

## GLOBAL TRADE TALKS: EQUITIES GAINED ON RENEWED CONFIDENCE

Weekly Review: 05 to 09 May 2025

### What Happened Last Week

- US equity markets pared losses as US and UK arrived at tariff deal breakthrough. Meanwhile, US bond yields soared as trade negotiations lifted growth outlook
  - US offered to remove tariff on UK steel and aluminium, in exchange for the UK dropping retaliatory tariffs on US goods.
- Local bond and equity markets gained on the back of a softer inflation print, signalling more rate cuts.
  - April inflation came in at 1.4%, lower than consensus estimates of 1.8%.
  - Local equities gave up some gains during the week on weaker than expected 1Q GDP.
- Asset prices Week-on-Week (WoW)

Asset	as of May 2, 2025	as of May 9, 2025	%Change Rate Change
10Yr US Treasury Yield	4.31%	4.38%	▲0.07%
10Yr PHP Benchmark Yield	6.26%	6.14%	▼0.12%
Price Change			
USD/PHP	55.57	55.51	▼0.11%
S&P500	5,686.67	5,659.91	▼0.47%
PSEI	6,411.86	6,458.20	▲0.72%

### What To Expect This Week

- Local equities may continue to rally on US-China trade truce. Local bonds yields may track higher US rates as details of trade talk progress are unveiled.

### Historical Asset Prices

Asset	Month-on-Month				Year-to-Date			
	Jan	Feb	Mar	Apr	Jan	Feb	Mar	Apr
Rate Change								
10Yr US Treasury Yield	▼0.03%	▼0.33%	▼0.003%	▼0.04%	▼0.03%	▼0.36%	▼0.36%	▼0.41%
10Yr PHP Benchmark Yield	▲0.05%	▼0.10%	▲0.07%	▲0.07%	▲0.05%	▼0.05%	▲0.02%	▲0.09%
Price Change								
USD/PHP	▲0.90%	▼0.63%	▼1.35%	▼2.39%	▲0.90%	▲0.26%	▼1.10%	▼3.47%
S&P500	▲2.70%	▼1.42%	▼5.75%	▼0.76%	▲2.70%	▲1.24%	▼4.59%	▼5.31%
PSEI	▼10.20%	▲2.31%	▲3.05%	▲2.82%	▼10.20%	▼8.13%	▼5.33%	▼2.66%