

Dow, S&P 500 struggle to lock in a third straight day of gains heading into the final hours.

Rare earths rank in the top 10 best-performing critical minerals, beating gold and Bitcoin on booming demand for EV motors, semiconductors, and military systems.

Asian markets reversed after a three-session rise, dragged lower by a sharp pullback in Japan.

PHILIPPINES

Philippine Central Bank Signals Possible Further Rate Cut to Support Demand

- Next scheduled Bangko Sentral ng Pilipinas decision is on Dec. 11, 2025; current benchmark rate 4.75%
- Philippines' core CPI climbed 2.4% y/y in November, indicating inflationary pressures remain sticky beneath softer headline inflation.

The Philippine peso weakened for a third straight day while local equities traded flat.

- USD/PHP climbed 0.39% to 59.13 as of 8:55 a.m.

The 10-year government bond yield slipped 2.02 bps to 5.92% on Wednesday.

Inflation likely accelerated due to seasonal demand pressures.

President Marcos plans to raise military pay following recent coup-related calls.

Philippines plans to increase its international (global) bond issuance by over 60% in 2026.

- The government is targeting to tap US dollar, euro, and Japanese yen debt markets next year.
- Under the 2026 borrowing program: total funding needs are estimated at about ₱2.682 trillion, with around ₱681.5 billion expected to come from foreign/ international sources (i.e.

The Philippines' inclusion in J.P. Morgan's GBI-EM index is poised to boost foreign investor interest in its bonds, potentially enabling cheaper external borrowing compared to domestic markets. However, this strategy carries risks:

- 1. Domestic headwinds:** A graft scandal disrupting public-works spending could dampen market confidence.
- 2. Yield pressures:** A surge in global bond supply may push up borrowing costs if demand—particularly foreign inflows—falls short of expectations.
- 3. Currency exposure:** External debt leaves the government vulnerable to exchange-rate volatility, which could escalate repayment burdens over time.

YESTERDAY

J.P. Morgan now forecasts the U.S. Federal Reserve will cut interest rates by 25 basis points in both December 2025 and January 2026, before holding steady.

- This represents a reversal of their previous view that the Fed would wait until January to begin cutting rates

Asian stocks rose for a third day, led by gains in Japan as tech stocks track their US peers higher.

- The MSCI Asia Pacific Index advanced as much as 0.5%, with SoftBank Group and Keyence among the biggest boost. Shares fluctuated in China and Hong Kong, while benchmarks in South Korea and Taiwan fell.
- Improving sentiment in the region is helped by rising expectations for a Federal Reserve rate cut this month following the latest US jobs data.
- A slightly weaker yen is also giving Japanese exporter shares a boost.

Putin 'rewards Kim Jong-un with nuclear submarine reactors', after months of North Korean support for Ukraine invasion

India will pay about \$2 billion to lease a nuclear-powered submarine from Russia.

- Russia has a long-standing history of leasing nuclear-powered attack submarines exclusively to the Indian Navy for military purposes through inter-governmental defense agreements.

Copper prices have risen, driving up Asian mining stocks, as heightened fears of a global supply shortage emerge.

- The global copper shortage is expected to widen, with a projected deficit of around 150,000 to over 500,000 tons in the coming years, driven by persistent supply disruptions and a strengthening demand for electrification and green energy projects.
- This comes amid a surge in withdrawal requests for the metal from London Metal Exchange warehouses and concerns that potential U.S. tariffs will further tighten supply.

