

EQUITY OUTLOOK

Market Outlook : Technicals : Trading Strategy :

Cautiously Bullish

Support at 5700 followed by 5400, Resistance at 6000 followed by 6200

Market broke below 6000 following the FTSE rebalancing. The next few days will be crucial in determining if 6000 finally

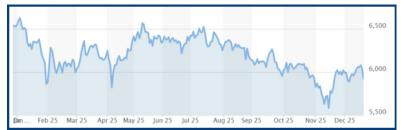
becomes support or remains to be a resistance level.

The PSEi failed to sustain its momentum above the 6000 level and erased its 2-week gain all in a day, closing at 5920.87, down by 1.9% week on week. Foreign remained net sellers with outflows at PhP 1.92 billion.

YoY with YTD up by 3.2% which is tracking above the 3% forecast. Strong remittances starting October should hold until December driven by the peak season. This should help boost domestic consumption and the Philippine Peso.

FTSE rebalancing today caused volume to reach PhP 11 billion. As we approach the holidays, and with 4 trading days left in the year, expect liquidity in the market to be very low.

OFW remittances in October increased by 3% Philippine Stock Exchange Index (PSEi) 1-year chart





BOND OUTLOOK

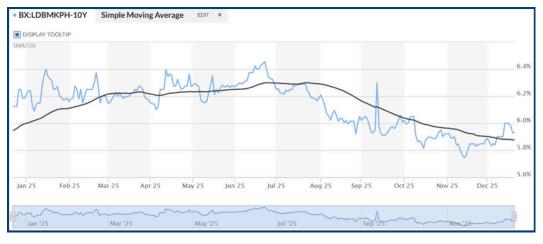
Market Outlook: Trading Strategy:

Neutral

We look to stay on the sidelines as we have seen market volume slow down considerably as we get closer to the holidays. With a shortened week, look for bid offer spreads to remain wide and volume to remain low.

Data last week in the US showed that inflation slowed to 27% lower than expected, which gave markets some positive news. However as we get closer to the Christmas break, markets are slowing down as dealers have closed their books for the year and have gone on vacation. We expect bid offer spreads to be wide and volume to be extremely low. Happy holidays!

PHILIPPINES 10 YEAR GOVERNMENT BOND



PHP BVAL Reference Rates Benchmark Tenors

Tenor	BVAL Rate as of December 19, 2025
1M	4.6996
ЗМ	4.8496
6M	4.9677
1Y	5.0447
3Y	5.4483
5Y	5.7018
10Y	5.9790

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