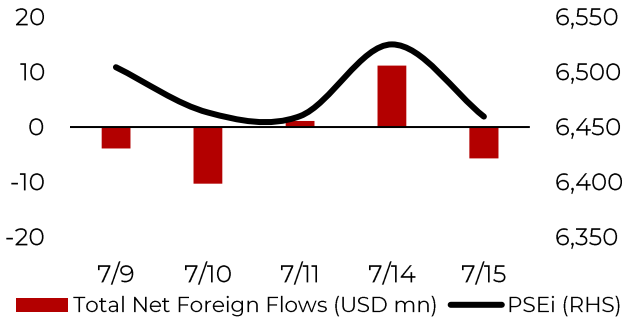


# The Morning View

July 16, 2025

## Philippine Stock Exchange Index

-1.00% DoD; Net foreign selling: \$5.68mn



	Level	DoD
PSEi	6,459.47	-1.00%
3-mo bond yield	5.43%	-0.05 bps
2-yr bond yield	5.74%	-0.46 bps
5-yr bond yield	5.98%	+0.06 bps
10-yr bond yield	6.25%	-0.02 bps
USDPHP	56.73	+0.18%
Oil (Brent, \$ / barrel)	68.71	-0.72%

**PH President Ferdinand Marcos Jr. approved the Php6.793 trillion national budget for 2026, up by 7.4% from this year's Php6.326-trillion budget.** Budget Secretary Pangandaman said that the allocations for key sectors such as education, defense, and agriculture will increase next year. The president is expected to submit the 2026 National Expenditure Program to Congress within 30 days after the opening of the regular session.

**Aboitiz Equity Ventures, Inc.'s (PSE Ticker: AEV) subsidiary, Aboitiz InfraCapital, Inc. (AIC), sold around 74% of the Phase 1 inventory of its TARI Estate in Tarlac City.** The 384-hectare TARI Estate is a ready-to-build, industrial-anchored estate supported by the Aboitiz group's broader infrastructure network.

**Local equities** fell and the **Philippine peso** weakened as global trade uncertainties continued to dampen market sentiment. Meanwhile, **local fixed income yields** ended mixed after the Bureau of the Treasury fully awarded Php25 billion of its reissued 10Y bonds at an average rate of 6.285%. Investors also awaited the release of the June US Consumer Price Index (CPI) inflation print.

The PSEi closed at 6,459.47 (-1.00% DoD).

On average, yields rose by 0.29 bps, with the 2Y closing at 5.74% (-0.46 bps) and the 10Y closing at 6.25% (-0.02 bps).

The USD/PHP pair closed at 56.73 (+0.18% DoD).

## US Consumer Price Index (CPI) inflation accelerated to a five-month high of 2.7% YoY in June (May: 2.4%; Consensus: 2.6%).

Higher costs were seen on some goods due to tariff pass-throughs but were offset by slower services inflation amid softer demand. Meanwhile, core CPI inflation rose to 2.9% YoY in June, in line with consensus expectations.

**China's gross domestic product growth slowed to 5.2% YoY in 2Q25 (1Q25: 5.4%) but beat market's forecast of 5.1%.** This was driven by the frontloading of exports amid the US trade truce. However, a weaker second half is anticipated due to waning export momentum and a persistently low consumer confidence.

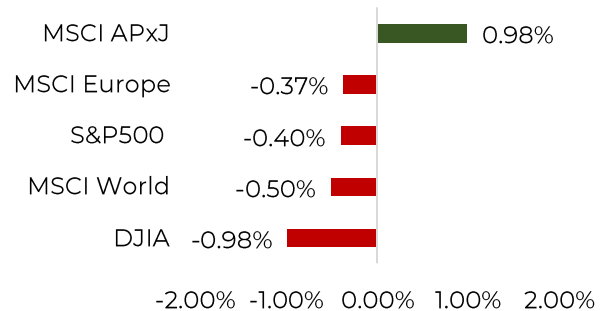
**US equities** fell, **US Treasury yields** climbed, and the **US dollar** strengthened after the faster-than-expected June US CPI inflation stoked fears that the effects of Trump's tariffs on consumer prices are starting to materialize. Moreover, mixed 2Q25 earnings results by big financials weighed on stocks.

The S&P 500 closed at 6,243.76 (-0.40% DoD), while the DJIA ended at 44,023.29 (-0.98% DoD).

On average, yields rose by 3.46 bps, with the 2Y closing at 3.94% (+4.20 bps) and the 10Y closing at 4.49% (+4.80 bps).

The DXY closed at 98.62 (+0.55% DoD).

## Global Stock Indices



	Level	DoD
S&P 500	6,243.76	-0.40%
DJIA	44,023.29	-0.98%
3-mo US Treasury yield	4.35%	+0.60 bps
2-yr US Treasury yield	3.94%	+4.20 bps
5-yr US Treasury yield	4.04%	+5.30 bps
10-yr US Treasury yield	4.49%	+4.80 bps
DXY	98.62	+0.55%

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