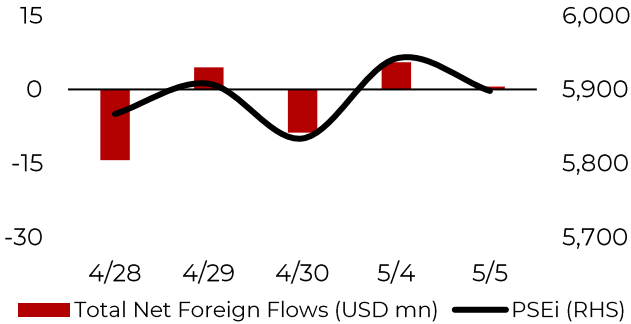


The Morning View

May 6, 2026

Philippine Stock Exchange Index

-0.74% DoD; Net foreign buying: \$0.63mn



| | Level | DoD |
|-----------------------|----------|------------|
| PSEi | 5,898.08 | -0.74% |
| 3-mo bond yield | 4.69% | +4.31 bps |
| 2-yr bond yield | 6.21% | +15.28 bps |
| 5-yr bond yield | 7.14% | +23.02 bps |
| 10-yr bond yield | 7.32% | +26.52 bps |
| USDPHP | 61.55 | -0.02% |
| Brent Oil (\$/barrel) | 109.87 | -3.99% |

The Bangko Sentral ng Pilipinas (BSP) said that it will take all 'necessary monetary action' to keep prices stable, amid the faster-than-expected April inflation. It noted that inflation expectations have risen, increasing the risk of de-anchoring from its 3% target. The central bank's projections now show average inflation breaching the 4.0% tolerance level for FY26 and FY27.

The Energy Regulatory Commission (ERC) has finally granted approval for Manila Electric Company's (PSE Ticker: MER) Php16.37-billion capital expenditure (capex) program, originally filed in 2017 for the 2018 regulatory year. The decision covers 100 projects focused on expanding and rehabilitating the distribution system to meet rising demand and resolve operational issues, though all projects remain subject to final cost verification.

Local equities fell, **local fixed income yields** rose, and the **Philippine peso** slightly strengthened after the faster-than-anticipated April local inflation print of 7.2% fueled bets of further policy rate hikes from the BSP.

The PSEi closed at 5,898.08 (-0.74% DoD).

On average, yields rose by 21.45 bps, with the 2Y closing at 6.21% (+15.28 bps) and the 10Y closing at 7.32% (+26.52 bps).

The USD/PHP pair closed at 61.55 (-0.02% DoD).

US President Trump said that the US has paused "Project Freedom", a military mission to guide commercial ships out of the Strait of Hormuz, one day after the operation started. Trump added that the pause would allow time to finalize a deal with Iran, citing progress in negotiations towards a "complete and final" agreement. However, the naval blockade on Iranian ports remains.

US job openings fell by 56,000 MoM to 6.87 million in March (Consensus: 6.85 million) due to declines in professional and business services. Meanwhile, the hiring rate rose to 3.5% in March (February: 3.1%) amid a surge in hires, led by transportation, warehousing, and food services.

US equities jumped to new record highs on upbeat 1Q26 earnings. Investors also digested news that Apple will partner with Intel for the main processors of their devices. The S&P 500 closed at 7,259.22 (+0.81% DoD), while the DJIA ended at 49,298.25 (+0.73% DoD).

US Treasury yields fell, and the **US dollar** closed flat as global oil prices eased amid lack of further escalation between US and Iran. Investors also weighed the below-consensus ISM Services Index of 53.6 in April (March: 54.0, Consensus: 53.7) and the decline in job openings in March.

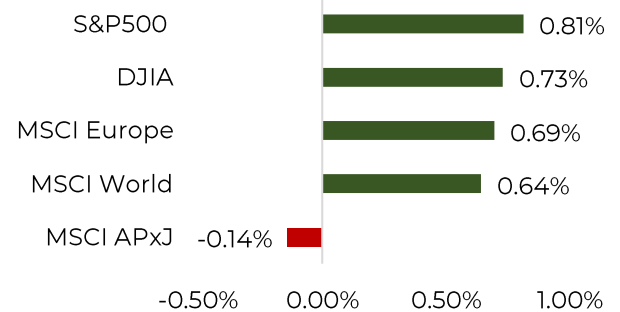
On average, yields fell by 1.15 bps, with the 2Y closing at 3.95% (-1.00 bps) and the 10Y closing at 4.43% (-1.50 bps).

The DXY closed at 98.44 (+0.07% DoD).

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.

Global Stock Indices



| | Level | DoD |
|-------------------------|-----------|-----------|
| S&P 500 | 7,259.22 | +0.81% |
| DJIA | 49,298.25 | +0.73% |
| 3-mo US Treasury yield | 3.69% | +1.30 bps |
| 2-yr US Treasury yield | 3.95% | -1.00 bps |
| 5-yr US Treasury yield | 4.08% | -0.90 bps |
| 10-yr US Treasury yield | 4.43% | -1.50 bps |
| DXY | 98.44 | +0.07% |