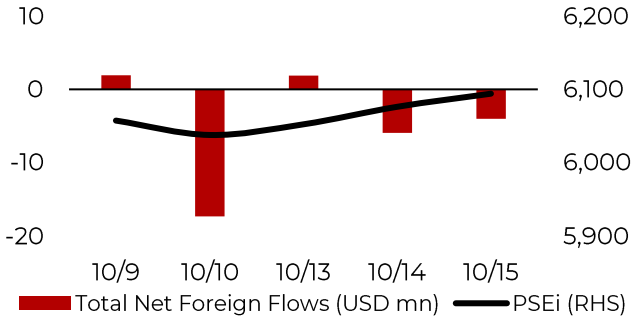


The Morning View

October 16, 2025

Philippine Stock Exchange Index

+0.29% DoD; Net foreign selling: \$4.01mn



	Level	DoD
PSEi	6,094.10	+0.29%
3-mo bond yield	4.91%	-0.15 bps
2-yr bond yield	5.42%	-3.79 bps
5-yr bond yield	5.68%	-2.26 bps
10-yr bond yield	5.94%	+1.54 bps
USDPHP	58.06	-0.27%
Oil (Brent, \$ / barrel)	61.91	-0.77%

Overseas Filipino Workers' (OFW) cash remittances rose to \$2.98 billion (+3.2% YoY) in August, as the weaker peso boosted the value of remittances. This brought 8M25 remittances to \$22.91 billion (+3.1% YoY). The US remained the top source with 40.4% of the total remittances, followed by Singapore at 7.1%, and Saudi Arabia at 6.3%.

SM Prime Holdings, Inc. (PSE Ticker: SMPH) will open its 89th mall in La Union on October 17. The 51,000 square meter mall aims to capture La Union's growing position as a tourism and economic hub. In line with this, SMPH plans to reach 100 malls by 2027 through redevelopment and expansion projects.

Local equities rose, **local fixed income yields** fell on average, and the **Philippine peso** strengthened following dovish remarks from Fed Chair Powell, which boosted hopes of another Fed rate cut in October. This was also after OFW cash remittances remained resilient and showed continued growth in August.

The PSEi closed at 6,094.10 (+0.29% DoD).

On average, yields fell by 2.10 bps, with the 2Y closing at 5.42% (-3.79 bps) and the 10Y closing at 5.94% (+1.54 bps).

The USD/PHP pair closed at 58.06 (-0.27% DoD).

US Treasury Secretary Scott Bessent said that the two-week-old federal government shutdown may start costing the US economy up to \$15 billion in lost output each day. Bessent added that the deficit for the 2025 fiscal year was smaller than the prior year's \$1.833 trillion, although he has not shared the deficit figure.

Chicago Fed's Advance Retail Trade Summary estimated that retail sales, excluding autos and parts, rose by 0.5% MoM in September. Growth slowed from 0.7% in August amid consumers' caution due to the tariffs as well as a sluggish labor market, which added to the uncertainty over the economic outlook.

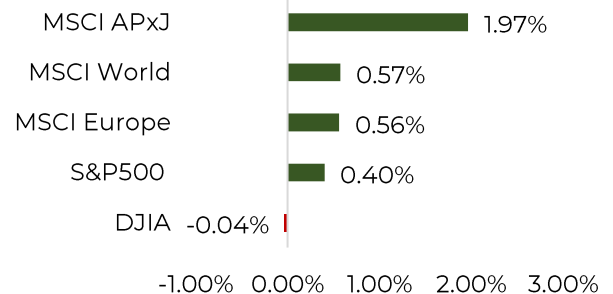
US equities closed mixed as investors digested the latest earnings reports from banks, including Bank of America and Morgan Stanley. The S&P 500 closed at 6,671.06 (+0.40% DoD), while the DJIA ended at 46,253.31 (-0.04% DoD).

US Treasury yields rose on average, and the **US dollar** weakened after US President Donald Trump threatened an embargo on China's cooking oil. Meanwhile, China imposed new sanctions on five US subsidiaries of South Korean shipbuilder Hanwha Ocean.

On average, yields rose by 0.79 bps, with the 2Y closing at 3.50% (+1.60 bps) and the 10Y closing at 4.03% (-0.40 bps).

The DXY closed at 98.79 (-0.26% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,671.06	+0.40%
DJIA	46,253.31	-0.04%
3-mo US Treasury yield	3.97%	+1.80 bps
2-yr US Treasury yield	3.50%	+1.60 bps
5-yr US Treasury yield	3.62%	+0.90 bps
10-yr US Treasury yield	4.03%	-0.40 bps
DXY	98.79	-0.26%

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