

LOCAL BONDS DECLINED ON LESS DOVISH FED. EQUITIES FELL ON PESO WEAKNESS.

Weekly Review: 22 – 26 September 2025

What Happened Last Week

- US bonds and equities declined, as better-than-expected labour data and higher inflation gauge reduced hopes of Fed rate cuts.
 - Weekly jobless claims at 218,000 vs. 233,000 in September
 - August Personal Consumption Expenditures Index at 2.7% vs. 2.6% in July
 - Fed Chair Powell warned of risks to jobs and inflation, signaling a tough path ahead and possible delay in rate cut in October.
- Local bonds mirrored US bonds weakness while local equities declined driven by weaker Philippine Peso.
- Philippine peso depreciated as US Dollar strengthened on reduced Fed easing expectations.
- Asset prices Week-on-Week (WoW) and Year-to-Date (YTD)

Asset	Week-on-Week Sep 22-26, 2025	YTD as of Sep 26, 2025	Current Level as of Sep 26, 2025
	Rate Change		Rate
10Yr US Treasury Yield	▲ 0.05%	▼ 0.39%	4.18%
10Yr PHP Benchmark Yield	▲ 0.06%	▼ 0.15%	6.03%
	Price Change		Price
Philippine Peso vs. US Dollar	▼ 1.82%	▼ 0.44%	PHP 58.10/USD
S&P500	▼ 0.31%	▲ 12.96%	6,643.70
PCOMP	▼ 3.79%	▼ 7.68%	6,027.12

What To Expect This Week

- US labor data in focus which could shape Fed policy expectations
 - September Non-farm payroll is expected at +50k, higher vs last month's +22k.
 - September Unemployment Rate is seen steady at 4.3%.

