

64TH Philippine Economic Society Annual Meeting and Conference

Navigating Disruptions:

Philippine Institutions, Markets, and ASEAN Cooperation Amidst Global Conflicts

13 November 2026 | Novotel Manila Araneta City, Quezon City



President's Message

Roehlano M. Briones, Ph.D.

Maligayang pagbati to the delegates and distinguished guests of the 64th Annual Meeting and Conference of the Philippine Economic Society (PES). The Conference theme is *Navigating Disruptions: Philippine Institutions, Markets, and ASEAN Cooperation Amidst Global Conflicts*. The year 2026 is an auspicious one for the country, having just joined the ranks of upper middle income economies based on World Bank classification. The Philippines also serves as this year's Chair and Host of the Association of Southeast Asian Nations (ASEAN). Our Conference aligns with the Host theme of Navigating Our Future, Together. There is that sense of turning point and transition for the country, in an age of AI and accelerating technological change.

While there is much room for optimism, we cannot afford to ignore the on-going disruptions of the global economic order. Conflicts and recurring energy shocks, worsening inflation, rising interest rates, an economic slowdown, and an ion-going Super El Niño, threaten to erode the gains of past economic growth. Decisionmakers in government and in the private sector, together with ordinary citizens, must deftly navigate the uncertainties, and hopefully emerge intact and more resilient than ever.

This meeting gathers economists and other students of the economy to discuss theories, data, and evidence, and thereby offer guidance amidst the turbulence. As a member of the scientific committee, it was my distinct pleasure to screen an unusually large number of high quality abstracts from all over the Philippines, making for a highly competitive set of submissions. Today's program promises a most interesting lineup of sessions, spanning the macroeconomy, fiscal stability, finance, innovation, social protection, transforming economics education, institutions and governance, and much more. This meeting is also timely for its back-to-back organization with the 49th Federation of ASEAN Economic Associations, which the Society is privileged to host for this year, and for which I am pleased to note that many of you attending today have also opted to join.

On behalf of the Society, I wish to express my deep gratitude to our sponsors, partners, speakers, and participants, who have committed much time, effort, and resources, to make this meeting possible. May this event offer meaningful and lasting insights to our conference participants and our wider networks among Philippine institutions, markets, ASEAN, and beyond. Again, welcome, and Mabuhay!

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Recent geopolitical developments—including tensions in the Middle East and the ongoing Russia-Ukraine war—are reshaping global economic conditions. These disruptions are transmitted across economies through energy markets, trade flows, supply chains, and financial systems. For the Philippines, a highly energy-import-dependent economy, such shocks pose significant challenges to price stability, external balances, and inclusive growth.

Rising global fuel and commodity prices continue to exert inflationary pressures, disproportionately affecting low-income households whose expenditures are concentrated on food and transport. Firms, particularly small and medium-sized enterprises, face tightening margins amid increasing input and logistics costs. At the same time, geopolitical instability introduces uncertainty for overseas Filipino workers, potentially disrupting remittance inflows that account for a substantial share of household income and national output.

At the macroeconomic level, policymakers are confronted with the complex task of balancing inflation control, growth objectives, and the distributional consequences of rising living costs. Persistent external shocks test the effectiveness of fiscal and monetary policy tools, while heightened uncertainty may dampen investment and employment generation.

Within the Association of Southeast Asian Nations, these shared vulnerabilities underscore the urgency of strengthening regional cooperation. Initiatives on energy security, food system resilience, and financial safety nets, alongside deeper institutional coordination and market integration, are critical to enhancing collective resilience in an increasingly volatile global environment.

The 64th PES Annual Conference and Meeting gathers scholars, policy makers, practitioners, and students to examine how Philippine institutions, markets, and governance structures can better respond to global disruptions, and how ASEAN cooperation can be leveraged to strengthen regional resilience.

The 64th PES Conference Program

7:30 am	REGISTRATION			
8:30–9:15	OPENING CEREMONIES			
9:15–10:15	PLENARY SESSION I Sustaining the Philippines' Economic Rise: The Next Development Chapter (*Department of Economy, Planning, and Development Plenary Session*)			
10:15–10:30	MORNING BREAK			
10:30–12:00 pm	SIMULTANEOUS SESSIONS A			
	Session A1. Energy Security Is a Right: Localized, Diversified, and Socially Responsible (*FNF Session*)	Session A2. Signals, Shocks, and Stability: Evidence from Philippine Markets, Businesses, and Firms (*BSP Session*)	Session A3. From Relief to Empowerment: Building Social Protection for Sustainable, Inclusive Growth (*DEPDev Session*)	Session A4. Making Public Support Work: Evidence on Agricultural Policy and Household Resilience (*PIDS Session*)
	Session A5. Competition in the Face of Disruption: Evidence for Better Market Outcomes (*PCC Session*)	Session A6. What Else Is There to Know About Health, Productivity, Lifelong Outcomes, and Education?	Session A7. Consumption Behavior and Household Welfare	
12:00–1:00	LUNCH BREAK and GENERAL MEMBERSHIP MEETING			
1:00–2:00	PLENARY SESSION II The Philippine Economics Education Roadmap: Findings, Priorities, and Next Steps (*in observance of Economic and Financial Literacy Week 2026*)			
2:10–3:40	SIMULTANEOUS SESSIONS B			
	Session B1. Education, Human Capital, and Social Development	Session B2. Inflation Dynamics and Monetary Policy Responses	Session B3. Will the Finance Sector Please Step Up? Agriculture and Fisheries Need You!	Session B4. Climate Risks, Resource Security, and Resilience
	Session B5. The Economics of Aging, Family Support, and Intergenerational Well-Being in the Philippines	Session B6. Banking, Financial Markets, and Systemic Stability	Session B7. Machine Learning Approaches for Analyzing Economic Activities	Poster Presentations
3:40–3:55	AFTERNOON BREAK			
3:55–5:25	SIMULTANEOUS SESSIONS C			
	Session C1. Improving Learning at Scale: Evidence on Education Technology, Curriculum Reform, and Learning Recovery in the Philippines *(PIDS & DepEd Session)*	Session C2. Fiscal Strategies for Managing Economic Shocks	Session C3. Energy and Food Security Challenges and Strategies	Session C4. Economic Transformation, Governance, and Political Economy
	Session C5. Poverty, Vulnerability, and Social Protection Responses	Session C6. Exchange Rates, External Balances, and Macroeconomic Risk	Session C7. Good Measurements to Achieve Collective Resilience	
5:30–6:00	CLOSING CEREMONIES			

Plenary Sessions

Venue: Monet 1&2, 2/F

OPENING CEREMONIES

Welcome Remarks	Dr. Roehlano M. Briones *President, Philippine Economic Society &* *Senior Research Fellow, Philippine Institute for Development Studies*
Introduction of the Keynote Speaker	Dr. Marites M. Tiongco *Board Member, Philippine Economic Society* *Professor, Carlos L. Tiu School of Economics, De La Salle University*
Keynote Address	Southeast Asia in the New Global Economic Order *Dr. Lili Yan Ing* *Secretary General, International Economic Association*

PLENARY SESSION I.

Sustaining the Philippines' Economic Rise: The Next Development Chapter

(*Department of Economy, Planning, and Development Plenary Session*)

Opening Message	Sec. Arsenio M. Balisacan *Secretary, Department of Economy, Planning, and Development*
Presentation	Dr. Zafer Mustafaoglu *Division Director for the Philippines, Malaysia and Brunei,* *World Bank*
Panel Discussion	Sec. Arsenio M. Balisacan *Secretary, Department of Economy, Planning, and Development*
	Dr. Annette Balaoing-Pelkmans *Professorial Fellow, University of the Philippines School of Economics*
	Dr. Eduardo Araral *Associate Professor, National University of Singapore*
Moderator	Dr. Karl Robert L. Jandoc *Professor, University of the Philippines School of Economics*

PLENARY SESSION II

The Philippine Economics Education Roadmap: Findings, Priorities, and Next Steps

(*in observance of Economic and Financial Literacy Week 2026*)

Presentation of the Economics Education Roadmap	Dr. Jefferson A. Arapoc *Project Leader, Economics Education Roadmap*
Panel Discussion	Dr. Aleli D. Kraft *Chair, University of the Philippines School of Economics*
	Dr. Jose V. Camacho, Jr. *Chairman, Technical Panel on Economics,* *Commission on Higher Education*
Moderator	Dr. Jason Alinsunurin *Associate Dean, Carlos L. Tiu School of Economics,* *De La Salle University*

CLOSING CEREMONIES

Announcement of PES Board Election Results	Asec. Romeo Matthew T. Balanquit *Secretary, Philippine Economic Society* *Assistant Secretary, Department of Budget and Management*
Closing Remarks	Dr. Adoracion M. Navarro *Vice President & Conference Chair, Philippine Economic Society &* *Senior Research Fellow, Philippine Institute for Development Studies*

Simultaneous Sessions A (10:30 am–12:00 pm)

Session A1. **Energy Security Is a Right: Localized, Diversified, and Socially Responsible (FNF Session)** Moderator PJ Leynes *Center for Liberalism and Democracy* Venue Monet 1&2, 2/F	PANELISTS Lourdes David *Young Thinkers for Freedom* Yuanne Ng *Young Thinkers for Freedom* PJ Leynes Center for Liberalism and Democracy
SESSION A2. **Signals, Shocks, and Stability: Evidence from Philippine Markets, Businesses, and Firms (BSP Session)** Moderator Cymon Kayle Lubangco *Bangko Sentral ng Pilipinas* Venue Renoir, 3/F	Stock Market Response to Earnings Surprises: Evidence from the Philippines *Mary Joy Imperial, Bangko Sentral ng Pilipinas* Measuring Business Closures During the Pandemic: Constructing an Operational Restrictions Index (ORI) for the Philippines *Ivan Cenon V. Bernardo & Mark Gerald C. Ruiz, Bangko Sentral ng Pilipinas* Asymmetric Price Adjustment: The Role of Consumer Inattention *Ivory Myka R. Galang, Bangko Sentral ng Pilipinas* Measuring and Predicting Financial Stress in an Emerging Market Economy: Dynamic Aggregation and Interpretable Machine Learning *Ralph Joshua P. Macarasig & Mary Joy Imperial, Bangko Sentral ng Pilipinas*
SESSION A3. **From Relief to Empowerment: Building Social Protection for Sustainable, Inclusive Growth (DEPDev Session)** Moderator Reynaldo R. Cancio *Department of Economy, Planning, and Development* Venue Van Gogh, 3/F	PRESENTER & PANELIST Cielito F. Habito *Brain Trust Inc.* PANELISTS Emmanuel F. Esguerra *University of the Philippines School of Economics* Rosemarie G. Edillon *Department of Economy, Planning, and Development*
SESSION A4. **Making Public Support Work: Evidence on Agricultural Policy and Household Resilience (PIDS Session)** Moderator Melinda Quinones *Philippine Institute for Development Studies* Venue Cezanne, 3/F	The Impact of Fertilizer Subsidy on Fertilizer Application of Rice Farmers: The Case of Nueva Ecija *Adrian Boyett D. Agbon, Philippine Institute for Development Studies* How Should the Country's Agricultural Policies Adapt to the International Structure of Agricultural Support? *Roehlano M. Briones, Philippine Institute for Development Studies* Coping with Economic Shocks: Social Insurance, Credit, and Savings Among Poor Households in the Philippines *Kris Ann M. Melad, Philippine Institute for Development Studies* Ceremonial Book Launch *Handbook on Poverty Measurement and Policy: From Counting the Poor to Multidimensional Approaches* *Jose Ramon G. Albert, PIDS Senior Research Fellow* Special Remarks *Adonis P. Sulit, Undersecretary for the Policy and Planning Group, Department of Social Welfare and Development*

Simultaneous Sessions A (10:30 am–12:00 pm)

SESSION A5. **Competition in the Face of Disruption: Evidence for Better Market Outcomes (PCC Session)** Moderator Mailyn N. Lagundino *Philippine Competition Commission* Venue Degas, 3/F	Rockets and Feathers: Assessing Price Dispersion in Philippine Retail Gasoline Prices *Antonio Miguel S. Ventura, Philippine Competition Commission* Motorcycle (MC) Taxi Market Study *Samantha Louise S. Nepomuceno, Philippine Competition Commission* Competition Impact Assessment of the Green Energy Auction Program (GEAP) *Gwyneth Mae R. Ramos, Philippine Competition Commission* Estimating Average Treatment Effects on the Treated: Evaluating the Impact of Maximum Retail Price Policy on Sales of Antidiabetic Drugs *Carlos L. Tolentino II, Philippine Competition Commission*
SESSION A6. **What Else Is There to Know About Health, Productivity, Lifelong Outcomes, and Education? Evidence from Cross-Country Data, Surveys, Longitudinal Data, and Randomized Experiments** Moderator Lady Lou M. D'Lonsod *Ateneo de Manila University/ Mindanao State University–Iligan Institute of Technology* Venue Pissarro, 3/F	A Multicountry Analysis of the Direct and Indirect Effects of Health on Labor Productivity and the Nonlinear Effects of Labor Productivity on Health *Lady Lou M. D'Lonsod, Ateneo de Manila University/Mindanao State University–Iligan Institute of Technology* Socioeconomic Status, Dietary Patterns, and Health Indicators Among Filipinos: Evidence from the Expanded National Nutrition Survey *Aaron Recio Sablay, De La Salle University–Manila* Early Childhood Morbidity and Later Human Capital: Accumulation vs. Sensitive Period Evidence from the Cebu Longitudinal Health and Nutrition Survey *Francine Ysabel Gañgan, De La Salle University–Manila* Learning with Friends: Examining Peer Interactions in a Khan Academy Intervention in Public Elementary Schools *Lupe Quimbo, St. Pedro Poveda College* DISCUSSANTS *Lady Lou M. D'Lonsod, Ateneo de Manila University/Mindanao State University–Iligan Institute of Technology* *Aaron Recio Sablay, De La Salle University–Manila* *Francine Ysabel Gañgan, De La Salle University–Manila*
SESSION A7. **Consumption Behavior and Household Welfare** Moderator Marites M. Tiongco *De La Salle University–Manila* Venue Matisse, 3/F	Can We Consume Our Way to Prosperity? Job Quality and Household Consumption Sophistication in the Philippines *Jason P. Alinsunurin, Carlos L. Tiu School of Economics, De La Salle University–Manila* Status Signaling or Social Networking? Examining the Determinants of Special Occasion Spending and its Trade-offs with Human Capital Investment Among Poor Filipino Households *Deborah B. Gay, University of the Philippines Los Baños* Traces of Gentrification Exist in Secondhand Clothing? A Further Deep-Dive Digging into the Pile of Ukay-Ukay in the Philippines *Luisito C. Abueg, University of the Philippines Los Baños* Fast Times at Gridlock High: The Malling of Metro Manila and Its Mobility and Welfare Effects *Terry II R. Culpepper, Harvard University*

Simultaneous Sessions B (2:10–3:40 pm)

