

MARKETS TURNED GREEN ON US-CHINA TRUCE

Weekly Review: 23 to 27 June 2025

What Happened Last Week

- U.S. bonds and equities rose as investors welcomed the confirmed trade framework between the U.S. and China.
 - On Friday, US Trade Secretary and China Ministry of Commerce confirmed a trade deal under which China agreed to provide the US easier access to rare earth minerals. In return, the U.S. had agreed to lift certain export restrictions.
- Local bonds and equities followed Wall Street's positive momentum. Local markets were further buoyed by declining oil prices and Peso's appreciation.
 - WTI crude dropped 13% to USD 65/barrel, while the PHP appreciated 1.08% as Middle East tensions eased.
- Asset prices Week-on-Week (WoW) and Year-to-Date (YTD)

Asset	Week-on-Week Jun 23 to 27, 2025	YTD as of June 27, 2025	Current Level as of June 27, 2025
	Rate Change		Rate
10Yr US Treasury Yield	▼0.10%	▼0.29%	4.28%
10Yr PHP Benchmark Yield	▼0.09%	▲0.14%	6.32%
Asset	Price Change		Price
Philippine Peso vs. US Dollar	▲1.05%	▲2.20%	PHP56.57/USD
S&P500	▲3.44%	▲4.96%	6,173.07
PCOMP	▲1.08%	▼1.85%	6,408.27

What To Expect This Week

- Local bonds could continue to rise on increasing probability of rate cuts. On the other hand, local equities could be buoyed by the Financial sector (26% weight in the Index), with April Bank Lending growth expected to be at low double-digit, tracking March's 11.8% growth.