

PH EQUITIES BARGAIN HUNTING CONTINUES; BONDS SLIP AS FUTURE RATE CUTS FADE

Weekly Review: 08-12 December 2025

What Happened Last Week

- US stocks fell due to renewed concerns over AI growth prospects, while bonds slipped amid expectations of slower future rate cuts.
 - A disappointing sales outlook from Broadcom Inc. sent the chipmaker tumbling and weighed on rivals, further fueling investor anxiety over AI wagers.
 - The Fed's 25-bps cut was expected, but its projections indicate only one more cut in 2026 and possibly another in 2027—suggesting rates may stay higher for longer
- Local equities surged on continued local bargain hunting, while bond declined as investors priced in a reduced likelihood of further rate cuts.
 - After a 25-bp policy rate cut, BSP Governor signaled that policy easing might have already reached its end, dampening expectations for additional monetary support.
- The Philippine peso weakened due to the BSP rate cut and US dollar's broad strength against major currencies.
- Asset prices Week-on-Week (WoW) and Year-to-Date (YTD)

	Week-on-Week Dec 08-12, 2025	YTD as of Dec 12, 2025	Current Level as of Dec 12, 2025
Asset	Rate Change		Rate
10Yr US Treasury Yield	▲ 0.05%	▼ 0.38%	4.18%
10Yr PHP Benchmark Yield	▲ 0.04%	▼ 0.15%	6.03%
	Price Change		Price
Philippine Peso vs. US Dollar	▼ 0.22%	▼ 2.11%	PHP 59.065/USD
S&P500	▼ 0.63%	▲ 16.08%	6,827.41
PCOMP	▲ 1.47%	▼ 7.54%	6,036.72

What To Expect This Week

- With a light local economic calendar, markets will be guided by U.S. data releases (non-farm payrolls, unemployment, retail sales, and inflation data).