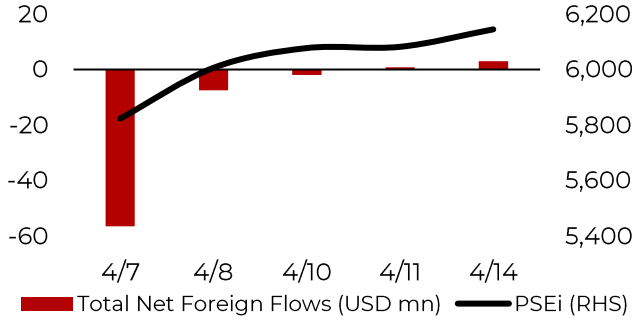


The Morning View

April 15, 2025

Philippine Stock Exchange Index

+1.04% DoD; Net foreign buying: \$3.06mn



	Level	DoD
PSEi	6,145.52	+1.04%
3-mo bond yield	5.39%	+1.95 bps
2-yr bond yield	5.75%	+0.39 bps
5-yr bond yield	5.98%	-0.14 bps
10-yr bond yield	6.27%	+1.37 bps
USD/PHP	57.08	+0.19%
Oil (Brent, \$ / barrel)	64.88	+0.19%

National Economic and Development Authority (NEDA) Secretary Arsenio Balisacan said that the government is keeping its 6-8% economic growth target for the year. However, he flagged that the upper end may no longer be realistic due to uncertainties from US tariffs. Nonetheless, Balisacan remained hopeful that the 1Q25 economic growth will hit at least 6% as consumption could be boosted by rate cuts and cooling inflation.

SM Investments Corp.'s (PSE Ticker: SM) retail arm, SM Retail, Inc. looked to boost sales through the Gen Z market. SM Retail Executive Vice-President Jonathan Ng remarked that they are looking to align to Gen Z's preferences through in-store discounts, convenience, and the ability to quickly own products.

Local equities rose amid net foreign buying and as investors cheered the temporary exemption of consumer electronics from the Trump administration's reciprocal tariffs. The PSEi closed at 6,145.52 (+1.04% DoD).

Local fixed income yields increased ahead of the Bureau of the Treasury's new 10-year bond offering today. On average, yields rose by 1.27 bps, with the 2Y closing at 5.75% (+0.39 bps) and the 10Y closing at 6.27% (+1.37 bps).

The **Philippine peso** slightly weakened amid risk-off sentiment due to ongoing global trade policy uncertainties. The USD/PHP pair closed at 57.08 (+0.19% DoD).

Federal Reserve Governor Christopher Waller said that he expects the impact of Trump's tariffs on prices to be transitory.

Waller said that larger and longer-lasting tariffs would initially bring a larger inflation spike of 4-5% that eventually would ebb as growth and unemployment slowed. Meanwhile, in a smaller-tariff scenario, inflation is estimated to hit around 3% and then fall off.

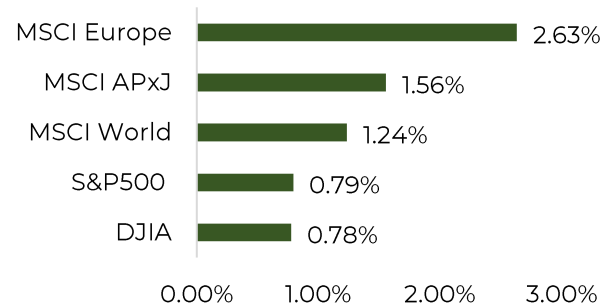
A study conducted by the Federal Reserve Bank of San Francisco warns of a rising recession risk for the US economy amid a softening labor market. According to the study, the job-finding rate among unemployed workers declined, while the expected duration of unemployment rose. The Fed noted that these trends typically precede economic downturns.

US equities climbed as tech shares rose, led by Apple, following Trump's temporary exemption of consumer electronics. The S&P 500 closed at 5,405.97 (+0.79% DoD), while the DJIA ended at 40,524.79 (+0.78% DoD).

US Treasury yields fell after Trump announced that consumer electronics are temporarily exempt from tariffs. On average, yields fell by 8.07 bps, with the 2Y closing at 3.85% (-11.70 bps) and the 10Y closing at 4.38% (-11.70 bps).

The **US dollar** weakened amid fears of an economic slowdown due to Trump's tariffs. The DXY closed at 99.64 (-0.46% DoD).

Global Stock Indices



	Level	DoD
S&P 500	5,405.97	+0.79%
DJIA	40,524.79	+0.78%
3-mo US Treasury yield	4.32%	-1.40 bps
2-yr US Treasury yield	3.85%	-11.70 bps
5-yr US Treasury yield	4.01%	-14.90 bps
10-yr US Treasury yield	4.38%	-11.70 bps
DXY	99.64	-0.46%

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