

# VANTAGE POINT

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



## EQUITY OUTLOOK

**Market Outlook :** Cautious  
**Technicals :** Support at 6000 followed by 5700, Resistance at 6500 followed by 6700  
**Trading Strategy :** With a potential black swan now removed, investors can once again focus on corporate fundamentals. Investors may wait for dips to add to high quality growth names. With US equities at or close to all-time highs, the tide should eventually lift all boats.

Market fears reached a crescendo as the US suddenly participated in the Israel-Iran conflict with surprise airstrikes against Iran's nuclear facilities. Fearing a wider conflict, emerging market equities sold off sharply. But just as quickly as the US went in, so was a ceasefire immediately announced. Though initially shaky, it now seems that the open conflict has finally ended.

Oil prices also erased their entire rally in just a couple of days as the prospect of a closure of the Strait of Hormuz vanished. Global equities then recovered, with the tech-heavy Nasdaq hitting a new record high.

The much awaited IPO of Maynilad was also delayed to October 2025 as some anchor investors requested additional time to secure internal approvals. If Mynt (Gcash) does not list this year, this may well be the only major IPO of 2025.

### Philippine Stock Exchange Index (PSEi) 1-year chart



Foreign selling also slowed down as the peso went back down below the 57/\$ level, with only PhP 1.1 billion in net foreign selling last week. We note that the prospect of more interest rate cuts is buoying cyclical index names as of late.



## BOND OUTLOOK

**Market Outlook :** Defensive  
**Trading Strategy :** Though markets are already looking past the Israel - Iran tensions and US equities is making new highs once more, local bonds are trading sideways as we expect that an announcement for a new RTB will be coming in the near future. Consensus is that it will be in the 3-5yr space and this would, as in the past, create supply pressure for rates. For now we would like to be defensive and pick up only if yield back up considerably past 6%.

Global markets are already looking forward, with UST lower and equities higher. Locally we got the new auction schedule for 3Q out already but this does not yet include an assumed RTB issuance. This will likely keep rates sideways for now until we get more news on the RTB. Inflation remains reasonably contained, and with oil prices coming down again, we view inflation to remain benign for the year.

### PHILIPPINES 10 YEAR GOVERNMENT BOND



### PHP BVAL Reference Rates Benchmark Tenors

Tenor	BVAL Rate as of June 27, 2025
1M	5.2119
3M	5.4794
6M	5.6420
1Y	5.6955
3Y	5.7880
5Y	5.9341
10Y	6.3200

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