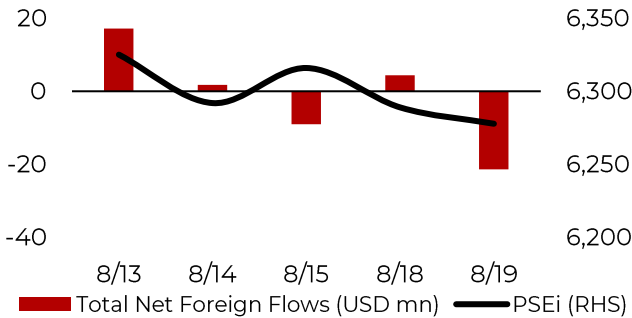


The Morning View

August 20, 2025

Philippine Stock Exchange Index

-0.18% DoD; Net foreign selling: \$21.42mn



	Level	DoD
PSEi	6,277.67	-0.18%
3-mo bond yield	5.27%	-1.68 bps
2-yr bond yield	5.66%	-0.21 bps
5-yr bond yield	5.84%	-0.75 bps
10-yr bond yield	5.99%	-2.39 bps
USDPHP	57.10	+0.24%
Oil (Brent, \$ / barrel)	65.79	-1.22%

Finance Secretary Recto says that the Philippine Government will not introduce new tax proposals in the 20th Congress. He mentioned that the Marcos administration would instead focus on previously filed tax measures such as the excise tax on single-use plastics and the tax amnesty program.

Manila Electric Co. (PSE Ticker: MER) signed an agreement with South Korean firm DL Engineering & Construction on plans to research the feasibility of small modular reactors (SMR). MER has expressed strong interest in SMRs as they can be constructed quickly and can generate capacity of up to 300 megawatts.

Local equities fell, local fixed income yields inched down, and the Philippine peso weakened amid lack of fresh catalysts as investors looked ahead to the Jackson Hole Symposium and release of the Fed's July meeting minutes later this week. Yields also closed lower amid strong demand for the reissued 10-year bond auction by the Bureau of the Treasury.

The PSEi closed at 6,277.67 (-0.18% DoD).

On average, yields fell by 1.50 bps, with the 2Y closing at 5.66% (-0.21 bps) and the 10Y closing at 5.99% (-2.39 bps).

The USD/PHP pair closed at 57.10 (+0.24% DoD).

US Commerce Department has expanded the 50% steel and alumni tariff to 407 additional products, effective immediately.

The new list includes key inputs for electric vehicles, air conditioners, and a range of household appliances.

US single-family housing starts rose by 2.8% MoM to 939,000 in July (June: -4.6%), led by apartment construction. However, single-family production was down by 4.2% YTD amid high mortgage rates, regulatory challenges, and skilled labor shortages.

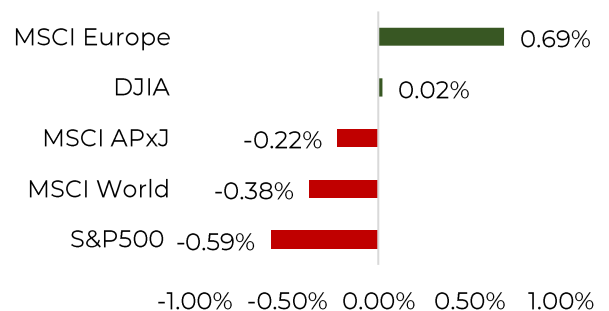
US equities ended mixed, US Treasury yields slightly fell, and the US dollar closed flattish ahead of Fed Chair Powell's speech at the Jackson Hole symposium this week, which could give signals on the path of monetary policy. Investors also digested S&P Global Ratings' affirmation of US' AA+ credit rating, citing that the revenues from the Trump's tariffs could offset the fiscal hit from the tax-cut and spending bill.

The S&P 500 closed at 6,411.37 (-0.59% DoD), while the DJIA ended at 44,922.27 (+0.02% DoD).

On average, yields fell by 0.89 bps, with the 2Y closing at 3.75% (-0.30 bps) and the 10Y closing at 4.31% (-1.40 bps).

The DXY closed at 98.27 (+0.10% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,411.37	-0.59%
DJIA	44,922.27	+0.02%
3-mo US Treasury yield	4.21%	-1.10 bps
2-yr US Treasury yield	3.75%	-0.30 bps
5-yr US Treasury yield	3.83%	-1.20 bps
10-yr US Treasury yield	4.31%	-1.40 bps
DXY	98.27	+0.10%

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