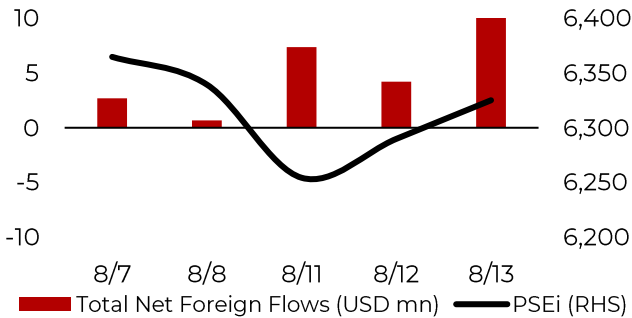


The Morning View

August 14, 2025

Philippine Stock Exchange Index

+0.56% DoD; Net foreign buying: \$17.18mn



	Level	DoD
PSEi	6,325.09	+0.56%
3-mo bond yield	5.33%	-0.29 bps
2-yr bond yield	5.67%	-0.30 bps
5-yr bond yield	5.88%	-0.78 bps
10-yr bond yield	6.11%	+1.96 bps
USDPHP	56.72	-0.62%
Oil (Brent, \$ / barrel)	65.63	-0.74%

A Department of Budget and Management report showed that the National Government's (NG) debt is projected to hit Php19.06 trillion by the end of 2026. This increase is driven by a planned Php2.68 trillion borrowing program. Domestic debt is expected to rise by 10% YoY to Php13.28 trillion, while outstanding external debt is expected to rise 9% YoY to Php5.78 trillion.

Converge ICT Solutions, Inc. (PSE Ticker: CNVRG) reported an attributable net income of Php2.9 billion (-3% QoQ, +7% YoY) in 2Q25, bringing the 1H25 total to Php5.9 billion (+12% YoY). Consolidated service revenues expanded to Php21.8 billion (+12% YoY) in 1H25, with 2Q25 contributing Php11.0 billion (+2% QoQ, +10% YoY) driven by double digit growth in both Residential and Enterprise segments.

Local equities climbed, **local fixed income yields** ended mixed, and the **Philippine peso** strengthened after the US consumer price index (CPI) inflation climbed less than expected to 2.7% YoY in July, boosting bets of a September Fed rate cut.

The PSEi closed at 6,325.09 (+0.56% DoD).

On average, yields were flat, with the 2Y closing at 5.67% (-0.30 bps) and the 10Y closing at 6.11% (+1.96 bps).

The USD/PHP pair closed at 56.72 (-0.62% DoD).

Fed officials struck a cautious tone ahead of the September policy meeting. Atlanta Fed's Bostic pointed to a resilient labor market as reason to wait for more data, while Chicago Fed's Goolsbee flagged uncertainty over whether tariff-driven inflation is temporary or persistent. In contrast, Treasury Secretary Bessent called for aggressive cuts, citing recent soft nonfarm payrolls data.

The International Energy Agency (IEA) said that the global oil market looks 'bloated' amid OPEC+ supply hikes and lackluster demand. For 2025, IEA raised its supply forecast to 2.5 million barrels per day (bpd) from previously 2.1 million. However, it cut its demand outlook to 680,000 bpd (from 700,000), citing subdued demand in major economies amid weak consumer confidence.

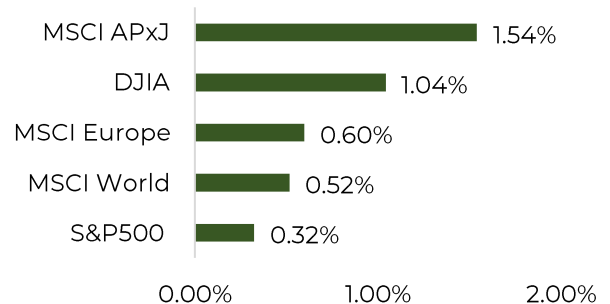
US equities climbed, **US Treasury yields** fell, and the **US dollar** weakened as the lower-than-expected US headline inflation in July continued to boost the market's expectation of further rate cuts from the Fed.

The S&P 500 closed at 6,466.58 (+0.32% DoD), while the DJIA ended at 44,922.27 (+1.04% DoD).

On average, yields fell by 4.65 bps, with the 2Y closing at 3.68% (-5.60 bps) and the 10Y closing at 4.24% (-5.70 bps).

The DXY closed at 97.84 (-0.26% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,466.58	+0.32%
DJIA	44,922.27	+1.04%
3-mo US Treasury yield	4.21%	-2.40 bps
2-yr US Treasury yield	3.68%	-5.60 bps
5-yr US Treasury yield	3.76%	-6.10 bps
10-yr US Treasury yield	4.24%	-5.70 bps
DXY	97.84	-0.26%

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