

PESO WEAKNESS WEIGH DOWN PHILIPPINE STOCKS, LOCAL BONDS UP ON FLIGHT TO SAFETY

Weekly Review: 24-31 October 2025

What Happened Last Week

- U.S. equities edged up, led by big tech gains. US bond prices fell as the Fed cautioned against expectations of another rate cut in December.
 - US Fed cut rates by 25bps as expected but Chairman Powell warned that a December rate cut is “not a foregone conclusion.”
- Philippine equities fell on foreign selling spurred by peso weakness. Strong T-Bill auction results lifted bond prices as investors sought the safety of government securities.
- The peso hit an all-time-low of PHP59.13 versus the US dollar before recovering to PHP58.63 by the end of the week.
- Asset prices Week-on-Week (WoW) and Year-to-Date (YTD)

	Week-on-Week Oct 24-31, 2025	YTD as of Oct 31, 2025	Current Level as of Oct 31, 2025
Asset	Rate Change		Rate
10Yr US Treasury Yield	▲ 0.08%	▼ 0.55%	4.08%
10Yr PHP Benchmark Yield	▼ 0.04%	▼ 0.24%	5.94%
	Price Change		Price
Philippine Peso vs. US Dollar	▼ 0.38%	▼ 1.74%	PHP 58.63/USD
S&P500	▲ 0.71%	▲ 16.30%	6,840.20
PCOMP	▼ 0.97%	▼ 9.18%	5,929.68

What To Expect This Week

- Philippine bonds may trade cautiously ahead of key data releases, including inflation and GDP this week.
 - October CPI is expected to print slightly higher at 1.8% YoY vs prior month’s 1.7%.
 - 3Q GDP is expected to come in at 5.2%, below government’s 5.5-6.5% target.
- Equity investors will keep an eye on Q3 earnings releases, led by index names such as MBT, URC, ICT, CNVRG, CBC, AEV, and ACEN.