Watch: AT PX APX LC

WORLD INDICES	4-Dec	5-Dec	CHG
Dow Jones	47,882.90	47,850.94	-0.07%
S&P 500	6,849.72	6,857.12	0.11%
NASDAQ	23,454.09	23,505.14	0.22%
US 10-Year Yield	4.076	4.091	0.37%
PSEi (Philippines)	5,905.84	5,887.58	-0.31%
PHL 10-Year Yield	5.842	5.840	-0.03%
NKY 225 (Japan)	49,864.68	51,028.42	2.33%
SHCOMP (Shanghai)	3,878.00	3,875.79	-0.06%
HSI (Hang Seng)	25,760.73	25,935.90	0.68%
KOSPI (Korea)	4,036.30	4,028.51	-0.19%
SENSEX (India)	85,106.81	85,265.32	0.19%
TWSE (Taiwan)	27,793.04	27,795.71	0.01%
S&P/ASX 200 (Australia)	8,595.18	8,618.44	0.27%
FTSE Bursa KLCI (Malaysia)	1,622.84	1,621.07	-0.11%
JCI (Indonesia)	8,611.79	8,640.20	0.33%
STI (Singapore)	4,554.52	4,535.14	-0.43%
SET50 (Thailand)	836.36	837.85	0.18%
VNINDEX (Ho Chi Minh)	1,731.77	1,737.24	0.32%
CURRENCIES	4-Dec	5-Dec	CHG
USD-JPY	155.14	154.94	-0.13%
USD-PHP	58.908	59.019	0.19%
USD-CNY	7.0636	7.0716	0.11%
EUR-USD	1.1662	1.1652	-0.09%
COMMODITIES	4-Dec	5-Dec	CHG
WTI Crude (USD/bbl.)	59.05	59.65	1.02%
Brent Crude (USD/bbl.)	62.67	63.26	0.94%
Gold (Comex) USD/oz.	4,243.30	4,227.90	-0.36%
Silver (Comex) USD/oz.	59.00	57.34	-2.81%
Copper (USD/lb.)	539.55	534.55	-0.93%
Nickel (USD/lb)	6.6852	6.6814	-0.06%
Laterite Nickel Ni 1.5% Fe15-25% (USD/wmt) Ave.	57.00	57.00	0.00%
Laterite Nickel Ni 1.8% Fe15-20% (USD/wmt) Ave.	78.50	78.50	0.00%
New Castle Coal Futures	108.50	108.50	0.00%
COMMODITIES	4-Dec	5-Dec	CHG
Corn (CBOT)	443.50	447.00	0.79%
Wheat (CBOT)	538.25	541.25	0.56%
Cocoa (ICE)	5504.00	5486.00	-0.33%
Coffee 'C' (ICE)	372.45	380.50	2.16%
Sugar 11 (ICE)	14.93	14.88	-0.33%

PSEi		
Close	5,887.58	-18.26 -0.30%
	10.0x 2024F, 9.5x 2025F	
Day Range	5,881.72 - 5,922.32	
52wk Range	5,584.35 - 7,604.61	
Advances - Declines - Unchanged	81 - 100 - 71	
Block Sale Value (Php)	1.15B	
Volume (shares)	843M	
Value (Php)	6.53B	

FOREIGN BUYING	Php 2,393,382,128.8
FOREIGN SELLING	Php 3,360,401,564.79
NET FOREIGN B/(S)	(Php 967,019,435.99)
TOTAL FOREIGN	Php 5,753,783,693.58
FOREIGN FUNDS BOUGHT	aub ew mbt secb ap mer top jfc gtcap hi areit cli meg mrc rcr rlc cnvrg ceb ict mac web pgold ssi wlcon apx at px
FOREIGN FUNDS SOLD	bdo bpi cbc pnb ubp acen fgen mwc mynld scc sgp shlph cnpf dnl emi fb gsml monde rfm urc imi aba ac aev agi dmc ltg sm smc ali mreit shng smph vll glo tel dito bloom plus rrhi ogp

52week High	imi rfm hi x
52week Low	jfc dnl dito shng
RSI 70 Overbought	fgen cpg imi spc x
RSI 30 Oversold	jfc dnl dito shng
Share Buyback	ALI SM BRN MEG FRUIT

