

EQUITY OUTLOOK

Market Outlook: Technicals: Trading Strategy:

Support at 6000 followed by 5700, Resistance at 6500 followed by 6700
Technicals and sentiment for Philippine stocks are clearly negative. It may be best to hold off any purchases. Buyers may

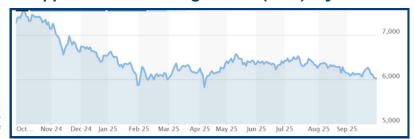
wait at support levels before adding equity exposure.

On September 21, the Philippines experienced a large anti-corruption rally in different cities across the country. It was mostly peaceful, with only one area experiencing violence and looting. There seemed to be broad support for the rallies, with Catholic groups, the business sector and civil society groups all joining. Until now, all eyes are glued on the Senate Blue Ribbon Committee hearings on the flood control projects.

Unfortunately, the stock market's bounce proved to be short-lived. The downtrend continued as foreign outflows picked up to Php 1.4 billion, excluding the RCR block sale. RCR's PhP 7.75 billion placement also sapped liquidity from the market, with some institutions selling their current positions in order to fund the purchase. The PSE is down 3.8% week on week.

With news flow remaining light, we expect the stock market to remain tentative, especially with the ongoing flood control corruption scandal.

Philippine Stock Exchange Index (PSEi) 1-year chart





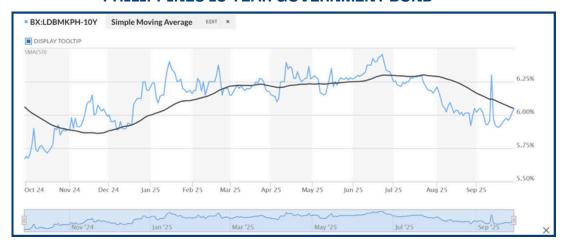
BOND OUTLOOK

/larket Outlook: Trading Strategy:

As market digests the Fed cut and hakwish comments from Jerome Powell, UST yields stay mostly steady to higher but USD strengthens, sending the USDPHP back to above 58 levels. Local markets in equities and fixed income both head lower. For now we would stay on the sidelines and wait for levels back at the 6% mark to start bottom fishing.

USTs are consolidating as it seems that the Fed is going to take a cautious stance on rate cuts, contrary to the market wanting aggressive cuts. Some recent jobs data came out showing that employment was not as bad as feared. This, coupled with a hawkish Fed, sends USD higher and risk assets overall sideways to lower. For local bonds, yields have pulled back around 10bp with the 10y now back above 6% which is where we see some value. We would wait for yields to go higher if possible before adding to positions.

PHILIPPINES 10 YEAR GOVERNMENT BOND



PHP BVAL Reference Rates

Tenor	BVAL Rate as of September 26, 2025
1M	4.7537
3M	4.9354
6M	5.1635
1Y	5.2607
3Y	5.6685
5Y	5.8392
10Y	6.0263

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