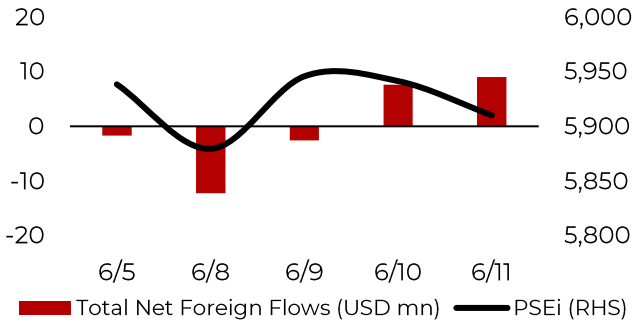


The Morning View

June 15, 2026

Philippine Stock Exchange Index

-0.53% DoD; Net foreign buying: \$9.02mn



	Level	DoD
PSEi	5,910.06	-0.53%
3-mo bond yield	5.01%	+0.26 bps
2-yr bond yield	6.77%	-9.08 bps
5-yr bond yield	7.29%	-12.36 bps
10-yr bond yield	7.49%	-18.79 bps
USDPHP	61.35	-0.07%
Oil (Brent, \$ / barrel)	90.38	-2.92%

The Bangko Sentral ng Pilipinas (BSP) is expected to raise its policy rate at its June 18 meeting, though views are split on the size. A BusinessWorld poll shows that 15 of 20 analysts expect a 25-bp hike to 4.75%, citing easing inflation last month alongside still-sluggish domestic growth. Meanwhile, four analysts see a 50-bp increase, arguing broader price pressures warrant stronger action.

ACEN Corp. (PSE Ticker: ACEN) is injecting Php1.15 billion in cash into its subsidiary to fund the 300-megawatt Palauig Solar 2 project in Zambales, targeting a late-2027 launch. Future battery storage system addition could boost the total project value to Php26 billion. The move is part of ACEN's Php80-billion capital expenditures program for 2026.

Local equities slightly fell as investors remained cautious ahead of the BSP policy meeting on June 18. Meanwhile, **local fixed income yields** sharply declined and the **Philippine peso** slightly strengthened amid lower global oil prices following reports that the US would stop its military strikes on Iran. Local markets were closed last Friday in observance of the Independence Day holiday.

Last Thursday, the PSEi closed at 5,910.06 (-0.53% DoD).

On average, yields fell by 7.13 bps, with the 2Y closing at 6.77% (-9.08 bps) and the 10Y closing at 7.49% (-18.79 bps).

The USD/PHP pair closed at 61.35 (-0.07% DoD).

The United States and Iran have agreed to a preliminary peace deal announced by Pakistan to end direct warfare, with an official signing set for Friday, June 19, 2026, in Switzerland. The framework mandates an immediate ceasefire, reopening of the Strait of Hormuz, and lifting of the US naval blockade. A 60-day window will also allow for negotiation on permanent terms regarding nuclear programs and sanctions relief.

The European Central Bank (ECB) raised its key deposit interest rate by 25 bps to 2.25% in a widely expected and unanimous decision aimed at curbing mounting inflationary pressures. The move marked the ECB's first hike since September 2023. The bank simultaneously cut its economic growth projections for 2026 to 0.8% and raised its baseline inflation forecast to 3.0%.

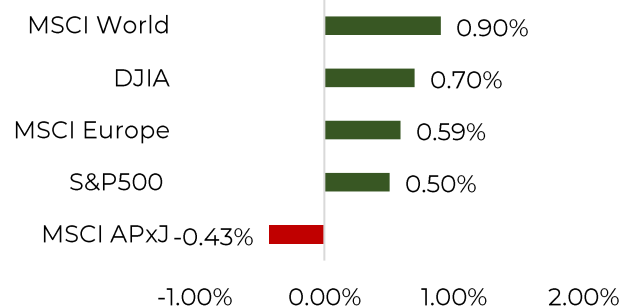
US equities rose, **US Treasury yields** climbed, and the **US dollar** was steady as markets awaited confirmation of the US-Iran deal with hopes that it would end the Middle East conflict and lead to a reopening of the Strait of Hormuz. Traders also weighed the rally in SpaceX after its record-breaking \$75 billion initial public offering.

The S&P 500 closed at 7,431.46 (+0.50% DoD), while the DJIA ended at 51,202.26 (+0.70% DoD).

On average, yields rose by 1.28 bps, with the 2Y closing at 4.08% (+1.90 bps) and the 10Y closing at 4.48% (+2.00 bps).

The DXY closed at 99.75 (-0.11% DoD).

Global Stock Indices



	Level	DoD
S&P 500	7,431.46	+0.50%
DJIA	51,202.26	+0.70%
3-mo US Treasury yield	3.71%	-0.40 bps
2-yr US Treasury yield	4.08%	+1.90 bps
5-yr US Treasury yield	4.21%	+2.10 bps
10-yr US Treasury yield	4.48%	+2.00 bps
DXY	99.75	-0.11%

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