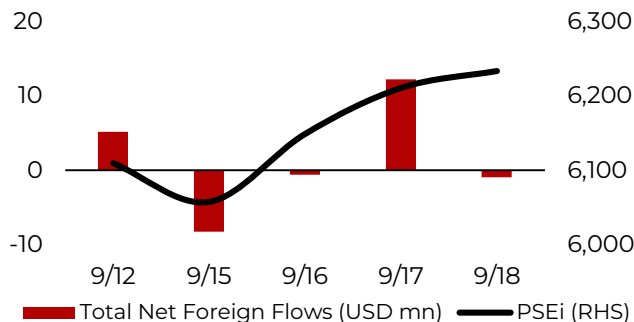


# The Morning View

September 19, 2025

## Philippine Stock Exchange Index

+0.37% DoD; Net foreign selling: \$0.96mn



	Level	DoD
PSEi	6,233.62	+0.37%
3-mo bond yield	5.01%	-3.04 bps
2-yr bond yield	5.56%	-0.87 bps
5-yr bond yield	5.79%	-0.39 bps
10-yr bond yield	5.95%	+0.97 bps
USDPHP	57.06	+0.30%
Oil (Brent, \$ / barrel)	67.44	-0.75%

**The Philippine Exporters Confederation, Inc., said the country's export sales may only reach \$105-\$110 billion this year,** as US orders slowed following the 19% reciprocal tariff imposed in August. This is below the \$115.49-billion export target under the updated Philippine Development Plan and is far short of the \$163.6-billion goal under the Philippine Export Development Plan.

**Aboitiz Power Corp. (PSE Ticker: AP) announced its plan to redeem Php2.5 billion worth of fixed-rate retail bonds this month, three years ahead of their 2028 maturity.** The ten-year Series C Bonds carries an annual interest rate of 8.6091%. The company stated that it will fully prepay the bonds using proceeds from its retail bond issuance earlier this year.

**Local equities** rose and **local fixed income yields** ended mixed but fell on average as investors digested the US Federal Reserve's decision to cut its policy rate by 25 bps to the 4.00%–4.25% range.

The PSEi closed at 6,233.62 (+0.37% DoD).

On average, yields fell by 0.87 bps, with the 2Y closing at 5.56% (-0.87 bps) and the 10Y closing at 5.95% (+0.97 bps).

The **Philippine peso** weakened as investors weighed the updated economic projections and policy rate path outlook of the Fed, signaling two more cuts this year but only one each in the next two years. The USD/PHP pair closed at 57.06 (+0.30% DoD).

**US weekly initial jobless claims fell by 33,000 to 231,000 for the week ended September 13, lower than the consensus estimate of 240,000.** This reversed last week's sharp uptick to a revised 264,000, suggesting that the US job market is showing some signs of resilience.

**Foreign holdings of US Treasuries climbed to a record \$9.16 trillion in July (June: \$9.13 trillion), marking a third straight monthly high.** Gains were led by Japan, which remained the largest holder at \$1.2 trillion, and the United Kingdom which increased its holdings to \$899.3 billion. In contrast, China's holdings dropped to \$730.7 billion, the lowest since 2008, as it continued to diversify reserves and support the yuan.

**US equities** rose to new all-time highs amid continued optimism after the Fed delivered a 25-bp rate cut. Meanwhile, **US Treasury yields** rose and the **US dollar** strengthened as investors weighed the lower-than-expected weekly jobless claims and the Fed's forecast of only one cut in 2026.

The S&P 500 closed at 6,631.96 (+0.48% DoD), while the DJIA ended at 46,142.42 (+0.27% DoD).

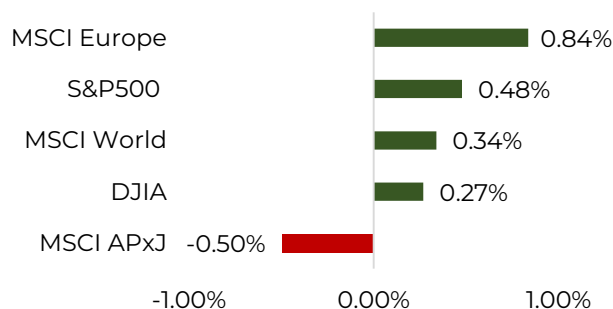
On average, yields rose by 1.28 bps, with the 2Y closing at 3.57% (+1.10 bps) and the 10Y closing at 4.11% (+1.70 bps).

The DXY closed at 97.35 (+0.49% DoD).

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## Global Stock Indices



	Level	DoD
S&P 500	6,631.96	+0.48%
DJIA	46,142.42	+0.27%
3-mo US Treasury yield	3.98%	+0.20 bps
2-yr US Treasury yield	3.57%	+1.10 bps
5-yr US Treasury yield	3.67%	+0.90 bps
10-yr US Treasury yield	4.11%	+1.70 bps
DXY	97.35	+0.49%