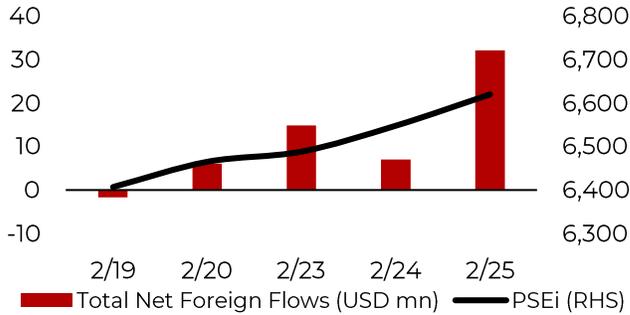


The Morning View

February 26, 2026

Philippine Stock Exchange Index

+1.10% DoD; Net foreign buying: \$32.12mn



	Level	DoD
PSEi	6,619.87	+1.10%
3-mo bond yield	4.41%	+0.79 bps
2-yr bond yield	5.15%	-1.12 bps
5-yr bond yield	5.57%	-2.81 bps
10-yr bond yield	5.93%	-1.62 bps
USDPHP	57.51	-0.42%
Oil (Brent, \$ / barrel)	70.85	+0.11%

The Chamber of Automotive Manufacturers of the Philippines, Inc. (CAMPI) and the Truck Manufacturers Association (TMA) reported that PH vehicle sales slumped by 10.4% YoY to 33,696 units in January, marking the sharpest drop in four years. This was driven by a decline in passenger car sales to 6,178 units (-20.1% YoY) and a decrease in commercial vehicle to 27,518 units (-7.9% YoY).

Manila Electric Company (PSE Ticker: MER) reported a consolidated core net income (CCNI) of Php50.6 billion (+12% YoY) for FY25. The main drivers of growth were steady power sales volumes and from its distribution utility and electricity supply businesses, and growing contributions from its generation arm.

Local equities jumped on the back of the optimism over a stronger peso and 4Q25 local corporate earnings results. The PSEi closed at 6,619.87 (+1.10% DoD).

Local fixed income yields fell after National Treasurer Almanza said that the anticipated inclusion of the Philippines in the JP Morgan's emerging market bond index could trigger around \$3 billion in new foreign investment. On average, yields fell by 1.24 bps, with the 2Y closing at 5.15% (-1.12 bps) and the 10Y closing at 5.93% (-1.62 bps).

The **Philippine peso** strengthened as the USD weakened after US President Trump's stated reimposing tariffs in his State of the Nation speech. The USD/PHP pair closed at 57.51 (-0.42% DoD).

Kansas Fed President Schmid said that the Fed is well-positioned to support employment but needs to address the overly high inflation. Meanwhile, St. Louis Fed President Musalem said that the current setting of the US policy rate appropriately balances the current economic risks. Both policymakers will be voters in 2028.

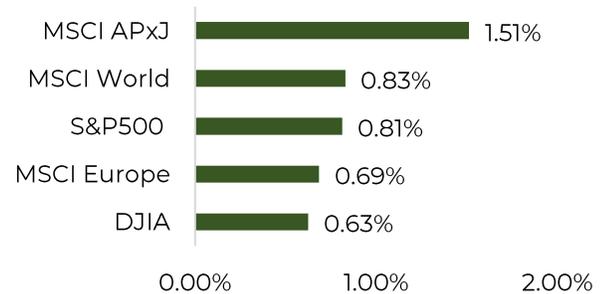
The International Monetary Fund (IMF) expects steady US economic growth and an uncertain inflation path in 2026. It projects 2.4% US gross domestic product (GDP) growth in 2026 and sees inflation not returning to the Fed's 2% target until early 2027. The IMF also warned that the US fiscal deficit will remain elevated at 7-8% of GDP and called for fiscal consolidation.

US equities rose ahead of Nvidia's 4Q25 earnings, which came out stronger than expected results after market close. The S&P 500 closed at 6,946.13 (+0.81% DoD), while the DJIA ended at 49,482.15 (+0.63% DoD).

US Treasury yields rose after US President Trump's State of the Union address highlighted the strength of the US economy. This was also following the Treasury Department's 5-year notes issuance, which was met with low demand. On average, yields rose by 1.58 bps, with the 2Y closing at 3.47% (+0.80 bps) and the 10Y closing at 4.06% (+2.30 bps).

The **US dollar** weakened as the uncertainty over Trump's new tariffs weighed on sentiment. The DXY closed at 97.70 (-0.15% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,946.13	+0.81%
DJIA	49,482.15	+0.63%
3-mo US Treasury yield	3.69%	+1.00 bps
2-yr US Treasury yield	3.47%	+0.80 bps
5-yr US Treasury yield	3.63%	+3.00 bps
10-yr US Treasury yield	4.06%	+2.30 bps
DXY	97.70	-0.15%

This material, which is strictly for information purposes only, is for your sole use, does not constitute a recommendation or an offer to sell or a solicitation to buy any financial product. Any information is subject to change without notice and BPI Wealth is not under any obligation to update or keep current the information contained herein. You are advised to make your own independent judgment with respect to the matter contained in this document. No liability whatsoever is accepted for any loss that may arise (whether direct or consequential) from any use of the information contained herein.

All funds managed by BPI Wealth are Trust and/or Investment Management Funds, which do not carry any guarantee of income or principal, and are NOT covered by the Philippine Deposit Insurance Corporation. Past performance is not a guarantee of future results. BPI Wealth Investment Funds are valued daily using the marked-to-market method.