Session B1. Education, Human Capital, and Social Development Moderator Agham C. Cuevas *University of the Philippines Los Baños* Venue Monet 1&2, 2/F	How Much Do Students Learn in a Year? New Evidence from Philippine Public Schools *Erwin Doroteo Justien C. Daga. Philippine Institute for Development Studies* Can Filipinos Follow the Economy? Public Understanding of Economic News and Its Democratic Implications *Nathaniel C. Noya, Torrens University Australia* Choosing a 'Boss': A Conjoint Experiment on Identity, Qualifications, and Leadership Preferences in the Philippines *Melisa M. Fabella-Esmalla, Ritsumeikan University*
Session B2. Inflation Dynamics and Monetary Policy Responses Moderator Clarenz B. Magsakay *Saint Louis University* Venue Renoir, 3/F	A Regime Switching Model for Inflation with Time-Varying Transition Probabilities *Eddie Boy L. Fuentes, Bangko Sentral ng Pilipinas* Second-round Effects and Asymmetry: Impact of Oil Price Shocks on Emerging Market Inflation *Joan Christine S. Allon-Pineda, Bangko Sentral ng Pilipinas* Measuring the Pass-through of BSP Policy Rate Adjustments to Bank Lending and Deposit Rates *Reizle C. Platitas, Bangko Sentral ng Pilipinas* NLP-Based Sentiment Analysis of Bangko Sentral ng Pilipinas Speeches as Signals and Predictors of the Philippine Interest Rate Movement *Chrislyn Ann M. Mañero, Emrick James A. Panganiban & Katrina Isabelle B. Serafica, Ateneo de Manila University*
SESSION B3. **Will the Finance Sector Please Step Up? Agriculture and Fisheries Need You!** Moderator Andrew Adrian Pua *Carlos L. Tiu School of Economics, De La Salle University–Manila* Venue Van Gogh, 3/F	Effects of Predatory Loans on the Welfare of Sari-sari Store Owners in Selected Barangays in Hermosa, Bataan, 2026 *Karylle Anthonette Joy A. Ramos, University of the Philippines Los Baños* Determinants of Digital Adoption and Its Influence on Availment of Financial Services Among Multi-purpose Cooperative Members in San Jose Del Monte, Bulacan, 2026 *Ivan Lloyd A. Nabua, University of the Philippines Los Baños* Effects of Digital Financial Literacy on Micro-entrepreneurs' Intentions to Use Digital Savings in Calauan, Laguna Using Structural Equation Modeling, 2025 *Ryan Dale C. Vargas, University of the Philippines Los Baños* Analysis of Credit Needs and Demand Side Credit Constraints of Small Scale Fisherfolk Engaged in Municipal Fisheries in Orion, Bataan, 2026 *Jheana Mae P. Estrada, University of the Philippines Los Baños*
SESSION B4. **Climate Risks, Resource Security, and Resilience** Moderator Antonio Jesus A. Quilloy *University of the Philippines Los Baños* Venue Cezanne, 3/F	Heat, Cooling Demand, and Climate Commitments: Evidence on Residential Electricity and Water Consumption from Philippine Household Survey Data *Emmanuel Genesis T. Andal, University of the Philippines Los Baños* Tracing Public School Building Vulnerabilities Along Typhoon Tracks *Edmar E. Lingatong, Philippine Institute for Development Studies* Coastal Households' Preferences for Coastal Resource Conservation: A Case in Southern Iloilo *Cortan Matt G. Lozarita, University of the Philippines Visayas* Transition Finance, Sustainable Taxonomy, and Climate Policy: A Three-Sector Environmental DSGE Framework for the Philippines *Laura Britt-Fermo, ASEAN+3 Macroeconomic Research Office*

Simultaneous Sessions B (2:10–3:40 pm)

SESSION B5. **The Economics of Aging, Family Support, and Intergenerational Well-Being in the Philippines** Moderator Karl Robert L. Jandoc *University of the Philippines School of Economics* Venue Degas, 3/F	Does Proximity to Children Affect Healthcare Utilization Outcomes Among Older Adults in the Philippines? *Erin Therese D. Ramos & Miranda Marie Beatrice V. Samson, University of the Philippines School of Economics* Intergenerational Consequences of Teenage Motherhood: A Sequential Mediation Analysis of Educational Pathways in the Philippines *Julia Kirsten N. Rivero & Andrew Gabriel T. Tato, University of the Philippines School of Economics* The Association Between Child Loss and Health Decline From Circulatory Diseases Among Bereaved Parents: A Survival Analysis *Davien Nica C. Billedo & Kylan Frederick N. Manotok, University of the Philippines School of Economics* Shadow Labor and Maternal Employment: The Role of Grandparental Childcare in the Philippines *Anna Grace L. Laperal & Darcelle S. Tibi, University of the Philippines School of Economics*
Session B6. **Banking, Financial Markets, and Systemic Stability** Moderator Jovi C. Dacanay *University of Asia and the Pacific* Venue Pissarro, 3/F	The Impact of Global Financial Conditions on Debt Choice and Performance: Evidence from an Emerging Market Economy *Carl Francis C. Maliwat. Bangko Sentral ng Pilipinas* Uncovering the Stylized Facts of Trade Finance Using Bank-Reported Data *Jose Adlai M. Tancangco, Bangko Sentral ng Pilipinas* Expected Capital Shortfall of the Philippine Banking System: A Balance Sheet Approach *Limuel A. Generoso, Bangko Sentral ng Pilipinas* Assessing the Impact of US-Iran War in the Philippine Banking System Through Network Analysis *Kent Emmanuel C. Soria, Bangko Sentral ng Pilipinas*
Session B7. **Machine Learning Approaches for Analyzing Economic Activities** Moderator Charday V. Batac *Bangko Sentral ng Pilipinas* Venue Matisse, 3/F	Tracking Economic Signals: A Nowcasting Framework *Maria Evette T. Santos, Bangko Sentral ng Pilipinas* AGAP: Unlocking Inflation Signals from Unstructured Price Data with AI *Rossvern S. Reyes & Alan Chester T. Arcin, Bangko Sentral ng Pilipinas* Project GILAS: Geospatial Intelligence from Lights and Satellite Data for Economic Surveillance Using Machine Learning *Isaac Norman D. Rivera, Bangko Sentral ng Pilipinas*

Simultaneous Sessions C (3:55–5:25 pm)

SESSION C1.

Improving Learning at Scale: Evidence on Education Technology, Curriculum Reform, and Learning Recovery in the Philippines (PIDS & DepEd Session)

Moderator
Manuela Prina
Asian Development Bank

Venue
Monet 1&2, 2/F

Who Takes Advantage of Innovation? A Discrete Choice Analysis of Schools' Adoption of New Programs Under the Strengthened Senior High School Curriculum
Michael M. Abrigo & Edmar E. Lingatong, Philippine Institute for Development Studies

The Impact of Khan Academy in Mathematics Learning: Evidence from a Randomized Experiment in the Philippines
Stella A. Quimbo
Michael M. Abrigo, Philippine Institute for Development Studies
Majah-Leah Ravago, SEAMEO–INNOTECH
Xylee Javier, Asian Development Bank

Khan Academy in Philippine Schools: Insights from Year 1 of the Pathfinder Project
Eric Taylor, Harvard Graduate School of Education

Learning Recovery at National Scale: Evaluating the First Year of the ARAL Program
Noam Angrist, Oxford University
Mariel Bayangos & Elaine Umali-Trinos, Youth Impact

DISCUSSANT
Eduardo Araral, Lee Kuan Yew School of Public Policy

SESSION C2.

Fiscal Strategies for Managing Economic Shocks

Moderator
Laura Britt-Fermo
ASEAN+3 Macroeconomic Research Office

Venue
Renoir, 3/F

Governance and the Cyclicality of Philippine Fiscal Policy
John Michael Rennie G. Hallig & Nickson J. Cabote, Bangko Sentral ng Pilipinas

How Buoyant is the Philippine Tax System?
Charlotte Justine Diokno-Sicat
Mark Gerald C. Ruiz, Bangko Sentral ng Pilipinas

Fiscal Dominance and the Maturity Structure of Debt: Some Empirical Evidence
Chetan Ghate, Indian Statistical Institute–Delhi

Evaluating Fiscal Consolidation Strategies in the Philippines: Evidence from a Dynamic CGE Model
Edrei Y. Udaundo, Congressional Policy and Budget Research Department, House of Representatives of the Philippines

Do More Fiscal Transfers Mean Better Health Services? Evidence from Selected Philippine Cities
Daniel Joshua D. Alviz, Julia Mikaela A. Balaba & Andrea Joy I. Salazar, De La Salle University–Manila

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SESSION C3.

Energy and Food Security Challenges and Strategies

Moderator
Roehlano M. Briones
Philippine Institute for Development Studies

Venue
Van Gogh, 3/F

Imported Inflation? Energy and Food Import Dependence and Philippine Price Vulnerability
Harvey M. Niere, Mindanao State University–Marawi

Global Market Exposure in Philippine Retail Food Prices: A Multi-Commodity SHAP Attribution Analysis
Clarenz Magsakay, Saint Louis University

Price Shocks, Supply Shortfalls, and the Rationing Rule: Electricity Incidence in a Philippine Social Accounting Matrix
Christian Marvin B. Zamora, University of the Philippines Baguio

Operational Resilience of Public Transport Service Models under a Fuel Price Shock: Evidence from Corridor- and Area-Based Services in the Philippines
Edwinalyn V. Rebuya, Trixia V. Miraña & Robert John T. Alarcon, Partido State University

Evaluating Feed-in-Tariffs & Fiscal Incentives of the Philippine Renewable Energy Act Through Synthetic Difference-in-Difference Analysis
Charles Kendryck L. Caluste, University of Asia and the Pacific

Simultaneous Sessions C (3:55–5:25 pm)

SESSION C4. **Economic Transformation, Governance, and Political Economy** Moderator Adoracion M. Navarro *Philippine Institute for Development Studies* Venue Cezanne, 3/F	The Eclipse of Manufacturing: Learning from the Last 50 Years of the Philippine Industrialization *Raul V. Fabella, University of the Philippines/National Academy of Science and Technology/ Asian Institute of Management* When Coping Signals Distress: MSME Adaptation to Fuel-Price Disruptions in a Provincial Philippine Economy *Nicole C. Talam, Pauline L. Sergio & Lhycka C. Ceres, Partido State University* Regional Economic Growth in the Philippines: A Spatial Panel Econometric Analysis of Gross Regional Domestic Product, 2011–2020 *Anthony James C. Albis, University of the Philippines Tacloban* Political Dynasty Level and Trajectory: Effects on Social Services Expenditure in Philippine Cities and Municipalities after the 2022 Mandanas-Garcia Ruling (2010-2024) *Micah Agatha F. Dimatulac, Gio Miguel S. David, Carl Nobie M. Austria & Antonio Miguel B. Nonato,De La Salle University–Manila* Legislating Advantage: District Reapportionment, Political Entrenchment, and Fiscal Distortion in the Philippines, 1987-2025 *Gerome Vedeja, De La Salle University–Manila*
SESSION C5. **Poverty, Vulnerability, and Social Protection Responses** Moderator Lawrence B. Dacuycuy *Carlos L. Tiu School of Economics, De La Salle University–Manila* Venue Degas, 3/F	Household Poverty-Vulnerability Typology in the Philippines: A Multidimensional Unsupervised Learning Approach Using the 2023 FIES-LFS *Pauline Jane G. Mandrilla, University of the Philippines Diliman* Mapping Poverty Stereotypes: A Stereotype Content Model Analysis of Poverty in Calamba and Los Baños, Laguna *Paul Allen B. Yabut, University of the Philippines Los Baños* Smoking with a Safety Net? Sin Tax Law and the Moderating Role of Health-related Insurance on Cigarette Consumption: A Difference-in-Difference Analysis *Joanna Marie C. Del Mundo, De La Salle University–Dasmariñas* Famished, Fit or Fatter? Evaluating the Impact of the School-Based Feeding Program (SBFP) on the Nutritional Status of Young Learners in the Bangsamoro Autonomous Region of Muslim Mindanao (BARMM), Philippines *Eva Alyssa Castro, Marc Shervin Ignacio & Joseph Capuno, Department of Economy, Planning, and Development*
SESSION C6. **Exchange Rates, External Balances, and Macroeconomic Risk** Moderator Tristan A. Canare *Bangko Sentral ng Pilipinas* Venue Pissarro, 3/F	Philippine Current Account Dynamics: An External Absorption Capacity Framework *Teodorica G. Ani, Batangas State University* Estimating the Philippines' Behavioral Equilibrium Exchange Rate: A Cross-Country Panel and Bayesian Averaging Approach *Elfred John Abacan, Bangko Sentral ng Pilipinas* Uncertainty Within and Without: Domestic Sentiment and Global Risk Transmission in the Philippine Economy *Rossvern S. Reyes, Bangko Sentral ng Pilipinas* Beyond Bilateral Spillovers: Global Asymmetric Connectedness Among Economic Policy Uncertainty, Exchange Rates, and Stock Markets *Lexinne Angela M. Villanueva, De La Salle University–Dasmariñas*

Simultaneous Sessions C (3:55–5:25 pm)

SESSION C7.

Good Measurements to Achieve Collective Resilience

Moderator
Andrew Adrian Pua
Carlos L. Tiu School of Economics, De La Salle University–Manila

Venue
Matisse, 3/F

Determinants and Pathways of Post-Disaster Household Economic Recovery in Eastern Visayas: Evidence from Binary and Multinomial Logit Models
Kamina Ysabel Pelaez & Hermione Joie Escorial, Ateneo de Manila University

AI Exposure, Wages, and Livable Welfare in the Philippine Labor Market
Joshua Michael V. Seagan, Angelo King Institute for Economic and Business Studies, De La Salle University–Manila

Assessing the Predictors of Compliance with the Minimum Wage Among Establishments in Region XI
Ruby A. Badilles, Ateneo de Manila University

Spatially Adjusted Technical Efficiency of Groundwater-Irrigated Rice Farms in Pila, Laguna, Philippines
Antonio Jesus A. Quilloy, University of the Philippines Los Baños

DISCUSSANTS
Andrew Adrian Pua, De La Salle University–Manila

Joshua Michael V. Seagan, Angelo King Institute for Economic and Business Studies, De La Salle University–Manila

Poster Presentations (2:10–3:40 pm)

(Monet Ballroom Lobby, 2/F)

Climate Variability and Agricultural Employment: A Short-Run Monthly Panel Analysis of Philippine Provinces
Fiona N. Escano University of the Philippines Los Baños

Comparative Advantage and Trade Complementarity in ASEAN: Evidence from Primary and Processed Agricultural Products, 2010–2024
Ruffa Mae Fernandez, Kim Carranzo & Cris Angelo Itumay
Mindanao State University–Iligan Institute of Technology

Human Development, Food Price Pressure, and Regional Poverty Persistence in the Philippines
Denmichael Neil C. Estillore, Northern Mindanao Medical Center

From Geopolitical Conflict to Household Mobility: Informal Fares Pass-Through and Adaptation to Fuel-Price Shocks in Rural Philippines
Adrian C. Cam, Janna Louise M. Caadlawon & Rea I. Comprado, Partido State University

Ramadhan and Eid al-Fitr Effects on Consumer Price Inflation in the Bangsamoro Region: Evidence from Regional and CPI-Area Panel Models
Anisah Lingga, Ministry of Finance, and Budget and Management–BARMM

Determining the Philippines' Fiscal Sustainability
Kenmore B. Espinoza & Martin Joseph D. Orense, Bangko Sentral ng Pilipinas

64TH

Philippine Economic Society
Annual Meeting and Conference

Navigating Disruptions:
Philippine Institutions, Markets, and ASEAN Cooperation Amidst Global Conflicts

13 November 2026 | Novotel Manila Araneta City, Quezon City

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KEYNOTE ADDRESS

Southeast Asia in the New Global Economic Order

Lili Yan Ing
Secretary General, International Economic Association

Southeast Asia is entering a new global economic order shaped by geopolitical tensions, shifting trade patterns, artificial intelligence and technological change, and the green transition. ASEAN stands at the crossroads of these transformations, with its growing markets, strategic location, and deepening economic integration. The region is benefiting from the reconfiguration of global supply chains and rising investment, while also facing risks from trade fragmentation, growing protectionism, and intensifying major-power competition. The key challenge is to translate these opportunities into stronger regional value chains, higher productivity, and sustainable development. Our discussion will explore how Southeast Asia can navigate these shifts, strengthen ASEAN, and shape—not merely adapt to—the emerging global economic order.

PLENARY SESSION I

Sustaining the Philippines' Economic Rise: The Next Development Chapter

In July 2026, the Philippines reached a major development milestone when the World Bank reclassified it as an upper-middle-income economy. The achievement reflects decades of sustained growth and reform—and opens a more demanding chapter in the country's development journey.

