	1.1	1.4
	Sep 2024: *ECB staff*	0.8	1.3	1.5
	Jun 2024: *Eurosystem staff*	0.9	1.4	1.6
	Mar 2024: *ECB staff*	0.6	1.5	1.6

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The eurosystem staff and the ECB staff release quarterly projections. The latest projections were released by the Eurosystem staff and shows a projection of higher inflation in the eurozone in 2024.

Current risks to inflation over the next years are tied with external factors, including the Russia-Ukraine war, geopolitical tensions in the Middle East, and weakness in Chinese demand. Escalations in geopolitical situations could potentially cause disruptions in global oil supply and shipping routes affecting the supply chain in Asia-Europe.

Metro Research's Take on Eurozone

Metrobank Research expects the European Central Bank to continue its monetary easing through 2025, driving by inflation's continued easing towards the 2% target and persistent economic weakness. Given the projected trajectory of inflation, barring any other supply side shocks, and the current outlook to growth, we expect the pace of easing to be maintained, with 25-bp rate cuts at each monetary policy meeting in 2025. We project the deposit facility rate to reach 2% by end-2025.

United Kingdom

BOE: Struggling to Balance Inflation and Growth

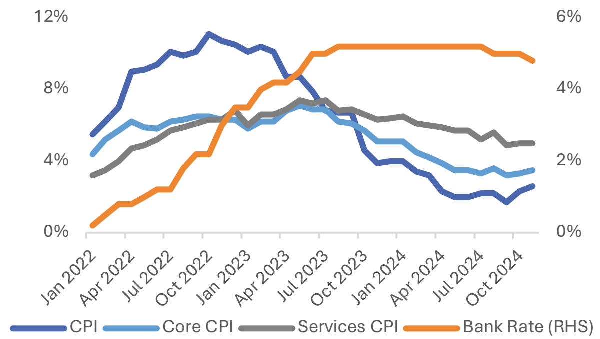
Just like the ECB, the Bank of England (BOE) has a primary mandate to ensure price stability and maintain the government's 2% inflation over the medium term.

The ECB started its easing cycle ahead of the Federal Reserve in its August 2024 Monetary Policy Committee (MPC) meeting as the inflation outlook eased. In the latest MPC meeting in December 18, the BOE maintained the bank rate at 4.75% as expected, pausing its easing cycle, as price pressures remain. By 2024, the policy rate was reduced by 50 basis points from 5.25%, the peak of the last hiking cycle.

Inflation: Highest among developed markets

The latest consumer price index (CPI) print in November shows that inflation increased to 2.6% from 2.3% in the preceding month. November's print was the highest level since March 2024 and the highest for the month among major advanced economies including the US and the eurozone.

UK Inflation and Policy Rate



Source: Bloomberg

High core goods inflation and persistent services inflation are driving the uptick in headline inflation. Taking out food and energy, the core inflation accelerated slightly to 3.5% in November from 3.3% in October. Meanwhile, services inflation, a key measure of inflation that the BOE monitors, was steady at an elevated level of 5.0%.

BOE Governor Andrew Bailey expected the increase in November inflation because of the growth in employers' national insurance contributions, which translates to higher costs. Moreover, wage growth remains elevated, adding pressure to domestic demand.

Economic Growth: Slow Momentum

The UK economy remains sluggish, especially with recent GDP data showing flattish growth in Q3 2024. Indicators of consumer demand and output, including the purchasing manager's index, showed a decline in actual economic activities and a weakening of business sentiment.

Economic Projections: Adjusted to Autumn Budget 2024

BOE's macroeconomic projections for the UK

		Q4 2024	Q4 2025	Q4 2026	Q4 2027
Real GDP	*Nov 2024*	1.7	1.7	1.1	1.4
	Aug 2024	2.0	0.9	1.5	
CPI	*Nov 2024*	2.4	2.7	2.2	1.8
	Aug 2024	2.7	2.2	1.6	
Unemployment Rate	*Nov 2024*	4.2	4.1	4.3	4.4
	Aug 2024	4.4	4.7	4.7	

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The latest quarterly Monetary Policy Report containing the MPC's latest projections took into consideration new tax measures of the Autumn Budget 2024 which were released on October 30.

