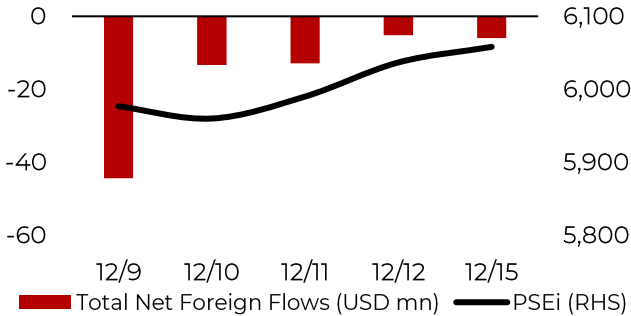


The Morning View

December 16, 2025

Philippine Stock Exchange Index

+0.35% DoD; Net foreign selling: \$5.92mn



	Level	DoD
PSEi	6,058.02	+0.35%
3-mo bond yield	4.86%	-1.10 bps
2-yr bond yield	5.25%	+0.61 bps
5-yr bond yield	5.68%	+3.64 bps
10-yr bond yield	6.04%	+1.43 bps
USDPHP	59.04	-0.04%
Oil (Brent, \$ / barrel)	60.56	-0.92%

The International Monetary Fund (IMF) cut its Philippine economic growth forecasts to 5.1% (previously 5.4%) and 5.6% (previously 5.7%) for 2025 and 2026, respectively. IMF officials stated that the balance of risks to its growth outlook is tilted to the downside due to global trade policies, corruption allegations, and extreme weather events. The IMF also said that the higher tariffs could dampen both exports and investments.

International Container Terminal Services, Inc. (PSE Ticker: ICT) announced that it will invest R\$948 million (Php10.3 billion) to expand and modernize its Rio Brasil Terminal at the Port of Rio de Janeiro. The project will run until 2029 and is expected to increase the terminal's operational capacity by 70.5% to 750,00 TEUs per year.

Local equities rose as investors continued to expect further policy easing next year. Meanwhile, **local fixed income yields** inched up and the **Philippine peso** on cautious trading ahead of key inflation and jobs data releases in the US, which could provide cues on the health of the US economy.

The PSEi closed at 6,058.02 (+0.35% DoD).

On average, yields rose by 0.69 bps, with the 2Y closing at 5.25% (+0.61 bps) and the 10Y closing at 6.04% (+1.43 bps).

The USD/PHP pair closed at 59.04 (-0.04% DoD).

Federal Reserve Bank of Boston President Collins said she supported last week's 25-bp rate cut, though her vote was a "close call." She noted that recent data suggested a further rise in inflation less likely, tilting the balance of risks in favor of cutting rates. However, she emphasized the need for clear guidance on future inflation before any further policy adjustment.

New York Fed President John Williams stated that the recent cut moved monetary policy to neutral from modestly restrictive. He said that tariffs appeared to result in one-time price increases and "will be fully realized in 2026." Additionally, he stated that the labor market continued to cool while upside risks to inflation have somewhat lessened.

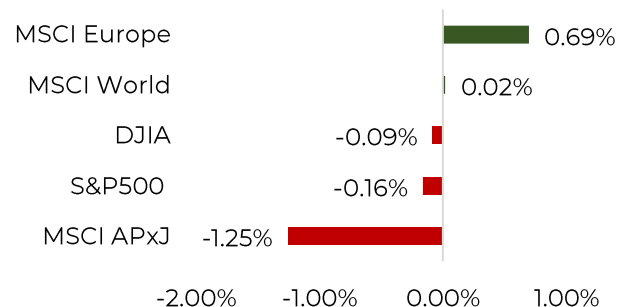
US equities inched down, **US Treasury yields** declined, and the **US dollar** slightly weakened as investors looked ahead to delayed US economic data releases this week, including the (1) October and November nonfarm payrolls, (2) November unemployment rate, (3) October retail sales, and (4) November consumer price index (CPI) inflation.

The S&P 500 closed at 6,816.51 (-0.16% DoD), while the DJIA ended at 48,416.56 (-0.09% DoD).

On average, yields fell by 0.43 bps, with the 2Y closing at 3.50% (-2.00 bps) and the 10Y closing at 4.18% (-1.00 bps).

The DXY closed at 98.31 (-0.09% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,816.51	-0.16%
DJIA	48,416.56	-0.09%
3-mo US Treasury yield	3.63%	+0.50 bps
2-yr US Treasury yield	3.50%	-2.00 bps
5-yr US Treasury yield	3.73%	-1.70 bps
10-yr US Treasury yield	4.18%	-1.00 bps
DXY	98.31	-0.09%

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