The challenge now is to convert this milestone into lasting development. As incomes and wages rise, sustaining progress will require a shift toward productivity-led growth: more innovative and competitive firms, a highly skilled workforce, and faster movement of workers and capital toward higher-value activities. These capabilities will determine whether the Philippines can progress steadily within the upper-middle-income group and advance toward high-income status.

This transition is unfolding amid heightened uncertainty. Geopolitical tensions, volatile energy and commodity markets, disruptions to trade and investment, rapid technological change, and intensifying climate and disaster risks can quickly affect households, firms, and public finances. Economic resilience is therefore not separate from the growth agenda; it is essential to protecting hard-won gains and sustaining longer

Progress must also be broadly shared. Higher productivity and investment need to translate into better jobs and incomes, stronger human capital, reliable public services, and greater economic security—especially for households and communities vulnerable to shocks. Inclusion is both a social objective and a foundation for durable growth.

Drawing on global lessons and from across Asia and the Pacific, this session will explore the Philippines' next development chapter through three mutually reinforcing pillars: productivity, resilience, and inclusion. It will consider the reforms and institutional choices needed to sustain the country's economic rise, avoid stagnation, and build a more prosperous and secure future for all Filipinos.

SIMULTANEOUS SESSIONS A

Session A1.
Energy Security Is a Right: Localized, Diversified, and Socially Responsible (FNF Session)

The Philippines faces an energy crisis that is expected to worsen in the coming months. Recognizing the severity of the situation and its effects on human rights, social justice, and energy justice, the energy crisis declaration serves as a catalyst for a more resilient and sustainable energy future that can start from the grassroots communities in the country.

How can we design a framework that will mitigate the economic, ecological, geographical, and political impacts of energy production and distribution?

Session A2.
Signals, Shocks, and Stability: Evidence from Philippine Markets, Businesses, and Firms (BSP Session)

Stock Market Response to Earnings Surprises: Evidence from the Philippines

Marianne Juco Rodriguez, Ivory Myka Galang, and Mary Joy Imperial
Bangko Sentral ng Pilipinas

This paper investigates the stock market's reaction to earnings surprises. Using analysts' earnings forecasts and actual earnings announcements of firms listed in the Philippine Stock Exchange, we investigate whether earnings announcements and deviations from consensus forecast influence market behavior. Additionally, we examine whether other factors beyond earnings signals explain market behavior, particularly in low liquidity markets such as the Philippines.

Measuring Business Closures During the Pandemic: Constructing an Operational Restrictions Index (ORI) for the Philippines

Marianne J. Rodriguez, Ivan Cenon V. Bernardo, and Mark Gerald C. Ruiz
Bangko Sentral ng Pilipinas

We build a novel dataset that tracks pandemic-related business closures at a granular level using government guidelines and private sector announcements in the Philippines. We report bi-weekly operational restrictions on

business establishments disaggregated by region, province and industry over the pandemic years 2020-2023. Using publicly available data, we validate and assess the suitability of the dataset. We show how government-imposed business closures affect the economy by analyzing heterogeneous effects across economic outcomes, sectors and jurisdictions.

Asymmetric Price Adjustment: The Role of Consumer Inattention

Harold Glenn A. Valera and Ivory Myka R. Galang
Bangko Sentral ng Pilipinas

Understanding firm price adjustment behavior is central to explaining inflation dynamics, particularly the slope of the Phillips curve. Using regional data from the Philippines Business Expectations Survey over the period 2010Q1–2025Q2, we examine how inflation and consumer inattention shape firm pricing behavior. We find that firms adjust prices more frequently when inflation is high, as inflation pushes firm prices further from their optimal price. When unemployment is low and consumers are more inattentive, firms change prices more often but by smaller amounts. Furthermore, when inattention is high, firms are more likely to increase prices than decrease them. This is consistent with inattention pushing the elasticity of demand closer to zero.

Measuring and Predicting Financial Stress in an Emerging Market Economy: Dynamic Aggregation and Interpretable Machine Learning

Margarita Debuque-Gonzales, Ralph Joshua P. Macarasig, Mary Joy Imperial, and Carl Francis Maliwat
Bangko Sentral ng Pilipinas

This paper develops a daily financial stress index for the Philippines using dynamic cross- market correlation weights across money, bond, stock, foreign exchange, and global submarket indices. A Markov regime-switching model identifies elevated- and low-stress states, and interpretable machine learning classifiers forecast next-day stress states. The empirical framework allows us to determine key contributors to financial stress. Global financial conditions, proxied by VIX-based measures, consistently drive systemic stress, while domestic transmission channels vary across crisis episodes, with bond channels dominating during the global financial crisis and equity channels during the COVID-19 pandemic. Dynamic aggregation of the various submarkets produces a more coherent hierarchy of stress drivers than disaggregated indicators and improves out-of-sample predictive stability. The framework provides a scalable approach to macroprudential surveillance in emerging market economies.

Session A3.
From Relief to Empowerment: Building Social Protection for Sustainable, Inclusive Growth (DEPDev Session)

Anchored in the Pantawid Pamilyang Pilipino Program (4Ps) as its flagship social assistance program, the Philippines has built an increasingly broad social protection architecture. Social protection systems have been a central instrument for poverty reduction in the country. Nonetheless, amid overlapping crises and economic shocks, there has been more emphasis on the role of social protection mechanisms as part of the government's crisis response tools to protect vulnerable communities.

This session brings together scholars and practitioners to assess the Philippines' current social protection system and identify opportunities for improvement amid an increasingly volatile risk environment. Discussions will examine progress in building social protection infrastructure, persistent gaps in coverage and delivery, and opportunities to make the system more adaptive and responsive, while helping protect development gains, strengthen household resilience, and support more inclusive growth.

Session A4.
Making Public Support Work: Evidence on Agricultural Policy and Household Resilience (PIDS Session)

The Impact of Fertilizer Subsidy on Fertilizer Application of Rice Farmers: The Case of Nueva Ecija

Roehl M Briones, Adrian Boyett D. Agbon, and SJT Petalcorin
Philippine Institute for Development Studies

Every year, the Department of Agriculture (DA) provides large outlays for fertilizer subsidy under the National Rice Program (NRP). Its current modality is the distribution of free fertilizer. The assistance intends to raise total fertilizer application of rice farmers, and thereby boost rice yields. The literature, though, indicates that the increase is unlikely to be one-for-one, i.e., provision of one kg of fertilizer does not increase total fertilizer by one kg if the farmer ends up cutting own purchases of fertilizer, a phenomenon called "crowding out". At the extreme, total fertilizer application is unchanged (i.e., 100% crowding out), which is predicted by economic theory in the case of a farmer who receives free fertilizer below the amount they were planning to apply for a cropping season. We attempt to measure the amount of crowding-out using data collected by the Baseline Evaluation Study for Rice Competitiveness Enhancement Fund and National Rice Program for Nueva Ecija rice farmers. The estimates generated are used to make inferences for policies on the provision of free fertilizers.

How Should the Country's Agricultural Policies Adapt to the International Structure of Agricultural Support?

Roehlano M. Briones and JAT Petati
Philippine Institute for Development Studies

The Philippine government has historically supported its agricultural sector through market price support (primarily by border measures), and by its expenditure program. One justification for such support is that Filipino farmers are at a disadvantage compared with their counterparts abroad, as their competitors are themselves being supported by their respective governments. The proposed study evaluates this claim by comparing estimates of agricultural support over time for the Philippines to a cross section of countries most relevant to the Philippine agricultural economy, together with indicators of agricultural performance in the Philippines and comparison economies. Agricultural support estimates are drawn from international online databases of Organization for Economic Cooperation and Development (OECD), and Food and Agriculture Organization of the United Nations (FAO). The analysis forms the basis for drawing implications for the design of agricultural support in the Philippines.

Coping with Economic Shocks: Social Insurance, Credit, and Savings Among Poor Households in the Philippines

Kris Ann M. Melad and Michael R.M. Abrigo
Philippine Institute for Development Studies

Economic shocks expose poor households to significant welfare losses, and the ways they respond shape their longer-term trajectories. This paper examines coping strategies adopted by households participating in the Pantawid Pamilyang Pilipino Program (4Ps) in response to economic shocks, using data from the program's fourth impact evaluation (IE4). We document the prevalence of shocks, including illness, job loss, disasters, and harvest failures, and describe the primary mechanisms households deploy in response, such as borrowing, changes in consumption, selling or pawning assets, and seeking additional employment. We assess whether participation in social protection programs moderates shock-related welfare losses, with particular attention to the risks households face when accessing informal lending channels and using productive assets or property as collateral for loans. The findings provide evidence on the protective role and residual gaps of social insurance in a low-income setting and have direct policy implications for the design of complementary safety-net interventions.

Session A5.
Competition in the Face of Disruption: Evidence for Better Market Outcomes (PCC Session)

Rockets and Feathers: Assessing Price Dispersion in Philippine Retail Gasoline Prices

Carlos Juan Paolo L. Vega, Karl Robert L. Jandoc, Carlos L. Tolentino II, Emmanuel Viktor R. Guiam, Antonio Miguel S. Ventura, Diego Martin R. Romero, and David Paul C. Arzadon
Philippine Competition Commission

Retail fuel prices transmit external oil and exchange-rate shocks to household transport costs, business logistics, and inflation. A common concern is asymmetric adjustment: stations may pass cost increases through rapidly ("rockets") but reduce prices more slowly or incompletely after cost declines ("feathers"). Further, if stations differ in the timing or size of their response, a common cost shock can also change the spread of prices faced by consumers within the same local market.

This proposal integrates the time-series question of asymmetric pass-through with the cross sectional question of price dispersion. We first use an asymmetric distributed-lag model on weekly prices to estimate responses by station-level gas prices to positive and negative fuel input shocks. We then construct different price dispersion measures to estimate their changes after each initial shock. The combined design can show whether delayed rollbacks leave particular stations persistently above their local market median and whether those patterns vary across brands, fuel types, and cities.

The study connects macro price-transmission phenomenon to observable retail-market conduct. It treats dispersion as a possible consequence of heterogenous adjustment rather than evidence of market power. It aims to provide information useful for price monitoring and competition advocacy.

Motorcycle (MC) Taxi Market Study

Samantha Louise S. Nepomuceno, Roxanne B. Ballo, Margarita D. Movido, Gwyneth Mae R. Ramos, Atty. Georgavi Irah F. Talamayan, Denise A. Valdez
Philippine Competition Commission

This study examines the competitive landscape of the Philippine motorcycle (MC) taxi market, focusing on ride-hailing application (RHA)-based MC taxis. The study defines the relevant market and evaluates competition under two scenarios: (1) a policy-defined scenario based on existing pilot study regulations and proposed legislative provisions, and (2) a policy-neutral scenario that assesses market outcomes in the absence of these restrictions. The study finds that RHA MC taxis and habal-habal services belong to the same relevant product market due to demand- and supply-side substitutability, while other transport modes, such as tricycles, jeepneys, buses, taxis, and four-wheeled transportation network vehicle services, are not close substitutes. Competition is assessed from both the

passenger and rider sides of the market, reflecting the two-sided nature of RHAs. Four key competition issues are identified: limits on the number of RHAs, rider caps, restrictions on rider multihoming, and fare-setting mechanisms, which may restrict entry, constrain supply, weaken competition, and reinforce platform network effects. To improve market outcomes, the study recommends transitioning to a permanent regulatory framework that reduces barriers to entry and formally allows qualified MC taxi providers to operate; replacing rider caps with a less restrictive supply-determination mechanism; permitting rider multihoming subject to appropriate safeguards; and reviewing fare-setting rules to balance consumer protection with competitive market outcomes.

Competition Impact Assessment of the Green Energy Auction Program (GEAP)

Emmanuel Viktor R. Guiam, Gwyneth Mae R. Ramos, Diego Martin R. Romero, Hanna Grace S. Verches
Philippine Competition Commission

This Competition Impact Assessment (CIA) evaluates the design and implementation of the Green Energy Auction Program (GEAP) under DOE Circular No. DC2021-11-0036. As the Philippines' primary mechanism for increasing renewable energy (RE) generation and achieving national RE targets, GEAP seeks to promote investment and secure competitive electricity prices through an auction. The CIA examines whether the program's rules and mechanisms support effective competition in the energy sector. While GEAP generally aligns with its policy objectives, the study identifies three areas with potential anti- competitive implications: (1) the per-grid allocation framework, which may limit participation by RE developers across island groups; (2) inconsistencies in the determination of Green Energy Auction Reserve (GEAR) prices, which may restrict bidder participation; and (3) the disclosure of GEAR prices and the conduct of pre-bid conferences, which may facilitate bidder coordination. The study recommends refinements to auction design and pricing mechanisms to strengthen competition, broaden participation, and improve market outcomes.

Estimating Average Treatment Effects on the Treated: Evaluating the Impact of Maximum Retail Price Policy on Sales of Antidiabetic Drugs

Carlos L. Tolentino II
Philippine Competition Commission

Considering the need to improve Filipinos' access to healthcare, price regulation was imposed on drugs that were identified by the Department of Health to have been priced higher relative to their foreign counterparts and were facing limited competition from generic alternatives. However, binding price caps may reduce quantity sold under competitive market conditions.

This study is an empirical evaluation of the impact of the Maximum Retail Price (MRP) policy on the quantity sold of price-capped antidiabetic drugs in the Philippines. Using national sales audit data and implementation of the difference-in-differences framework, the analyses in this paper examine whether product-specific price caps led to changes in quantity sold relative to the counterfactual where no price caps are imposed.

Two-way fixed effects estimation shows average treatment effects on the treated that are marginally significant and are positive at around 30 percent increase relative to the counterfactual. Extending the two-way fixed effects analysis to distinguish products with limited alternatives, however, shows that policy effects appear to be concentrated among this group of drugs. By interacting the treatment term with a low-alternatives indicator, there is an implied increase of more than a 140 percent in quantity sold. These suggest that market structure plays an important role in shaping policy outcomes.

The observed heterogeneity in results likely stems from the varying "intensity" of the continuous treatment variable. Considering heterogeneity among covered drugs in terms of policy induced price reduction from pre-policy prices, the limitations of conventional two way fixed effects models motivated this study to adopt recent advances in differences-in differences methods. This study's implementation is by way of grouping drug products into treatment-intensity bins corresponding to effective price reductions implied by the mandated price caps.

The intensity-specific estimates indicate that for antidiabetic drugs with price reductions that are in the range of 0 to 5 percent, there was an associated increase in quantity sold of around 74 percent relative to the control group. Meanwhile, for drugs that had price reductions of between 6 and 20 percent, increase in quantity sold relative to the comparison group is estimated at around 138 percent. For drugs with percent price reductions of around 21 to 50 percent reduction, quantity sold increased by 61 percent relative to the control group. Comparison across treatment-intensity bins, however, is not meaningful without the required strong parallel trends assumption, which in this setting is not plausible.

Overall, the findings provide reduced-form evidence that pharmaceutical price regulation can be associated with higher observed sales on covered drugs, with effects conditional on competitive conditions in the market and the effective magnitude of the price reduction.

Session A6.
What Else is There to Know about Health, Productivity, Lifelong Outcomes, and Education? Evidence from Cross-country Data, Surveys, Longitudinal Data, and Randomized Experiments

A Multicountry Analysis of the Direct and Indirect Effects of Health on Labor Productivity and the Nonlinear Effects of Labor Productivity on Health

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My dissertation investigates the direct and indirect effects of health on labor productivity, as well as the nonlinear reverse feedback effects of labor productivity on health. Utilizing a balanced macro-panel of 111 countries observed across four sequential five-year periods (2000–2015; 373 system observations), the study models these dynamic interdependencies within a unified, simultaneous five-equation econometric framework. To address structural endogeneity, cross-equation error correlations, and time-invariant unobserved cross-sectional heterogeneity without losing institutional variables, the system employs a Mundlak-Chamberlin Correlated Random Effects (CRE) System GMM framework estimated via a two-step procedure with Heteroskedasticity and Autocorrelation Consistent (HAC) Bartlett kernel inferences.

