

Macroeconomic News

The national government's fiscal position swung to a PHP11.2bn surplus in October (from a PHP248.1bn deficit in September) largely due to restrained spending (-7.8% y-y to PHP430.3bn) while revenues were also sluggish (-6.6% y-y to PHP441.7bn) amid the corruption scandal. However, the ten-month tally remains at a deficit of PHP1.1tn (+14.8% y-y) as cumulative government expenditures (+3.9% y-y) outpaced revenues (+1.1% y-y). In other news, Fitch Ratings warned that political flare-ups would remain a "significant risk" to the credit ratings of several emerging-market sovereigns in the Asia-Pacific until next year, including the Philippines, noting that: 1) the widening probe into anomalous flood control projects has unsettled businesses and slowed growth; and 2) sustained social unrest could undermine governments' fiscal and economic strength through disrupted activity, weaker revenue collections and pressure on public spending.

Bonds

Local: Local yields inched lower yesterday on expectations of continued policy easing by the BSP.

Global: US Treasury yields were mixed as investors weighed stronger-than-expected economic data amid increasing probability of a Federal Reserve rate cut next month.

Equities

Local: The PSEi closed higher at 6,004.70 (+0.5% d-d) yesterday, on bargain hunting activities amid hopes of further rate cuts by the BSP and the Fed at their December policy meetings.

Global: Global stock markets traded higher yesterday (Hang Seng +0.1% d-d, Nikkei 225 1.8% d-d, S&P 500 +0.7% d-d, and FTSE 100 +0.9% d-d) on rising Fed rate-cut expectations and renewed strength from tech following earnings beats from major firms.

Sector and Company News

Philippine digital economy to reach USD36bn. The Philippine digital economy is projected to expand by 16% to reach USD36bn in gross merchandise value (GMV) this 2025, according to the latest e-Conomy SEA report by Google, Temasek and Bain & Co. While the estimated expansion is softer compared to the 18% increase in 2024, it is still one of the fastest growth rates in Southeast Asia, leading the region in transport and food delivery, which surged 20%, matching regional highs of 16% in online media, and recording the second-fastest growth in digital payments at 20%, behind Indonesia. E-commerce also remained as the backbone of the Philippines' digital economy, accounting for over 60% of the industry's total GMV, and estimated to climb to USD24bn in 2025 from USD20bn in 2024. *Source: Inquirer*

BDO raises USD500mn from offshore bond market. BDO has raised USD500mn from the sale of five-year fixed-rate senior notes to global investors. The transaction: 1) was 3.2 times oversubscribed, with orders reaching ~USD1.6bn; 2) has a coupon rate set at 4.375% per annum; and 3) will be settled on December 3. The proceeds will be used to support the bank's lending operations and for general corporate purposes. *Sources: PSE Edge, Inquirer*

Rates

	Last %	bps chg
1Y PHP GS	5.08	-0.2
5Y PHP GS	5.52	-0.1
10Y PHP GS	5.91	-1.1
1Y UST	3.60	-1.3
5Y UST	3.57	+0.6
10Y UST	4.00	-0.2

Currencies

	Last	% chg
USD/PHP	58.84	+0.1%
EUR/USD	1.16	-0.2%
USD/JPY	156.47	-0.3%

Commodities

	Last	% chg
Dubai crude <small>USD/bbl</small>	62.03	-1.1%
Natural gas <small>USD/MMBtu</small>	4.56	+3.0%
Coal <small>USD/mt</small>	111.15	0.0%
Gold <small>USD/t oz</small>	4,162.15	+0.8%
Copper <small>USD/mt</small>	10,827.52	0.0%
Nickel <small>USD/mt</small>	14,681.49	0.0%

Equities

	Last	% chg
PSEi	6,004.70	+0.5%
Net foreign <small>PHPmn</small>	2,385.38	
Value traded <small>PHPmn</small>	12,253.34	
S&P 500	6,812.61	+0.7%
NASDAQ	25,236.94	+0.9%
EURO STOXX 50	5,655.58	+1.5%
FTSE 100	9,691.58	+0.9%
CSI 300	4,517.63	+0.6%
HANG SENG	25,928.08	+0.1%
NIKKEI 225	49,559.07	+1.8%

