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By eileen Mencias

After sliding to record lows, the peso could get a temporary lift from the national government's \$2.75 billion global bond issue but the relief may not last, and a P60 to the dollar exchange rate is still within reach, a former central bank official warned.

Retired Bangko Sentral ng Pilipinas deputy governor Diwa Guinigundo said there is no firm line that prevents the peso from weakening further.

"Mahirap magsabi ng isang level pero hindi magiging imposible na maaaring maging senior citizen ang ating piso. Ibig sabihin nito, there's nothing sacred about P60 or P61 or going back to P57, P56," Guinigundo said in an interview on Pera Talks of DWAR Abante Radyo.

Guinigundo, now serving on the advisory panels of AMRO, the ASEAN plus Three Macroeconomic Research Office, and Singapore Management University's Sim Kee Boon Institute for Financial Economics, said stabilizing the currency ultimately depends on broader economic balance, sustaining growth while keeping inflation in check.

He stressed that narrowing the country's balance of payments deficit is equally critical, which requires stronger government revenues to reduce reliance on foreign borrowing.

The BSP reported a \$5.7 billion balance of payments deficit in 2025, with a smaller \$3.4 billion deficit projected this year.

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In the near term, the global bond sale injects more dollars into the system, easing pressure on the peso. Funds raised through foreign borrowings are parked in the BSP's gross international reserves until used for debt payments.

"If we're talking about market forces, paramihan o mas kaunti, dadami ang dolyar. Kaya medyo makatutulong yan doon sa pagtaas o pag stabilize ng piso," Guinigundo said.

"Short term effect, maaaring makatulong sa pag stabilize ng piso pero over the medium and long run, pag nagsimula na tayo mag repay sa ating loans na bonds, may sipa din yan."

The peso sank to a low of P59.47 on Jan. 15, closing at P59.46 per dollar.

But Guinigundo warned that without decisive steps to curb the misuse of public funds and if Filipinos lose confidence in the economy while external payments remain in deficit, the peso's slide may continue.