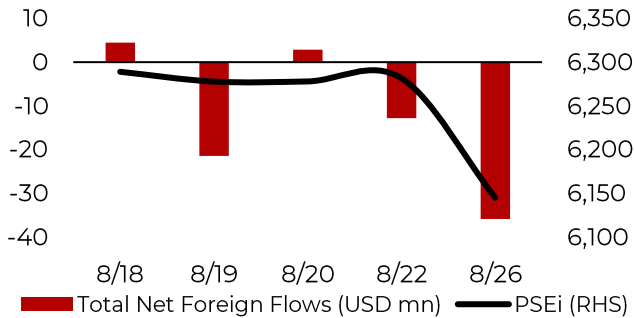


The Morning View

August 27, 2025

Philippine Stock Exchange Index

-2.17% DoD; Net foreign selling: \$35.86mn



	Level	DoD
PSEi	6,145.24	-2.17%
3-mo bond yield	5.25%	-0.93 bps
2-yr bond yield	5.66%	-1.57 bps
5-yr bond yield	5.83%	-1.36 bps
10-yr bond yield	6.01%	+1.39 bps
USDPHP	57.07	+0.21%
Oil (Brent, \$ / barrel)	67.22	-2.30%

The Philippine may face more tariffs as US President Trump threatens tariffs against countries that impose digital taxes on US companies. Analysts cautioned to not hastily lift digital taxes and to carefully study lost revenue from lifting taxes versus lower exports. The Department of Finance estimated Php102.12 billion in revenues from digital VAT collections between 2025 and 2028.

SM Investments Corp. (PSE Ticker: SM) is growing its renewable energy sources through new geothermal projects and wind energy ventures. SMIC Chief Executive Officer Frederic DyBuncio stated that the focus remains on geothermal energy production as it can run during the full day.

Local equities fell and the **Philippine peso** weakened amid concerns over US President Trump's rare earth tariff threats on China. The quarterly MSCI rebalancing also weighed on the local bourse.

The PSEi closed at 6,145.24 (-2.17% DoD).

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

Local fixed income yields were mixed as investors digested Fed Chair Powell's speech signaling a potential September rate cut. The Fed chair also noted increasing risks on both inflation and employment. On average, yields fell by 0.79 bps, with the 2Y closing at 5.66% (-1.57 bps) and the 10Y closing at 6.01% (+1.39 bps).

US Conference Board Consumer Confidence Index slipped to 97.4 in August (Revised July: 98.7; Consensus: 96.5), dragged by concerns over job availability and anticipation of higher prices amid Trump's trade policies. Consumers also showed increased interest in purchasing big-ticket items, although vacation plans declined.

US durable goods orders dropped by 2.8% MoM in July (June: -9.4%; Consensus: -3.8%) on uncertain tariff backdrop. The decline was led by the fall in commercial aircraft orders. Stripping out the volatile transport sector, orders rose by 1.1% MoM, better than the expected 0.2% MoM increase (June: +0.2%).

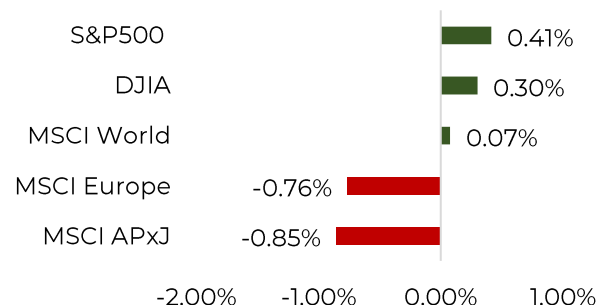
US equities rose as investors positioned ahead of Nvidia's earnings report this Wednesday. The S&P 500 closed at 6,465.94 (+0.41% DoD), while the DJIA ended at 45,418.07 (+0.30% DoD).

US Treasury yields dropped, and the **US dollar** weakened as investors weighed Trump's decision to fire Fed Governor Lisa Cook.

On average, yields fell by 1.79 bps, with the 2Y closing at 3.68% (-4.50 bps) and the 10Y closing at 4.26% (-1.40 bps).

The DXY closed at 98.23 (-0.21% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,465.94	+0.41%
DJIA	45,418.07	+0.30%
3-mo US Treasury yield	4.19%	-1.50 bps
2-yr US Treasury yield	3.68%	-4.50 bps
5-yr US Treasury yield	3.75%	-4.20 bps
10-yr US Treasury yield	4.26%	-1.40 bps
DXY	98.23	-0.21%

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.