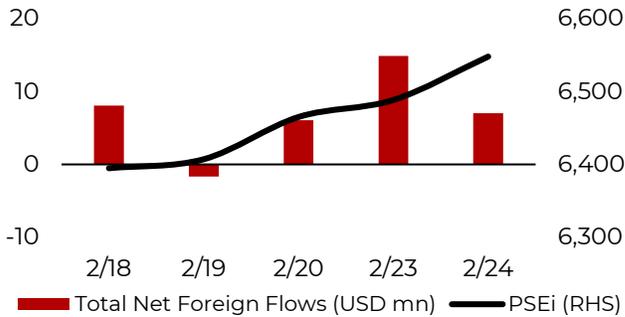


The Morning View

February 25, 2026

Philippine Stock Exchange Index

+0.92% DoD; Net foreign buying: \$7.05mn



	Level	DoD
PSEi	6,547.98	+0.92%
3-mo bond yield	4.40%	-1.42 bps
2-yr bond yield	5.17%	-0.20 bps
5-yr bond yield	5.60%	-0.48 bps
10-yr bond yield	5.95%	-1.31 bps
USD/PHP	57.76	+0.31%
Oil (Brent, \$ / barrel)	70.77	-1.01%

According to Fitch Ratings, the Philippines is among the countries most vulnerable to climate-related credit risks. In terms of Fitch's overall physical risk scoring, the Philippines rated 55 out of 100. A score of 50 means the credit rating could be lowered by one notch. Fitch Ratings last affirmed the Philippines' "BBB" long-term rating and "stable" outlook in April last year.

SM Prime Holdings, Inc. (PSE Ticker: SMPH) announced plans to open the new SM Seaside Cebu Arena in June. The arena will have a seating capacity of 16,000 and maximum capacity of 25,000, surpassing the SM Mall of Asia Arena which accommodates 15,000 seated and up to 20,000 at full capacity.

Local equities climbed on continued net foreign buying and the recent strengthening of the local currency. The PSEi closed at 6,547.98 (+0.92% DoD).

Local fixed income yields declined after the Bureau of the Treasury raised Php35 billion after strong demand for its reissued 7-year and 25-year Treasury bonds. On average, yields fell by 1.03 bps, with the 2Y closing at 5.17% (-0.20 bps) and the 10Y closing at 5.95% (-1.31 bps).

The **Philippine peso** weakened amid fresh trade concerns after US President Trump announced temporary tariffs to replace the levies that were struck down by the US Supreme Court. The USD/PHP pair closed at 57.58 (+0.31% DoD).

Fed Governors Christopher Waller and Lisa Cook, both permanent voters, held opposing views in relation to the effect of artificial intelligence (AI) on the job market. Waller said that he does not expect AI to upend the job market, while Cook stated that AI may cause a short-term rise in unemployment as workers face difficulty finding entry-level jobs.

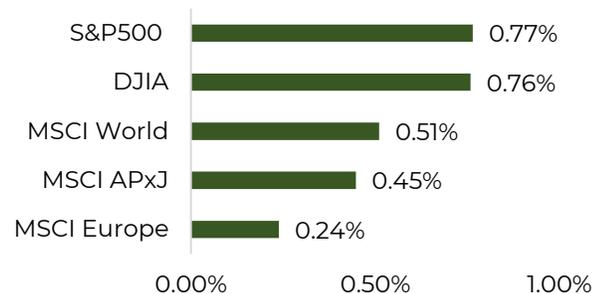
Conference Board US consumer sentiment index improved to 91.2 in February (Revised Jan.: 89.0; Consensus.: 87.1). The Expectations Index edged higher on improved views for future business, labor, and income prospects, while the Present Situation Index weakened amid softer current business conditions.

US equities rose, led by software stocks, amid easing concerns over AI disruption to certain industries. This was also after Meta Platforms announced a multi-year AI chip deal with Advanced Micro Devices. The S&P 500 closed at 6,890.07 (+0.77% DoD), while the DJIA ended at 49,174.50 (+0.76% DoD).

US Treasury yields closed mixed ahead of Trump's State of the Union address. This was also after Trump's 10% global tariffs took effect in response to the Supreme Court's unfavorable ruling. On average, yields fell by 0.04 bps, with the 2Y closing at 3.47% (+2.30 bps) and the 10Y closing at 4.03% (-0.20 bps).

The **US dollar** strengthened on the back of the stronger-than-expected Conference Board consumer confidence in February. The DXY closed at 97.84 (+0.14% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,890.07	+0.77%
DJIA	49,174.50	+0.76%
3-mo US Treasury yield	3.68%	-0.10 bps
2-yr US Treasury yield	3.47%	+2.30 bps
5-yr US Treasury yield	3.60%	+1.00 bps
10-yr US Treasury yield	4.03%	-0.20 bps
DXY	97.84	+0.14%

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