Local index stock movers

SMPH	4.7%	Top 5
MBT	2.7%	
ICT	1.8%	
MER	1.7%	
AC	1.5%	
JFC	-2.0%	Bottom 5
SM	-2.9%	
JGS	-3.2%	
AREIT	-3.4%	
PLUS	-4.8%	

Source: Bloomberg, as of Nov 26, 2025
Note: % change vs Nov 25, 2025

Sector and Company News

ALI raises PHP4.19bn from block sale of AREIT shares. ALI has sold an aggregate of 100mn common shares (~2.7% of shares outstanding) of AREIT at a transaction price of PHP41.90 per share to qualified institutional buyers, equivalent to PHP4.19bn. The transaction effectively broadens AREIT's investor base ahead of its asset infusion while giving ALI additional capital flexibility to fund its pipeline of commercial projects. The proceeds from the block sale shall be settled on November 28, 2025, subject to the conditions of the terms of sale. *Sources: PSE Edge, BusinessWorld*

Commentary: The transaction price represents a ~4% discount to AREIT's share price prior to the block sale. We estimate ALI would need to sell another ~45mn AREIT shares to meet the REIT's 33.33% minimum public ownership requirement before undertaking the next batch of asset infusion worth ~PHP19.5bn next year. Recall that AREIT targets to acquire two ALI malls in 2026, in exchange for ~441mn AREIT primary common shares. We currently have a Neutral rating on AREIT.

