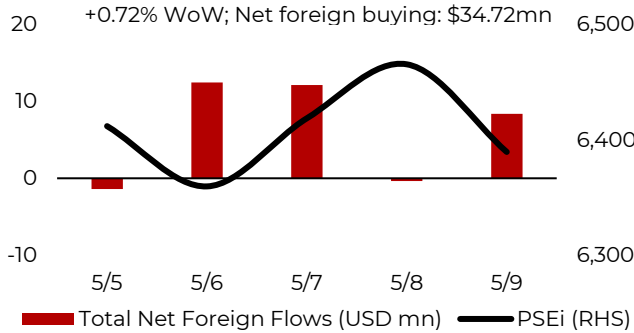


# The Weekly Review

May 13, 2025

## Philippine Stock Exchange Index



	Level	WoW
PSEi	6,458.20	+0.72%
3-mo bond yield	5.52%	+0.82 bps
2-yr bond yield	5.76%	-0.26 bps
5-yr bond yield	5.87%	-4.18 bps
10-yr bond yield	6.14%	-11.65 bps
USDPHP	55.51	-0.11%
Oil (Brent, \$ / barrel)	63.91	+4.27%

**Local equities climbed** as investors cheered the slower-than-expected local headline inflation of 1.4% in April. Moreover, Bangko Sentral ng Pilipinas (BSP) Governor Remolona hinted that the BSP is open to cutting its key policy rate by a further 75 bps in 2025.

Top performers were Bloomberg Resorts Corporation (PSE Ticker: BLOOM; +18.73%), Universal Robina Corporation (URC; +8.93%), and Alliance Global Group, Inc. (AGI; +8.14%). Meanwhile, Bank of the Philippine Islands (PSE Ticker: BPI; -4.00%), Ayala Corporation (AC; -4.23%), and Ayala Land Inc. (ALI; -7.49%) were the laggards of the week.

▲ The PSEi closed at 6,458.2 (+0.72% WoW).

**Local fixed income yields fell** as the market digested the cooler-than-expected April local headline inflation print as well as the below-consensus Philippine economic growth of 5.4% in 1Q25.

▼ On average, yields fell by 3 bps, with the 2Y closing at 5.76% (-0 bp) and the 10Y closing at 6.14% (-12 bps).

**The Philippine peso strengthened** as the local market turned optimistic after the announcement of the US-UK trade deal and as investors looked ahead to the US-China trade talks over the weekend.

▼ The USD/PHP pair closed at 55.51 (-0.11% WoW).

**US equities declined** as investors weighed the wider-than-expected trade deficit of the US, which hit \$140.5 billion in March (Revised Feb.: \$123.2 billion). This was also after the Federal Reserve kept policy rate steady at the 4.25-4.50% range and Fed Chair Powell's comment that it isn't clear if the economy will continue growing or slow under the mounting trade uncertainty and possible spike in inflation.

▼ S&P 500 closed at 5,659.91 (-0.47% WoW).

▼ DJIA closed at 41,249.38 (-0.16% WoW).

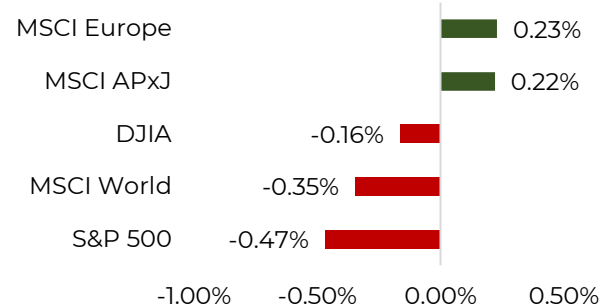
**US Treasury yields jumped** following the announcement of the US-UK trade deal, which fueled hopes of more favorable negotiations with other countries. The market also awaited the trade talks between US and China over the weekend.

▲ On average, yields rose by 5 bps, with the 2Y closing at 3.89% (+7 bps) and the 10Y closing at 4.38% (+7 bps).

The **US dollar strengthened** as investors digested the Fed's decision to keep rates steady, signaling caution on further rate cuts amid uncertainties on trade policies. Investors also cheered the news of a US-UK limited trade deal.

▲ The DXY closed at 100.34 (+0.31% WoW).

## Global Stock Indices



	Level	WoW
S&P 500	5,659.91	-0.47%
DJIA	41,249.38	-0.16%
3-mo US Treasury yield	4.33%	+0.30 bps
2-yr US Treasury yield	3.89%	+6.70 bps
5-yr US Treasury yield	4.00%	+8.20 bps
10-yr US Treasury yield	4.38%	+7.00 bps
DXY	100.34	+0.31%

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