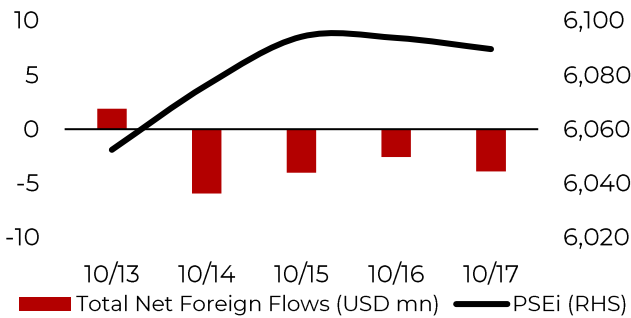


The Morning View

October 20, 2025

Philippine Stock Exchange Index

-0.07% DoD; Net foreign selling: \$3.89mn



	Level	DoD
PSEi	6,089.53	-0.07%
3-mo bond yield	4.97%	+1.24 bps
2-yr bond yield	5.42%	+0.28 bps
5-yr bond yield	5.69%	+0.85 bps
10-yr bond yield	5.95%	+0.66 bps
USDPHP	58.16	+0.06%
Oil (Brent, \$ / barrel)	61.29	+0.38%

The Philippine banking sector's total assets expanded by 6.7% YoY to Php27.73 trillion as of end-August, driven by the continued growth in loans and deposits. Total net loan portfolio, inclusive of interbank loans receivables and reverse repurchases, grew by 9.9% YoY to Php15.19 trillion. Meanwhile, deposit liabilities increased by 6.9% YoY to Php20.45 trillion in the same period.

Globe Telecom, Inc. (PSE Ticker: GLO) announced that it recorded an 18% decline in total fiber cut incidents for 1H25. GLO stated that the fiber cut task force prevented 192 potential fiber cuts and network disruptions during this period. This was mainly attributable to preventive maintenance programs and collaboration with communities and local government units.

Local equities inched lower, **local fixed income yields** slightly rose, and the **Philippine peso** ended flat as investors remained cautious amid a lack of strong catalysts and lingering concerns over global trade developments.

The PSEi closed at 6,089.53 (-0.07% DoD).

On average, yields rose by 0.72 bps, with the 2Y closing at 5.42% (+0.28 bps) and the 10Y closing at 5.95% (+0.66 bps).

The USD/PHP pair closed at 58.16 (+0.06% DoD).

St. Louis Fed President Alberto Musalem signaled support for a policy rate cut in October should labor market risks emerge.

However, Musalem maintained a cautious stance on an accommodative monetary policy as inflation risks remain. He added that tariffs could drive up price pressures until next year.

US President Donald Trump imposed 25% tariffs on imported medium- and heavy-duty trucks and 10% tariffs on buses.

Moreover, automakers became eligible for a credit equal to 3.75% of the suggested retail price for US assembled vehicles through 2030.

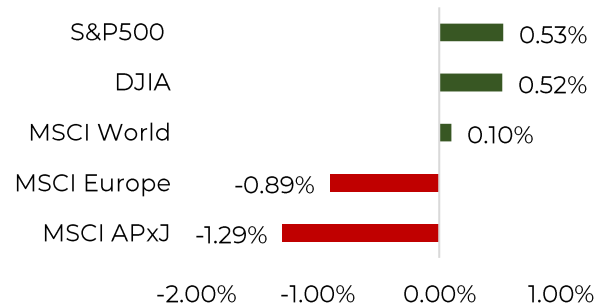
US equities rebounded, **US Treasury yields** rose, and the **US dollar** slightly strengthened as trade tensions were tempered after President Trump said that the 100% tariff on Chinese imports was "not sustainable" and announced plans to meet with China President Xi Jinping. Moreover, the market's worries over the banking sector eased as investors perceived the loan losses as a manageable situation and not a start of a broader crisis.

The S&P 500 closed at 6,664.01 (+0.53% DoD), while the DJIA ended at 46,190.61 (+0.52% DoD).

On average, yields rose by 1.78 bps, with the 2Y closing at 3.46% (+3.30 bps) and the 10Y closing at 4.01% (+3.50 bps).

The DXY closed at 98.43 (+0.10% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,664.01	+0.53%
DJIA	46,190.61	+0.52%
3-mo US Treasury yield	3.93%	-1.70 bps
2-yr US Treasury yield	3.46%	+3.30 bps
5-yr US Treasury yield	3.59%	+4.50 bps
10-yr US Treasury yield	4.01%	+3.50 bps
DXY	98.43	+0.10%