

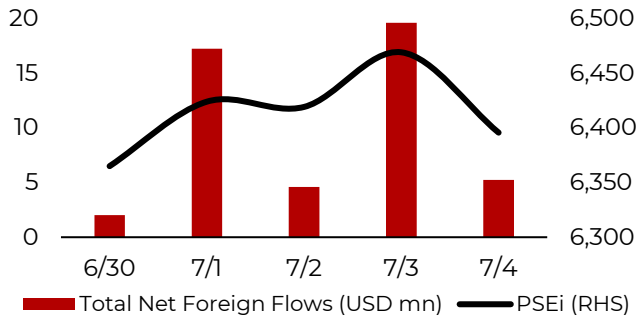


# The Morning View

July 7, 2025

## Philippine Stock Exchange Index

-1.13% DoD; Net foreign buying: \$5.24mn



	Level	DoD
PSEi	6,395.57	-1.13%
3-mo bond yield	5.47%	-1.47 bps
2-yr bond yield	5.73%	+0.44 bps
5-yr bond yield	5.94%	0.00 bps
10-yr bond yield	6.23%	-0.20 bps
USDPHP	56.40	+0.27%
Oil (Brent, \$ / barrel)	68.30	-0.73%

**The Bureau of the Treasury reported that the national government's debt service bill hit Php80.05 billion in May (+16.04% YoY, -71.50% MoM).** This was due to payments for interest rising to Php69.95 billion (+14.50% YoY, +50.61% MoM) and amortization rising to Php10.09 billion (+28.04% YoY, -95.70% MoM).

**Aboitiz Power Co.'s (PSE Ticker: AP) consortium won the bid to acquire the 796.64-megawatt (MW) Caliraya-Botocan-Kalayaan (CBK) hydroelectric power plants for Php36.266 billion.** The acquisition will help diversify AP's generation portfolio, in line with its strategy to grow its total portfolio to 4,600 MW by 2030.

**Local equities** declined amid profit taking. Additionally, investor sentiment towards gaming-related stocks was negatively impacted by concerns over potential regulatory actions on online gaming. The PSEi closed at 6,395.57 (-1.13% DoD).

**Local fixed income yields** were mixed, and the **Philippine peso** weakened after the local headline inflation rose to 1.4% in June but remained below the Bangko Sentral ng Pilipinas' (BSP) 2-4% target. This was also following BSP Governor Remolona's signal of the possibility of two more rate cuts this year.

On average, yields fell by 0.23 bps, with the 2Y closing at 5.73% (+0.44 bps) and the 10Y closing at 6.23% (-0.20 bps).

The USD/PHP pair closed at 56.40 (+0.27% DoD).

**US Treasury Secretary Scott Bessent said that the US will send letters to its trading partners to notify of their tariff rates effective August 1.** President Donald Trump already signed the letters, which will be sent out on Monday. Bessent added that the tariffs announced on April 2 will take effect on August 1 for countries that have not reached an agreement with the US.

**European Central Bank (ECB) Governor Pierre Wunsch said that the Eurozone's inflation risk is pointing downwards than upwards.** Wunsch cited falling energy prices, the continuing strength of the euro, and uncertain growth prospects as reasons for the assessment.

**US equities** were unchanged, **US Treasury yields** inched up, the **US dollar** was flat as markets were closed in observation of the US' Independence Day.

The previous close of the S&P 500 was at 6,279.35 (0.00% DoD), while the previous close of the DJIA was at 44,828.53 (0.00% DoD).

On average, yields rose by 0.29 bps, with the 2Y closing at 3.89% (0.00 bps) and the 10Y closing at 4.35% (0.00 bps).

The DXY closed at 97.18 (0.00% DoD).

## Global Stock Indices



	Level	DoD
S&P 500	6,279.35	0.00%
DJIA	44,828.53	0.00%
3-mo US Treasury yield	4.36%	0.00 bps
2-yr US Treasury yield	3.89%	0.00 bps
5-yr US Treasury yield	3.94%	0.00 bps
10-yr US Treasury yield	4.35%	0.00 bps
DXY	97.18	0.00%

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