

## PH EQUITIES AND BONDS ROSE AFTER FIRST FED RATE CUT THIS YEAR

Weekly Review: 15-19 September 2025

### What Happened Last Week

- Robust retail sales and falling unemployment claims pushed US equities higher but weakened bonds as investors scaled back expectations for aggressive rate cuts.
  - August Retail Sales at +0.6% vs. +0.2% expectations
  - Initial Jobless Claims at 231,000 vs. 240,000 expectations
  - Fed cut its policy rates by 0.25% to 4.25% - first time in nine months.
- Local equities rose amid the inflows from the latest FTSE rebalancing.
- Local bonds rose after JP Morgan signalled the inclusion of Philippine government securities in its Global Bond Index – Emerging Markets series, attracting interest from foreign investors.
- US Dollar strengthened on resilient labor market data bringing some slight depreciation to the Peso.
- Asset prices Week-on-Week (WoW) and Year-to-Date (YTD)

	Week-on-Week Sep 15-19, 2025	YTD as of Sep 19, 2025	Current Level as of Sep 19, 2025
Asset	Rate Change		Rate
10Yr US Treasury Yield	▲ 0.06%	▼ 0.45%	4.13%
10Yr PHP Benchmark Yield	▼ 0.01%	▼ 0.21%	5.96%
	Price Change		Price
Philippine Peso vs. US Dollar	▼ 0.09%	▲ 1.20%	PHP 57.15/USD
S&P500	▲ 1.22%	▲ 13.31%	6,664.36
PCOMP	▲ 2.54%	▼ 4.43%	6,264.49

### What To Expect This Week

- Sentiment for local equities will continue to be bearish, especially with the recent political rallies. We expect some correction and consolidation thereafter.
- With limited domestic data releases, the local bond market is expected to track movements in US Treasuries.