

US AND LOCAL ASSETS UP ON TRADE NEGOTIATIONS

Weekly Review: 21 to 25 July 2025

What Happened Last Week

- US assets advanced on optimism over trade deals, positive economic data and 2Q corporate profits.
 - US sealed an agreement with Japan and EU with 15% baseline tariff rate, lower than 25% and 30% rate initially announced.
 - Weekly jobless claims came in at 217,000, below the 226,000 forecast.
 - S&P Global US Composite PMI rose to 54.6 from 52.9, exceeding the 52.8 estimate.
 - More than 80% of S&P500 companies reported better-than-expected profits, led by technology and AI companies.
- Local bonds and equities tracked US prices.
- PHP appreciated after trade resolutions made between US and PH.
- Asset prices Week-on-Week (WoW) and Year-to-Date (YTD)

Asset	Week-on-Week Jul 21 to 25, 2025	YTD as of July 25, 2025	Current Level as of July 25, 2025
	Rate Change		Rate
10Yr US Treasury Yield	▼0.03%	▼0.18%	4.39%
10Yr PHP Benchmark Yield	▼0.03%	▲0.07%	6.24%
	Price Change		Price
Philippine Peso vs. US Dollar	▲0.07%	▲1.27%	PHP57.11/USD
S&P500	▲1.46%	▲8.62%	6,388.64
PCOMP	▲1.74%	▼1.77%	6,413.18

What To Expect This Week

- Markets will be influenced by key data releases this week including:
 - FOMC rates decision – While the Fed is widely expected to hold rates steady, investors will focus on forward guidance on policy path.
 - US employment – Investors expect softening of labor data.
 - Nonfarm Payroll at 109k vs 147k of previous month.
 - Unemployment rate at 4.2% vs 4.1% of previous month.
 - US GDP - 2Q print is expected to recover to 2.4% QoQ vs previous quarter's -0.5%.
- Key corporates Meralco, BDO, Metrobank, and Universal Robina are set to report their 2Q earnings this week, following on BPI's maiden results.
- Likewise, attention will also be on the State of the Nation Address (SONA), particularly decision on online gaming, which could materially impact listed gaming, telco, and consumer sectors.
- Furthermore, investors will digest the Supreme Court's recent ruling on the VP impeachment case and its impact to market.