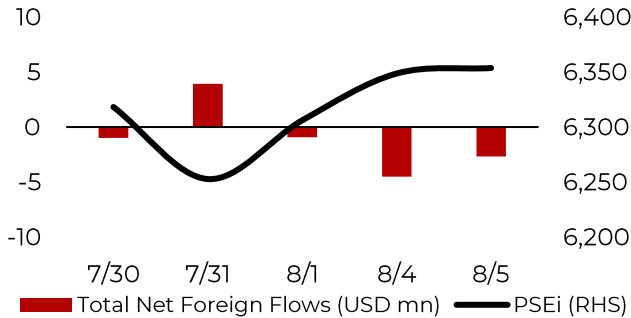


# The Morning View

August 6, 2025

## Philippine Stock Exchange Index

+0.08% DoD; Net foreign selling: \$2.67mn



	Level	DoD
PSEi	6,353.63	+0.08%
3-mo bond yield	5.40%	-1.36 bps
2-yr bond yield	5.70%	+1.33 bps
5-yr bond yield	5.94%	-1.42 bps
10-yr bond yield	6.14%	-1.85 bps
USDPHP	57.63	+0.59%
Oil (Brent, \$ / barrel)	67.64	-1.63%

**The Philippine Statistics Authority (PSA) reported that Philippine headline inflation decelerated to 0.9% YoY in July (June: 1.4% YoY),** below the market's expectation of 1.1%. The lower print was attributable to slower electricity inflation, decline in food prices, and faster drop in transport prices.

**International Container Terminal Services, Inc. (PSE Ticker: ICT) reported an attributable net income of \$244.3 million (+16% YoY) in 2Q25.** This performance was driven by upward concession tariff adjustments and sustained earnings across all port operations. Gross revenues grew at a slower pace of 12% YoY to \$764.6 million in 2Q25 (1Q25: +17%) as volume growth moderated.

**Local equities** inched up, **local fixed income yields** were mixed, and the **Philippine peso** weakened as investors digested the lower-than-expected local inflation data which raised bets for another rate cut from the Bangko Sentral ng Pilipinas. This was also amid the Bureau of the Treasury's coupon rate-setting auction for the five-year retail treasury bond.

The PSEi closed at 6,353.63 (+0.08% DoD).

On average, yields fell by 0.62 bps, with the 2Y closing at 5.70% (+1.33 bps) and the 10Y closing at 6.14% (-1.85 bps).

The USD/PHP pair closed at 57.63 (+0.59% DoD).

**US ISM Services Purchasing Managers' Index (PMI) unexpectedly fell to 50.1 in July (June: 50.8; Consensus: 51.5) amid slower new orders and further employment weakness.** The new orders index slipped to 50.3 (June: 51.3), while the employment index dropped to 46.4 (June: 47.2), the lowest since March.

**US trade deficit narrowed by 16.0% MoM to \$60.2 billion in June (Revised May: \$71.7 billion).** This was mainly driven by total imports falling by 3.7% MoM, led by a steep decline in consumer goods imports. Likewise, total exports inched down by 0.5% MoM due to lower industrial supplies and materials exports.

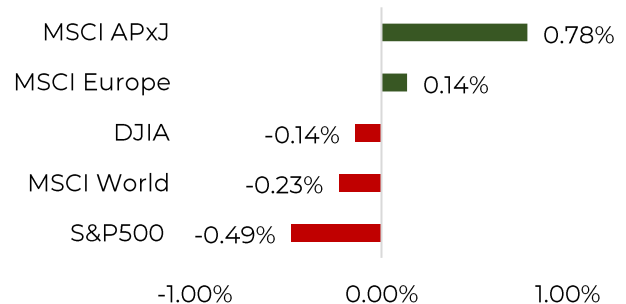
**US equities** fell, **US Treasury yields** rose, and the **US dollar** closed flat as investors weighed US President Donald Trump's comment, stating that he plans to impose tariffs on semiconductor and pharmaceutical imports "within the next week". Traders also digested the unexpected decline of the US ISM Services PMI.

The S&P 500 closed at 6,299.19 (-0.49% DoD), while the DJIA ended at 44,111.74 (-0.14% DoD).

On average, yields rose by 1.87 bps, with the 2Y closing at 3.73% (+4.90 bps) and the 10Y closing at 4.21% (+1.80 bps).

The DXY closed at 98.78 (-0.00% DoD).

## Global Stock Indices



	Level	DoD
S&P 500	6,299.19	-0.49%
DJIA	44,111.74	-0.14%
3-mo US Treasury yield	4.25%	-1.30 bps
2-yr US Treasury yield	3.73%	+4.90 bps
5-yr US Treasury yield	3.78%	+3.90 bps
10-yr US Treasury yield	4.21%	+1.80 bps
DXY	98.78	-0.00%

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