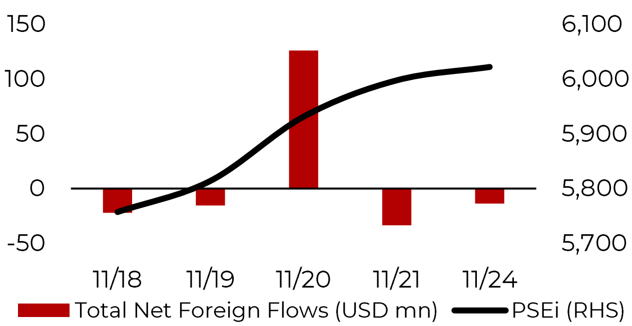
BPI WEALTH

The Morning View

November 25, 2025

Philippine Stock Exchange Index

+0.41% DoD; Net foreign selling: $13.85mn



	Level	DoD
PSEi	6,021.59	+0.41%
3-mo bond yield	4.88%	+1.71 bps
2-yr bond yield	5.16%	-0.84 bps
5-yr bond yield	5.53%	-0.57 bps
10-yr bond yield	5.92%	+1.95 bps
USDPHP	58.87	+0.03%
Oil (Brent, $ / barrel)	63.37	+1.29%

Bangko Sentral ng Pilipinas (BSP) Governor Remolona says a reserve requirement ratio cut is on the table, but there is no urgency to do so. When asked about a potential policy rate cut in December, he also indicated that a rate cut could be considered to stimulate demand, noting that inflation expectations remain broadly stable.

Manila Electric Co.'s (PSE Ticker: MER) Executive Vice President and Chief Operating Officer Ronnie Aperocho said that the company will allocate a higher capital expenditure budget of Php26.0 to Php30.0 billion for 2026 from Php25.0 billion in 2025. Moreover, MER will also allocate Php8.0 billion for the rollout of smart meters under its advanced metering infrastructure program.

Local equities slightly rose, **local fixed income yields** ended mixed, and the **Philippine peso** closed flat as investors weighed expectations of further policy easing from the BSP, and news that S&P Global Ratings downgraded its 2026 Philippine economic growth projection to 4.8% from previously 5.6%.

The PSEi closed at 6,021.59 (+0.41% DoD).

On average, yields rose by 0.26 bps, with the 2Y closing at 5.16% (-0.84 bps) and the 10Y closing at 5.92% (+1.95 bps).

The USD/PHP pair closed at 58.87 (+0.03% DoD).

Federal Reserve Governor Waller and San Francisco Fed President Daly both indicated that the job market has weakened enough to warrant another 25-bp cut in December. Moreover, Waller added that the decision in the January policy meeting could be "trickier," as policymakers would need to assess delayed data releases caused by the government shutdown.

Dallas Fed's Texas Manufacturing Outlook Survey showed that manufacturing conditions improved as the production index jumped to 20.5 in November (Oct.: 5.2). However, broader business perception worsened as general business activity index dropped to -10.4 (Oct.: -5.0), and the company outlook index slipped to -6.3 (Oct.: -0.3).

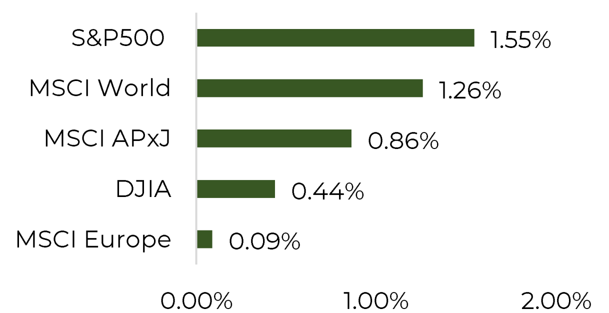
US equities rose, **US Treasury yields** fell, and the **US dollar** slightly weakened following the dovish comments of Fed Governor Christopher Waller and San Francisco Fed President Daly.

The S&P 500 closed at 6,705.12 (+1.55% DoD), while the DJIA ended at 46,448.27 (+0.44% DoD).

On average, yields fell by 2.01 bps, with the 2Y closing at 3.50% (-1.30 bps) and the 10Y closing at 4.03% (-4.00 bps).

The DXY closed at 100.14 (-0.04% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,705.12	+1.55%
DJIA	46,448.27	+0.44%
3-mo US Treasury yield	3.82%	-1.00 bps
2-yr US Treasury yield	3.50%	-1.30 bps
5-yr US Treasury yield	3.59%	-3.00 bps
10-yr US Treasury yield	4.03%	-4.00 bps
DXY	100.14	-0.04%