ITRADE Watch
WEB APX BLOOM LC AEV GTCAP AC LOTO ACEN AGI LTG PLUS

ADVANCERS	CHG %	DECLINERS	CHG %
ICT	1.01	SMC	-3.14
SCC	0.53	JFC	-3.01
PGOLD	0.358	AGI	-2.76
SM	0.2825	CNVRG	-1.88
AREIT	0.23	MONDE	-1.82

Most Active (Index)	Value (M	Most Active (All)	Value (M)
BDO	666	BDO	666
JFC	519	JFC	519
ALI	510	ALI	510
ICT	457	ICT	457
BPI	409	BPI	409
SMPH	323	SMPH	323
URC	198	URC	198
MBT	192	MBT	192
SM	171	SM	171
AC	156	AC	156

	PSEI 2024F	2024 P/E(x)	PSEi 2025F	2025 P/E (x)	YTD Change (Est. or Actual)	
EPS Est.		590		620		
			9610.0	15.5	52.42%	10YR Average P/E (15.5x)
	9078	15.4	9078	14.6	43.98%	All-time Intraday High (9078) (28-Jan-2018)
	8732	14.8	8764.0	14.1	38.49%	All-time high close (8764) (28-Jan-2018)
	8000	13.6	8060	13.0	26.88%	Resistance
Consolidation Range (post-2020 low)	7750	13.1	7600	12.3	22.92%	Resistance / Bull Target 2025
	7500	12.7	7500	12.1	18.95%	Resistance
	7100	12.0	7100	11.5	12.61%	Resistance
	6700	11.4	6700	10.8	6.26%	Resistance / Bear Target 2025
	6305	10.7	6305	10.2	0.00%	Resistance
	6305	10.7	6305	10.2	0.00%	Resistance
	5887	10.0	5887	9.5	-6.63%	CURRENT and YTD Change
	5800	10.7	5800	9.4	-8.01%	Support / May 2022 low
	5640	9.6	5640	9.1	-10.55%	Support
	5220	8.8	5220	8.4	-17.21%	Support
	5150	8.7	5150	8.3	-18.32%	Support
2020 Low	4039	6.8	4039	6.5		13-Year Low (March 19, 2020)

