

## PESO BONDS UP ON FRESH LIQUIDITY; PCOMP DOWN ON MIXED EARNINGS

Weekly Review: 08 to 15 August 2025

### What Happened Last Week

- US bonds declined amid renewed inflation concerns. US equities hit new highs on strong earnings by tech and consumer discretionary names.
  - US PPI printed higher-than-expected at 0.9% MoM (vs 0.2% expected) and 3.3% YoY (vs 2.5% expected).
- Reinvestment of Php 520 billion of maturities pushed peso bond prices higher while equities fell on mixed earnings results.
  - Ayala Corp. (AC) H1 core income fell 2% YoY to PHP23.7bn, dragged by power (ACEN) and telco (BPI). Gains from banking (BPI), property (ALI), and emerging units helped cushion the decline.
  - Converge (CNVRG) posted PHP5.9bn in H1 net income (+9% YoY). 2025 revenue growth guidance was cut to 10–12% from 14–16%.
- Philippine peso rose a modest 0.08%.
- Asset prices Week-on-Week (WoW) and Year-to-Date (YTD)

	Week-on-Week Aug 08-15, 2025	YTD as of Aug 15, 2025	Current Level as of Aug 15, 2025
Asset	Rate Change		Rate
10Yr US Treasury Yield	▲ 0.04%	▼ 0.25%	4.32%
10Yr PHP Benchmark Yield	▼ 0.07%	▼ 0.18%	6.00%
	Price Change		Price
Philippine Peso vs. US Dollar	▲ 0.08%	▲ 1.37%	PHP 57.065/USD
S&P500	▲ 0.94%	▲ 9.66%	6,449.80
PCOMP	▼ 0.37%	▼ 3.26%	6,315.93

### What To Expect This Week

With few local drivers, bond yields may follow U.S. rate moves, while equities could stay quiet after earnings season. Markets also await Fed Chair Powell's speech at Jackson Hole Symposium—a key annual US economic meeting—for clearer signals on potential US rate cuts.