The empirical findings reveal that the direct elasticity of health (measured by life expectancy at birth) on labor productivity is positive but statistically insignificant, indicating that direct physiological stamina gains alone do not serve as the primary driver of national output per worker once concurrent factor accumulation is controlled for. Instead, the impact of health on labor productivity operates overwhelmingly through indirect structural factor-accumulation pathways: physical capital deepening, human capital in the form of education accumulation, and demographic dynamics.

Health exerts a positive and statistically significant indirect effect on labor productivity through physical capital stock, accounting for 84.81% of the total indirect effect. Longer planning horizons expand domestic savings and capital per worker. Health exhibits a statistically significant negative short-to-medium-term indirect effect through education. Rapid epidemiological transitions and child survival gains can trigger cohort overcrowding and strain educational infrastructure when expansion is uncoordinated. Health demonstrates a positive and statistically significant indirect effect through population dynamics by reducing fertility and mitigating demographic capital thinning. Combining these channels yields a statistically significant total indirect elasticity of 0.0735 and total structural elasticity of 0.0787, demonstrating that a 10% increase in life expectancy raises labor productivity by 0.787%.

Evaluating the reverse feedback dynamics from labor productivity to health confirms a concave, nonlinear Preston Curve structure. Evaluated at the sample mean, a 1-unit increase in log labor productivity increases life expectancy by 4.442 years ($p<0.001$). The quadratic turning point vertex where marginal health returns reach zero is estimated at $\ln y^* = 6.6826$ ($798.42 USD per worker). Because 100% of the active panel observations operate above this threshold, all sample economies reside on the diminishing-returns segment of the Preston Curve.

These results demonstrate that health enters macroeconomic growth dynamics not as an immediate direct input, but as a structural catalyst for factor accumulation and capital deepening. My dissertation recommends that fiscal authorities reclassify health expenditures from non-productive consumption into productive capital investments, explicitly synchronizing health interventions with domestic financial market development, educational capacity expansion, and targeted public health programs.

Socioeconomic Status, Dietary Patterns, and Health Indicators Among Filipinos: Evidence from the Expanded National Nutrition Survey

Aaron Recio Sablay and Alellie B. Sobreviñas
De La Salle University–Manila

The Philippines faces the double burden of malnutrition, characterized by persistent undernutrition among vulnerable sectors alongside rising rates of overweight, obesity, and chronic disease risk. Using data from the 2018-2021 Expanded National Nutrition Survey by DOST-FNRI, this study examines how socioeconomic status and dietary patterns are associated with health outcomes. Particularly, this study uses Body Mass Index (BMI) as the primary outcome variable, while other clinical indicators such as blood pressure, blood glucose, and cholesterol levels serve as supplementary measures of health status or chronic disease risk. Using individual and household-level ENNS variables, this study will analyze how income, education, employment, household conditions, food intake, and behavioral factors like exercise and smoking are related to BMI and other clinical indicators. The potential results from this study may help identify vulnerable demographic groups and show whether socioeconomic and dietary differences are related to variations in health outcomes.

Early Childhood Morbidity and Later Human Capital: Accumulation vs. Sensitive Period Evidence from the Cebu Longitudinal Health and Nutrition Survey

Francine Ysabel Gañgan and Marites M. Tiongco
De La Salle University–Manila

Early childhood morbidity has important implications for human capital formation, yet little is known about whether later-life outcomes are better explained by its accumulation or timing across developmental stages. Distinguishing between these life course concepts matters because they imply different policy priorities: accumulation suggests sustained reductions in childhood morbidity, whereas sensitive periods

imply age-targeted interventions. Using bimonthly morbidity data during ages 0 to 2 in the Cebu Longitudinal Health and Nutrition Survey, we operationalize morbidity through the count, occurrence, and duration of symptoms, from which cumulative and stage-specific measures are derived. We estimate their associations with cognitive and schooling outcomes using linear regression models with barangay fixed effects and child, maternal, household, and environmental controls. We then compare empirical support for accumulation and sensitive period models. The study is expected to provide policy-relevant insights into the design and timing of health interventions in the Philippines and similar high-morbidity, resource-constrained settings.

Learning with Friends: Examining Peer Interactions in a Khan Academy Intervention in Public Elementary Schools

Stella Quimbo, *Former Professor, University of the Philippines School of Economics and former Member, House of Representatives*
Lupe Quimbo, *St. Pedro Poveda College*
Michael Abrigo, *Philippine Institute for Development Studies*
Majah Leah Ravago, *Ateneo de Manila University and SEAMEO INNOTECH*
Xylee Javier, *Asian Development Bank*

We examine whether students' use of the Khan Academy (KA) platform—individually or alongside classmates—is associated with learning outcomes. Building on a randomized experiment in seven public elementary schools in Marikina City, we combine friendship network data and laboratory usage logs to identify concurrent KA use among friends.

Eight of ten peer measures were positively and significantly associated with use of KA platforms or Math scores, suggesting that peer interactions may enhance technology-assisted learning.

Leveraging friendship networks may accelerate technology adoption, improve the cost-effectiveness of digital learning platforms, and highlight the benefits of collaborative rather than isolated learning environments.

Session A7.
Consumption Behavior and Household Welfare

Can We Consume Our Way to Prosperity? Job Quality and Household Consumption Sophistication in the Philippines

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The Philippines is one of the world's most consumption-driven economies, with household spending accounting for more than three-quarters of gross domestic product. Yet persistent informality, employment insecurity, and uneven structural transformation raise questions about whether consumption-led growth translates into broad-based improvements in welfare. This paper introduces a multidimensional measure of household consumption sophistication that classifies expenditures into the categories of subsistence, basic protection, household upgrading, capability-building, and contractual or lifestyle. Using linked Family Income and Expenditure Survey and Labor Force Survey data, we examine how job quality shapes the composition of household demand. We find substantial heterogeneity in consumption patterns across income groups, regions, and employment arrangements. Households headed by workers in stable, higher-quality jobs allocate significantly larger shares of their expenditure to capability-building and contractual consumption, whereas precarious employment is associated with a persistent concentration of spending on subsistence. The findings suggest that labor-market upgrading constitutes an important mechanism through which households translate income growth into economic security, middle-class formation, and long-run development. More broadly, the paper argues that consumption sophistication provides a useful demand-side indicator of structural transformation in developing economies.

Status Signaling or Social Networking? Examining the Determinants of Special Occasion Spending and its Trade-offs with Human Capital Investment Among Poor Filipino Households

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Households in developing nations have been observed to spend large sums of money on special occasions such as weddings, funerals, and festivals, with Filipino households spending an average of 1.7 years' income on a single wedding. This study examines whether such spending is driven by status signaling–the desire to avoid hiya (shame) through visible consumption–or social networking, where spending on special occasions strengthens utang na loob (debt of gratitude) as a risk-sharing mechanism. The study uses the 2023 merged Family Income and Expenditure Survey and Labor Force Survey (FIES-LFS) of the Philippine Statistics Authority to test both hypotheses. Using Tobit regression, the estimates show that relative income and gift share (proxies for social status and social network reliance, respectively) significantly and simultaneously drive special occasion spending across all model specifications, with the effect most pronounced among rural households. The study further investigates whether this spending trades-off against human capital investment among poor households using a Seemingly Unrelated Regression framework. The results reveal a statistically significant but limited negative association between special occasion spending and both education and health expenditure shares, suggesting a real but modest crowding-out effect. These findings offer policy-relevant insight into the informal social and economic mechanisms poor Filipino households rely on, and their implications for human capital accumulation,

informing targeted interventions in rural credit access and household financial literacy.

Traces of Gentrification Exist in Secondhand Clothing?: A Further Deep-Dive Digging into the Pile of Ukay-Ukay in the Philippines

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Development Academy of the Philippines

Secondhand clothing has been creating a subculture and an economic sub-sphere in both the microeconomic and microeconomic aspects of the Philippine economy. By looking at the socioeconomic evolutions brought forth by increased digitization of economic and social areas of society, secondhand clothing markets have also been subjected to, and reacted upon these innovations. We look at both the positive and negative effects of digitization, as a focal and fundamental innovation of these markets, especially accelerated during the onset of the Covid-19 pandemic, and proceeded with greater importance in this "next normal". Given the investigations via literature and available economic data, we find evidences of possible gentrification, not only limited to the introduction of digitization, but also convoluted to the social responses to digitalization in economic and social dimensions of these markets. Despite the multifaceted nature of the market for secondhand clothing in the Philippines, the decades-old subculture of the Philippine society has created a niche in the relevant industries, markets, and sectors of the macroeconomy via its active microeconomic agents. Finally, we propose policy directions given technological developments, social movements, and economic trends that will be beneficial not only to the stakeholders, but also to the emerging landscape of this economic sector, while working at the backdrop of a loose politico-legal regulation of consuming and resale of these secondhand articles.

Fast Times at Gridlock High: The Malling of Metro Manila and Its Mobility and Welfare Effects

Terry II R. Culpepper
Harvard University

Shopping malls in Metro Manila serve as private substitutes for public infrastructure, bundling groceries, banks, government offices, clinics, entertainment, church, and more under one roof. This paper develops a structural urban model with preferences over mall and street retail, endogenous mall entry, trip chains, and endogenous traffic congestion to evaluate the welfare and mobility effects of mall construction. Using smartphone location data for hundreds of thousands of devices and GPS traffic data covering every road segment in Metro Manila, I estimate the model and find that malls reduce consumer prices by 10% but generate large cross-city traffic spillovers: major malls reduce speeds by 8.8% in adjacent municipalities. I find optimal locations for new mall construction. I then show that due to cross-city mall externalities, Metro Manila's 17 politically fragmented cities systematically misplace malls relative to a coordinated metropolitan optimum. A planned mall visitor survey will further validate the structural estimates.

PLENARY SESSION II

The Philippine Economics Education Roadmap: Findings, Priorities, and Next Steps

Economics education in the Philippines is facing new demands brought about by changes in the economy, labor market, technology, public policy, and the broader development landscape. At the same time, economics programs across the country differ significantly in terms of faculty capacity, curriculum, student demand, resources, and institutional support.

The Economics Education Roadmap of the Philippines was developed to better understand these realities and identify directions for strengthening economics education in the country. The Roadmap draws from nationwide stakeholder surveys, consultations with economics educators and institutions across Luzon, Visayas, and Mindanao, and an assessment of how economics is currently taught in Philippine higher education institutions.

The session aims to present the key findings and strategic directions of the Economics Education Roadmap, and discuss the major challenges and emerging needs of economics education in the Philippines. It will likewise identify possible areas for collaboration and action among universities, professional organizations, government, and other stakeholders.

SIMULTANEOUS SESSIONS B

Session B1. Education, Human Capital, and Social Development

How Much Do Students Learn in a Year? New Evidence from Philippine Public Schools

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Philippine Institute for Development Studies

The lack of benchmark estimates of annual learning gains in the Philippines limits the evaluation of education policies, interpretation of intervention effects, and monitoring of post-pandemic recovery. This study estimates learning gains in literacy and numeracy among elementary and secondary students and examines variation across school contexts and time. Using nationwide data from the Comprehensive Rapid Literacy Assessment (CRLA) and Rapid Math Assessment

(RMA) for School Years 2023–2024 to 2025–2026, covering approximately 40,000 public schools, the analysis relies on aggregate shares of students across five proficiency categories. The study recovers continuous achievement measures using an ordered response framework and cumulative distribution function matching, complemented by value-added model (VAM) analysis. Learning gains are computed as changes in standardized mean achievement and analyzed using descriptive and regression methods. The study provides the first national benchmarks of learning gains and offers evidence to inform policy, resource allocation, and system monitoring.

Can Filipinos Follow the Economy? Public Understanding of Economic News and Its Democratic Implications

Patricia Marcella Evite
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Nathaniel Noya
Torrens University Australia/Ekonsepto
Axl Fitzgerald Bulawan
Chulalongkorn University/Ekonsepto
Emmanuel Genesis Andal, Emmanuel Gigantone, and Bianca Peachy Sanico
University of the Philippines Los Baños
Joyce Sumayod
University of the Philippines Tacloban/Ekonsepto,
Cleve Arguelles, *De La Salle University*

Economic issues shape everyday life in the Philippines, yet public discussions of the economy often remain technical and difficult for many citizens to follow. Using a nationally representative weighted dataset from the WR Numero Philippine Public Opinion Monitor (n=1,729), this study examines economic literacy through two author-developed survey items measuring exposure to economic news and self-reported understanding of that news. Fielded in October 2024, the study draws on computer-assisted personal interviews and applies weighted descriptive statistics, cross-tabulations, chi-square tests, Cramér's V, and Spearman's rho across income class, generation, voter type, partisanship, and location. Findings show clear inequalities in exposure and perceived comprehension, with greater confidence concentrated among higher-income and more politically engaged respondents. These patterns suggest that inaccessible economic communication can reinforce unequal civic participation and weaken democratic inclusion in the Philippines.

Choosing a 'Boss': A Conjoint Experiment on Identity, Qualifications, and Leadership Preferences in the Philippines

Melisa M. Fabella-Esmalla
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Immediate supervisors play a central role in allocating tasks, evaluating performance, and shaping workers' access to promotion and other internal labor-market opportunities. Yet preferences for supervisors may reflect not only job-relevant qualifications but also social identities, potentially limiting equitable access to leadership positions. This study examines preferences for immediate supervisors using a conjoint experiment in which respondents selected between hypothetical boss profiles varying in gender identity, sexual orientation, leadership traits, age, education, religion, and managerial experience. Average Marginal Component Effects and relative-importance estimates were used to identify the characteristics most strongly associated with supervisor choice. Profiles describing transgender men and transgender women received less favorable evaluations than the reference gender category, whereas cisgender women showed little difference from cisgender men. Relationship-oriented leadership traits, older working-age profiles, and postgraduate education were generally associated with more favorable evaluations. Sexual orientation had comparatively lower importance, although gay and lesbian profiles showed a modest negative tendency. The findings indicate that preferences for workplace supervisors are shaped by both professional qualifications and identity-related characteristics, highlighting potential barriers to inclusive leadership for gender-diverse individuals.

Session B2.
Inflation Dynamics and Monetary Policy Responses

A Regime Switching Model for Inflation with Time-Varying Transition Probabilities

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Bangko Sentral ng Pilipinas

This paper develops a Markov-switching inflation model with time-varying transition probabilities (TVTP) for the Philippines and evaluates its usefulness as a policy-oriented surveillance tool. Building on the TVTP framework, the preferred specification augments the regime-dependent mean with an autoregressive distributed lag (ARDL) structure to capture within-regime inflation dynamics while allowing transition probabilities to respond to cost-push factors. Relative to fixed-transition Markov-switching benchmark, the TVTP specification delivers clearer regime identification and more interpretable switching behavior. In this paper, the model is estimated over 2015–2024, a period when the BSP adopted a constant 3 percent inflation target. The ARDL-like mean equation results indicate that the above-target/high-inflation regime is more shock-driven (higher volatility) but exhibit stronger corrective dynamics. On the other hand, the below-target/low-inflation regime has less volatility and shows greater inertia, consistent with state-dependent inflation propagation. In the transition equations, the covariates act as genuine triggers rather than merely doing the classification work. Rice-price movements are most relevant for pushing the system out of below target/low inflation state, while the opposite sign in the above target/high-inflation regime is consistent with episodic policy interventions that help dampen rice-price driven inflation spikes. Meanwhile, higher oil price inflation makes the low-inflation regimes less likely

overall. It does this by reducing the probability of switching to low-inflation state from the high-inflation state while also raising the odds of exiting the low-inflation state. Finally, model evaluation shows that historical fit is reasonably strong, but out-of-sample performance weakens under real-time conditions. Discrimination remains meaningful but declines out-of-sample, and threshold choice mainly functions as a surveillance dial.

