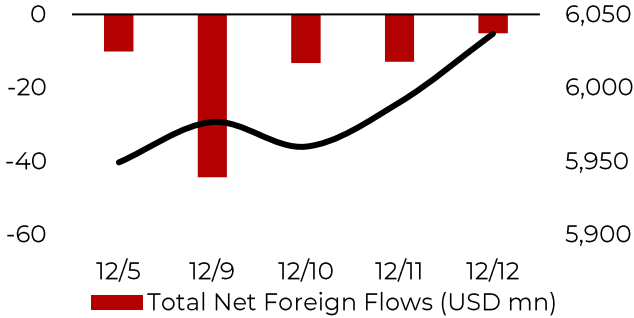


The Morning View

December 15, 2025

Philippine Stock Exchange Index

+0.78% DoD; Net foreign selling: \$5.21mn



	Level	DoD
PSEi	6,036.72	+0.78%
3-mo bond yield	4.87%	-0.49 bps
2-yr bond yield	5.25%	+5.56 bps
5-yr bond yield	5.64%	+9.04 bps
10-yr bond yield	6.03%	+10.88 bps
USDPHP	59.07	+0.13%
Oil (Brent, \$ / barrel)	61.12	-0.26%

The Bangko Sentral ng Pilipinas (BSP) reported that the Philippines' outstanding external debt reached a record high of \$149.093 billion in the third quarter, up by 6.8% YoY. The BSP attributed the increase to the heightened engagement of nonresident investors in the domestic capital markets.

GT Capital Holdings, Inc.'s (PSE Ticker: GTCAP) subsidiary Toyota Motor Philippines (TMP), has launched the Toyota bZ4X, the brand's first battery electric vehicle (BEV) in the Philippines. This expands the Toyota group's fully electric portfolio to three models, adding to the previously available Lexus RZ and Lexus UX.

Local equities inched up and the **Philippine peso** slightly weakened as markets continued to digest the policy rate cut announcements and forward guidance of the BSP and the US Federal Reserve. Despite the rate cuts, **local fixed income yields** rose amid BSP Governor Remolona's remarks that the central bank could be nearing the end of its easing cycle.

The PSEi closed at 6,036.72 (+0.78% DoD).

On average, yields rose by 4.77 bps, with the 2Y closing at 5.25% (+5.56 bps) and the 10Y closing at 6.03% (+10.88 bps).

The USD/PHP pair closed at 59.07 (+0.13% DoD).

Kansas City Fed President Schmid and Chicago Fed President Goolsbee dissented against the policy rate cut amid concerns about rising prices. Likewise, Cleveland Fed President Hammack said that she prefers monetary policy to be 'slightly more restrictive.' Meanwhile, San Francisco Fed President Daly said she supported the Fed's decision to cut interest rates in the last policy meeting due to the weakening labor market.

According to a Wall Street Journal report, US President Trump is leaning towards former Fed Governor Kevin Warsh and National Economic Council Director Kevin Hassett for Federal Reserve chair next year, with Warsh reportedly leading the shortlist. Trump added that the next Fed chair should consult him on interest rate decisions.

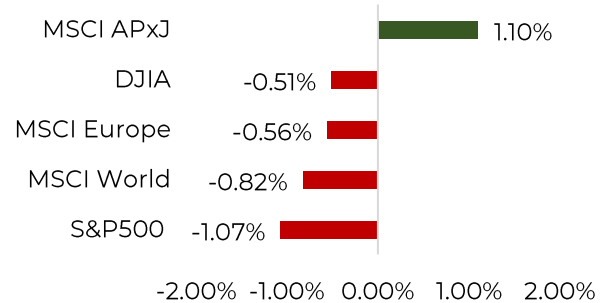
US equities fell amid a sell-off of tech stocks as investors rotated to cyclical, value names due to margin compression worries. The S&P 500 closed at 6,827.41 (-1.07% DoD), while the DJIA ended at 48,458.05 (-0.51% DoD).

US Treasury yields ended mixed, and the **US dollar** slightly strengthened as investors weighed mixed remarks from several Fed officials, including Goolsbee, Schmid, Hammack, and Daly.

On average, yields rose by 0.29 bps, with the 2Y closing at 3.52% (-1.80 bps) and the 10Y closing at 4.19% (+2.70 bps).

The DXY closed at 98.40 (+0.05% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,827.41	-1.07%
DJIA	48,458.05	-0.51%
3-mo US Treasury yield	3.62%	-3.40 bps
2-yr US Treasury yield	3.52%	-1.80 bps
5-yr US Treasury yield	3.74%	+0.70 bps
10-yr US Treasury yield	4.19%	+2.70 bps
DXY	98.40	+0.05%

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