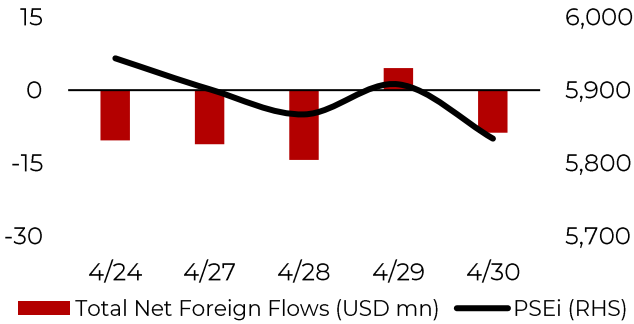


# The Morning View

May 5, 2026

## Philippine Stock Exchange Index

+1.86% DoD; Net foreign buying: \$5.53mn



	Level	DoD
PSEi	5,942.16	+1.86%
3-mo bond yield	4.64%	+2.06 bps
2-yr bond yield	6.06%	+1.41 bps
5-yr bond yield	6.91%	+4.14 bps
10-yr bond yield	7.06%	+9.91 bps
USDPHP	61.57	+0.13%
Brent Oil (\$/barrel)	114.44	+5.80%

**PH manufacturing purchasing managers' index (PMI) fell to 48.3 in April (March: 51.3), signaling a contraction for the first time in 5 months amid rising input costs.** Manufacturers reported that disrupted trade routes temporarily halted shipments and made customers more cautious. Indonesia (49.1) was the only other ASEAN member that also saw a contraction in April.

**International Container Terminal Services, Inc. (PSE Ticker: ICT) reported a 23% YoY rise in 1Q26 attributable net income to \$293.6 million, bolstered by contributions from newly added ports.** While gross revenues jumped 29% YoY to \$961.1 million, EBITDA margin contracted by 140 basis points to 64.3%, reflecting the dilutive impact of incorporating DCT Pier 2 and the Batu Ampar Container Terminal.

**Local equities** rose on bargain hunting and positive sentiment after ICT's 1Q26 earnings beat expectations. Meanwhile, **local fixed income yields** rose and the **Philippine peso** weakened ahead of the April inflation data release today and after global oil prices surged amid fresh US-Iran threats.

The PSEi closed at 5,942.16 (+1.86% DoD).

On average, yields rose by 5.83 bps, with the 2Y closing at 6.06% (+1.41 bps) and the 10Y closing at 7.06% (+9.91 bps).

The USD/PHP pair closed at 61.57 (+0.13% DoD).

**The US and Iran engaged in direct naval combat in the Persian Gulf on Monday.** The US military reported intercepting Iranian drones, missiles, and armed small boats targeting commercial vessels under the protection of Navy escorts. Simultaneously, the United Arab Emirates (UAE) intercepted Iranian cruise missiles and blamed an Iranian drone strike for a large fire at its Fujairah port.

**New York Fed President John Williams said that US monetary policy is "well positioned" to manage heightened economic uncertainty driven by the Middle East conflict.** He added that while no immediate rate hike is needed, future rate guidance is limited due to this uncertainty. This year, he expects economic growth to stay resilient at 2-2.25%, and inflation to hover around 3%.

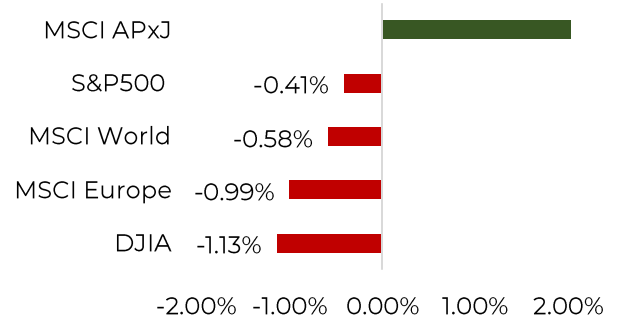
**US equities** fell, **US Treasury yields** soared, and the **US dollar** strengthened as global oil prices spiked amid the escalation in tensions in the Middle East. This was following the news that the UAE intercepted Iranian missiles for the first time since the start of the ceasefire between the US and Iran.

The S&P 500 closed at 7,200.75 (-0.41% DoD), while the DJIA ended at 48,941.9 (-1.13% DoD).

On average, yields rose by 4.87 bps, with the 2Y closing at 3.96% (+7.40 bps) and the 10Y closing at 4.44% (+6.80 bps).

The DXY closed at 98.37 (+0.22% DoD).

## Global Stock Indices



	Level	DoD
S&P 500	7,200.75	-0.41%
DJIA	48,941.90	-1.13%
3-mo US Treasury yield	3.70%	+2.80 bps
2-yr US Treasury yield	3.96%	+7.40 bps
5-yr US Treasury yield	4.09%	+7.40 bps
10-yr US Treasury yield	4.44%	+6.80 bps
DXY	98.37	+0.22%

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