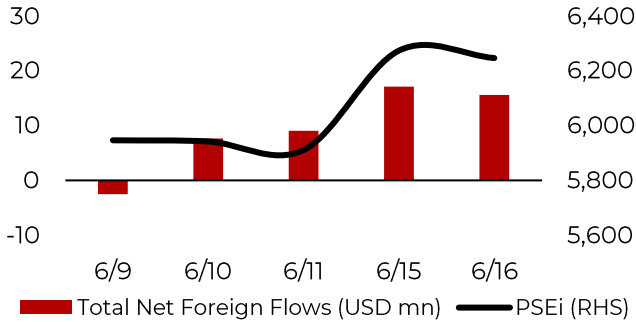


The Morning View

June 17, 2026

Philippine Stock Exchange Index

-0.43% DoD; Net foreign buying: \$15.60mn



	Level	DoD
PSEi	6,245.75	-0.43%
3-mo bond yield	5.04%	-2.51 bps
2-yr bond yield	6.31%	-23.03 bps
5-yr bond yield	6.62%	-19.27 bps
10-yr bond yield	6.89%	+0.73 bps
USDPHP	60.32	-0.26%
Oil (Brent, \$ / barrel)	78.96	-5.06%

The Department of Energy (DoE) expects the national energy emergency to persist for two to three months after the US-Iran peace deal, as commodity prices will need time to stabilize.

Separately, Energy Undersecretary Sales said that local oil prices may return to their prewar levels in 6-12 months if the peace deal in the Middle East holds.

Ayala Land, Inc. (PSE Ticker: ALI) raised Php2.67 billion through a block sale of 75 million shares of AREIT, Inc. (PSE Ticker: AREIT) at Php35.60 each. ALI said the proceeds will be settled on June 18, subject to the terms and conditions of the placement. This follows a Php3.7 billion block sale of 88 million AREIT shares at Php42.00 per share in March 2026.

Local equities fell as traders took profits after a strong rally following news of a US-Iran interim peace deal. The PSEi closed at 6,245.75 (-0.43% DoD).

Local fixed income yields sharply declined and the **Philippine peso** strengthened on continued optimism over the US-Iran peace deal, which includes the reopening of the Strait of Hormuz.

On average, yields fell by 11.82 bps, with the 2Y closing at 6.31% (-23.03 bps) and the 10Y closing at 6.89% (+0.73 bps).

The USD/PHP pair closed at 60.32 (-0.26% DoD).

US import prices rose 1.9% MoM in May (April: 2.0%, Consensus: 1.0%), driven by surging fuel and capital goods prices amid the Iran war. Fuel import prices jumped 12.5% MoM, while imported capital goods rose 1.3% amid higher Artificial Intelligence-related spending. On an annual basis, import prices advanced 6.7% YoY (April: 4.2%, Consensus: 5.7%), marking the largest increase in nearly four years.

The Bank of Japan (BOJ) raised its policy rate by 25 bps to 1.0%, the first hike since December and a 31-year high. Deputy Governor Uchida warned that with rising inflation expectations, the BOJ must act to avoid falling behind the curve. The BOJ signaled readiness to further tighten monetary policy if energy-driven inflation continues to persist.

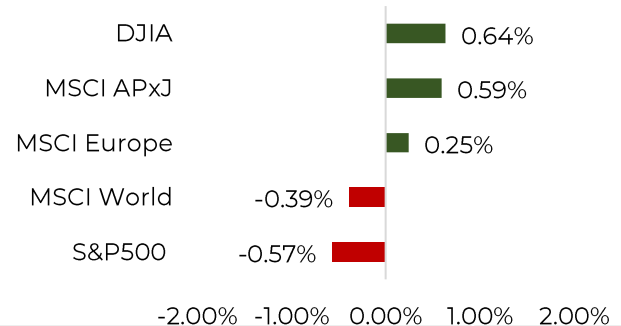
US equities closed mixed, **US Treasury yields** fell, and the **US dollar** weakened as the Fed began its two-day policy meeting, the first to be led by new chairman Kevin Warsh. Investors are also awaiting further developments on the US-Iran peace negotiations.

The S&P 500 closed at 7,511.35 (-0.57% DoD), while the DJIA ended at 51,999.67 (+0.64% DoD).

On average, yields fell by 2.20 bps, with the 2Y closing at 4.06% (-1.50 bps) and the 10Y closing at 4.44% (-3.60 bps).

The DXY closed at 99.54 (-0.09% DoD).

Global Stock Indices



	Level	DoD
S&P 500	7,511.35	-0.57%
DJIA	51,999.67	+0.64%
3-mo US Treasury yield	3.72%	+0.70 bps
2-yr US Treasury yield	4.06%	-1.50 bps
5-yr US Treasury yield	4.17%	-2.80 bps
10-yr US Treasury yield	4.44%	-3.60 bps
DXY	99.54	-0.09%