<p>MARKET SUMMARY</p> <p>PSEI 5,887.58 -18.26 pts. -0.31%. Range 5,881.72-5,922.32. Exchange volume of trades 75,084 valued at Php5.371B.</p> <p>Gains: Miners/Oils, Services Losers: Property Banks Holdings Industrials</p> <p>Overseas Investors Sellers Of Philippine Equities Thursday \$16.385M Total Net Foreign Selling Month Of December \$72.680M Year To Date Net Foreign Selling is at \$726.178M</p> <p>Gains: Miners/Oils, Services Losers: Property Banks Holdings Industrials</p> <p>OUTLOOK</p> <ul style="list-style-type: none"> - Rate-cut expectations support global sentiment, but PH equities remain pressured by foreign selling, weak earnings, and governance noise. Attractive valuations offer selective opportunities for patient investors. - PSEi trades at 9.7× 2025F P/E, far below the 10-year 14–15× average → market remains deeply undervalued. - Technicals: Index stuck in 5,880–6,050 range; breakdown risks 5,780–5,650 if 5,880 fails. <p>Technical Pitch</p> <ul style="list-style-type: none"> - Base Case – Neutral/Slight Bearish (60%) - PSEi likely stays range-bound between 5,880–6,050. Sellers keep capping moves at 6,000–6,050, while 5,880–5,900 support is holding—just barely. - Sector performance is mixed, with Mining as only standout as GOLD defends the Fort! - Bearish Scenario – Breakdown (30%) <p>A clean break below 5,880 opens the way to 5,830, 5,780, and 5,650 (major support).</p> <ul style="list-style-type: none"> - Takeaway: Expect choppy price action. Short-term bounces will likely get sold, dragging the index back toward 5,900. <p>PSEI index is currently in a clear Downtrend (Bearish) since October 2024, characterized by lower highs and lower lows</p> <ul style="list-style-type: none"> - Support: Immediate support is at the recent November low (5,600 - 5,750). - Resistance: Immediate resistance is the 5,900 - 6,000 area (where the index closed). - Stronger resistance lies between 6,150 - 6,250. - Current Action: A large green candle was printed at the bottom, indicating potential short-term buying interest, but this does not yet confirm a trend reversal. <p>PSEi TECHNICALS</p> <p>Long-Term Downtrend - since 2018 until index exits upper end of consolidation range of 7,500-7600</p> <p>Medium Term Consolidation - since 2020 onset of pandemic, normalized range is 7400/6800 - 6100/5800/4800</p> <p>Resistances 6100, 6400, 6800, 7400, 7500-7600, 8000, 8700 Support 5700, 5200</p> <p>Strategy:</p> <p>12-Month Forecast without Economic Recovery:</p> <ul style="list-style-type: none"> - Short-Term (1-3 months): The PSEi may test the lower support levels around 6,000 or potentially dip below if negative sentiment prevails. - Medium-Term (4-8 months): In the absence of positive catalysts, the index could stabilize at lower levels, with potential fluctuations between 5,800 and 6,200. - Long-Term (9-12 months): Without economic recovery, the index might struggle to gain significant upward momentum, remaining constrained below key resistance levels around 6,500. - In this scenario, market participants might be cautious, awaiting signs of economic stability or policy interventions to improve investor confidence. 	<p>PLDT vs GLO</p> <p>PLDT 1277.0 1y total return up 2% - Profit Growth Hinges on Fiber Expansion Amid Soft Mobile Market. Despite Intensified Competition, PLDT Maintains Strong Cash Flow</p> <p>GLO 1600.0 1y total return down 19.80% - GCash IPO could re-rate Globe's valuation, but profitability concerns persist as its expansion strategy meets rising competitive pressure—particularly in the rapidly heating fiber broadband market.</p> <p>GLO 1,600.00 - Summary: Globe's ¥20-billion (≈P7.6B) loan from Mizuho boosts liquidity for capex, debt-refinancing, and general corporate needs while it shifts from heavy 5G rollout to monetizing its network. - 9M 2025 net income and revenues are both down as the company trims capex, monetizes towers, and leans more on digital ventures like GCash. - Analysis: The funding improves debt-servicing flexibility and supports 5G growth, but softer earnings and competitive pressure (enterprise pricing, limited rural coverage) cap near-term upside. This is more balance-sheet positioning than a growth “surprise.” - Recommendation: Hold / gradual accumulate on dips for investors with a 3–5 year view on data/fintech growth. Watch leverage, 5G monetization, and any follow-through from Konektadong Pinoy implementation.</p> <p>AEV 26.70 - Summary: Vietnam fined AEV's food unit Gold Coin Feed Mill Ha Nam around ₱63k for missing labeling requirements and ordered re-export of the affected goods. - AEV stresses there are no safety or quality issues and that the fine is fully settled. Q3 2025 net profit jumped 71% to ₱8.9B on strong food and energy earnings, though 9M income is still down 8% YoY. - Analysis: The labeling fine is operationally and financially immaterial, but it's a reminder of cross-border compliance risk as AEV expands regionally. Core thesis remains tied to power, Coke bottling, food, and infra; valuation is already discounting some macro and regulatory risk. Recommendation: Accumulate on weakness for diversified, long-term investors comfortable with conglomerate exposure. Treat the Vietnam issue as noise, but keep an eye on execution in food and infra.</p> <p>MER 590.00 - Summary: Meralco's generation arm, MGEN, is preparing to secure offtake (via CSP or baseload auctions) for its 1,200-MW Atimonan ultra-supercritical coal plant, targeted for delivery around February 2030. - The project is exempt from the 2020 coal moratorium and is positioned as high-efficiency, low-emission baseload capacity. - Analysis: Strategically, this reinforces Meralco's baseload portfolio and earnings visibility from contracted capacity, but it increases ESG and policy risk just as investors and regulators are pushing harder on decarbonization. Any future tightening of coal rules or carbon pricing could weigh on sentiment and valuations. - Recommendation: Core utility Hold. Suitable for income / defensive investors but ESG-sensitive portfolios may underweight. Monitor offtake auction outcomes and any policy shifts around coal and just transition.</p>
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EEI 2.68/share

