A WEEKLY PUBLICATION FROM THE FUND MANAGERS AND ANALYSTS OF PHILEQUITY MANAGEMENT, INC



EQUITY OUTLOOK

Market Outlook: Technicals:

Neutral

Support at 6000 followed by 5700, Resistance at 6500 followed by 6700 Trading Strategy:

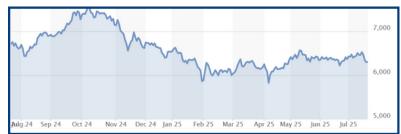
Negative sentiment and massive share placements caused the market to weaken. That said, valuations are very cheap and

3025 earnings may surprise to the upside. Investors may buy high quality names on dips.

Weakness in online gaming stocks spilled over to the broad index as sentiment soured. On top of that, a \$210M placement of SM and SMPH sapped liquidity from the rest of the market as cashstrapped institutions raised cash to fund the purchase. As a result, we saw net foreign selling of PhP 3.4B last week, causing the PSEi to shed 2.4%.

Once gaming stocks stabilize and the placement is digested, we expect the market to attempt a breakout of the 6500 level. Strong 3Q25 earnings should also make this more likely. On the other hand, we see increasing NPLs in the banking sector, which is putting pressure on their stock prices.

Philippine Stock Exchange Index (PSEi) 1-year chart





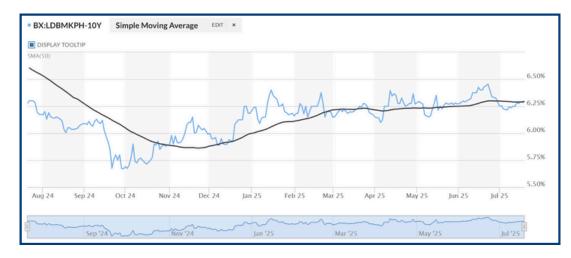
BOND OUTLOOK

Market Outlook: Frading Strategy:

We look to stay on the sidelines this rain soaked week as there are few catalysts both globally and locally. In the US, most are waiting for the deadline of tariff suspensions, which will end on August 1, but Trump has already made deals with a number of countries, such as with PBBM and the Philippines, lowering PH tariffs to 19%. Locally we are

Most people are content to stay on the sidelines for now with data light this week. We get a 3y reissue locally but most people are waiting for more information for the new RTB issuance where most expect either a 3y or 5y bond. Meanwhile most people are also on the sidelines awaiting the August 1 deadline where most countries tariffs to the US will rise to 20%

PHILIPPINES 10 YEAR GOVERNMENT BOND



PHP BVAL Reference Rates

Deficilitate renors	
Tenor	BVAL Rate as of July 18, 2025
1M	5.2800
3M	5.4506
6M	5.5710
1Y	5.6578
3Y	5.8494
5Y	6.0030
10Y	6.2723

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