Second-round Effects and Asymmetry: Impact of Oil Price Shocks on Emerging Market Inflation

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Successive supply shocks drove inflation to historically high levels in many emerging economies between 2021 to 2023. Central banks need to assess both direct and indirect pass-through of supply shocks to domestic prices in crafting an effective policy response. We estimate the effects of global oil price shocks using the local projections methodology and examine pass-through asymmetries across various heterogeneous characteristics for emerging economies. Our results show significant and persistent direct and second-round effects to a global oil price shock, with greater response from emerging economies. The heterogeneity results suggest a lower pass-through in economies characterized by greater central bank independence, more flexible exchange rate arrangements, and established fiscal rules. Both the direction and persistence of oil shocks matter, as households and firms may find frequent adjustments costly. Finally, high inflation environments with de-anchored expectations, along with depreciating and volatile exchange rates, amplify the inflationary impact of oil price shocks.

Measuring the Pass-through of BSP Policy Rate Adjustments to Bank Lending and Deposit Rates

Eduard Renzo D. Santos, and Jasmin E. Dacio,
Bangko Sentral ng Pilipinas

This study assesses the passthrough of BSP target reverse repurchase (RRP) rate adjustments to bank lending, deposit, and internal fund transfer pricing (FTP) rates in the Philippines. Using weekly bank interest rate data, the analysis applies autoregressive distributed lag (ARDL) bounds testing approach and an error correction model (ECM), complemented by a panel error correction model for monthly fund transfer pricing data. Results show significant but uneven passthrough across market segments. Lending rates exhibit broadly complete long-run passthrough, led by corporate loans, while consumer loan rates remain stickier. Deposit rate passthrough is strongest for time deposits, with savings and demand deposits rates remaining rigid. Fund transfer pricing rates respond strongly across maturities, confirming transmission to banks' internal pricing benchmarks. Recent reserve requirement ratio reductions show no statistically significant direct effect on lending or deposit rates. Overall, the findings affirm the BSP policy rate's role as the main pricing signal for bank rates, while highlighting the role of product-specific frictions, competition, and credit risk in shaping monetary transmission.

NLP-Based Sentiment Analysis of Bangko Sentral ng Pilipinas Speeches as Signals and Predictors of the Philippine Interest Rate Movement

Chrislyn Ann M. Mañero, Emrick James A. Panganiban &
Katrina Isabelle B. Serafica,
Scott Lee Chua, Richell Isaiah S. Flores
Ateneo de Manila University

This study examines whether tones extracted from Bangko Sentral ng Pilipinas (BSP) Governor speeches through Natural Language Processing (NLP) carry predictive information about short-term Philippine interest rates. Using 676 official BSP speeches, tone was extracted via dictionary-based models and transformer-based models, with EconoBERT identified as the most reliable classifier for BSP-specific language. Tone measures were analyzed alongside seven macroeconomic variables using OLS regression and a multi-model forecasting framework across expanding and rolling estimation windows, with the Interbank Call Loan Rate as the target variable over 227 monthly observations. Results show the model incorporating the speeches' negative tone achieves an adjusted R^2 of 11.86%, providing incremental explanatory power of 1.21 percentage points beyond the macro-only baseline. In forecasting, negative tone consistently reduced forecast error under long cross-cycle estimation windows. These findings suggest BSP communication contains predictive information that may help signal market expectations before formal policy action is taken.

Session B3.
Will the Finance Sector Please Step Up? Agriculture and Fisheries Need You!

Effects of Predatory Loans on the Welfare of Sari-sari Store Owners in Selected Barangays in Hermosa, Bataan, 2026

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Charis Mae T. Neric, Jan Danica S. Asma
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Predatory loans have become a growing financial concern among small and microentrepreneurs, particularly sari-sari store owners in rural areas who often experience limited access to formal financial institutions. Data were gathered through personal interviews using structured questionnaires administered to 95 sari-sari store owners in Hermosa, Bataan. The study found that internet access increases exposure to predatory loans. In addition, sari-sari store owners who availed predatory loans were found to be less likely to exhibit positive

empowerment in terms of decision making, self-confidence, and access to financial services. Respondents who diverted the use of loans for debt repayment and household consumption are found to be driven by income instability. Overall, findings showed that the reliance on predatory loans negatively affects the financial stability, empowerment, and overall welfare of sari-sari store owners.

Determinants of Digital Adoption and Its Influence on Availment of Financial Services Among Multi-purpose Cooperative Members in San Jose Del Monte, Bulacan, 2026

Ivan Lloyd A. Nabua, Ruby Jane C. Estadilla, Jaymee A. Cabangbang, Bianca Peachy T. Sanico,
University of the Philippines Los Baños

With the growing role of digital platforms in promoting financial inclusion, understanding the factors that drive or hinder digital adoption within cooperative institutions is critical, particularly for underserved populations who rely heavily on cooperatives for financial access. A total of 69 randomly selected multi-purpose cooperative members in San Jose Del Monte, Bulacan were surveyed. Findings of the study revealed that younger members are more inclined to adopt digital platforms. Members generally hold positive perceptions toward the usefulness and ease of use of digital platforms, and adopters were found to have lower effective transaction costs compared to non-adopters. Finally, members who adopt digital platforms incur significantly lower costs per transaction, with membership years also contributing to lower transaction costs which may be attributed to accumulated experience in navigating cooperative processes.

Effects of Digital Financial Literacy on Micro-entrepreneurs' Intentions to Use Digital Savings in Calauan, Laguna Using Structural Equation Modeling, 2025

Ryan Dale C. Vargas, Jaymee A. Cabangbang, Hazel Beatrice E. Samson, Bates M. Bathan
University of the Philippines Los Baños

Micro-enterprises are significant contributors in rural economies; thus, financial access to this sector is a priority. With the digitalization of the financial system, digital savings have emerged as a tool to bolster savings mobilization in rural communities. This study examined factors influencing intention to use digital savings among micro-enterprise decision-makers in Calauan, Laguna. Results showed most respondents were female (70%), aged 27–42 (43%), and high school graduates (81%). Age and educational attainment predicted DFL, while age, education, and business experience determined knowledge of digital savings. Evaluation using the framework of Combined Technology Acceptance Model and Theory of Planned Behavior revealed perceived usefulness (PU) as the strongest influence on intention, followed by subjective norm (SN) and perceived behavioral control (PBC), while perceived risk (PR) and attitude toward use (ATU) were non-significant. Only DFL moderated PU's effect on intention. Recommendations included targeted DFL programs and messaging to increase PU.

Analysis of Credit Needs and Demand Side Credit Constraints of Small Scale Fisherfolk Engaged in Municipal Fisheries in Orion, Bataan, 2026

Jheana Mae P. Estrada, Jaymee A. Cabangbang, Bianca Peachy T. Sanico, Jan Danica S. Asma
University of the Philippines Los Baños

The Philippine fisheries sector, a livelihood source for nearly two million fisherfolk, continues to be marked by persistent poverty, with fisherfolk recording the highest poverty incidence (30.6% in 2023). Small-scale municipal fisherfolk face vulnerabilities from income seasonality, limited assets, and restricted access to formal financial services. This study argued that the gap is not solely supply-side but substantially demand-side, shaped by perceptions, circumstances, and behavioral responses to imperfections in rural credit markets. The study analyzed credit needs and constraints of 94 fisherfolk in Orion, Bataan. Results confirmed significant credit needs: shared boat users required higher capital to transition to ownership, while boat owners' needs arose during the low catch season ("sanaang"). Willingness to apply for credit was positively influenced by fairness, accessibility, and fear of rejection, but negatively by complex procedures.

Session B4.
Climate Risks, Resource Security, and Resilience

Heat, Cooling Demand, and Climate Commitments: Evidence on Residential Electricity and Water Consumption from Philippine Household Survey Data

Emmanuel Genesis T. Andal, Jaimie Kim B. Arias, Rowena A. Dorado, Deborah B. Gay, and Asa Jose U. Sajise
University of the Philippines Los Baños

This study examines the relationship between temperature exposure and household electricity and water consumption. Employing cross-sectional household survey data from the 2023 Family Income and Expenditure Survey (FIES) merged with contemporaneous Philippine climate data obtained through geographic information systems (GIS) to estimate a quadratic almost ideal demand system (QUAIDS), the study estimates temperature responsiveness of residential electricity and water expenditures across income groups. The study contributes to climate adaptation literature by exploring whether rising temperatures induce heterogeneous adaptation strategies, with lower-income households relying more on water consumption for thermal comfort whilst higher-income households increase electricity use through cooling technologies, informing energy planning, water resource

management, and measures to achieve the country's climate change mitigation goals. The study finds that households in all income groups increase the share of water in total expenditure as response to temperature increases, but only low-income households reduce their expenditure share of electricity as response.

Tracing Public School Building Vulnerabilities Along Typhoon Tracks

Edmar E. Lingatong and Michael R. M. Abrigo
Philippine Institute for Development Studies

This study examines how typhoon exposure shapes the vulnerability of public school buildings nationwide. Using panels of the DepEd's National School Building Inventory (NSBI), logistic regression is used to model the probability that a building is classified for condemnation. Baseline probabilities are estimated with vulnerability controls. The probabilities are re-estimated, incorporating typhoon exposure indicators from the International Best Track Archive for Climate Stewardship (IBTrACS), namely, typhoon frequency and cumulative maximum wind speed per building, derived through QGIS buffer-zone modeling. These indicators are assessed alongside administrative (building type), structural (material, age, repair history), amenity (water, electricity, WASH access), and socioeconomic controls (poverty incidence, demographic profiles). Subgroup analysis is done to examine heterogeneity across exposure types and ranges. The findings highlight areas with buildings still at risk of disrepair after accounting for exposure and vulnerability controls, producing a map to guide resource allocation toward school communities in most need of it.

Coastal Households' Preferences for Coastal Resource Conservation: A Case in Southern Iloilo

Cortan Matt G. Lozarita, Seth A. Arac, Hailey Leanne M. Chu, Georgia Sophia Alexia R. Cuajotor, Gwyneth Hilary C. Dequiña, Mariz Nicole C. Guanco, Jons Stephen F. Hije, Hedda May Victoria H. Leonor, Trisha Jean T. Lozano, Paula Mae E. Sandoval, Kirby Bryan J. Sombero, and Rodelio F. Subade, *University of the Philippines Visayas*

Coastal ecosystems provide essential services but are often undervalued because many of their benefits are not reflected in markets. Anchored in the Total Economic Value framework and Random Utility Theory, this study estimated residents' willingness to pay (WTP) for coastal resource conservation in the coastal barangays of Kirayan Norte, Kirayan Sur, and Guibongan, Miagao, Iloilo. Using the Contingent Valuation Method with a Single-Bound Dichotomous Choice format, data were collected from 292 households. Results showed that 59.25% of respondents were initially willing to pay, although this declined to 42.12% after certainty correction. The corrected mean WTP was estimated at Php 105.10, generating a potential annual conservation fund of Php 155,128.73. Higher income, educational attainment, and environmental knowledge significantly increased WTP, whereas higher bid amounts and older age reduced WTP. These findings support participatory and financially sustainable coastal conservation initiatives, including localized Payment for Ecosystem Services mechanisms.

Transition Finance, Sustainable Taxonomy, and Climate Policy: A Three-Sector Environmental DSGE Framework for the Philippines

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This paper develops a simple taxonomy-consistent environmental dynamic stochastic general equilibrium (E-DSGE) framework for the Philippines. Building on models of climate policy with financial frictions, the paper replaces the binary Green--Brown structure with a three-sector classification: Green, Amber, and Red. The key analytical contribution is the inclusion of the Amber sector, which is initially emissions-intensive but has a credible pathway to reduce emissions intensity when transition finance and technology adoption are targeted to decarbonization. The model imposes a government budget constraint, uses an Amber-sector emissions-intensity function, distinguishes abatement effort from emissions, and represents the banking block as a fixed-share financial accelerator. The paper shows how sustainable finance taxonomies can be embedded into macro-financial climate modeling and identifies the conditions under which transition finance lowers emissions without creating fiscal or financial accounting inconsistencies. The main implication is that Amber-sector support is transition-consistent only when it is explicitly linked to technology adoption or other measurable reductions in emissions intensity; otherwise, transition finance may expand output in an emissions-intensive sector without delivering environmental gains. The reported exercises are implemented as first-order impulse responses to a common carbon-tax innovation, so the paper interprets differences across scenarios as consequences of alternative fiscal-recycling rules rather than as forecasts or welfare rankings.

Session B5.
The Economics of Aging, Family Support, and Intergenerational Well-Being in the Philippines

Does Proximity to Children Affect Healthcare Utilization Outcomes Among Older Adults in the Philippines?

Erin Therese D. Ramos, Miranda Marie Beatrice V. Samson, and Karl Robert L. Jandoc
University of the Philippines School of Economics

This study examines whether proximity to children influences healthcare utilization among older adults in the Philippines. Using nationally representative data from the 2018 Longitudinal Study of Ageing and Health in the Philippines (LSAHP), the analysis investigates how three tiers of proximity (co-resident, same barangay, and outside barangay) are associated with inpatient care, outpatient care, and unmet need for healthcare. Guided by Andersen's Behavioural Model of Health Service Use,

logistic regression models sequentially adjust for predisposing, enabling, and need factors. Results show that having a child living in the same barangay increases the odds of inpatient utilization relative to co-residence, suggesting that nearby children may facilitate access during acute health events. For outpatient care, proximity effects diminish after full adjustment, though men with same-barangay children exhibit lower utilization. Proximity does not significantly predict unmet healthcare needs. Across outcomes, health status indicators, particularly chronic diseases and functional limitations, are the strongest determinants of utilization, while socioeconomic disparities, especially wealth, substantially influence outpatient use and unmet need.

Additionally, gendered patterns emerge in the role of proximity: having a son in the same barangay is associated with higher inpatient use among older men and women and lower outpatient use among older men. Overall, the findings highlight that while proximity offers some advantages, healthcare use among Filipino older adults is shaped more strongly by health needs and socioeconomic resources. The results underscore the importance of strengthening formal healthcare access and support systems alongside family-based care.

Intergenerational Consequences of Teenage Motherhood: A Sequential Mediation Analysis of Educational Pathways in the Philippines

Julia Kirsten N. Rivero Andrew Gabriel T. Tato,
and K,arl Robert L. Jandoc
University of the Philippines School of Economics

This study examines the long-term intergenerational effects of teenage motherhood in the Philippines by analyzing how teenage motherhood influences their children's adult fertility and occupational outcomes. Using data from the 2018 Longitudinal Study of Ageing and Health in the Philippines (LSAHP), the analysis applies inverse odds ratio weighting (IORW) to estimate total, direct, and sequentially mediated effects through maternal and child educational attainment. Results show that children of teenage mothers have more than twice as many children as those of non-teenage mothers, with education-mediated pathways explaining 31.7% of this association. For occupational outcomes, children of teenage mothers are 36% less likely to enter white-collar jobs, and this disadvantage is transmitted almost entirely through maternal and child education. Unlike the fertility results, the occupational outcome models retain a statistically insignificant direct effect, indicating that education is the primary contributor to better occupational skills among children of teen mothers. By identifying a sequential intergenerational pathway operating primarily through educational attainment, the study provides new evidence from a high-adolescent-fertility context and highlights the importance of supporting educational continuity for young mothers and their children to reduce occupational disadvantage and narrow intergenerational inequality.

The Association Between Child Loss and Health Decline From Circulatory Diseases Among Bereaved Parents: A Survival Analysis

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and Karl Robert L. Jandoc
University of the Philippines School of Economics

This study examines the association between child loss and the timing of health decline among older parents in the Philippines. Using data from the Longitudinal Study of Ageing and Health in the Philippines (LSAHP), the analysis applies a Cox proportional hazards model to estimate how parental bereavement is associated with the risk of developing circulatory diseases over time. We explore the timing of adverse health outcomes of bereavement by modeling loss of a child as a time-varying covariate. Health decline is measured by the onset of circulatory diseases, including heart disease, cerebrovascular disease, and high blood pressure.