- EEI's board approved acquiring ₱11.42B of liabilities of wholly owned FOIVC in exchange for FOIVC shares, and a consolidation of EEI Ltd. and EEI Realty under EEI Ventures via share swap.

- FOIVC owns 49 ha of Cavite land, including Island Cove and other investment properties. The moves aim to strengthen FOIVC's balance sheet, simplify structure, and create a "pure-play" investment platform. [📰](#)

- **Analysis:** This is a capital-structure and portfolio-rationalization story: it could unlock value from real estate and improve financing options, but execution risk is non-trivial and the market is still skeptical (price down ~2.9% on the news). Benefits will hinge on how quickly EEI can monetize or develop these assets and translate them into earnings.

ABS 3.38/share

- **TV5 is terminating its 5-year content supply deal, citing ABS-CBN's failure to remit its share of ad revenues on time**

- ABS disputes the characterization but acknowledges financial strain post-franchise loss and has 30 days to cure the default. Q3 net loss widened to ₱1.28B despite revenue growth and lower expenses.

- **Analysis:** The potential loss of a key free-to-air partner is a material negative to 2026 revenue and to market confidence in ABS's recovery trajectory; it also raises counterparty-risk questions for future partnerships.

Corporate / Energy – Meralco coal offtake (context reminder)

- Meralco's power arm MGen is exploring offtake arrangements as early as 2026–2027 for its proposed 1,200-MW Atimonan ultra-supercritical coal plant in Quezon, targeting full delivery by around 2030. [📰](#)

- Supports baseload reliability but runs counter to decarbonization sentiment; relevant for MER as a defensive utility with increasing ESG scrutiny.

REGULATION

SEC tiered public float proposal

- The SEC draft circular introduces a 5-tier minimum public ownership regime for IPOs: small caps (≤₱500M) need 33% float, mid-caps step down to 25%/20%, and the largest issuers (≥₱150B) can list with just 12% float, all subject to minimum peso values and post-listing maintenance requirements.

- Existing IPOs remain under the 20% rule.

- **Analysis / Portfolio angle:** This is structurally positive for the listings pipeline and liquidity diversity: more realistic float thresholds for mega-caps could attract big issuers, while smaller caps still face higher floats that support trading. For you, this matters for deal flow (IPOs/REITs) and stock-picking, not as a direct stock call—keep it in the macro/regulatory slide and watch for which large private groups start signaling IPO plans under the new tiers.

Exports – Targets Slashed (PEDP 2025–2028)

- The Export Development Council (EDC) has cut the Philippines' export growth targets for 2025–2028, citing slower global trade, higher US tariffs, shipping disruptions, and geopolitical risks.

- For 2025, the export growth target is now 3.55%, sharply lower than the original 14.1% projection

Growth Outlook – Slump May Persist to 2027 (Deutsche Bank)

- Deutsche Bank warned that the Philippines may miss its growth targets until 2027, with GDP seen stuck below the government's 6–7% goal, weighed down by weak investment, fiscal consolidation, and external risks.

- This slower outlook raises odds of deeper BSP rate cuts over the next two years to support demand. [📰](#)

- Slower but longer easing cycle is supportive for bonds and rate-sensitive equities (property, banks), but caps top-line earnings growth for cyclicals.

- Persistent FX weakness underscores external vulnerability but also improves PHP export and OFW remittance receipts in local terms; near-term, it can pressure imported inflation and FX-exposed corporates.

