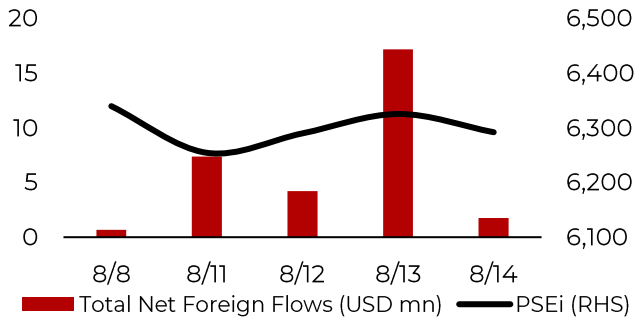


The Morning View

August 15, 2025

Philippine Stock Exchange Index

-0.53% DoD; Net foreign buying: \$1.77mn



	Level	DoD
PSEi	6,291.85	-0.53%
3-mo bond yield	5.30%	-2.90 bps
2-yr bond yield	5.67%	-0.66 bps
5-yr bond yield	5.85%	-2.82 bps
10-yr bond yield	6.00%	-10.32 bps
USDPHP	56.95	+0.40%
Oil (Brent, \$ / barrel)	66.84	+1.84%

Vehicle sales fell by 2.6% YoY to 38,295 units in July (June: 40,483), the Chamber of Automotive Manufacturers of the Philippines, Inc. and Truck Manufacturers Association jointly reported. The decline was attributed to inclement weather disrupting retail operations, which resulted in lower passenger car sales (-25.7% YoY). Nonetheless, this was partly offset by higher commercial vehicle sales (+6.2% YoY).

Jollibee Foods Corporation (PSE Ticker: JFC) reported an attributable 2Q25 net income of Php3.2 billion (+33% QoQ, +6% YoY), bringing 1H25 to Php5.6 billion (-1% YoY). The quarterly rise was driven by system wide sales (SWS) to Php14.5 billion (+11% QoQ, +20% YoY), bringing 1H25 SWS to Php217.7 billion (+9% YoY).

Local equities fell, local fixed income yields declined, and the Philippine peso weakened as investors positioned ahead of the release of the July US producer price index (PPI) inflation reading. This was also after the Department of Budget and Management reported that the Philippine government's outstanding debt could rise to a record Php19.06 trillion by 2026.

The PSEi closed at 6,291.85 (-0.53% DoD).

On average, yields fell by 3.64 bps, with the 2Y closing at 5.67% (-0.66 bps) and the 10Y closing at 6.00% (-10.32 bps).

The USD/PHP pair closed at 56.95 (+0.40% DoD).

US Producer Price Index (PPI) inflation accelerated to 3.3% YoY, above June's 2.3% and the market's expectation of 2.5% YoY. On a MoM basis, PPI rose higher-than-expected by 0.9% MoM (June: 0.0%; Consensus: 0.2%). The jump was mainly driven by the increase in services costs, led by trade margins, machinery and equipment wholesaling, and portfolio management fees. Goods prices also rose primarily due to higher food prices.

US weekly jobless claims fell by 3,000 to a seasonally adjusted 224,000 (Consensus: 225,000) amid low layoffs. Continuing claims slipped by 15,000 to a seasonally adjusted 1.95 million during the week ending August 2. Economists said that the unemployment may rise to 4.3% in August as businesses become wary of hiring due to softening domestic demand.

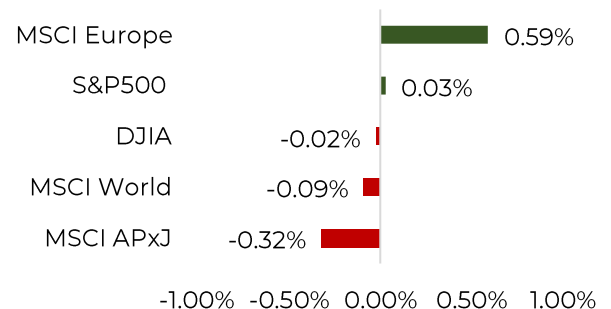
US equities ended flat, US Treasury yields rose, and the US dollar strengthened as the jump in the US PPI tempered the market's expectations for a Fed rate cut in September.

The S&P 500 closed at 6,468.54 (+0.03% DoD), while the DJIA ended at 44,911.26 (-0.02% DoD).

On average, yields rose by 4.03 bps, with the 2Y closing at 3.74% (+5.80 bps) and the 10Y closing at 4.29% (+5.10 bps).

The DXY closed at 98.25 (+0.42% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,468.54	+0.03%
DJIA	44,911.26	-0.02%
3-mo US Treasury yield	4.22%	+1.00 bps
2-yr US Treasury yield	3.74%	+5.80 bps
5-yr US Treasury yield	3.82%	+5.20 bps
10-yr US Treasury yield	4.29%	+5.10 bps
DXY	98.25	+0.42%

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