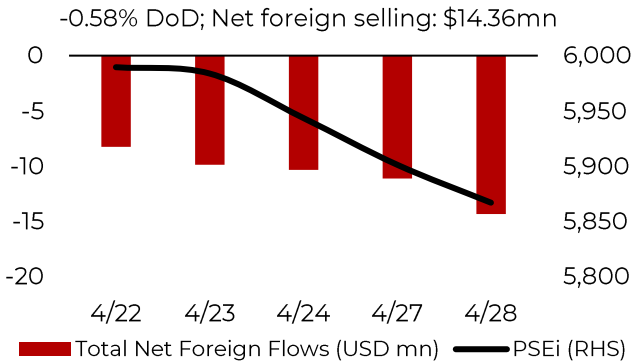


The Morning View

April 29, 2026

Philippine Stock Exchange Index



	Level	DoD
PSEi	5,866.79	-0.58%
3-mo bond yield	4.51%	+0.11 bps
2-yr bond yield	5.92%	+6.57 bps
5-yr bond yield	6.67%	+9.74 bps
10-yr bond yield	6.88%	+5.94 bps
USDPHP	61.30	+0.97%
Brent Oil (\$/barrel)	111.26	+2.80%

HSBC Global Research sees Philippine inflation surging to 8% in 4Q26 if tensions in the Middle East persists until end-June or July. Inflationary pressures are expected to be driven largely by rising food prices rather than fuel alone amid higher fertilizer prices. Under its adverse scenario, HSBC projects FY26 inflation to average 6.3% before easing to 4.5% in FY27.

SM Prime Holdings (PSE Ticker: SMPH) posted a net income of Php11.7 billion, down by 12% QoQ and flat YoY, as growth in malls, offices, and hotels was offset by a decline in residential sales. While rental income rose on high occupancy, the residential segment was weighed by cancellations and softer revenue bookings.

Local equities fell and **local fixed income yields** climbed as the **Philippine peso** weakened to a new record low after global oil prices surged and US-Iran peace talks stalled. Furthermore, the government only partially awarded its dual-tenor Treasury bond offer after investors demanded higher yields, with expectations of rising borrowing costs and tighter monetary policy.

The PSEi closed at 5,866.79 (-0.58% DoD).

On average, yields rose by 3.56 bps, with the 2Y closing at 5.92% (+6.57 bps) and the 10Y closing at 6.88% (+5.94 bps).

The USD/PHP pair closed at 61.30 (+0.97% DoD).

The United Arab Emirates (UAE) announced that it will leave the Organization of Petroleum Exporting Countries (OPEC) and OPEC+, effective May 1, 2026. UAE's Energy Ministry stated that the exit aligns with its national interest after reviewing its production policy and capacity. Currently, the UAE is OPEC's third-largest oil producer, after Saudi Arabia and Iraq.

The Bank of Japan (BoJ) maintained its short-term policy rate at 0.75% as widely expected but delivered a hawkish inflation outlook. While the majority voted to pause citing growth uncertainty from the Iran war, three board members dissented and proposed a hike. The BoJ's 2026 median core inflation forecast was revised higher to 2.8% from the 1.9% projected in January.

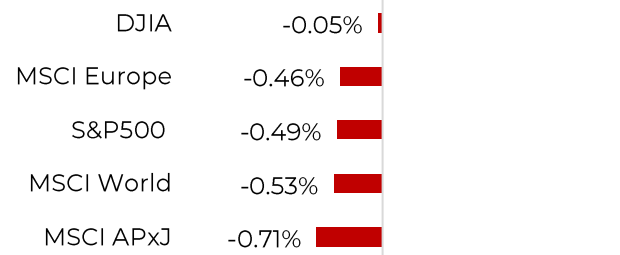
US equities fell, **US Treasury yields** rose, and the **US dollar** slightly strengthened amid risk-off sentiment as investors digested Trump's negative comments on Iran's proposal on the reopening of the Strait of Hormuz. Traders also weighed the surge in oil prices.

The S&P 500 closed at 7,138.80 (-0.49% DoD), while the DJIA ended at 49,141.93 (-0.05% DoD).

On average, yields rose by 0.76 bps, with the 2Y closing at 3.84% (+3.70 bps) and the 10Y closing at 4.35% (+0.60 bps).

The DXY closed at 98.64 (+0.15% DoD).

Global Stock Indices



	Level	DoD
S&P 500	7,138.80	-0.49%
DJIA	49,141.93	-0.05%
3-mo US Treasury yield	3.68%	-0.20 bps
2-yr US Treasury yield	3.84%	+3.70 bps
5-yr US Treasury yield	3.98%	+2.90 bps
10-yr US Treasury yield	4.35%	+0.60 bps
DXY	98.64	+0.15%