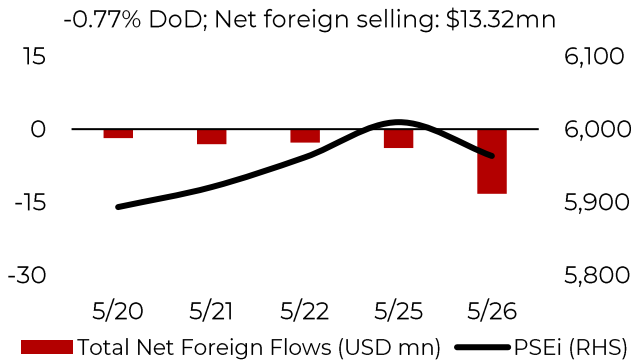


The Morning View

May 28, 2026

Philippine Stock Exchange Index



	Level	DoD
PSEi*	5,963.24	-0.77%
3-mo bond yield*	5.05%	-1.94 bps
2-yr bond yield*	6.88%	-5.34 bps
5-yr bond yield*	7.45%	+2.28 bps
10-yr bond yield*	7.62%	+7.19 bps
USDPHP*	61.56	+0.15%
Oil (Brent, \$ / barrel)	99.58	+3.58%

*As of May 26, 2026

US President Donald Trump dismissed a report from the Iranian state TV that the draft deal includes Iran and Oman jointly managing the Strait of Hormuz, and the US lifting the naval blockade of Iranian ports. Separately, the US military said on Wednesday that it had carried out fresh strikes on Iran, targeting a military site it believed posed a threat to US forces and commercial maritime traffic in the strait.

Two 2026 Federal Reserve voting members signaled a heightened focus on persistent inflationary risks driven by geopolitical conflicts. While Fed Governor Lisa Cook noted she is prepared to raise interest rates if inflationary pressures from the war and tariffs do not ease, Minneapolis Fed President Neel Kashkari stressed that curbing inflation remains the priority, and it is "far too soon" to predict the Fed's next rate move.

US equities inched higher, **US Treasury yields** were mixed, and the **US dollar** was flat as investors continued to monitor developments on the US-Iran peace deal.

The S&P 500 closed at 7,520.36 (+0.02% DoD), while the DJIA ended at 50,644.28 (+0.36% DoD).

On average, yields fell by 0.07 bps, with the 2Y closing at 4.04% (+0.10 bps) and the 10Y closing at 4.49% (-0.20 bps).

The DXY closed at 99.21 (+0.04% DoD).

Fitch Solutions' BMI says the Bangko Sentral ng Pilipinas (BSP) may hike its policy rate to as high as 5.5% by end-2026, higher than its previous 5.0% estimate. The revision came as BMI raised its 2026 headline inflation forecast to 6.1% (from previously 5.6%), citing rapid transmission of the oil shock to the Philippine economy.

Manila Electric Co.'s (PSE Ticker: MER) power generation arm, Meralco PowerGen Corp. (MGEN), announced its intention to venture into the wind energy sector to diversify its portfolio. MGEN noted that these explorations will help expand MER's clean energy capacity over the next two years, complementing its large-scale solar and battery storage developments.

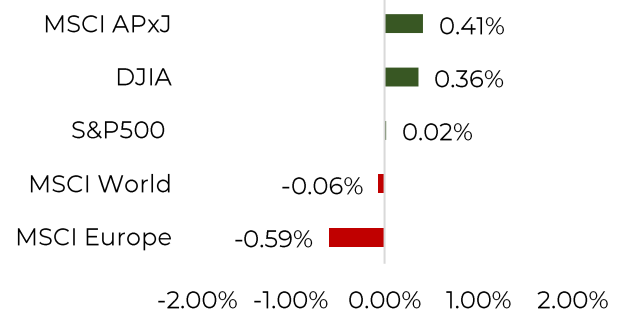
Last Tuesday, **local equities** fell, **local fixed income yields** were mixed, and the **Philippine peso** weakened amid dampened US-Iran peace deal hopes after the US military launched new strikes in southern Iran. Markets were closed on Wednesday in observance of the Eid'l Adha holiday.

The PSEi closed at 5,963.24 (-0.77% DoD).

On average, yields rose by 0.08 bps, with the 2Y closing at 6.88% (-5.34 bps) and the 10Y closing at 7.62% (+7.19 bps).

The USD/PHP pair closed at 61.56 (+0.15% DoD).

Global Stock Indices



	Level	DoD
S&P 500	7,520.36	+0.02%
DJIA	50,644.28	+0.36%
3-mo US Treasury yield	3.68%	+0.50 bps
2-yr US Treasury yield	4.04%	+0.10 bps
5-yr US Treasury yield	4.18%	+0.50 bps
10-yr US Treasury yield	4.49%	-0.20 bps
DXY	99.21	+0.04%

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