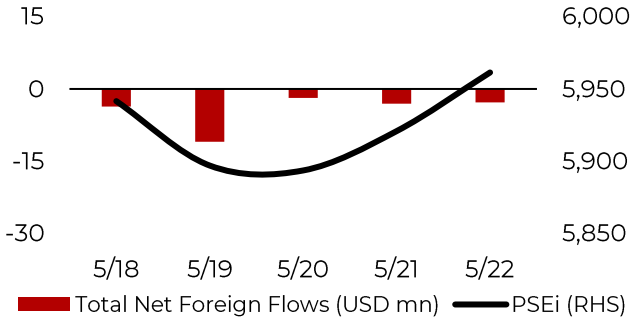


The Morning View

May 25, 2026

Philippine Stock Exchange Index

+0.69% DoD; Net foreign selling: \$2.80mn



	Level	DoD
PSEi	5,961.40	+0.69%
3-mo bond yield	5.06%	-0.27 bps
2-yr bond yield	6.94%	+2.52 bps
5-yr bond yield	7.45%	+1.17 bps
10-yr bond yield	7.75%	-4.11 bps
USDPHP	61.69	+0.18%
Oil (Brent, \$ / barrel)	103.54	+0.94%

Philippine vehicle sales fell by 18.9% YoY to 27,225 units in April as rising oil prices dampened consumer demand for gas-powered vehicles. Weaker demand was seen for both passenger (-14% YoY) and commercial cars (-20% YoY). On a positive note, electric vehicle sales surged by 288% YoY in the same period to 5,855 units amid growing demand for energy-efficient alternatives.

RL Commercial REIT Inc. (PSE Ticker: RCR) plans to expand its portfolio this year through a fresh round of asset infusions from Robinsons Land Corporation (PSE Ticker: RLC). These assets, which are primarily malls, will be added in two distinct batches, subject to market conditions. As of FY25, RCR's portfolio has 38 properties, with a gross leasable area of 1.15 million square meters.

Local equities rose, tracking global equities, amid renewed US-Iran peace hopes. The PSEi closed at 5,961.40 (+0.69% DoD).

Local fixed income yields rose after Bangko Sentral ng Pilipinas (BSP) Governor Eli Remolona said that the Monetary Board is considering an off-cycle rate hike. On average, yields rose by 0.37 bps, with the 2Y closing at 6.94% (+2.52 bps) and the 10Y closing at 7.75% (-4.11 bps).

The **Philippine peso** weakened following BSP Governor Remolona's comment that the peso weakening to 63.50 against the US dollar "might be okay" as long it is measured and not inflationary. The USD/PHP pair closed at 61.69 (+0.18% DoD).

The University of Michigan US Consumer Sentiment Index dropped to an all-time low of 44.8 in May (April and Consensus: 48.2). This indicates that consumer sentiment plunged as the rising cost of living and upside risks from the US-Iran war intensified affordability concerns. Meanwhile, one-year inflation expectations climbed to 4.8% in May from 4.5% in April.

US Federal Reserve Governor Christopher Waller said the Fed should remove the "easing bias" from its policy statement as he sees even odds between a rate hike or cut amid broadening and persistent inflation. He emphasized that while he is not currently advocating for a rate hike, interest rates should remain steady until inflation clearly returns toward the 2% target.

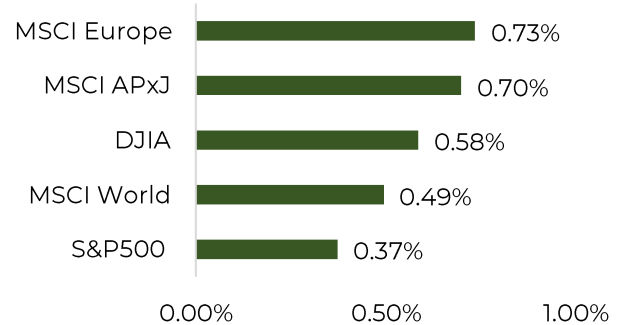
US equities rose, **US Treasury yields** were mixed, and the **US dollar** closed flat as investors monitored signs of progress in US-Iran peace talks, though sticking points remain, including Iran's enriched uranium stockpile and tolls on the Strait of Hormuz. Moreover, the bond market became volatile as Kevin Warsh was sworn in as the chair of the Federal Reserve.

The S&P 500 closed at 7,473.47 (+0.37% DoD), while the DJIA ended at 50,579.70 (+0.58% DoD).

On average, yields rose by 0.41 bps, with the 2Y closing at 4.13% (+4.00 bps) and the 10Y closing at 4.56% (-1.40 bps).

The DXY closed at 99.24 (-0.02% DoD).

Global Stock Indices



	Level	DoD
S&P 500	7,473.47	+0.37%
DJIA	50,579.70	+0.58%
3-mo US Treasury yield	3.67%	+0.50 bps
2-yr US Treasury yield	4.13%	+4.00 bps
5-yr US Treasury yield	4.26%	+1.30 bps
10-yr US Treasury yield	4.56%	-1.40 bps
DXY	99.24	-0.02%

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