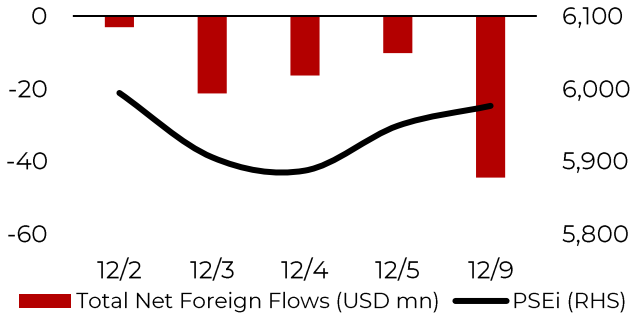


The Morning View

December 10, 2025

Philippine Stock Exchange Index

+0.46% DoD; Net foreign selling: \$44.40mn



	Level	DoD
PSEi	5,976.64	+0.46%
3-mo bond yield	4.86%	-1.10 bps
2-yr bond yield	5.20%	+0.44 bps
5-yr bond yield	5.56%	+1.46 bps
10-yr bond yield	5.92%	+0.23 bps
USDPHP	59.22	+0.48%
Oil (Brent, \$ / barrel)	61.94	-0.88%

The World Bank downgraded its Philippine economic growth forecasts to 5.1% (previously: 5.3%) and 5.3% (previously: 5.4%) for 2025 and 2026, respectively. These are below the government's growth targets of 5.5-6.5% for this year and 6-7% for 2026 to 2028. The World Bank expects a gradual recovery amid weaker investments and sluggish consumption, compounded by corruption issues and natural disasters.

Manila Electric Co. (PSE Ticker: MER) announced a reduction of Php0.3557 per kWh in electricity rates in December amid lower transmission and generation charges. This brought down the overall rate for a typical household to Php13.1145 per kWh (November: Php13.4702), translating to a downward adjustment of around Php71 in the total electricity bill of customers consuming 200 kWh.

Local equities slightly rose amid bargain-hunting. Meanwhile, **local fixed income yields** inched up and the **Philippine peso** slightly weakened ahead of the policy rate decisions by the Bangko Sentral ng Pilipinas and the US Federal Reserve this week.

The PSEi closed at 5,976.64 (+0.46% DoD).

On average, yields rose by 0.04 bps, with the 2Y closing at 5.20% (+0.44 bps) and the 10Y closing at 5.92% (+0.23 bps).

The USD/PHP pair closed at 59.22 (+0.48% DoD).

The US Job Openings and Labor Turnover Survey report showed that job openings increased by 12,000 to 7.67 million, but hiring remained subdued and resignations declined. Hiring dropped by 218,000 to 5.15 million in October, while resignations fell by 187,000 to its lowest level recorded in nearly two and a half years of 2.94 million. The data suggested that the labor market remained in a "no-hire, no-fire" state, reflecting the lingering uncertainty.

German foreign trade balance widened to a €16.9 billion surplus in October (September: €15.3 billion) as stronger EU trade offset a decline in falling shipments to the US and China. Exports rose 0.1% MoM in October, with exports to EU countries rising by 3.7% MoM while exports to those outside the EU declining by 3.3% MoM. Meanwhile, imports declined 1.2% MoM in October.

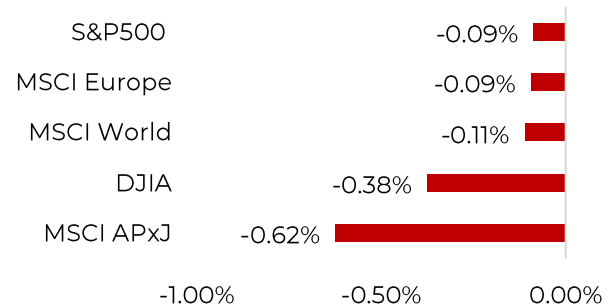
US equities inched down, **US Treasury yields** rose, and the **US dollar** slightly strengthened amid cautious trading ahead of the US Federal Reserve's policy decision and updated economic projections this week.

The S&P 500 closed at 6,840.51 (-0.09% DoD), while the DJIA ended at 47,560.29 (-0.38% DoD).

On average, yields rose by 1.80 bps, with the 2Y closing at 3.62% (+4.20 bps) and the 10Y closing at 4.19% (+2.40 bps).

The DXY closed at 99.22 (+0.13% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,840.51	-0.09%
DJIA	47,560.29	-0.38%
3-mo US Treasury yield	3.72%	+1.00 bps
2-yr US Treasury yield	3.62%	+4.20 bps
5-yr US Treasury yield	3.79%	+4.20 bps
10-yr US Treasury yield	4.19%	+2.40 bps
DXY	99.22	+0.13%