According to the MPC, the Autumn Budget 2024 is projected to slightly increase inflation. Apart from the higher employer national insurance contributions, capital taxes and other additional taxes are also set to increase. Higher taxes present an upside risk to UK's 2% inflation target, especially as higher taxes for businesses could result in higher prices of goods and services to offset costs. However, higher government consumption and investment is projected to offset impact of higher taxes.

Metrobank Research's Take on UK

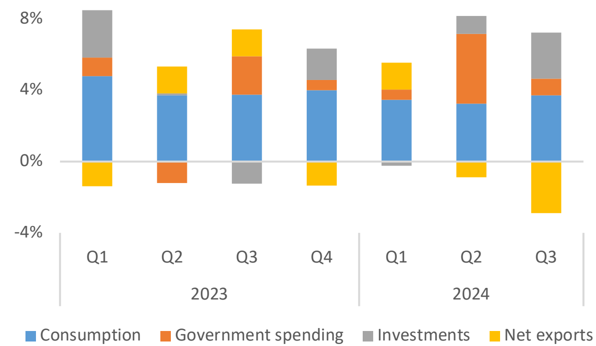
Although the impact of the recent policy changes in the UK is yet to be seen, the BOE is wary of the persistent economic risks in the global space, including geopolitical tensions and the proposed tariffs of the new US administration, which will impact economic growth and inflation in the UK.

Weak economic growth reduces inflationary pressure. However, the recently announced tax adjustments is expected to offset this. Thus, inflation in the UK is expected to stay elevated but still within the 2%-level. With the current economic outlook in the UK, Metrobank Research forecasts that the BOE will carry on with its policy rate reduction but at a moderated pace to support economic growth.

Philippines Outlook

GDP: Fastest in region but slightly behind target

PH Real GHP



Source: Philippine Statistics Authority

The Philippines continues to be one of ASEAN's leading economies in terms of growth in 2024, performing above the global average despite significant headwinds.

The first half of 2024 saw slowing consumer and investment spending. However, gross domestic product (GDP) growth was supported by government expenditure despite the fiscal consolidation efforts of the Marcos administration. A reversal then occurred in the third quarter when consumption and investments became the drivers of economic activity while government spending took a backseat. We have also noted a modest pickup in bank lending and capital formation in the third quarter, which should continue as monetary authorities pursue normalizing borrowing costs.

Sectoral performance remained bumpy in 2024. Industry and services continued to expand and remained as the top contributors to growth despite a slowdown in the second half of 2024. Manufacturing activity also posted its highest level in over two years in late 2024 as manufacturers anticipate sales growth in the near term. Meanwhile, the agriculture, forestry, and fishing sector experienced a contraction during the year as typhoons hampered agricultural and fisheries production.

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Metrobank Research's Take on PH Growth

Metrobank Research forecasts the gross domestic product (GDP) of the Philippines to grow faster at 6.2% for both 2025 and 2026, hitting the 6%-8% growth target of the Development Budget Coordination Committee (DBCC) as consumption and investment spending receive a boost from the monetary easing of the Bangko Sentral ng Pilipinas (BSP).

Inflation: Within-target this Year and Beyond

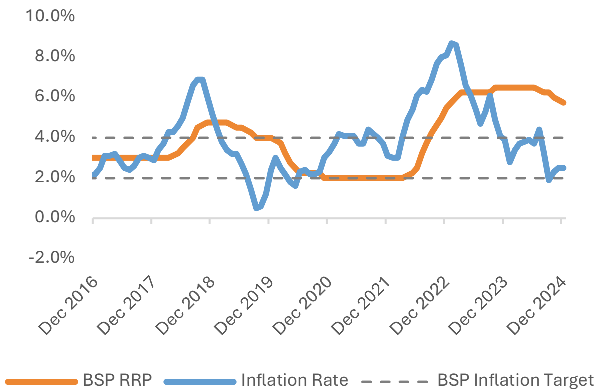
After two years of above-target inflation, prices have become more stable in 2024 with the full year print likely to settle at 3.2%, which is within the 2-4% goal of the BSP. However, during the last Monetary Board meeting in 2024, BSP Governor Eli Remolona Jr. said that the balance of risks remains tilted to the upside in 2025 and 2026. He cited potential upward adjustments to transport and electricity costs, whose effects may be offset by lower rice tariffs.