Results indicate that parental bereavement is significantly associated with earlier health decline. The hazard of circulatory disease onset was 55% higher (HR=1.55) among bereaved parents than non-bereaved parents. Kaplan-Meier estimates show that differences in health trajectories begin to emerge at around age 50 and increase with age. Stratified analyses also show that the effect exists within subgroups, and stronger associations are observed among mothers, urban residents, and parents who initially reported good health.

This study contributes to the literature by providing evidence from a context of a developing country and focusing on the timing of health decline rather than solely on mortality outcomes. The findings highlight the need to consider bereaved parents as a vulnerable population and point toward the need for targeted public health policies for mitigating long-term effects of child loss.

Shadow Labor and Maternal Employment: The Role of Grandparental Childcare in the Philippines

Anna Grace L. Laperal, Darcelle S. Tibi, and
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University of the Philippines School of Economics

This study examines the causal impact of grandparental childcare on maternal employment among adult daughters in the Philippines. While evidence from developed countries suggests that informal family care facilitates maternal employment, empirical evidence from developing countries

remains limited. We conceptualize grandparental childcare as a form of shadow labor: unpaid household production that relaxes mothers' time constraints and enables their participation in paid employment. Using Wave 1 (2018) data from the Longitudinal Study of Ageing and Health in the Philippines (LSAHP), we restrict our sample to respondents with exactly one adult daughter aged 40 and below who has at least one child, allowing a clearer linkage between childcare provision and maternal employment outcomes.

To address endogeneity, we employ a Two-Stage Least Squares (2SLS) instrumental variables approach, instrumenting grandparental childcare intensity with a demand-side shifter (total grandchildren under age five) and a supply-side shifter (whether a pension is the grandparent's most important source of income). While Ordinary Least Squares (OLS) baseline estimates yield statistically insignificant effects due to downward selection bias, the IV estimates indicate a positive and statistically significant effect. Across specifications, each additional hour of weekly grandparental childcare is associated with a 0.40-0.47 percentage-point increase in the probability of maternal employment, implying that a 10-hour increase in childcare per week is associated with roughly a 4-5 percentage-point increase in the likelihood of employment.

Session B6.
Banking, Financial Markets, and Systemic Stability

The Impact of Global Financial Conditions on Debt Choice and Performance: Evidence from an Emerging Market Economy

Hazel Parcon-Santos, Carl Francis Maliwat, Alyssa Cyrielle Villanueva, Ivan Cenon Bernardo, and Cristeta Bagsic
Bangko Sentral ng Pilipinas

This study examines how global financial conditions, captured by the VIX, US dollar movements, and US Federal funds rate, influence Philippine firms' debt choice and performance. Tighter global financial conditions are associated with a reduction in foreign currency-denominated debt and a shift to domestic currency-denominated debt, with substantial heterogeneity seen across firm types. Firms that are better able to adjust their debt composition when global financial conditions shift exhibit stronger performance. However, this adjustment is not sufficient to fully offset adverse effects when overall funding costs rise.

Uncovering the Stylized Facts of Trade Finance Using Bank-Reported Data

Ramon Moreno, Hazel C. Parcon-Santos, Jose Adlai M. Tancangco, Nathaniel De Leon, Jose Luis L. Salita
Bangko Sentral ng Pilipinas

This study provides a comprehensive analysis of bank-intermediated trade finance in the Philippines. Drawing on a three-party decision framework in which instrument choice must simultaneously satisfy the participation constraints of exporters, importers, and banks, the study derives testable hypotheses on trade finance instrument choice and tests them empirically. Eight stylized facts document declining trade finance utilization, open account dominance driven by GVC-anchored relationships, stress-period flight-to-safety toward letters of credit, asymmetric intermediation by bank type, sectoral concentration, systematic variation in instrument choice with counterparty characteristics, regional reorientation toward Asian partners, and pervasive US dollar dominance. Empirical results confirm that counterparty country risk and institutional quality increase letter of credit use, while better governance and stronger counterparty credit quality support open account arrangements. Higher dollar volatility reduces letter of credit use, consistent with a global dollar credit channel. Findings have direct implications for central bank monitoring of trade finance supply and resilience.

Expected Capital Shortfall of the Philippine Banking System: A Balance Sheet Approach

Limuel A. Generoso and Jorjin F. Godoy
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Market-based measures of systemic risk, such as SRISK, can be computed only for listed firms, leaving the systemic risk contribution of non-listed banks challenging to verify. Using supervisory balance sheet data, this study estimates SRISK for Philippine banks and addresses the verification problem for non-listed banks by validating the estimates against the central bank's market risk stress test. The indirect model which generates estimates that combine predicted market capitalization and predicted beta order non-listed banks consistently with supervisory stress test results and observed systemic risk for listed banks (rank correlations near 0.9). The indirect model is also insensitive to the choice of market factor, a property that is immaterial in deep markets but decisive in thin ones. A Shapley decomposition of estimates reveals that regulatory capital governs SRISK among listed banks, whereas size and book leverage drives SRISK of non-listed banks. The validation design generalizes systemic risk surveillance to the bank-based and emerging financial systems where the measurement gap is the largest. The approach also extends systemic risk monitoring to non-listed institutions that make up the bulk of the Philippine banking system and complements existing supervisory stress testing.

Assessing the Impact of US-Iran War in the Philippine Banking System Through Network Analysis

Faye Louise Angelee B. Flores, Jorjin F. Godoy, and Kent Emmanuel C. Soria
Bangko Sentral ng Pilipinas

This study assesses Philippine banks' vulnerability to Middle East-related shocks by combining cross-border exposure

analysis with a multi-region, market-based connectedness framework. It finds that direct claims on the Middle East are limited, but Philippine banks remain linked to external stress through predictive return spillovers, especially via G-SIBs and, to a lesser extent, ASEAN banks. The evidence suggests that geopolitical shocks may reach the Philippine banking system indirectly through global risk appetite, dollar liquidity, and regional market repricing rather than through strong bilateral bank exposures. For financial stability monitoring, the paper highlights the need to look beyond direct exposure and track globally systemic and regional intermediaries that may transmit external shocks to domestic banks.

Session B7.
Machine Learning Approaches for Analyzing Economic Activities

Tracking Economic Signals: A Nowcasting Framework

Suleyman Ozmucur, Dennis M. Bautista, Mark Rex S. Romaraog, Maria Evette T. Santos, Sanjeev A. Parmanand, and Maureen Ane D. Rosellon
Bangko Sentral ng Pilipinas

Gross Domestic Product (GDP) is a critical economic indicator that reflects the overall economic performance of a country. Its accurate and timely measurement is essential for policymakers to make informed decisions. However, official GDP figures in the Philippines are typically released with a lag of around six weeks. To bridge this data gap, nowcasting methods to forecast the components of GDP and inflation expectations using recent developments in mixed-frequency econometric approaches as well as machine learning techniques are used to improve the accuracy and timeliness of GDP component estimates, thereby contributing to better monetary policy decision-making.

AGAP: Unlocking Inflation Signals from Unstructured Price Data with AI

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This research, named Project AGAP (Aggregated and Granular Analytics of Prices), explores the use of artificial intelligence and high-frequency online price data to generate timely inflation signals from large, unstructured datasets collected from major e-commerce and delivery platforms. Inspired by the Bank for International Settlements' Project Spectrum initiative, AGAP combines machine learning, vector similarity matching, and human-assisted validation to classify millions of online products and construct granular price indicators. The study evaluates how these indicators compare with official inflation measures across selected commodity groups and examines the conditions under which online prices provide reliable signals of price movements. Results suggest that online prices track many key consumer staples reasonably well and can provide early indications of inflation turning points ahead of official releases. The analysis also highlights important limitations, particularly in sectors where transactions remain largely offline. By covering a substantial share of the consumer price index (CPI) basket, AGAP demonstrates the potential of alternative data and AI-enabled methods to complement traditional statistical sources and strengthen inflation monitoring and nowcasting capabilities.

Project GILAS: Geospatial Intelligence from Lights and Satellite Data for Economic Surveillance Using Machine Learning

Isaac Norman D. Rivera
Bangko Sentral ng Pilipinas

Project GILAS is a platform that leverages satellite data and artificial intelligence to provide more timely indicators of economic activity. This study uses satellite-derived indices to nowcast regional construction activity growth in the Philippines, a key component of Gross Fixed Capital Formation of the GDP.

The approach combines indicators such as built-up areas, bare soil, vegetation, water, and nighttime lights with official construction statistics to estimate region-specific patterns in construction activity. Machine learning models are trained separately for each region to reflect differences in local economic conditions and construction dynamics. Initial results show that satellite-based indicators can complement official statistics, particularly when there are data lags. While these indicators are not a replacement for official data, they provide useful early signals of trends in investment activity and regional economic momentum. Overall, this work represents an initial step under Project GILAS toward integrating alternative data and AI/ML tools into economic surveillance, to support more timely and informed policy assessment.

SIMULTANEOUS SESSIONS C

Session C1.
Improving Learning at Scale: Evidence on Education Technology, Curriculum Reform, and Learning Recovery in the Philippines
(DepEd Session)

Who Takes Advantage of Innovation? A Discrete Choice Analysis of Schools' Adoption of New Programs Under the Strengthened Senior High School Curriculum

Michael M. Abrigo & Edmar E. Lingatong
Philippine Institute for Development Studies

The Strengthened Senior High School program, piloted in 891 schools during 2025-2026, made changes to the structure of Key Stage 4 of the basic education system. Among the changes made were a more formalized career guidance

program, and the introduction of cross-track options where students can enlist subjects from a different track of study. This study uses discrete choice models to characterize how schools opt in to implement these curriculum changes. We look into school characteristics (size, curriculum offering, available facilities, historical track offerings), municipal-level socioeconomic factors (urbanicity, poverty incidence, demographic profiles), geographic demand for programs (nearby industries, technical-vocational institutions, or universities and colleges) and spatial clustering of program adoptions to model the decision to implement these programs. This is framed as a two-step process where schools are first assessed of their capacity to offer these programs given existing supply prerequisites (staffing, facilities, financial resources, etc.), and then assessed whether capable schools actually offer these programs, and the factors that may come into play in these decisions. This analysis is complemented by key informant interviews of school heads, as decision-makers at the school level. Transcripts of the interviews will undergo framework analysis to further flesh out the enabling and hindering factors in fully implementing curriculum changes. The findings aim to inform curriculum planners and implementers of the mechanics of program adoption at the school-level and to provide guidance to future curriculum reform efforts.

The Impact of Khan Academy in Mathematics Learning: Evidence from a Randomized Experiment in the Philippines

Stella A. Quimbo
Michael M. Abrigo, *Philippine Institute for Development Studies*
Majah-Leah Ravago, *SEAMEO–INNOTECH*
Xylee Javier, *Asian Development Bank*

Using a randomized policy experiment, we evaluate the impact of Khan Academy (KA) platforms in 7 public elementary schools in Marikina City. We introduced compulsory KA-aided Math classes in 3 schools and established computer labs in 7 schools, where lab cards were raffled to students, allowing them use of devices to access the KA platforms off-school hours.

We used instrumental variables to estimate Local Average Treatment Effects to infer causality, where treatments were randomly assigned but compliance was imperfect. Using a sample of over 7,000 students in Grades 4 to 6, we found significant positive effects on Math scores. Notwithstanding the short observation period, we found an improvement of 0.368 standard deviations in Math scores.

Compliance analysis indicates that compliers, or students whose KA use changes with the treatment, systematically differ from the rest on a number of baseline characteristics, including Math scores, sex, nutrition, and previous KA experience.

Khan Academy in Philippine Schools: Insights from Year 1 of the Pathfinder Project

Eric Taylor
Harvard Graduate School of Education

Khan Academy Philippines, the Department of Education, and the Asian Development Bank are partners in the Pathfinder project, a two-year pilot exploring how students, teachers, and schools use Khan Academy and how best to support them. In this presentation, we share key results from the first year of implementation covering grades 4 and 7 classes in 34 pathfinder schools across 11 regions in the country. First, we describe achievement growth among students using Khan Academy and how this growth differs for higher- and lower-achieving students. Second, we share how teachers report using Khan Academy in their work. These findings will help refine program implementation in the second year and inform how learning gains, engagement and changes in teaching practice might be sustained at scale as the program grows.

Learning Recovery at National Scale: Evaluating the First Year of the ARAL Program

Janssen Teixeira, *World Bank*
Noam Angrist, *Oxford University*
Mariel Bayangos & Elaine Umali-Trinos,
Youth Impact

Delivering targeted learning support at national scale raises important questions about effectiveness and implementation. This presentation examines the first-year independent impact evaluation of the Academic Recovery and Accessible Learning (ARAL) Program. The evaluation considers the program's contribution to reducing the number of struggling readers and helping learners reach grade-level proficiency and will examine what the findings imply for strengthening subsequent implementation and sustaining learning recovery. The paper contributes to the wider policy debate on how education systems can deliver effective remedial support at scale and use evaluation evidence to guide continued investment.

Session C2.
Fiscal Strategies for Managing Economic Shocks

Governance and the Cyclicality of Philippine Fiscal Policy

John Michael Rennie G. Hallig & Nickson J. Cabote, Joselito R. Basilio†
Bangko Sentral ng Pilipinas
Pamela V. Patacsil
Anti-Money Laundering Council

We estimate governance-conditioned fiscal reaction functions for the Philippines using quarterly data from 1999Q4 to 2024Q4, allowing governance to shift the output-gap slope of fiscal balances, revenues, and expenditures. The central result is that institutional dimensions condition cyclicality

with opposite signs: administrative-capacity indicators are associated with weaker fiscal-balance cyclicality and stronger expenditure cyclicality, while accountability-oriented indicators operate through revenue responsiveness, so a broad governance index nets out offsetting channels. Moving governance from its 10th to its 90th percentile lowers the overall-balance response to a one-percentage-point output gap from about +0.13 percentage point of GDP to near zero, while the cyclically adjusted primary balance response remains negative throughout. Local projections on consensus GDP forecast-revision shocks show countercyclical short-run adjustment in balances and expenditures after positive GDP news. Overall, the evidence indicates partial progress toward countercyclicality rather than a complete transition.

How Buoyant is the Philippine Tax System?

Charlotte Justine Diokno-Sicat
Mark Gerald C. Ruiz
Bangko Sentral ng Pilipinas

This study examines the buoyancy of the Philippine tax system by estimating the responsiveness of total and selected tax revenues to changes in GDP. Using official government data on GDP and tax collections from 1984 to 2021, the paper applies autoregressive distributed lag error-correction models and a two-step FMOLS-OLS approach to estimate short-run and long-run buoyancy. Results show that total tax revenue is generally buoyant, with long-run estimates close to or above one and short-run estimates exceeding one when lagged tax reform effects are considered. Taxes on net income and profits are buoyant in the long run but less responsive in the short run, while several indirect taxes show stronger short-run responsiveness. Fiscal projections suggest modest improvements in aggregate buoyancy but limited gains for income-related taxes. The findings support continued and provide a baseline for recent tax reform, stronger tax administration, and prudent expenditure management to sustain fiscal stability.

Fiscal Dominance and the Maturity Structure of Debt: Some Empirical Evidence

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How do governments manage debt dynamics in a fiscally dominant regime? We build a simple model that highlights the 'maturity-structure' channel under fiscal dominance in a large emerging market economy. Using a novel central government security level dataset between 1999 and 2022 for India, we identify periods of fiscal dominance using a Regime Switching model. We find that the probability of issuing a long-term security is approximately 22 percentage points higher under a fiscally dominant regime compared to other regimes. Our results suggest that maturity extension appear to be a distinctive feature of fiscally dominant policy regimes and contributes to the interest burden of debt. Our analysis is general enough to have insights for debt management and monetary policy in other EMEs.

