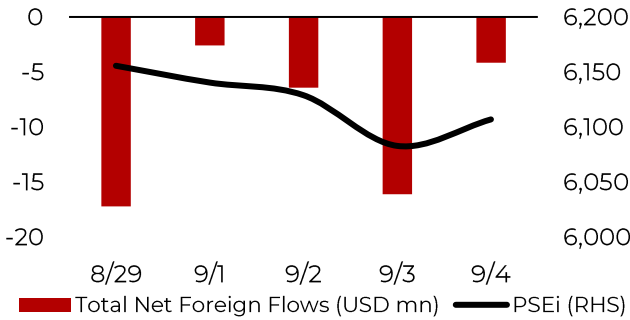


The Morning View

September 5, 2025

Philippine Stock Exchange Index

+0.39% DoD; Net foreign selling: \$4.16mn



	Level	DoD
PSEi	6,106.92	+0.39%
3-mo bond yield	5.18%	+0.03 bps
2-yr bond yield	5.63%	+0.21 bps
5-yr bond yield	5.86%	+0.28 bps
10-yr bond yield	6.00%	-3.07 bps
USD/PHP	56.98	-0.56%
Oil (Brent, \$ / barrel)	66.99	-0.90%

The Philippine Statistics Authority reported that national wholesale price growth accelerated to 3.1% YoY in July (June: 3.0%), the strongest reading in two months. The increase was mainly due to a higher growth rate in the index of beverages and tobacco at 3.6% YoY in July. Economists attribute this rise to the government's focus on implementing more taxes on tobacco and other sin products.

SM Prime Holdings, Inc. (PSE Ticker: SMPH) President Steven Tan announced more than Php150.0 billion in capital expenditure (capex) to fund major redevelopments and new lifestyle malls over the next five years. This will be financed through a combination of borrowings and internal funds. As of 1H25, SMPH spent Php37.3 billion (FY24: Php88.7 billion) in capex.

Local equities rebounded after five days of decline amid investors' bargain hunting. The PSEi closed at 6,106.92 (+0.39% DoD).

Local fixed income yields closed mixed ahead of the release of the August inflation data. Bloomberg consensus anticipated the inflation print to rise to 1.2% from 0.9% in July. On average, yields fell by 0.40 bps, with the 2Y closing at 5.63% (+0.21 bps) and the 10Y closing at 6% (-3.07 bps).

The **Philippine peso** strengthened after US job openings fell to a 10-month low of 7.181 million in July, boosting bets of a Fed rate cut in September. The USD/PHP pair closed at 56.98 (-0.56% DoD).

The ADP National Employment Report showed that US private payrolls rose by 54,000 in August (Revised July: 106,000), below economists' forecast of 68,000. In a separate report, outplacement firm Challenger, Gray & Christmas noted that US firms' announced layoffs surged by 39% MoM to a three-month high of 85,979 in August.

The US Labor Department reported that weekly jobless claims rose higher than expected by 8,000 to 237,000 for the week ending August 30 (Consensus: 230,000). Meanwhile, continuing claims declined more than expected by 4,000 to 1.94 million (Consensus: 1.96 million) for the week ending August 23.

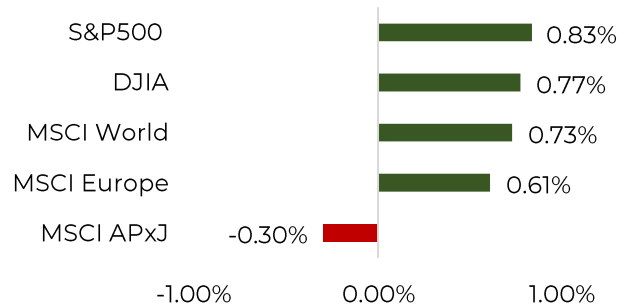
US equities rose, and **US Treasury yields** slipped as investors digested the weaker-than-expected ADP private payroll additions and the above-consensus initial jobless claims, bolstering the case for a Fed rate cut.

The S&P 500 closed at an all-time high of 6,502.08 (+0.83% DoD), while the DJIA ended at 45,621.29 (+0.77% DoD).

On average, yields fell by 3.92 bps, with the 2Y closing at 3.59% (-2.90 bps) and the 10Y closing at 4.16% (-5.60 bps).

The **US dollar** strengthened ahead of the nonfarm payroll and unemployment data reports. The DXY closed at 98.35 (+0.21% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,502.08	+0.83%
DJIA	45,621.29	+0.77%
3-mo US Treasury yield	4.09%	-3.90 bps
2-yr US Treasury yield	3.59%	-2.90 bps
5-yr US Treasury yield	3.65%	-4.70 bps
10-yr US Treasury yield	4.16%	-5.60 bps
DXY	98.35	+0.21%

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