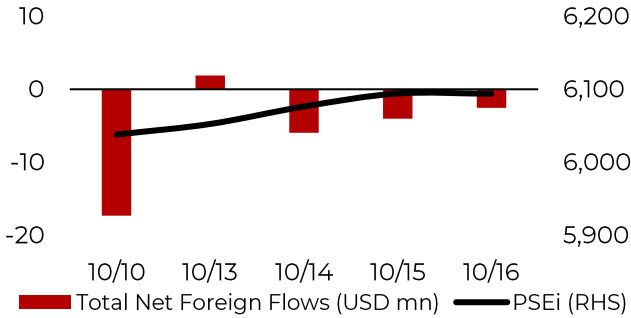


The Morning View

October 17, 2025

Philippine Stock Exchange Index

-0.01% DoD; Net foreign selling: \$2.56mn



	Level	DoD
PSEi	6,093.67	-0.01%
3-mo bond yield	4.96%	+4.40 bps
2-yr bond yield	5.41%	-0.61 bps
5-yr bond yield	5.68%	-0.29 bps
10-yr bond yield	5.95%	+0.37 bps
USDPHP	58.13	+0.12%
Oil (Brent, \$ / barrel)	61.06	-1.37%

Department of Budget and Management Secretary Amenah Pangandaman said that the government's 5.5% – 6.5% growth target remains attainable. She noted that a temporary slowdown in infrastructure spending is expected as agencies perform due diligence. However, she expects spending to rebound by year-end amid easing inflation and a lower interest rate environment.

Century Pacific Food, Inc.'s (PSE Ticker: CNPF) subsidiary, Coco Harvest, Inc., is set to acquire a Php2.6 billion coconut processing facility in South Cotabato, marking its third plant in the country. The move will expand its capacity for high-value coconut products ahead of its Php14.0 billion renewed supply agreement with coconut brand Vita Coco.

Local equities ended flat, **local fixed income yields** were mixed, and the **Philippine peso** weakened as investors stayed on the sidelines amid lingering concerns over corruption issues in the Philippines and renewed trade tensions between the US and China.

The PSEi closed at 6,093.67 (-0.01% DoD).

On average, yields rose by 1.53 bps, with the 2Y closing at 5.41% (-0.61 bps) and the 10Y closing at 5.95% (+0.37 bps).

The USD/PHP pair closed at 58.13 (+0.12% DoD).

Fed Governor Waller said that he favors a 25-bp cut in October due to the worrisome labor market developments. Meanwhile, Fed Governor Miran pushed for more aggressive cuts as Trump's immigration policies could lower inflation, while rising trade tensions call for action.

The US budget deficit narrowed by \$41 billion to \$1.78 trillion in fiscal year 2025. This was driven by higher tariff revenues and budget cuts. Customs receipts hit a record \$195 billion (+153.25% YoY) for the full year.

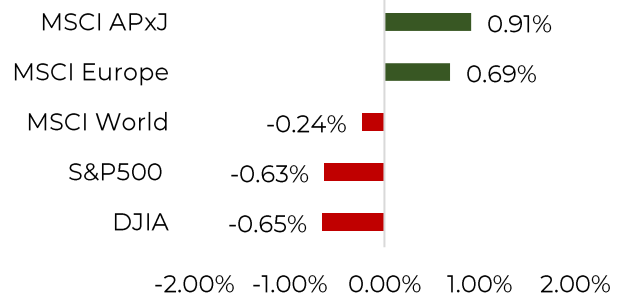
US equities slipped amid growing concerns over credit risks in regional banks following Zions Bancorporation's fraud-related charge-off and the bankruptcies of two auto industry-related companies. The S&P 500 closed at 6,629.07 (-0.63% DoD), while the DJIA ended at 45,952.24 (-0.65% DoD).

US Treasury yields dropped, and the **US dollar** weakened following dovish comments by Fed Governors Waller and Miran. Investors were also concerned about the escalating US-China trade tensions after China accused the US of stoking panic over its rare earth export controls.

On average, yields fell by 3.95 bps, with the 2Y closing at 3.43% (-5.70 bps) and the 10Y closing at 3.98% (-5.80 bps).

The DXY closed at 98.34 (-0.46% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,629.07	-0.63%
DJIA	45,952.24	-0.65%
3-mo US Treasury yield	3.94%	-0.30 bps
2-yr US Treasury yield	3.43%	-5.70 bps
5-yr US Treasury yield	3.55%	-6.10 bps
10-yr US Treasury yield	3.98%	-5.80 bps
DXY	98.34	-0.46%

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