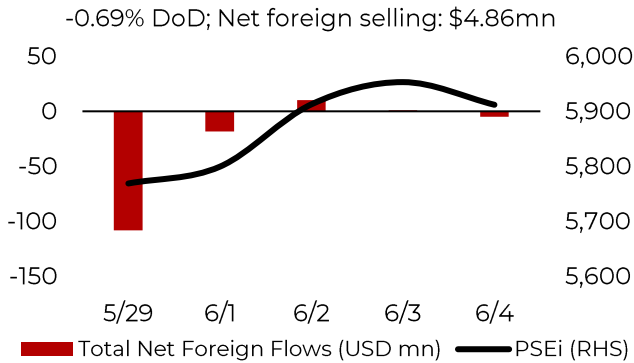


The Morning View

June 5, 2026

Philippine Stock Exchange Index



	Level	DoD
PSEi	5,911.93	-0.69%
3-mo bond yield	4.98%	-0.79 bps
2-yr bond yield	6.83%	+5.22 bps
5-yr bond yield	7.39%	+3.72 bps
10-yr bond yield	7.54%	+6.01 bps
USDPHP	61.63	-0.19%
Oil (Brent, \$ / barrel)	95.03	-2.84%

The Chamber of Automotive Manufacturers of the Philippines, Inc. (CAMPI) sees a 5-8% drop in auto sales in 2026, a lower decline than its initial estimate of an 8-10% drop. CAMPI cited the MoM improvement in May vehicle sales and the continued decline in fuel prices for the revised projections. As of 4M26, total auto sales fell by 11.8% YoY to 132,867 units.

Ayala Land, Inc. (PSE Ticker: ALI) has formalized a nationwide partnership with the Department of Energy to cut electricity use for one hour weekly across over 350 assets, aligning with its 2050 net-zero roadmap. This initiative builds on ALI's current efforts, where 98% of its commercial portfolio is powered by renewable energy or covered by green building certifications.

Local equities fell and **local fixed income yields** climbed as investors awaited the release of the May local inflation data which came out at 6.8%, lower than the market expectation of 7.8%.

The PSEi closed at 5,911.93 (-0.69% DoD).

On average, yields rose by 2.19 bps, with the 2Y closing at 6.83% (+5.22 bps) and the 10Y closing at 7.54% (+6.01 bps).

The **Philippine peso** slightly strengthened as oil prices fell after Israel and Lebanon agreed to implement a ceasefire. This was also amid expectations of further rate hikes from the Bangko Sentral ng Pilipinas. The USD/PHP pair closed at 61.63 (-0.19% DoD).

Kansas City Fed President Jeffrey Schmid stated that interest rates must either stay restrictive or move higher, citing concerns that the inflation spike may become more persistent.

Meanwhile, San Francisco Fed President Mary Daly said she does not believe artificial intelligence is driving the current increase in inflation, adding that its impact is "not a pressing issue" for monetary policy, which operates on a 12-month horizon.

US weekly jobless claims rose by 13,000 to 225,000 for the week ended May 30 (Consensus: 215,000), likely reflecting typical volatility around the Memorial Day holiday. Meanwhile, continuing claims fell by 8,000 to 1.777 million for the week ended May 23, with low layoffs still anchoring the market and reinforcing stability.

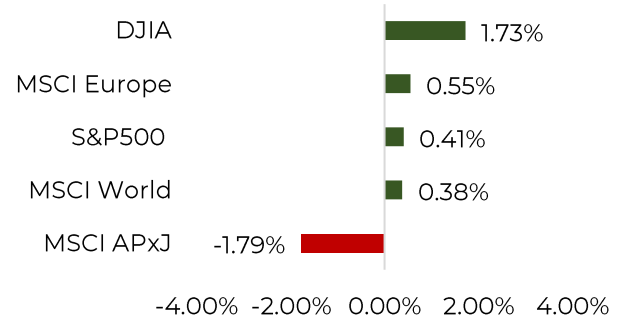
US equities rose, **US Treasury yields** declined, and the **US dollar** weakened as oil prices dipped following the ceasefire between Israel and Lebanon. Markets also looked ahead to upcoming labor market data releases for May, including nonfarm payrolls and unemployment rate reports.

The S&P 500 closed at 7,584.31 (+0.41% DoD), while the DJIA ended at 51,561.93 (+1.73% DoD).

On average, yields fell by 1.98 bps, with the 2Y closing at 4.05% (-3.70 bps) and the 10Y closing at 4.48% (-2.00 bps).

The DXY closed at 99.41 (-0.12% DoD).

Global Stock Indices



	Level	DoD
S&P 500	7,584.31	+0.41%
DJIA	51,561.93	+1.73%
3-mo US Treasury yield	3.71%	-0.20 bps
2-yr US Treasury yield	4.05%	-3.70 bps
5-yr US Treasury yield	4.19%	-3.20 bps
10-yr US Treasury yield	4.48%	-2.00 bps
DXY	99.41	-0.12%