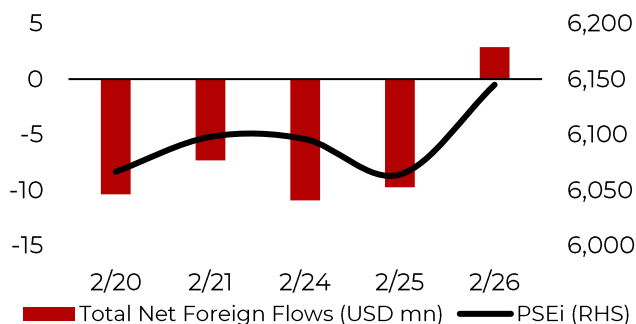


# The Morning View

February 27, 2025

## Philippine Stock Exchange Index

+1.33% DoD; Net foreign buying: \$2.87mn



	Level	DoD
PSEi	6,144.96	+1.33%
3-mo bond yield	5.27%	-2.37 bps
2-yr bond yield	5.79%	+0.31 bps
5-yr bond yield	5.91%	-0.18 bps
10-yr bond yield	6.12%	-0.32 bps
USDPHP	57.88	-0.09%
Oil (Brent, \$ / barrel)	72.79	-0.31%

**The Bureau of Customs (BOC) reported that rice tariff collections dropped by 70% YoY to Php1.43 billion in January amid lower tariff rate and import volume.** January rice imports fell by 30.3% YoY to 330,501 metric tons, attributed to the high carry-over stocks in the same month last year.

**Aboitiz Power Corp. (PSE Ticker: AP) planned to issue up to Php30 billion in fixed-rate retail bonds by 2Q25.** This is part of the company's Php100-billion shelf registration program. The proposed issuance consists of up to Php20 billion base offer with a Php10 billion oversubscription option. The proceeds will be used for general purposes and refinancing of corporate debts.

**Local equities** rebounded amid bargain-hunting after the market's two days of decline and generally strong local corporate earnings results. The PSEi closed at 6,144.96 (+1.33% DoD).

**Local fixed income yields** were mixed as investors recalibrated rate cut expectations following the weaker consumer confidence data in the US and recent tariff comments by Trump. On average, yields fell by 0.22 bps, with the 2Y closing at 5.79% (+0.31 bps) and the 10Y closing at 6.12% (-0.32 bps).

The **Philippine peso** slightly strengthened ahead of the US Gross Domestic Product (GDP) and Personal Consumption Expenditures (PCE) inflation data releases. The USD/PHP pair closed at 57.88 (-0.09% DoD).

**US new home sales fell more than expected by 10.5% MoM to 657,000 units in January (Revised Dec.: +8.1%; Consensus: -2.6%).**

This was attributable to persistently high mortgage rates and the impact of snowstorms and extremely cold weather last month. The median new house price rose 3.7% YoY to \$446,300 in January.

**US President Donald Trump suggested that he will impose 25% "reciprocal" tariffs on European cars and other goods.**

Additionally, Trump also said that the new tariffs on Canada and Mexico may take effect on April 2. However, a White House official commented that Trump's previous March 4 deadline remained in effect, sowing confusion on the tariffs' effectivity.

**US equities** closed mixed, **US Treasury yields** fell, and the **US dollar** slightly strengthened after Trump's recent comments sparked confusions on the timing of the Canada and Mexico tariffs, and as investors weighed potential duties on EU goods. Investors also looked ahead of the release of Nvidia's 4Q24 earnings report, US GDP, and PCE inflation readings later this week.

The S&P 500 closed at 5,956.06 (+0.01% DoD) and the DJIA closed at 43,433.12 (-0.43% DoD).

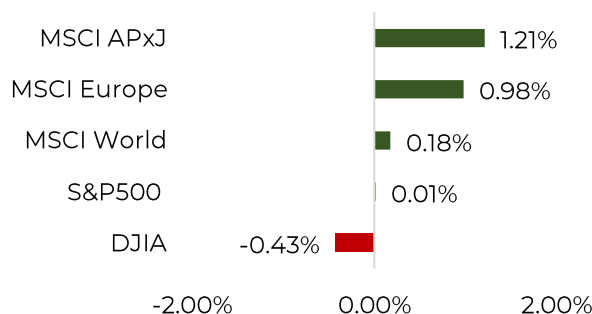
On average, yields fell by 2.57 bps, with the 2Y closing at 4.07% (-2.40 bps) and the 10Y closing at 4.26% (-3.80 bps).

The DXY closed at 106.42 (+0.10% DoD).

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## Global Stock Indices



	Level	DoD
S&P 500	5,956.06	+0.01%
DJIA	43,433.12	-0.43%
3-mo US Treasury yield	4.31%	+1.00 bps
2-yr US Treasury yield	4.07%	-2.40 bps
5-yr US Treasury yield	4.09%	-4.60 bps
10-yr US Treasury yield	4.26%	-3.80 bps
DXY	106.42	+0.10%