Stock Coverage

Company	Ticker	Rating	Mkt Cap (USD mn)	Last Price 26-Nov-2025	Target Price	Upside/Downside	EPS Growth		P/E (x)		EV/EBITDA		P/B (x)		ROE	Div Yield
							FY25F	FY26F	FY25F	FY26F	FY25F	FY26F	FY25F	FY26F	FY25F	FY25F
Banking																
BDO Unibank	BDO	Not Rated	11,930	131.50												
Bank of the Philippine Islands	BPI	Buy	10,604	118.00	155.00	31.4%	8.3%	7.9%	9.3	8.6	NA	NA	1.3	14.8%	4.0%	
Metropolitan Bank & Trust Company	MBT	Buy	5,247	68.60	81.00	18.1%	5.4%	6.2%	6.1	5.7	NA	NA	0.7	12.6%	7.3%	
Security Bank Corporation	SECB	Buy	884	69.00	100.00	44.9%	8.3%	9.5%	4.3	3.9	NA	NA	0.3	8.3%	4.3%	
Conglomerates																
Aboitiz Equity Ventures	AEV	Buy	2,460	26.05	46.00	76.6%	-16.2%	8.3%	6.8	6.3	5.6	5.3	0.5	9.9%	5.9%	
Alliance Global Group, Inc.	AGI	Buy	1,064	7.10	10.60	49.3%	4.5%	12.7%	3.4	3.1	4.4	3.6	0.1	7.2%	1.4%	
Ayala Corporation	AC	Buy	4,746	450.00	722.00	60.4%	0.4%	7.8%	6.4	6.0	6.6	6.7	0.6	9.9%	2.1%	
DMCI Holdings, Inc.	DMC	Neutral	2,362	10.46	10.80	3.3%	-18.8%	3.0%	9.1	8.8	4.8	4.4	0.9	14.6%	9.6%	
GT Capital Holdings, Inc.	GTCAP	Buy	2,051	560.00	785.00	40.2%	20.5%	9.7%	3.6	3.3	3.2	2.7	0.4	15.9%	1.4%	
JG Summit Holdings, Inc.	JGS	Buy	2,725	21.30	30.70	44.1%	17.8%	20.0%	8.0	6.7	5.6	4.3	0.3	8.1%	2.0%	
LT Group, Inc.	LTG	Neutral	2,731	14.84	14.70	-0.9%	22.4%	4.5%	5.6	5.3	-	-	0.5	10.7%	8.0%	
San Miguel Corporation	SMC	Neutral	3,144	77.55	76.00	-2.0%	NM	11.6%	12.1	10.9	6.1	6.2	0.3	12.4%	1.8%	
SM Investments Corporation	SM	Buy	14,750	709.00	1,030.00	45.3%	6.5%	8.6%	9.8	9.1	6.7	6.1	1.2	13.3%	1.8%	
Consumer																
Century Pacific Food	CNPF	Buy	2,380	39.50	45.00	13.9%	12.8%	18.1%	19.6	16.6	12.8	11.1	3.6	18.3%	2.8%	
D&L Industries	DNL	Buy	436	3.59	6.70	86.6%	13.0%	24.0%	9.7	7.8	8.4	7.4	1.1	11.5%	5.9%	
Emperador Inc.	EMI	Neutral	4,074	15.22	16.30	7.1%	10.1%	17.4%	34.4	29.3	20.7	18.3	2.3	7.0%	1.6%	
Jollibee Foods Corp	JFC	Buy	3,679	193.00	285.00	47.7%	10.3%	11.8%	20.3	18.1	6.6	5.9	2.1	11.2%	1.7%	
Monde Nissin Corporation	MONDE	Buy	1,846	6.04	9.50	57.3%	-0.4%	13.9%	11.1	9.8	6.6	5.7	1.9	17.0%	4.3%	
Puregold Price Club	PGOLD	Neutral	1,984	40.50	40.60	0.2%	9.2%	8.3%	10.5	9.7	4.6	3.2	1.1	10.8%	4.5%	
Robinsons Retail Holdings, Inc.	RRHI	Buy	619	33.00	50.00	51.5%	-23.3%	17.2%	6.8	5.8	3.4	3.2	0.5	6.7%	6.0%	
San Miguel Food and Beverage Inc.	FB	Buy	5,126	51.00	74.00	45.1%	15.4%	11.7%	10.1	9.1	4.1	3.7	2.4	23.5%	6.5%	
Shakey's Pizza Asia Ventures	PIZZA	Buy	197	6.88	9.80	42.4%	3.4%	18.1%	9.4	8.0	6.0	5.1	1.2	14.1%	2.9%	
Universal Robina Corporation	URC	Buy	2,327	64.00	105.00	64.1%	4.6%	4.0%	10.9	10.5	6.2	5.9	1.1	10.2%	6.6%	
Wilcon Depot, Inc.	WLCN	Buy	478	6.85	8.80	28.5%	-4.6%	5.0%	11.8	11.3	4.3	3.9	1.1	9.9%	5.3%	
Property																
Ayala Land	ALI	Buy	5,169	21.00	34.00	61.9%	5.1%	12.2%	10.4	9.3	8.0	7.2	1.0	9.8%	2.8%	
Filinvest Land Inc.	FLI	Neutral	289	0.76	0.80	5.3%	5.1%	16.6%	4.2	3.6	7.5	6.7	0.2	5.1%	6.3%	
Megaworld	MEG	Buy	1,112	2.01	2.60	29.4%	5.2%	7.8%	3.2	3.0	3.7	4.1	0.2	8.1%	4.1%	
Robinsons Land	RLC	Buy	1,306	15.98	20.00	25.2%	11.7%	13.7%	5.5	4.9	4.7	4.2	0.5	10.1%	4.1%	
SM Prime Holdings	SMPH	Buy	11,007	22.45	34.00	51.4%	8.5%	7.3%	13.1	12.2	11.8	11.3	1.4	11.1%	2.1%	
Vista Land & Lifescapes	VLL	Buy	216	1.00	2.00	100.0%	1.3%	7.7%	1.6	1.5	8.2	7.5	0.1	7.0%	12.1%	
REITs																
AREIT, Inc.	AREIT	Neutral	2,664	42.15	46.00	9.1%	4.2%	2.6%	16.4	16.0	17.6	15.1	1.2	6.6%	5.7%	
