

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 : The lack of both good and bad news means our market will meander around these levels in the meantime. We remain on hold for now.

Global equities reached new all-time highs as the biggest tech names lead the US to records, which then lifted European equity indices. Unfortunately, the PSEi is still stuck in a rut. Though property stocks rallied recently, these proved to be short-lived.

Moreover, the precipitous drop in gaming stocks due to potential new regulation may be sapping bullishness from the market. Though this does not impact the benchmark index, one of the hardest hit names is set to join the PSEi next month.

Inflation figures gave us a little ray of sunshine as June CPI came in at 1.4%, slower than forecasts. Being below forecasts and the BSP's target range, this practically guarantees one more rate cut later in the year.

Foreign funds net bought PhP 2.7 billion in stocks last week, with most of it concentrated in property names and conglomerates. This shows that extremely low valuations of blue chip names are catching the attention of some large foreign institutions.

Philippine Stock Exchange Index (PSEi) 1-year chart



BOND OUTLOOK

Market Outlook : Neutral
Trading Strategy : Market has hit a standstill as most of the volatility from the middle east conflict has abated and we await what will happen with Trump tariffs. For now, US data shows that US economy is still strong, meaning the Fed will likely stay put. For now, we are keen to stay on the sidelines and await further catalysts.

With no big news to move markets, players have opted to stay quiet. In the local space, most are just servicing maturities as we await an announcement on the upcoming RTB, which most believe will be detailed soon. Meanwhile the consensus is that the Fed will likely not move in its meeting, but the BSP can see a path for further easing with inflation again beating expectations lower. For now, we await further developments before moving as well.

PHILIPPINES 10 YEAR GOVERNMENT BOND



PHP BVAL Reference Rates Benchmark Tenors

Tenor	BVAL Rate as of July 04, 2025
1M	5.1390
3M	5.4708
6M	5.6616
1Y	5.6999
3Y	5.7978
5Y	5.9379
10Y	6.2331

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