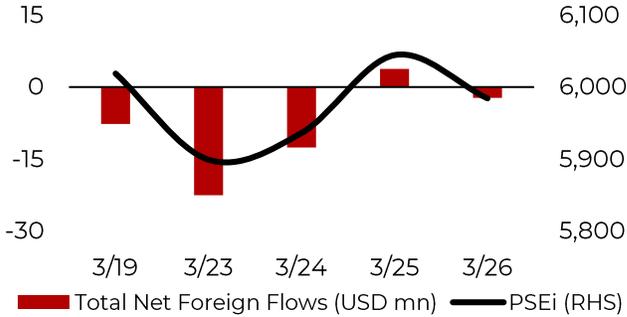


The Morning View

March 27, 2026

Philippine Stock Exchange Index

-0.99% DoD; Net foreign selling: \$2.25mn



	Level	DoD
PSEi	5,984.20	-0.99%
3-mo bond yield	4.99%	-2.52 bps
2-yr bond yield	6.01%	-9.15 bps
5-yr bond yield	6.73%	-7.17 bps
10-yr bond yield	6.98%	-4.86 bps
USDPHP	60.23	+0.22%
Oil (Brent, \$ / barrel)	108.01	+5.66%

In a surprise off-cycle policy meeting, the Bangko Sentral ng Pilipinas (BSP) held its policy rate steady at 4.25%. BSP Governor Remolona noted that monetary policy has limited effectiveness if the rise in inflation was driven by a supply shock. The BSP also raised its inflation projection to 5.1% (from 3.6%) for 2026 and 3.8% (from 3.2%) for 2027.

GT Capital Holdings, Inc. (PSE Ticker: GTCAP) reported FY25 core net income of Php30.47 billion (+8% YoY), driven by contributions from Metrobank (MBT) and Toyota Motor Philippines (TMP). However, performance softened in 4Q25, reflecting FX-related pressure on TMP's gross margins and slower loan growth at MBT.

Local equities fell amid profit-taking after a two-day market rally. Iran's signal that it has no intention to hold direct ceasefire talks with the US also dampened investors' hopes that the war could end soon. The PSEi closed at 5,984.20 (-0.99% DoD).

Local fixed income yields tumbled and the **Philippine peso** weakened as investors weighed the BSP's decision to hold rates steady in an off-cycle meeting.

On average, yields fell by 6.09 bps, with the 2Y closing at 6.01% (-9.15 bps) and the 10Y closing at 6.98% (-4.86 bps).

The USD/PHP pair closed at 60.23 (+0.22% DoD).

US President Donald Trump that he would pause attacks on Iran's energy plants for 10 days as he claims negotiations were going "very well". Despite Trump's claim, Iran continued to retaliate against US and Israeli strikes targeting Israel and US army bases.

US weekly initial jobless claims rose by 5,000 to 210,000 for the week ending March 21, matching market's consensus forecast, as the labor market remains in a "low-hire, low-fire" state. Meanwhile, continuing claims fell by 32,000 to 1.819 million (Consensus: 1.849 million), the lowest level since May 2024.

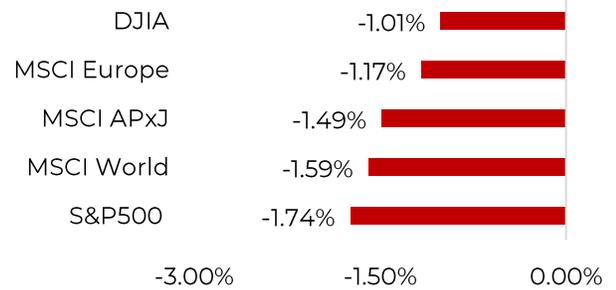
US equities declined, **US Treasury yields** jumped, and the **US dollar** strengthened as optimism over a potential ceasefire between the US and Iran faded, with investors reacting to mixed signals surrounding the state of negotiations. Investors also digested the initial jobless claims data for the week, which matched market's expectations.

The S&P 500 closed at 6,477.16 (-1.74% DoD), while the DJIA ended at 45,960.11 (-1.01% DoD).

On average, yields rose by 5.85 bps, with the 2Y closing at 3.99% (+9.70 bps) and the 10Y closing at 4.42% (+8.20 bps).

The DXY closed at 99.90 (+0.30% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,477.16	-1.74%
DJIA	45,960.11	-1.01%
3-mo US Treasury yield	3.72%	+0.70 bps
2-yr US Treasury yield	3.99%	+9.70 bps
5-yr US Treasury yield	4.10%	+11.60 bps
10-yr US Treasury yield	4.42%	+8.20 bps
DXY	99.90	+0.30%