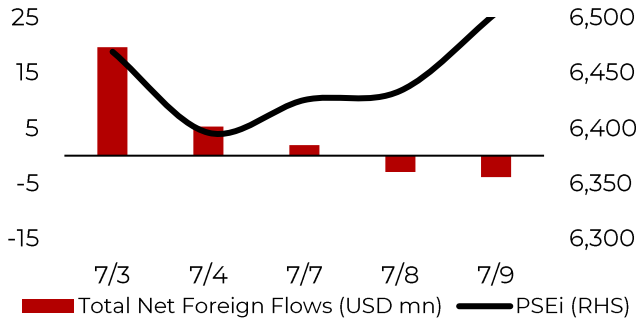


The Morning View

July 10, 2025

Philippine Stock Exchange Index

+1.10% DoD; Net foreign selling: \$3.90mn



	Level	DoD
PSEi	6,504.34	+1.10%
3-mo bond yield	5.43%	-4.46 bps
2-yr bond yield	5.74%	+0.71 bps
5-yr bond yield	5.96%	+0.77 bps
10-yr bond yield	6.25%	+0.86 bps
USDPHP	56.57	+0.39%
Oil (Brent, \$ / barrel)	70.19	+0.06%

The Philippines received a letter from US President Donald Trump announcing a 20% tariff rate on all Philippine imports. This is higher than the initial 17% tariff rate announced in April and will take effect starting August 1. PH Ambassador to the US said that they plan to further negotiate with the US to lower the tariffs.

SM Prime Holdings, Inc. (PSE Ticker: SMPH) allocated an initial Php25 billion in capital expenditure for its first entry into the premium residential segment. The Signature Series by SM Residences will develop a 284-hectare property in Susana Heights, Muntinlupa City.

Local equities reached a two-month high on upbeat economic data including the lower unemployment rate, faster bank lending growth, and strong manufacturing output in May. The PSEi closed at 6,504.34 (+1.10% DoD).

Local fixed income yields were mixed and the **Philippine peso** weakened as markets awaited clarity on Trump's tariffs, following the announcement of 50% tariffs on copper and potential tariffs on semiconductors and pharmaceuticals. This was also ahead of the release of the Fed's minutes.

On average, yields fell by 0.84 bps, with the 2Y closing at 5.74% (+0.71 bps) and the 10Y closing at 6.25% (+0.86 bps).

The USD/PHP pair closed at 56.57 (+0.39% DoD).

US President Donald Trump issued letters to seven more trading partners to dictate new tariff rates, effective August 1. Aside from the Philippines, other countries impacted include Sri Lanka, Algeria, Iraq, and Libya with a 30% tariff, as well as Brunei and Moldova with 25%. Trump also threatened Brazil with a 50% tariff and ordered an unfair trade practices probe.

The minutes of the Federal Reserve's June policy meeting showed that officials assessed that rate cuts are likely appropriate this year but diverged about far the cuts could go. Most policymakers remained worried about tariff-induced price increases and held a wait-and-see position on future rate moves.

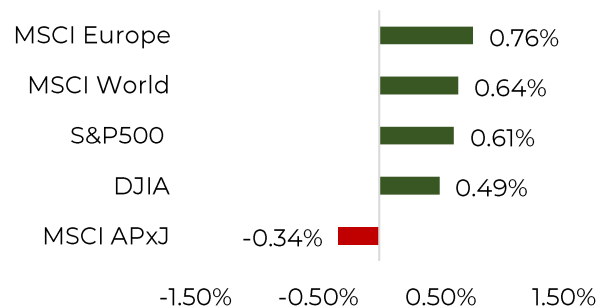
US equities rose, **US Treasury yields** fell, and the **US dollar** ended flat as investors weighed Trump's new tariffs on minor trading partners and progress toward a deal with the EU. Investors also weighed the June Fed meeting minutes which highlighted the Fed's cautious approach to policy easing.

The S&P 500 closed at 6,263.26 (+0.61% DoD), while the DJIA ended at 44,458.30 (+0.49% DoD).

On average, yields fell by 4.56 bps, with the 2Y closing at 3.85% (-4.80 bps) and the 10Y closing at 4.33% (-6.90 bps).

The DXY closed at 97.56 (+0.04% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,263.26	+0.61%
DJIA	44,458.30	+0.49%
3-mo US Treasury yield	4.37%	+0.70 bps
2-yr US Treasury yield	3.85%	-4.80 bps
5-yr US Treasury yield	3.91%	-6.50 bps
10-yr US Treasury yield	4.33%	-6.90 bps
DXY	97.56	+0.04%

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