Trade / FDI – ECCP Still Optimistic

- Despite the gloomier macro headlines, the European Chamber of Commerce of the Philippines (ECCP) said 8 in 10 European firms expect trade and investment to rise over the next four years, with ~81% planning to expand in the country, citing growth opportunities and recovery prospects.

- Offsets some of the negativity—medium-term FDI and trade intentions remain constructive even as short-term growth disappoints.

Market Calendar

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[illegible]

SRO SRO Ex-Date	CD Cash Ex-Date	STD Stock Ex-Date	PD Property Ex-Date
SMD Stockholders' Meeting	ABD Analysts' Briefing	EDD ETF Dividend Ex-Date	SRL SRO Listing
SRS SRO Start	SRE SRO End	OFS Offer Start	OFE Offer End
LSD Listing Date	EOS EFT Offer Start	EOE EFT Offer End	WEI Warrant Exp Date

2025 Market Outlook

PSEi Range and Important Levels

- Support 7500 (12.1x), 7100 (11.5x), 6900 (11.1x), 6700 (10.8x), 6500 (10.5x)
- Support 6200 (10.1x), 5800 (9.4x), 5400 (8.7x)

Valuations

- 2025 current level 5,759 is at 9.3x 2025F
- 2024 close of 6528 valued at 9.9x P/E
- PSEi is well under historical averages P/E of 14-15x

Targets

Base 6700 (10.2x 2025F, +2.6% Y/y)
Bull 7100 (10.8x 2025F, 8.7% Y/y)

Index technicals (PSEi)

- **Trend & momentum:** Price (6,264) just reclaimed the 23.6% Fib at 6,218 from the 7,564→5,803 downswing. RSI 56 = improving momentum, not overbought.

Key levels:

- **Supports:** 6,218 (23.6%), 6,100 (June/Sept shelf), 6,000 psych, 5,800 cycle low.
- **Resistances:** 6,350–6,420 (minor supply), 6,475 (38.2%), 6,680 (50%), 6,890 (61.8%).
- Base case (next 1–3 months): Chop higher toward 6,475–6,680 while back-testing 6,218. A clean weekly close >6,680 opens 6,890–7,150; a close <6,100 risks a re-test of 6,000/5,800.
- **Tactical plan:** Bias long on dips above 6,218; lighten into 6,475/6,680 unless breadth/turnover expand.

2025 macro/market take

- **Rates/liquidity:** Local debt markets are open (multiple oversubscribed bonds; shelf validity extended), while equity windows (big REITs/IPO) stay selective. That favors defensive cash-flow names and bond-savvy blue chips.
- **Energy transition & infra:** Strong pipeline in renewables, storage, LNG/biogas; ports/toll roads keep executing.
- **Telco:** Regulation (Konektadong Pinoy IRR) and satellite entrants raise competition—own selectively.
- **Property:** High-end/township demand > mid-market; REITs grow via asset infusions even as mega-REIT IPOs are deferred.
- **Consumer/travel:** Airlines still compounding off traffic recovery; branded staples and QSRs steady; gaming/leisure selectively constructive.

Sector stance (overweight/market weight/underweight)

- Overweight – Utilities & Power: Visibility + dividend + green pivot. **MER, FGEN, ACEN, CREC**
- Overweight – Infra/Logistics: Throughput/tariff resilience, capacity adds. **ICT**
- Overweight – High-end Property & REITs with asset growth: Funding flexibility + recurring income. **ALI, SMPH, RCR**
- Market weight – Consumer/Travel: Positive trend, but watch fuel FX and fare caps. **CEB, JFC**
- Market weight – Telcos: Own quality balance sheets; keep risk budget small. **TEL, GLO**

Long-Term Downtrend

- since 2018 until index exits upper end of consolidation range of 7,500-7600

Medium Term Consolidation

- since 2020 onset of pandemic, normalized range is 7400/6800 - 6100/5800/4800

Resistances 6100, 6400, 6800, 7400, 7500-7600, 8000, 8700
Support 5700, 5200

