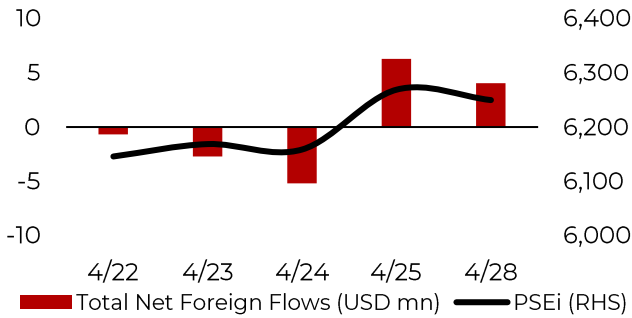


# The Morning View

April 29, 2025

## Philippine Stock Exchange Index

-0.31% DoD; Net foreign buying: \$4.05mn



	Level	DoD
PSEi	6,249.50	-0.31%
3-mo bond yield	5.45%	-0.13 bps
2-yr bond yield	5.76%	+0.21 bps
5-yr bond yield	5.92%	-0.39 bps
10-yr bond yield	6.34%	+0.20 bps
USDPHP	56.42	+0.28%
Oil (Brent, \$ / barrel)	65.86	-1.51%

**The Department of Budget and Management reported that state infrastructure spending surged by 23.1% YoY to Php148.3 billion as of 2M25.** The robust infrastructure spending outturn was attributable to the infrastructure projects, right-of-way settlements, and emergency and disaster-related civil works of the Department of Public Works and Highways. This was also ahead of the election-related spending ban, which started on March 28.

**Manila Electric Co. (PSE Ticker: MER) reported a consolidated core net income of Php11.2 bn (+11.2% QoQ, +10.8% YoY) for 1Q25.** The main drivers of growth were (1) consistent volume growth from its distribution utility, power generation, and retail electricity supply businesses, and (2) higher pass-through transmission and generation charges, including those in the reserve market.

**Local equities** dipped, **local fixed income yields** inched up and the **Philippine peso** slightly weakened as investors awaited fresh leads amid trade negotiations to reduce US tariffs. This was also ahead of the release of the Gross Domestic Product (GDP), Personal Consumption Expenditures (PCE) inflation, and jobs data in the US.

The PSEi closed at 6,249.50 (-0.31% DoD).

On average, yields rose by 0.85 bps, with the 2Y closing at 5.76% (+0.21 bps) and the 10Y closing at 6.34% (+0.20 bps).

The USD/PHP pair closed at 56.42 (+0.28% DoD).

**The Dallas Fed Manufacturing Index declined to -35.8 in April (March: -16.3).** This was below the market's expectation of -17.0 and recorded the worst reading since May 2020. The decline signals the negative perception of business conditions among manufacturers. Survey respondents noted there was too much uncertainty to be confident in future growth plans.

**European Central Bank (ECB) policymaker Olli Rehn said that the ECB may cut rates below the neutral level.** Rehn mentioned that the Eurozone inflation may fall below the 2% target due to the impact of US tariffs and uncertainty in the market.

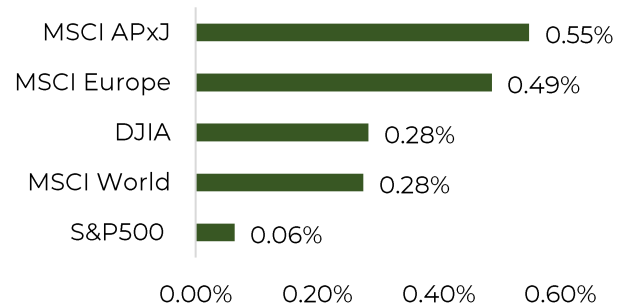
**US equities** inched up, **US Treasury yields** declined, and the **US dollar** weakened ahead of key economic data releases later this week, which may give indications on the impact of Trump's baseline tariffs on prices and employment. The upcoming data includes March job openings, the initial estimate of 1Q25 GDP, and March PCE inflation.

The S&P 500 closed at 5,528.75 (+0.06% DoD), while the DJIA ended at 40,227.59 (+0.28% DoD).

On average, yields fell by 2.16 bps, with the 2Y closing at 3.70% (-5.30 bps) and the 10Y closing at 4.21% (-2.70 bps).

The DXY closed at 99.01 (-0.46% DoD).

## Global Stock Indices



	Level	DoD
S&P 500	5,528.75	+0.06%
DJIA	40,227.59	+0.28%
3-mo US Treasury yield	4.30%	-0.60 bps
2-yr US Treasury yield	3.70%	-5.30 bps
5-yr US Treasury yield	3.81%	-4.70 bps
10-yr US Treasury yield	4.21%	-2.70 bps
DXY	99.01	-0.46%

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