

## MARKETS DOWN ON MOUNTING GEOPOLITICAL RISKS

Weekly Review: 16 to 20 June 2025

### What Happened Last Week

- US equities fell on escalating Middle East tensions. US Bonds gained on safe-haven demand.
  - US bombed three Iranian nuclear sites on Sunday.
  - Iran warned of a retaliation of “everlasting consequences” against the US .
- Local equities and bonds declined on mounting geopolitical risks, despite BSP’s rate cut by 0.25% to 5.25%.
- PHP weakened as investors flocked to the safety of USD.
- Asset prices Week-on-Week (WoW) and Year-to-Date (YTD)

	Week-on-Week Jun 16 to 20, 2025	YTD as of June 20, 2025	Current Level as of June 20, 2025
Asset	Rate Change		Rate
10Yr US Treasury Yield	▼0.02%	▼0.19%	4.38%
10Yr PHP Benchmark Yield	▲0.06%	▲0.24%	6.41%
	Price Change		Price
Philippine Peso vs. US Dollar	▼1.71%	▲1.17%	PHP57.17/USD
S&P500	▼0.15%	▲1.47%	5,967.84
PCOMP	▼0.87%	▼2.90%	6,339.77

### What To Expect This Week

- The US involvement has escalated fears of a broader regional war, including oil trade disruptions. This will continue to weigh on equities, bonds and the peso.