Evaluating Fiscal Consolidation Strategies in the Philippines: Evidence from a Dynamic CGE Model

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The persistence of elevated public debt despite a narrowing fiscal deficit raises an important policy question for the Philippines: how should fiscal consolidation be achieved while sustaining economic growth and limiting adverse effects on households? This study evaluates alternative revenue- and expenditure-based consolidation strategies using the World Bank's Mitigation, Adaptation and New General Equilibrium Model (MANAGE-WB), a recursive dynamic computable general equilibrium model calibrated to a Philippine Social Accounting Matrix updated to 2025 macroeconomic conditions. Five alternative strategies are simulated, each generating a fiscal adjustment equivalent to approximately 1 percent of GDP beginning in 2027, ranging from a full revenue adjustment to a full expenditure adjustment. Results show that all strategies improve fiscal balances and reduce public debt relative to the business as usual baseline, but their economic and distributional effects differ substantially. Expenditure led consolidation produces stronger medium-term GDP and private investment gains and larger debt reductions, with the full expenditure scenario raising real GDP by 0.20 percent and private investment by 5.54 percent above baseline by 2030 while reducing the debt-to-GDP ratio by 5.36 percent relative to baseline. These gains, however, are accompanied by larger household income losses and a more pronounced contraction in services. Revenue-led adjustment better protects household welfare but delivers more modest macroeconomic gains. The findings therefore point to a balanced, carefully calibrated consolidation strategy that combines revenue mobilization with selective expenditure restraint, preserves growth enhancing spending, and provides safeguards against household welfare losses.

Do More Fiscal Transfers Mean Better Health Services? Evidence from Selected Philippine Cities

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Fiscal decentralization, a prevailing developing-world policy, devolves tax resources to local government units (LGUs) to improve local services such as health. In the Philippines, it has been reinforced by intergovernmental fiscal transfers (IGFTs), mostly by National Tax Allotment (NTA), now Local Government Units' (LGU) largest and most discretionary revenue source, yet one that remains largely unexamined. Applying a Two-Way Fixed Effects (TWFE) model to panel data for 134 cities, the study tests whether rising NTA is associated with more health workers (workers) and, in turn, better health outcomes. Results show that NTA outpaced local health spending as health's budget share fell from 6.1% to 5.3% and within-city increases in per-capita NTA are associated with neither more inputs nor better outputs. As an unconditional block grant, larger NTA alone does not improve health delivery.

Session C3.
Energy and Food Security Challenges and Strategies

Imported Inflation? Energy and Food Import Dependence and Philippine Price Vulnerability

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This paper examines whether Philippine inflation vulnerability is shaped by import dependence, global commodity shocks, and exchange-rate movements. Using monthly data from 1995 to 2025, the study combines domestic CPI inflation, global energy and food price indexes, nominal effective exchange-rate changes, and time-varying fuel and food import shares. The empirical strategy estimates dynamic inflation models with HAC standard errors and interaction terms between global price shocks and lagged import-dependence measures. Results show that inflation is highly persistent and that peso depreciation is consistently inflationary. Energy-import exposure significantly amplifies the effect of global energy shocks, while food price shocks matter more directly than through the food-import-share interaction. The findings suggest that imported inflation in the Philippines is not merely a temporary external shock, but a structural vulnerability shaped by import dependence, currency movements, and domestic price persistence.

Global Market Exposure in Philippine Retail Food Prices: A Multi-Commodity SHAP Attribution Analysis

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This study explores how Philippine retail food prices are affected by conditions outside the country. Prices from twelve commodity groups spanning from January 2016 to December 2024 were used in the analysis. Each price series is first split into trend, seasonal, and residual parts by Seasonal-Trend decomposition via OESS. Gradient-boosted trees then predict the residual, and a SARIMA model chosen by grid search serves as the benchmark. Tree SHAP values on rolling-origin predictions distribute each month's deviation from its normal seasonal values across seven feature channels. A Global Commodity Attribution Share (GCAS) index was calculated as a sum of the external channels. Market exposure across different commodities turned out to be heterogenous. Beef reaches 71.2 percent, sweet corn at 67.7 percent, while rice is around 19 percent. 48 pairs of commodity-shocks were tested for directional asymmetry against a moving-block permutation null. Three were found to be nominally significant while none survives correction. A feature ablation was performed and showed that removing the global price variables improves test accuracy for seven out of twelve commodities.

Wholesale Electricity Spot Market Price Volatility and Distributional Incidence in the Philippine Economy

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This paper examines how two structurally different electricity disturbances—a cost increase and a physical supply shortfall—propagate across Philippine household income groups, using the 2023 IFPRI Philippine Social Accounting Matrix. A price shock, calibrated to an 18.9 percent secondary price cap increase and propagated through a Leontief model, yields a multiplier of 4.87. A rationing shock, calibrated to the 13 May 2026 Luzon grid emergency, is propagated through a Ghosh model under three allocation rules, including one grounded in the Interruptible Load Program. Sector-level exposure to the two shocks is significantly correlated but weakens under industrial protection, while household-level exposure flips with the residual allocation rule. A formal section proves which allocation rules can never reorder household incidence and derives the critical intensity at which any rule does, with first-order behavioral responses shown to affect levels only. Electricity budget shares do not track income monotonically.

Operational Resilience of Public Transport Service Models under a Fuel Price Shock: Evidence from Corridor- and Area-Based Services in the Philippines

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The escalation of US–Iran tensions triggered a sharp increase in global oil prices, creating an external economic shock for fuel-importing countries such as the Philippines. This study exploits the resulting fuel price increase as a natural experiment to examine the operational resilience of corridor- and area-based public transport service models. Matched before-and-after survey data from 296 operators were analyzed using paired statistical tests and fixed-effects difference-in-differences models. Fuel prices increased by 64% (₱59.85/L to ₱98.22/L), raising average daily fuel expenditure by ₱107.86.

Operators also completed 0.61 fewer trips per day and waited 21.3 additional minutes for passengers. Comparative analysis showed that area-based services experienced significantly greater declines in operational productivity than corridor-based services, while corridor-based services absorbed a larger share of the shock through increased operating costs. The findings demonstrate that transport service design shapes distinct resilience pathways and should inform differentiated policy responses to future fuel price shocks.

Evaluating Feed-in-Tariffs & Fiscal Incentives of the Philippine Renewable Energy Act Through Synthetic Difference-in-Difference Analysis

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This study estimates whether the feed-in tariffs and fiscal incentives introduced under the Philippine Renewable Energy Act of 2008 increased utility-scale solar photovoltaic and onshore wind capacity relative to a plausible no-policy synthetic Philippines. The analysis addresses an identification problem: renewable capacity was expanding internationally as the levelized cost of electricity for solar and wind declined, meaning that part of the Philippines' observed growth may have occurred even without domestic policy support.

Annual cross-country installed-capacity data is analyzed using Synthetic Difference-in-Differences, with the Philippines treated as the exposed unit and weighted combinations of donor countries used to approximate the capacity paths that might have occurred without the actionable post-2013 policy regime. Because the donor countries were also exposed to global equipment-cost declines, technological diffusion, and broader renewable-investment trends, the synthetic counterfactual permits capacity to increase even in the absence of Philippine treatment. Unit and time weighting further emphasizes countries and pre-treatment periods that are most informative for the Philippine case. Separate models are estimated for solar and wind because the technologies differ in cost trajectories, resource constraints, project scale, and deployment timing. The results indicate that Philippine solar capacity diverged positively from its synthetic counterfactual after the policy became actionable. This pattern is consistent with the policy accelerating deployment beyond the growth associated with falling global solar costs alone, although limited pre-treatment variation and uncertainty in counterfactual construction prevent definitive attribution of the full divergence to the policy. The wind evidence is more restrained. Capacity increased sharply during the first FiT-supported commissioning wave, but the estimated magnitude and precision are more sensitive to donor selection and counterfactual construction. Overall, the findings support a policy-associated acceleration in solar deployment, while the wind results are consistent with the policy enabling an initial investment wave without establishing a similarly robust effect over the full post-treatment period.

Session C4.
Economic Transformation, Governance, and Political Economy

The Eclipse of Manufacturing: Learning from the Last 50 Years of the Philippine Industrialization

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We investigate why the Philippine industrialization of the last 50 years beginning in the 1980s was accompanied by the eclipse of Manufacturing sector in terms of share in GDP. While there are a multitude of reasons for this retreat many of which are the poor cards dealt to us by nature and history, they all largely resolve into the same phenomenon: the constriction of the investment and its bias towards the non-traded goods (Services) sector. This explains a multitude of secondary explanations that eventually result in Manufacturing becoming the neglected among the investment activities. This is the phenomenon we call Development Progeria: the dominance of the Non-traded Goods sectors to the relative neglect of Manufacturing as investment destination before advent of the high average income status. The result is a mimicry of a mature economy standard: growth dominated by the Services sector, persistent trade and current account deficit, slower overall growth, slower poverty reduction, and slow catch-up growth. How this great constriction came to pass and the lesson it teaches for other Asean countries is the purpose of this essay. In the end, it is the policy choices of the Philippines as a nation that resulted in this constriction.

When Coping Signals Distress: MSME Adaptation to Fuel-Price Disruptions in a Provincial Philippine Economy

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The US–Iran conflict triggered fuel-price volatility that created a natural experiment for examining how global geopolitical disruptions affect micro, small, and medium enterprises (MSMEs) in a fuel-importing economy. This study investigates the effects of fuel-price increases on 120 MSMEs in a provincial Philippine economy and evaluates whether firms' coping strategies reflected resilience or business distress. Survey data on business conditions before and after the fuel-price increase were analyzed using paired comparisons, nonparametric tests, a cumulative Business Distress Score, and logistic regression. Results show significant declines in sales, profits, and customer volume, while 60% of firms experienced severe business distress. Increasing prices and reducing output were strongly associated with higher odds of profit loss, sales loss, and severe distress, suggesting that these strategies functioned primarily as responses to vulnerability rather than indicators of resilience. The findings highlight the need for targeted policies that strengthen MSME adaptive capacity amid recurring geopolitical and energy-related disruptions.

Regional Economic Growth in the Philippines: A Spatial Panel Econometric Analysis of Gross Regional Domestic Product, 2011–2020

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Regional economic growth in the Philippines has remained spatially uneven, with economic activities and investments concentrated in a few highly urbanized regions while neighboring regions exhibit varying levels of development. Using the Solow–Swan growth model, this study examines the determinants of Philippine Gross Regional Domestic Product (GRDP) across the country's administrative regions from 2011 to 2020 using spatial panel econometric techniques. The results reveal significant positive spatial dependence, indicating that regional economic output is influenced by neighboring regions. Labor force and education expenditure consistently show positive and significant effects on GRDP across the spatial models. Also, information and communication expenditure exhibits model-sensitive effects after accounting for spatial dependence. These results emphasize the significance of integrating spatial interactions into regional growth analysis, while highlighting that labor and human capital serve as key drivers of long-term regional economic growth in the country.

Political Dynasty Level and Trajectory: Effects on Social Services Expenditure in Philippine Cities and Municipalities after the 2022 Mandanas-Garcia Ruling (2010-2024)

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This study examines whether the level and trajectory of political dynasty concentration shaped how Philippine cities and municipalities adjusted social services expenditure (SSE) following the 2022 implementation of the Mandanas-Garcia Ruling, which expanded local government units' (LGUs) share of national tax collections. Using a panel of LGU-electoral-year observations spanning five electoral cycles from 2010 to 2022, the study combines political dynasty records from the Ateneo Policy Center with local fiscal data from the UP Center for Integrative and Development Studies (UP CIDs) as expanded and cross referenced from Bureau of Local Government Finance's (BLGF) dataset, to estimate two fixed-effects OLS models with standard errors clustered at the LGU level. The Sanity Check Model, which includes LGU fixed effects, finds that the within-LGU marginal relationship between current dynastic seat share and SSE strengthened significantly after the Ruling (β_3 = 0.0171, $p < 0.01$): LGUs with a higher, more established dynastic seat share directed proportionally more of their expanded fiscal resources toward social services. The Main Model, which uses LGU-type fixed effects to accommodate the time-invariant dynastic trajectory measure, finds a contrasting pattern net of current level: LGUs whose dynastic seat share grew more and faster between 2010 and 2022 exhibited a smaller post-Ruling increase in SSE, significant only at the 10% level (β_4 = -0.0099, $p < 0.10$). The trajectory finding is robust to controls for locally sourced revenue and population, an alternative binary trajectory classification, and separate estimation on municipality-only and city-only subsamples; the level finding is robust to the locally sourced revenue control. The study interprets these two results as consistent with a single mechanism — the maturity of dynastic clientelist networks — operating at different stages of development across LGUs, rather than as evidence of two competing dynamics; however, because the design is non-experimental, the findings should be read as associations rather than causal effects.

Legislating Advantage: District Reapportionment, Political Entrenchment, and Fiscal Distortion in the Philippines, 1987-2025

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Since 1987, the Philippine House of Representatives has expanded from 200 to over 254 districts through piecemeal legislation, bypassing the constitutional mandate for population-based reapportionment. Unlike the fixed-seat American model, Philippine redistricting expands the legislature itself, enabling incumbent dynasties to manufacture new constituencies and redirect intergovernmental fiscal transfers. Using a staggered difference-in-differences design with Callaway–Sant'Anna estimators and instrumental variables anchored on statutory population thresholds and municipal/city-level income classifications, this study estimates the causal effects of redistricting on two linked outcomes: (i) electoral competition, measured through vote-share concentration and incumbent win margins and (ii) distortions in local public finance, captured through internal revenue allotment (IRA) receipts, revenue mobilisation, and expenditure composition, with downstream implications for education and health service delivery. The evidence points to a self-reinforcing cycle of institutional erosion due to reduced electoral competition and political power consolidation, with direct consequences for governance resilience across Philippine regions.

Session C5.
Poverty, Vulnerability, and Social Protection Responses

Household Poverty-Vulnerability Typology in the Philippines: A Multidimensional Unsupervised Learning Approach Using the 2023 FIES-LFS

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Official poverty statistics may understate Filipino households' exposure to income risk. A parametric estimator using three waves of the Family Income and Expenditure Survey and Labor Force Survey finds 30.0 percent vulnerable to poverty, nearly triple the official headcount, for structurally

different reasons. The study applies principal component (PCA) analysis and k-means clustering to 2023 FIES-LFS Public Use File, covering 163,268 households, using 35 structural features across welfare, consumption, income sources, human capital, labor security, and housing, while excluding income. Four profiles emerge: High Vulnerability (37.3%), Self-Employment Vulnerable (17.1%), Overseas Filipino Worker/Remittance Dependent (13.2%), and Low Vulnerability (32.4%). Five validation checks confirm alignment with official welfare rankings. The two vulnerable groups, comprising 54.4 percent, share the same median income decile but face different constraints: low-paid wage work, high food burdens, and low schooling versus enterprise reliance with almost no wage income. Findings support income stabilization, food assistance, enterprise development, and insurance policies.

Mapping Poverty Stereotypes: A Stereotype Content Model Analysis of Poverty in Calamba and Los Baños, Laguna

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This paper uses the Stereotype Content Model (SCM) to examine how poor people and welfare beneficiaries are perceived in Calamba and Los Baños, Laguna. Drawing on survey data from 200 respondents, the study analyzes attitudes toward poverty, 4Ps, and trait-based perceptions of the poor along the dimensions of warmth and competence. The findings show that respondents generally recognize poverty as serious and often structural, but welfare attitudes remain ambivalent. Poor people are frequently viewed as warm, generous, and deserving, yet less consistently seen as competent in terms of financial judgment, skills, and preparedness for success. Subgroup analysis suggests that some middle-income respondents display an envious stereotype profile: relatively high competence but lower warmth toward the poor. The paper argues that welfare stigma is shaped not only by poverty stereotypes, but also by deservingness judgments and middle-class anxieties over redistribution.

