PH STOCKS UP ON RELIEF RALLY; BONDS DOWN AHEAD OF INFLATION DATA

Weekly Review: 26 September – 03 October 2025

What Happened Last Week

- US equities rose as investors focused on the promise of AI, shrugging off government shutdown. US bonds gained after weak labor data reinforced Fed rate cut in October.
  - OpenAI's valuation reached $500 billion, surpassing start-ups SpaceX and ByteDance's value.
  - The U.S. government entered a shutdown after Congress failed to pass a budget on October 01, halting non-essential services and placing federal workers on an indefinite leave.
  - September ADP data showed 32,000 jobs losses versus consensus expectations of 51,000 jobs added.
- Local equities staged a shallow relief rally at quarter-end, snapping a week-long losing streak. Local bonds declined as investors stayed cautious ahead of the inflation report.
- Philippine Peso appreciated as the US dollar weakened against major currencies, pressured by uncertainty from the US government shutdown.
- Asset prices Week-on-Week (WoW) and Year-to-Date (YTD)

	Week-on-Week Sep 26- Oct 26, 2025	YTD as of Oct 03, 2025	Current Level as of Oct 03, 2025
Asset	**Rate Change**		**Rate**
10Yr US Treasury Yield	▼0.06%	▼0.45%	4.12%
10Yr PHP Benchmark Yield	▲ 0.01%	▼0.14%	6.02%
	Price Change		**Price**
Philippine Peso vs. US Dollar	▲0.39%	▼0.05%	PHP 57.875/USD
S&P500	▲1.09%	▲14.18%	6,715.79
PCOMP	▲1.36%	▼6.43%	6,106.86

What To Expect This Week

- Risk-off sentiment might linger over local equities amid persistent political risks. Bond investors will focus on tomorrow's September CPI release (consensus: 2.0%) and Thursday's BSP policy meeting, where rates are widely expected to stay unchanged.