The expected tit-for-tat imposition of tariffs between US and China next year may also cause global inflation to remain elevated as prices of imports may increase. Moreover, a stronger dollar also affects the purchasing power of import-reliant Filipinos as foreign goods and services become costlier.

It need not be alarming, though. According to BSP Governor Remolona, every 1% depreciation in the peso leads to a 0.36% rise in inflation. This suggests that unless the dollar-peso exchange rate drastically rises, the impact on inflation is rather minimal.

We believe that the higher demand side pressure induced by the BSP's monetary easing is the biggest factor that will keep headline inflation at the 3% level for the next two years.

Philippine Inflation and Policy Rate



Source: Bloomberg

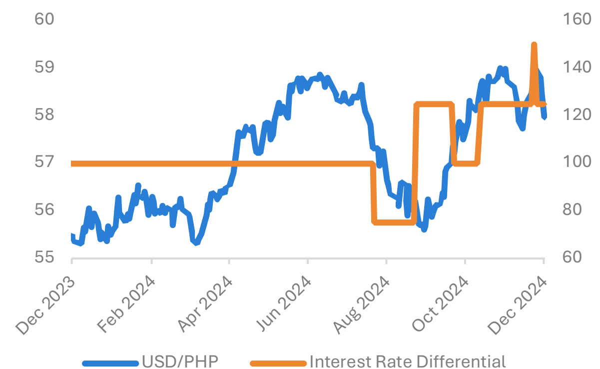
Metrobank Research's Take on PH Inflation

Metrobank Research forecasts that inflation will continue to tread a target-consistent path until 2026, sans supply side shocks. We expect full-year inflation to stay at 3.2% in 2025 and moderate to 3% in 2026.

USD/PHP: Now a Dollar Story

The USD/PHP exchange rate trended higher in late 2024, particularly after the US presidential elections when the dollar rallied as the market anticipated a stronger dollar due to the Trump administration's platforms. As USD/PHP inched closer toward the 60 level, the market began to speculate on the possibility of the dollar strengthening further against the peso in 2025. Nonetheless, the dollar's trajectory in 2025 will likely depend on the balance of payments of the Philippines, as well as the interest rate differential (IRD) between Philippine and US policy rates.

IRD and USD/PHP



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Trade: Troubling Tariffs

The current account balance may widen in 2025, potentially weakening the peso. Incoming US President Donald Trump has signaled tariffs to be imposed on numerous countries as well as tighter immigration policies. The US remains the Philippines' largest trading partner with dollar receipts in October totaling USD 995.26 million. Any additional tariffs may deal a blow on dollar inflows and affect the balance of payments position of the Philippines.

Remittances: Risks of deportation

US remittances account for 41.3% of total inflows from January to August 2024. Stricter US immigration policies and potential deportations could diminish these inflows. Philippine Ambassador to the US Manuel Romualdez estimates that 250,000 to 300,000 Filipinos risk deportation or blacklisting if Donald Trump enforces his immigration promises. A decrease in the volume of remittances could widen the Philippines' current account deficit.

IRD: Four outcomes in store

Meanwhile, the BSP has generally remained keen on maintaining the current interest rate differential with the US Fed at 125 bps, which, the central bank believes, will help maintain peso stability. Four scenarios could unfold:

1. If both the BSP and the US Fed hit pause on their rate cuts, the 125-bp differential remains, keeping the peso stable.

2. Likewise, if both the BSP and US Fed synchronize their rate cuts, the 125-bp differential still remains, keeping the peso stable.

3. If the US Fed pauses and the BSP cuts rates, there will be a narrower interest rate differential, which may weaken the peso.

