

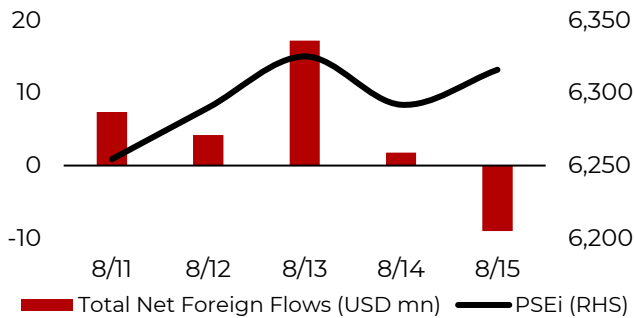


# The Morning View

August 18, 2025

## Philippine Stock Exchange Index

+0.38% DoD; Net foreign selling: \$9.01mn



	Level	DoD
PSEi	6,315.93	+0.38%
3-mo bond yield	5.29%	-0.80 bps
2-yr bond yield	5.66%	-0.65 bps
5-yr bond yield	5.85%	-0.07 bps
10-yr bond yield	6.01%	+0.37 bps
USDPHP	57.07	+0.21%
Oil (Brent, \$ / barrel)	65.85	-1.48%

**Overseas Filipino Workers (OFW) cash remittances rose to a 6-month high of \$2.99 billion (+3.67% YoY) in June, bringing 1H25 cash remittances to \$16.75 billion (+3.12% YoY).** The US remained the top source of cash remittances in 1H25, accounting for 40.1% of the total, followed by Singapore (7.1%) and Saudi Arabia (6.2%).

**PLDT Inc. (PSE Ticker: TEL) announced that they have resumed talks to sell a stake in its data center after previously shelving a deal for over \$1 billion.** Currently, TEL's largest data center campus is VITRO Sta. Rosa with a capacity up to 50 megawatts (MW). The company also stated that the 12<sup>th</sup> data center will have a capacity of up to 100 MW, double that of VITRO Sta. Rosa.

**Local equities** rose as investors positioned ahead of the effectivity of the semi-annual PSEi rebalancing. Meanwhile, **local fixed income yields** were mixed and the **Philippine peso** weakened after the hotter-than-expected US producer price index (PPI) inflation for July, which tempered bets of a September Fed rate cut.

The PSEi closed at 6,315.93 (+0.38% DoD).

On average, yields fell by 0.20 bps, with the 2Y closing at 5.66% (-0.65 bps) and the 10Y closing at 6.01% (+0.37 bps).

The USD/PHP pair closed at 57.07 (+0.21% DoD).

**University of Michigan's US Consumer Sentiment Index fell to 58.6 in August (July: 61.7; Consensus: 62.0), the first decline in four months.** The weaker reading was primarily attributed to rising worries about inflation as higher tariffs take effect. US consumers' one- and five-year inflation expectations rose to 4.9% and 3.9% (July: 4.5% and 3.4%), respectively.

**US retail sales rose by 0.5% MoM in July (Revised June: 0.9%; Consensus: 0.6%).** Gains for the month were led by higher receipts by motor vehicles & parts dealers, clothing stores, and gas stations. Meanwhile, weaker sales were recorded for building materials, electronics, appliances, and restaurants and bars.

**US equities** closed mixed, **US Treasury yields** rose as investors weighed the softer-than-expected US retail sales data and the unexpected decline in the US consumer sentiment. Investors also assessed the rise in inflation expectations of households.

The S&P 500 closed at 6,449.80 (-0.29% DoD), while the DJIA ended at 44,946.12 (+0.08% DoD).

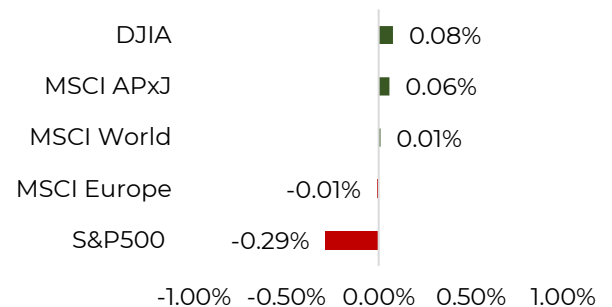
On average, yields rose by 2.20 bps, with the 2Y closing at 3.75% (+1.80 bps) and the 10Y closing at 4.32% (+3.50 bps).

The **US dollar** weakened following the dovish comments from San Francisco Fed President Daly, stating that two rate cuts are still appropriate for the year. The DXY closed at 97.85 (-0.41% DoD).

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## Global Stock Indices



	Level	DoD
S&P 500	6,449.80	-0.29%
DJIA	44,946.12	+0.08%
3-mo US Treasury yield	4.22%	-0.10 bps
2-yr US Treasury yield	3.75%	+1.80 bps
5-yr US Treasury yield	3.84%	+2.30 bps
10-yr US Treasury yield	4.32%	+3.50 bps
DXY	97.85	-0.41%