Smoking with a Safety Net? Sin Tax Law and the Moderating Role of Health-related Insurance on Cigarette Consumption: A Difference-in-Difference Analysis

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Cigarette taxes are often praised for reducing smoking, but do they work equally well for everyone? This study examines the impact of the 2012 Sin Tax Reform Law on cigarette consumption, focusing on differences across income groups and the role of health related insurance. Using household-level data from the Family Income and Expenditure Survey for 2009 and 2015, the study combines Two-Stage Least Squares estimation and a Difference-in-Differences framework to identify the policy's effects. The results show that cigarette consumption declined following the reform despite higher household spending on cigarettes, reflecting the impact of rising prices. The largest reductions were observed among lower-income households, indicating greater price sensitivity. Insured households also exhibited larger declines in cigarette consumption, suggesting that access to insurance reinforced the effect of taxation. The findings highlight the importance of combining fiscal and health policies in tobacco control.

Famished, Fit or Fatter? Evaluating the Impact of the School-Based Feeding Program (SBFP) on the Nutritional Status of Young Learners in the Bangsamoro Autonomous Region of Muslim Mindanao (BARMM), Philippines

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Like in many countries, the prevalence of child malnutrition remains high in the Philippines, particularly in BARMM, where it recorded the highest prevalence of child stunting (34.2%) and wasting (7.2%) is above the national average in 2025. To address this, the BARMM government institutionalized its own SBFP in 2020. Over the last five years, SBFP has benefited around 860,000 Kindergarten to Grade 6 pupils with Php2.192 billion cumulative budget. Given the gravity of undernutrition and considerable public investments, we evaluate SBPF's impact on learner's nutritional outcomes. Using Difference-in-Differences methods on a panel of 77,280 learners, results show that SBFP significantly reduced wasting but has nil effect on stunting. Quantile treatment effects estimate further reveal that Kindergarten to Grade 3 learners and those with below normal baseline BMI-for-Age z-score tend to benefit more from the program. These findings underscore its implications on SBFP's "universal" coverage and the "take-home" food package modality.

Session C6.
Exchange Rates, External Balances, and Macroeconomic Risk

Philippine Current Account Dynamics: An External Absorption Capacity Framework

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This study examines Philippine current account dynamics from 1996 to 2023 and evaluates whether government effectiveness, financial development, and trade openness condition relationships between the current account balance and foreign direct investment, portfolio investment, the

exchange rate, and inflation. Descriptive trend analysis is combined with multiple regression and moderated multiple regression. HC3 heteroskedasticity-robust standard errors provide primary inference, while HAC(1), deterministic-trend sensitivity, diagnostics, and a parsimonious autoregressive distributed lag model provide robustness evidence. The current account shows no significant linear trend over the full period. In the static core regression, the four macroeconomic indicators are neither individually nor jointly significant under HC3 inference. Government effectiveness and financial development have no significant direct coefficients; trade openness has a marginal negative association. A baseline exchange-rate-by-government-effectiveness interaction is significant but disappears after trend adjustment. No trade-openness interaction is robustly significant. Dynamic results suggest short-run roles for changes in foreign direct and portfolio investment, but do not establish a stable long-run equilibrium. The findings favor cautious, specification-aware interpretation of Philippine external-balance dynamics.

The Philippine Real Effective Exchange Rate: Fundamental Drivers and Evidence of Misalignment

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Recent movements in the Philippine peso raise questions about whether the real effective exchange rate (REER) remains consistent with underlying economic fundamentals. Using the behavioral equilibrium exchange rate (BEER) approach, this study (1) examines the long-run determinants of the Philippine REER, and (2) produces estimates of the equilibrium REER and real currency misalignment. The analysis first applies dynamic ordinary least squares to annual Philippine data from 1980 to 2024, subject to evidence of cointegration. Panel regressions covering advanced and emerging economies are then used to provide a broader cross-country benchmark and address the limitations of the small Philippine time series sample. Multiple combinations of standard macro fundamentals are estimated to assess the robustness of their relationships with the REER. The resulting models will generate a range or distribution of equilibrium REER and misalignment estimates, allowing our assessment to incorporate model uncertainty.

Uncertainty Within and Without: Domestic Sentiment and Global Risk Transmission in the Philippine Economy

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This study examines how uncertainty from both domestic and external sources affects macroeconomic performance in the Philippines. Using structural vector autoregression (SVAR) and factor-augmented VAR (FAVAR) models, we analyze the transmission of domestic sentiment shocks and external policy uncertainty to consumption, investment, and output. A principal component analysis (PCA)-based composite sentiment index, incorporating survey-based, news-based, and financial conditions data, captures domestic confidence dynamics over 2018–2025, while US and global economic policy uncertainty indices inform the external uncertainty analysis covering 2002–2024. Results show that a negative domestic sentiment shock leads to significant contractions in consumption, investment, and real GDP growth, with weaker confidence also weighing on the stock market and tightening financing conditions for firms. External uncertainty shocks suppress industrial production and prompt a proactive BSP policy rate reduction. These findings underscore the need to integrate high-frequency uncertainty indicators into the BSP's surveillance and monetary policy frameworks.

Beyond Bilateral Spillovers: Global Asymmetric Connectedness Among Economic Policy Uncertainty, Exchange Rates, and Stock Markets

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Do economic policy uncertainty (EPU), exchange rate volatility (ERV), and stock market volatility (SMV) exhibit genuine spillovers when modeled jointly rather than as bilateral relationships? Existing studies rely on bivariate frameworks that may bias transmission estimates by omitting interactions among all three variables. This study breaks new ground by constructing the first global tri-variate spillover network of EPU, ERV, and SMV across 18 countries using monthly data from February 2004 to November 2025, with descriptive trends extended through May 2026. A Sparse-Group Lasso vector autoregression identifies credible transmission channels within a high-dimensional 54-variable system. Results reveal a highly integrated network, with a total spillover index of 77.53 percent, which surged to 88.54 percent during the Global Financial Crisis and 87.92 percent during COVID-19, and remains elevated amid recent geopolitical tensions. Panel quantile regression identifies EPU as a tail-risk amplifier, while bootstrap panel mediation shows ERV explains 15 percent of EPU's effect on SMV. Developing economies consistently emerge net receivers of financial risk, underscoring implications for macroprudential surveillance and cross-border risk management.

Session C7.
Good Measurements to Achieve Collective Resilience

Determinants of Disaster Recovery Among Eastern Visayan Households: An Empirical and Policy Analysis

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Preparedness, size of the household, household location, and the demographic characteristics of the household head cannot merely be viewed as correlates of recovery

mechanisms. Rather, they constitute the very factors that shape the recovery trajectories of households amidst disasters. Despite this, existing disaster management frameworks in the Philippines are built around a predominantly reactive manner, where vulnerability is assessed after only disaster impacts have materialized. Using the 2022 PSA Annual Poverty Indicators Survey microdata, the paper employs a logistic regression analysis alongside policy critiques of Listahanan and Disaster Assistance Family Access Card (DAFAC). The findings of the regression reveal that preparedness tends as the strongest predictor for self-recovery. On the other hand, external-recovery mechanisms are driven by location rather than by household traits. As a result, the researchers propose the Household Adaptive Needs and Disaster Assessment (HANDA) Framework that aims to improve disaster risk management and thereby aid distribution.

AI Exposure, Wages, and Livable Welfare in the Philippine Labor Market

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The Philippines has the highest generative-AI labor exposure in Southeast Asia (~27% of employment), yet lags in firm adoption (~3%), a gap in which exposure may outrun labor protection. This paper develops an integrated, descriptive framework linking exposure to wage welfare. Its foundation, the Philippine AI Occupation Exposure (PAOE) index, is an uncertainty-quantified AI-exposure measure native to Philippine classification and joinable to wage data. PAOE scores 455 PSOC occupations on two axes: exposure and complementarity, separating displacement pressure from augmentation. A Fisher-ideal, composition-adjusted wage index (PWCI) and a Wage Adequacy Index benchmark real wages against two floors: a region-specific living wage and the legal minimum. Six modules built on these indices map the wage distribution, living-wage-shortfall risk, latent vulnerability trap, minimum-wage non-compliance and the enforcement-versus-wage-setting wedge, and reskilling feasibility. Its contribution is integrative: carrying one exposure measure across wages, both floors, and reskilling, focusing on patterns rather than causal claims.

Assessing the Predictors of Compliance with the Minimum Wage Among Establishments in Region XI

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This study examines predictors of minimum wage compliance among establishments in Region XI, Philippines, using the economics of compliance framework. Data were drawn from the Philippine Statistics Authority's Occupational Wages Survey and Integrated Survey on Labor and Employment for 2019/2020 and 2021/2022, covering 991 establishments with 20 or more workers. A logistic regression model estimated the effects of firm-level factors on minimum wage noncompliance, including wage bite, employment size, firm size, economic sector, union presence, unionized workers, and legal organization. Results show that industry establishments were less likely to be noncompliant than agricultural establishments, while service and medium-sized firms had higher but statistically insignificant odds of noncompliance. Total employment increased the likelihood of noncompliance, whereas full-time paid employment reduced it. The number of unionized workers was the only statistically significant predictor, lowering noncompliance. Findings highlight active worker representation as an internal enforcement mechanism for strengthening minimum wage compliance.

Spatially Adjusted Technical Efficiency of Groundwater-Irrigated Rice Farms in Pila, Laguna, Philippines

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This paper examines how spatial dynamics affect the estimation of technical efficiency of groundwater-irrigated rice farms in Pila, Laguna, Philippines. A two-stage geographically weighted spatial autoregressive stochastic frontier (GWSASF) approach was applied to account for spatially varying production relationships and neighborhood effects. In the first stage, a geographically weighted regression with a spatial autoregressive filter was used to obtain spatially purified residuals. In the second stage, these residuals were used as the dependent variable in a stochastic frontier model to estimate spatially adjusted technical efficiency scores. Accounting for spatial endowments and spillovers reduced spatial clustering in the efficiency scores and yielded a mean spatially adjusted technical efficiency score of 34.77%, lower than the global score of 67.84% under the standard model. The findings may serve to support site-specific farm-level interventions and underscore the need for further validation using alternative spatial frontier specifications and multi-season datasets, overlaid with aquifer mapping.

POSTER PRESENTATIONS

Climate Variability and Agricultural Employment: A Short-Run Monthly Panel Analysis of Philippine Provinces

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Agricultural employment remains central to rural development and food security in the Philippines, yet its long term decline raises concerns about resilience under climate variability and hazards. While prior studies emphasize climate impacts on productivity, labor outcomes remain underexplored. This study then examines short run monthly dynamics of agricultural employment across Philippine provinces (2021-2024), linking labor data from PSA's Labor Force Survey

with rainfall and temperature records from PAGASA weather stations. Using System GMM and complementary panel methods, results reveal strong persistence in agricultural employment and hours worked, with demographics (i.e., age, gender, and education) emerging as the most consistent determinants. Climate anomalies exert limited direct influence, with rainfall showing only weak negative effects. Findings highlight that structural labor composition and human capital distribution outweigh climate variability in shaping short run employment outcomes, underscoring the importance of demographic and structural factors in building resilience and supporting livelihood diversification in hazard prone communities.

Comparative Advantage and Trade Complementarity in ASEAN: Evidence from Primary and Processed Agricultural Products, 2010–2024

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This paper examines whether national export specialization translates into bilateral trade complementarity in the ASEAN agricultural sector, distinguishing between primary and processed agricultural products from 2010 to 2024. Using a panel dataset of 1,316 observations across 90 bilateral corridors, the study calculates the Symmetric Revealed Comparative Advantage (SRCA) and Trade Complementarity Index (TCI) and estimates their relationship using a fixed effects model with two-way clustered standard errors. Specialization in primary agricultural products exhibits a statistically significant negative association with trade complementarity, indicating that stronger primary-product specialization is associated with lower bilateral trade complementarity. In contrast, processed agricultural specialization shows no statistically significant association with trade complementarity after controlling for bilateral and temporal heterogeneity. By differentiating agricultural specialization according to processing stage, the findings provide evidence on how agricultural specialization relates to intra-regional trade potential and offer insights for developing Regional Value Chains, and fostering more complementary production structures.

Human Development, Food Price Pressure, and Regional Poverty Persistence in the Philippines

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Poverty in the Philippines has declined nationally, yet substantial disparities persist across regions. This study examines regional poverty incidence among families from 2006 to 2023 using a balanced panel of 17 Philippine regions observed across seven official poverty survey years. The empirical model relates poverty incidence to relative regional food price pressure, and human development indicators, while accounting for institutional, temporal, and regional factors. Using Panel Corrected Standard Errors, the results show that higher relative food price pressure is significantly associated with higher poverty incidence, whereas higher regional GDP per capita and greater mean years of schooling are significantly associated with lower poverty. These core relationships remain generally robust after accounting separately for unemployment and underemployment. Regional classification is also significantly associated with poverty incidence. Further analysis suggests that region moderates the effect of food price pressure on poverty, although this relationship is sensitive to the labor market specification.

From Geopolitical Conflict to Household Mobility: Informal Fares Pass-Through and Adaptation to Fuel-Price Shocks in Rural Philippines

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Rea I. Comprado
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The US–Iran conflict triggered a surge in global oil prices that increased domestic fuel costs in the Philippines, providing an opportunity to examine how an external energy shock reached households through local transport markets. Using survey data from 300 households in Goa, Camarines Sur, this study employed descriptive statistics, paired comparisons, and logistic regression to analyze mobility changes and their determinants. Weekly trips outside the barangay declined significantly, while waiting times and one-way transport fares increased. However, approximate weekly transport expenditure did not significantly rise, suggesting that households partly absorbed higher transport costs by reducing mobility rather than increasing spending. The strongest predictor of behavioral adaptation was perceived overcharging, which remained significant after controlling for fare increases, transport dependence, waiting time, and private vehicle access. The findings indicate that energy shocks were transmitted through informal fare pass-through within a fare-regulated transport market, highlighting the importance of regulatory enforcement and fare transparency during periods of global economic disruption.

Ramadhan and Eid al-Fitr Effects on Consumer Price Inflation in the Bangsamoro Region: Evidence from Regional and CPI-Area Panel Models

Anisah Lingga
Ministry of Finance, and Budget and Management–BARMM

This paper examines whether Ramadhan and Eid al-Fitr are systematically associated with short-run consumer price inflation in the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM). Using monthly consumer

price index data from January 2018 to December 2025, the study constructs indicators for Ramadhan exposure, the pre-Ramadhan month, Eid al-Fitr month, and the post-Eid month. Two complementary specifications are estimated: a BARMM-wide time-series model with Newey-West standard errors and a six-area CPI panel model with area and calendar-month fixed effects and Driscoll-Kraay standard errors. Results show that a higher share of the month falling within Ramadhan is associated with higher headline and food-related inflation. In the panel estimates, Ramadhan share is significant for headline inflation and food and non-alcoholic beverages inflation, while the post-Eid decline is the most robust result across specifications. Eid month itself is not consistently significant once Ramadhan exposure and other controls are considered. The findings suggest that Ramadhan-related price pressure in BARMM develops during the fasting month rather than being concentrated solely around Eid and is largely temporary. The results support incorporating Islamic-calendar timing into regional price monitoring, supply planning, and inflation forecasting.

Determining the Philippines' Fiscal Sustainability

Kenmore B. Espinoza
Bangko Sentral ng Pilipinas

This paper assesses public debt sustainability in the Philippines following pandemic-induced fiscal deterioration, which raised the debt-to-GDP ratio above 60 percent and reduced fiscal space. While pre-pandemic fundamentals were strong, recent developments, such as slower growth and tighter global financing conditions, have made debt dynamics less favorable, evidenced by a narrowing interest-growth rate differential. At the same time, rising debt service requirements risk crowding out of priority expenditures and increase exposure to interest rate and rollover risks.

Using a fiscal reaction function, the study examines whether fiscal policy systematically adjusts to rising debt. Furthermore, it compares the interest-growth rate differential with the estimated long-run debt-sustainability coefficient to assess whether fiscal policy remains consistent with fiscal sustainability. Overall, while fiscal policy has historically supported debt stabilization, emerging macroeconomic risks underscore the need for sustained fiscal discipline and credible medium-term consolidation strategies.

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