Metrobank
Research and Market Strategy Department

PHILIPPINES TRADE UPDATE

28 November 2025

OCTOBER 2025: EXPORTS MOMENTUM CONTINUES

PH trade position strengthens further

The country's trade deficit narrowed further to USD 3.83 billion in October. This is a 34.2% decline year-on-year (YoY) and an 18.0% decline month-on-month (MoM), signaling an improved trade position for the Philippines. Year-to-date (YTD), the country's total deficit reached USD 41.32 billion, 8.7% narrower relative to the same period last year.

What tariff? Exports sustain growth

Philippine exports continue its momentum, growing by 19.4% YoY in October, valued at USD 7.39 billion. This is faster than the 16.2% growth in the preceding month and above the Bloomberg consensus estimate of 13.4%.

Year-to-date, total exports reached USD 70.4 billion, a 13.8% increase from the same period last year.

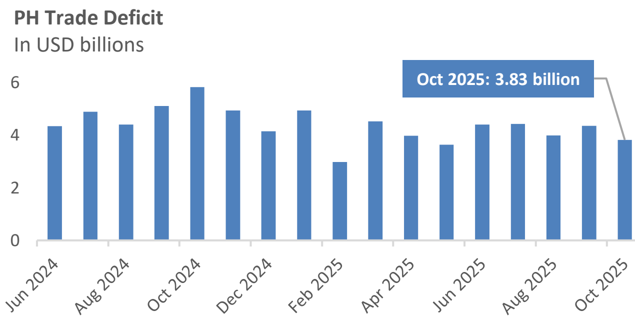
The quicker pace was driven by electronic goods, which increased by 44.5% YoY. With a USD 4.18 billion exports value in October, it is still the top among commodity group with a 56.6% share of the total.

Imports decline

Philippine value of imports declined by 6.5% YoY to USD 11.2 billion in October. This is a reversal from the revised 5.1% growth in the preceding month but aligned with the Bloomberg consensus of a 5.3% decline.

However, year-to-date, the country's total imports reached USD 111.75 billion, a 4.3% increase from the same period last year.

Imports fell mainly due to a decline in the imports of some commodity groups including transport equipment, mineral fuels, lubricants and related materials, cereals, and ores and metal scrap. These commodity groups showed a combined YoY decrease of USD 1.1 billion.



Source: Philippine Statistics Authority

Top Trading Partners (October 2025)

EXPORTS		IMPORTS	
Country	**Value in USD million**	**Country**	**Value in USD million**
United States of America	1,161.62 (15.7% of total)	**China**	3,408.78 (30.4% of total)
Japan	1,040.42 (14.1% of total)	**Japan**	915.13 (8.2% of total)
Hong Kong	964.50 (13.0% of total)	**Indonesia**	795.77 (7.1% of total)

Top Export Goods and Products

1	MANUFACTURED GOODS • Export value of USD 6,021.88 m (from 5,742 m in September) • 81.5% share to total exports (from 79.2% in September) • 26.8% YoY growth (acceleration from 15.9% in September)
2	TOTAL AGRO-BASED PRODUCTS • Value of USD 599.00 m (from USD 635.33 m in September) • 8.1% share to total exports (from 8.8% in September) • 1.2% YoY growth (slowdown from 29.4% in September)
3	MINERAL PRODUCTS • Export value of USD 586.88 m (from USD 703.68 m in September) • 7.9% share to total exports (from 9.7% in September) • 14.1% YoY decline (contraction from 8.9% growth in September)

Top Import Goods and Products

1	RAW MATERIALS AND INTERMEDIATE GOODS • Import value of USD 4,181 m (from USD 4,133.31 m in September) • 37.3% share to total imports (from 35.6% in September) • 0.1% YoY decline (from 4.9% decline in August)
2	CAPITAL GOODS • Import value of USD 3,343 m (from USD 3765.3 m in September) • 29.8% share to total imports (from 32.4% in September) • 4.1% YoY decline (reversal from 23.8% growth in September)
3	CONSUMER GOODS • Import value of USD 2301.9 m (from USD 2377.3 m in September) • 20.5% share to total imports (from 20.5% in September) • 11.8% YoY decline (from 7.1% YoY decline in September)

Note: Figures are based on preliminary data from PSA.

METROBANK'S TAKE

Resilient export market

Despite the threat of US President Donald Trump's tariffs, the Philippine export market remains resilient with the growth momentum exceeding market expectations. Electronics, which comprise most of our exports, remain strong. Initially, this was tagged as "frontloading." However, 10 months into the year, export growth could likely be explained by robust demand in destination markets, despite high US tariffs.

Weak import demand

While weak imports support the country's strong trade position, the decline in key import commodities signals soft demand for both private investments and consumption. Capital goods imports fell, reflecting weak business investments and stalling government infrastructure projects. Consumer goods, which are a good indicator for consumption, declined across durable and non-durable goods, extending the spending constraints seen in Q3 GDP into Q4.

Still stronger trade position ahead?

Metrobank projects sustained momentum in goods exports. Meanwhile, as consumer demand is expected to remain soft and business sentiment remains threatened by ongoing government issues, we are expecting sustained weakness in import demand.

Although a strong trade position may boost Q4 GDP, weak consumer demand will likely offset these gains, underscoring the need for further easing by the Bangko Sentral ng Pilipinas (BSP) especially as inflation remains below its 2-4% target.

Metrobank forecasts another 25-basis points reduction in the policy rate during the last BSP meeting in December.