4. If the US Fed cuts and the BSP pauses, the result is a wider differential, which may strengthen the peso.

Metrobank Research's Take

The trade and immigration policies of the incoming US administration has the potential to create risks for the peso. US Fed policy may also be affected, as inflationary policies such as tariffs and tax cuts could derail the easing of policy rates should inflation pick up in the US. Nonetheless, Metrobank Research expects 75 bps worth of cuts from the Fed Funds rate in 2025, and the IRD being maintained at 125 bps as a base case. This brings end-2024 forecast of USD/PHP to 58.8 and end-2025 forecast to 57.9.

BSP Policy: Continue Baby Steps

This year marked the beginning of the easing cycle of the Bangko Sentral ng Pilipinas (BSP), which began in August with an anticipated 25-bp rate cut. Since then, there were two more cuts of 25 bps each, bringing this year's Reverse Repurchase Rate (RRP) down to 5.75%. With the BSP's monetary easing cycle in full swing, we could expect more rate cuts in 2025. However, amid upside risks, BSP Governor Eli Remolona Jr. highlighted that the BSP's policy decisions will consider the delicate balance between inflation risks and growth. Higher inflation would require a pause, while slow growth would warrant a cut.

Dynamics of inflation and growth

Despite the easing cycle, inflation averaged at a subdued 3.3% in 2024, which is within the BSP's 2%-4% target range. However, geopolitical tensions and extreme weather events present upside risks. Growth, too, remains elusive, with the Philippines projected to miss growth targets for a second year due to slowing household spending. However, the effects of the easing cycle may finally nudge household expenditure, potentially boosting growth.

BSP: Taking a stand

Following the BSP's 25-bp cut in August, the interest rate differential (IRD) with the US Fed has settled at 125 bps. Meanwhile, Trump's proposed policies could accelerate inflation, which may deter the US Fed from cutting rates. However, BSP Governor Eli Remolona Jr. said the BSP is committed to its inflation-targeting mandate, reiterating that the central bank is not afraid to cut rates ahead of other countries and is not concerned about the dollar-peso exchange rate. Decisions will be supported by data, he said.

Metrobank Research's Take on PH Policy Rates

The BSP's primary mandate is price stability, but it also considers economic growth if inflation goals are realized. In 2025, it needs to carefully consider the upside risks that could sway the US Fed's policies and the weakening of the peso. Nonetheless, as long as

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inflation remains stable despite risks, and as growth starts to pick up, the BSP is likely to continue cutting rates to foster growth and household expenditure. In line with the BSP governor's preferred approach when delivering rate cuts, the BSP will likely implement three 25-bp rate cuts, totaling 75 bps, leaving the RRP rate at 5.0% by end-2025.

Conclusion

Globally, Metrobank Research expects continued monetary easing across the key central banks such as the US Fed, People's Bank of China (PBOC), European Central Bank (ECB), and Bank of England (BOE) amid a challenging outlook for growth and inflation. While incoming US President Donald Trump may bring added inflationary pressures, target-consistent inflation in the US suggests continued monetary easing, albeit at a slower pace. However, geopolitical tensions and other supply side shocks pose risks to our outlook.

On the local front, Metrobank Research forecasts robust economic growth at 6.2% in 2025 and target-consistent inflation at 3.2%, considering the expected mild lagged growth effects of the BSP's monetary easing. This will be supported by a cumulative 75 bps worth of easing next year, which will bring the BSP's policy rate down to 5.0% by end-2025.

Given the potential dollar-supportive policies of a second Trump administration, Metrobank Research expects a generally stronger dollar next year. We forecast a USD/PHP closing rate of 57.9 by end-2025.

Metrobank Official Forecasts

	Actual			Metrobank Forecasts		
	2022	2023	2024	2024	2025	2026
Real GDP (2018=100) average of period	7.6%	5.60%	5.80% (Q1 – Q3)	5.60%	6.20%	6.20%
Inflation (2018=100) average of period	5.8%	6.00%	3.2% (Q1 – Q3)	3.20%	2.90%	3.00%
BSP Target RRP Rate end of period	5.50%	6.50%	5.75%	5.75%	5.00%	4.25%
Target Fed Funds Rate end of period	4.50%	5.50%	4.50%	4.50%	3.75%	3.00%
USD/PHP end of period	56.12	55.57	57.85	58.80	57.90	56.50

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