Citicore Energy REIT Corp.	CREIT	Neutral	400	3.59	3.90	8.6%	1.1%	4.5%	18.6	17.8	14.8	14.6	5.0	30.8%	5.7%	
MREIT, Inc.	MREIT	Buy	895	14.14	17.00	20.2%	-2.1%	1.9%	13.2	13.0	13.6	13.4	0.8	6.0%	7.1%	
RL Commercial REIT, Inc.	RCR	Buy	2,550	7.67	8.30	8.2%	-5.9%	11.6%	16.1	14.5	18.3	14.5	1.1	5.7%	5.6%	
Power & Industrials																
Aboitiz Power Corporation	AP	Buy	5,282	43.10	48.00	11.4%	-11.7%	30.1%	10.4	8.0	7.6	6.4	1.4	13.8%	5.5%	
ACEN Corporation	ACEN	Buy	1,662	2.46	2.90	17.9%	-23.1%	64.4%	26.5	16.1	56.2	24.3	0.7	2.5%	1.6%	
First Gen Corporation	FGEN	Neutral	1,003	16.40	17.50	6.7%	11.4%	2.7%	3.8	3.7	2.8	2.6	0.3	9.1%	5.1%	
Intl Container Terminal Services	ICT	Buy	19,092	556.00	610.00	9.7%	23.1%	14.1%	19.2	16.9	10.0	8.8	10.9	49.4%	2.6%	
Manila Electric Company	MER	Buy	11,464	598.00	685.00	14.5%	10.0%	10.0%	13.6	12.3	9.3	9.1	4.1	29.9%	4.2%	
Manila Water Company, Inc.	MWC	Buy	1,681	38.00	45.00	18.4%	17.9%	6.1%	5.9	5.5	6.7	6.5	1.1	20.6%	4.8%	
Megawide Construction Corp.	MWIDE	Buy	99	2.90	4.00	37.9%	NM	187.3%	19.7	6.9	8.0	6.7	0.3	5.9%	-	
Semirara Mining and Power Corporation	SCC	Neutral	2,107	29.15	32.00	9.8%	-34.5%	1.5%	9.6	9.5	5.1	5.0	2.2	22.8%	11.1%	
Mining																
Nickel Asia Corporation	NIKL	Buy	879	3.71	4.20	13.2%	77.9%	40.2%	9.4	6.7	5.5	4.4	0.7	18.7%	4.9%	
Telecom																
Converge ICT Solutions, Inc.	CNVRG	Buy	1,835	14.90	20.80	39.6%	11.7%	17.6%	9.3	7.9	4.8	4.3	1.8	20.4%	2.9%	
Globe Telecom	GLO	Buy	3,924	1,597.00	2,180.00	36.5%	-10.7%	4.8%	12.0	11.5	5.2	4.7	1.3	12.7%	6.3%	
PLDT Inc.	TEL	Buy	4,781	1,301.00	1,560.00	19.9%	-3.4%	7.5%	8.3	7.7	5.2	5.1	2.1	29.7%	7.4%	
Tourism & Gaming																
Bloomerry Resorts Corporation	BLOOM	Neutral	563	2.88	3.20	11.1%	NM	NM	NM	27.4	8.7	6.6	0.5	-4.5%	2.9%	
Cebu Air	CEB	Buy	322	30.90	40.00	29.4%	173.4%	19.9%	3.8	3.2	1.4	1.1	1.0	84.9%	-	
MacroAsia Corporation	MAC	Buy	146	4.53	6.00	32.5%	25.2%	12.5%	6.6	5.8	5.3	4.7	0.9	18.5%	2.4%	
DigiPlus Interactive Corp.	PLUS	Neutral	1,983	25.85	30.00	16.1%	5.8%	48.3%	9.2	6.2	8.0	4.9	3.0	34.8%	3.3%	

Sources: BDO Securities estimates, Bloomberg

Disclaimer: The information, opinions and analysis contained herein are based on sources and data believed to be reliable but no representation, expressed or implied, is made as to its accuracy, completeness or correctness. This material is only for the general information of the authorized recipients. In no event shall BDO or its officers and employees, including the author(s), be liable for any loss/damage resulting from reliance, directly or indirectly, or information found within this report.

For concerns, you may contact the BDO Securities Hotline at (+632) 8840-7878, Monday to Friday from 8:30 am to 5:00 pm, or email us via bdosec-customer@bdo.com.ph. BDO Securities is a PSE and PDEX Trading Participant, an SCCP and SIFP Member, and is regulated by the CMIC with website www.cmic.com.ph, and the SEC with telephone no. (+632) 8818-8178 and (+632) 8250-4521 and email address at msrds@sec.gov.ph.

Financial product/s of BDO Securities are not covered by the Philippine Deposit Insurance Corporation and are not guaranteed by BDO Unibank, as the case may be.

The BDO Securities, BDO Unibank and other BDO-related trademarks are owned by BDO Unibank, Inc. All Rights Reserved.