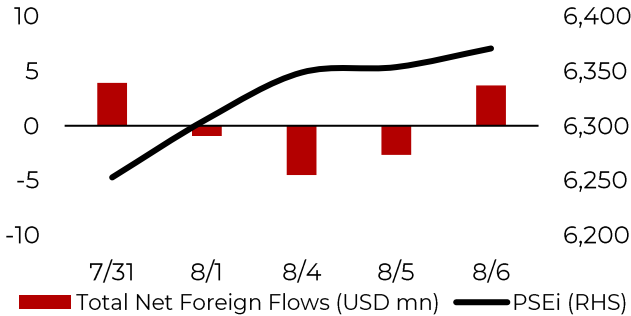


The Morning View

August 7, 2025

Philippine Stock Exchange Index

+0.27% DoD; Net foreign buying: \$3.69mn



	Level	DoD
PSEi	6,370.65	+0.27%
3-mo bond yield	5.36%	-3.28 bps
2-yr bond yield	5.70%	-0.79 bps
5-yr bond yield	5.92%	-1.41 bps
10-yr bond yield	6.08%	-5.67 bps
USDPHP	57.48	-0.27%
Oil (Brent, \$ / barrel)	66.89	-1.11%

The Philippine Statistics Authority (PSA) reported that the unemployment rate declined to 3.7% in June (May: 3.9%). The Industry with the largest MoM rise in employment was wholesale and retail, while the largest decline was seen in accommodation and food service activities. Job quality also improved as the underemployment rate fell to 11.4% in June (May: 13.1%).

Globe Telecom Inc. (PSE Ticker: GLO) reported a core net income of Php10.4 billion (-11% YoY) in 1H25. The performance was dragged by lower telco revenues in all core services. However, this was offset by GLO's share in equity earnings from Mynt rising to Php3.8 billion (+78% YoY), comprising 26% of GLO's pre-tax income.

Local equities rose and **local fixed income yields** fell as investors digested dovish remarks of Bangko Sentral ng Pilipinas (BSP) Governor Remolona that the central bank has room to further ease next year after possibly two more 25-bp rate cuts for the rest of 2025. Meanwhile, the **Philippine peso** strengthened after he also said the central bank will intervene more decisively during extended periods of peso weakness, citing impact on inflation.

The PSEi closed at 6,370.65 (+0.27% DoD).

On average, yields fell by 2.54 bps, with the 2Y closing at 5.70% (-0.79 bps) and the 10Y closing at 6.08% (-5.67 bps).

The USD/PHP pair closed at 57.48 (-0.27% DoD).

US President Trump imposed another 25% tariffs on imports of Indian goods starting August 28, citing India's continued purchases of Russian oil. This could raise duties on some goods to 50%, among the highest for any US trading partner. In response, the Indian government is considering relief measures for exporters.

San Francisco Fed President Daly emphasized the need for rate cuts soon amid a slowing labor market and the short-term inflationary effects of tariffs. Similarly, Minneapolis Fed President Kashkari said that two 25-bp rate cuts by year-end "seem reasonable," citing economic slowdown.

US equities rose after Apple's announcement of a domestic manufacturing pledge amounting to \$100 billion. Investors also assessed various upbeat 2Q earnings reports from companies such as McDonalds. The S&P 500 closed at 6,345.06 (+0.73% DoD), while the DJIA ended at 44,193.12 (+0.18% DoD).

US Treasury yields ended mixed, and the **US dollar** weakened as markets digested dovish signals from Fed officials. Meanwhile, the 10-year Treasury yield rose after the \$42 billion auction of 10-year notes, which was met with soft demand.

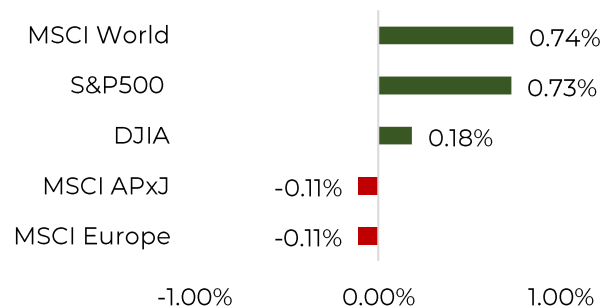
On average, yields rose by 0.60 bps, with the 2Y closing at 3.72% (-1.00 bps) and the 10Y closing at 4.23% (+1.80 bps).

The DXY closed at 98.18 (-0.61% DoD).

This material, which is strictly for information purposes only, is for your sole use, does not constitute a recommendation or an offer to sell or a solicitation to buy any financial product. Any information is subject to change without notice and BPI Wealth is not under any obligation to update or keep current the information contained herein. You are advised to make your own independent judgment with respect to the matter contained in this document. No liability whatsoever is accepted for any loss that may arise (whether direct or consequential) from any use of the information contained herein.

All funds managed by BPI Wealth are Trust and/or Investment Management Funds, which do not carry any guarantee of income or principal, and are NOT covered by the Philippine Deposit Insurance Corporation. Past performance is not a guarantee of future results. BPI Wealth Investment Funds are valued daily using the marked-to-market method.

Global Stock Indices



	Level	DoD
S&P 500	6,345.06	+0.73%
DJIA	44,193.12	+0.18%
3-mo US Treasury yield	4.24%	-0.10 bps
2-yr US Treasury yield	3.72%	-1.00 bps
5-yr US Treasury yield	3.78%	-0.10 bps
10-yr US Treasury yield	4.23%	+1.80 bps
DXY	98.18	-0.61%