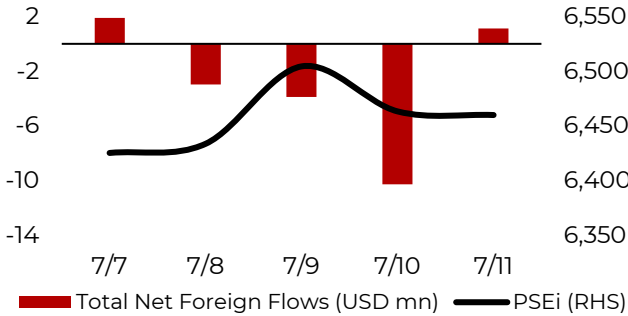


The Morning View

July 14, 2025

Philippine Stock Exchange Index

-0.05% DoD; Net foreign buying: \$1.11mn



	Level	DoD
PSEi	6,459.88	-0.05%
3-mo bond yield	5.43%	-1.25 bps
2-yr bond yield	5.74%	+0.16 bps
5-yr bond yield	5.97%	+0.45 bps
10-yr bond yield	6.25%	-0.13 bps
USDPHP	56.47	0.00%
Oil (Brent, \$ / barrel)	70.36	+2.51%

The Philippine banking system's non-performing loan (NPL) ratio eased to a two-month low of 3.38% in May (April: 3.39%).

The actual value of gross NPLs rose 6.4% YoY to Php527.45 billion. However, the increase in gross NPLs was tempered by robust credit growth, with the banking sector's total loan portfolio surging by 12.2% YoY to Php15.6 trillion.

Manila Electric Company (PSE Ticker: MER) announced a Php0.4883 per kilowatt-hour (kWh) rate hike for the July billing period. This brings the overall household rate to Php12.6435 per kWh from Php12.1552 per kWh in the previous month. The planned increase was amid higher generation charges.

Local equities slightly fell, **local fixed income yields** were mixed, and the **Philippine peso** was flat on the back of cautious trading amid renewed global trade jitters after US President Trump's new tariff announcements.

The PSEi closed at 6,459.88 (-0.05% DoD).

On average, yields fell by 0.12 bps, with the 2Y closing at 5.74% (+0.16 bps) and the 10Y closing at 6.25% (-0.13 bps).

The USD/PHP pair closed at 56.47 (0.00% DoD).

US President Donald Trump threatened to impose 35% tariffs on Canada, and 30% tariffs on Mexico and the European Union (EU), effective August 1. Trump cited fentanyl flows as the reason for the proposed tariff levels for Canada and Mexico. Meanwhile, the EU initially hoped to strike a comprehensive trade agreement but scaled back to securing a broader framework deal.

Chicago Fed President Austan Goolsbee said that Trump's new tariff announcements make it "messy" to interpret the state of the US economy. He added that the tariff-induced anxiety must recede before he becomes comfortable that the economy is back on a soft-landing path.

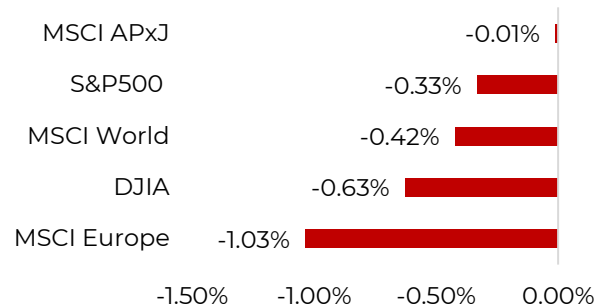
US equities fell, **US Treasury yields** rose, and the **US dollar** strengthened amid global trade war escalation after Trump threatened a 35% tariff on Canada and considered higher blanket tariffs on other trading partners.

The S&P 500 closed at 6,259.75 (-0.33% DoD), while the DJIA ended at 44,371.51 (-0.63% DoD).

On average, yields rose by 3.58 bps, with the 2Y closing at 3.89% (+1.50 bps) and the 10Y closing at 4.41% (+6.10 bps).

The DXY closed at 97.85 (+0.21% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,259.75	-0.33%
DJIA	44,371.51	-0.63%
3-mo US Treasury yield	4.35%	-0.40 bps
2-yr US Treasury yield	3.89%	+1.50 bps
5-yr US Treasury yield	3.97%	+3.80 bps
10-yr US Treasury yield	4.41%	+6.10 bps
DXY	97.85	+0.21%

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