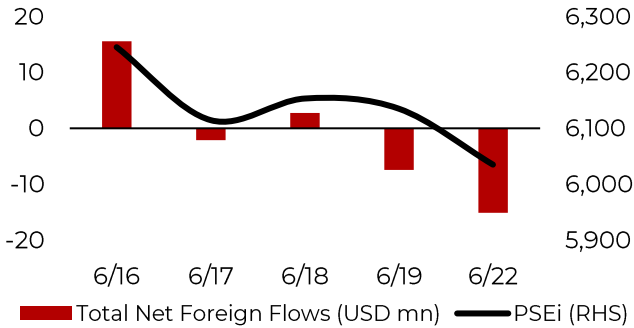


The Morning View

June 23, 2026

Philippine Stock Exchange Index

-1.64% DoD; Net foreign selling: \$15.16mn



	Level	DoD
PSEi	6,035.02	-1.64%
3-mo bond yield	5.15%	+6.13 bps
2-yr bond yield	6.31%	+1.13 bps
5-yr bond yield	6.72%	+3.11 bps
10-yr bond yield	6.98%	+0.61 bps
USDPHP	61.12	+0.57%
Oil (Brent, \$ / barrel)	77.90	-3.31%

The Philippines lowered its 2026 economic growth target to 3.5%-4.5% (Prev.: 5%-6%) due to the impact of higher oil prices and government underspending. Economic Planning Secretary Balisacan noted that state spending may remain subdued in 2Q26 but sees a potential rebound in 2H26.

Mitsubishi Power signed a long-term services agreement for the Ilijan gas plant with operator South Premiere Power Corp, a unit of Liquefied Natural Gas Philippines (LNGPH). LNGPH is a consortium involving key listed firms San Miguel Corp. (PSE Ticker: SMC), Manila Electric Co. (PSE Ticker: MER), and Aboitiz Power Corp. (PSE Ticker: AP). The deal covers maintenance, parts, services, and technical support to ensure the plant's reliability as a major power source for the Luzon grid.

Local equities fell after the National Government cut its economic growth target to 3.5%-4.5%. The weaker local currency also dampened sentiment. The PSEi closed at 6,035.02 (-1.64% DoD).

Local fixed income yields rose after reports of renewed strikes from Israel toward Lebanon over the weekend. On average, yields rose by 3.66 bps, with the 2Y closing at 6.31% (+1.13 bps) and the 10Y closing at 6.98% (+0.61 bps).

The **Philippine peso** weakened amid a stronger US dollar following renewed Middle East tensions over the weekend. The USD/PHP pair closed at 61.12 (+0.57% DoD).

Following progress in Switzerland talks, the US issued a 60-day sanctions waiver allowing Iran to resume oil exports through August 21 in exchange for commitments on nuclear inspections and keeping the Strait of Hormuz open. The talks also outlined a roadmap toward a final deal, including steps to end fighting in Lebanon and open communications line to ensure safe commercial shipping through the strategic waterway.

Chicago Fed President Austan Goolsbee, a 2027 voting member, said the labor market remains stable, but inflation is moving in the wrong direction and staying above target. He noted uncertainty over whether price pressures will ease as temporary factors fade or remain elevated, especially in services.

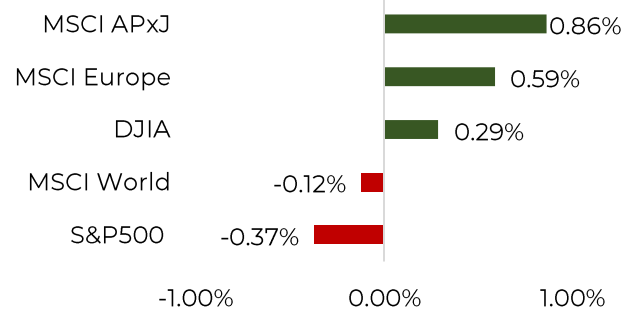
US equities closed mixed, **US Treasury yields** rose, and the **US dollar** strengthened following the developments in the US-Iran negotiations. Investors also looked ahead to the May Personal Consumption Expenditures (PCE) price index inflation report this week, which is expected to come in faster than April.

The S&P 500 closed at 7,472.79 (-0.37% DoD), while the DJIA ended at 51,712.71 (+0.29% DoD).

On average, yields rose by 4.07 bps, with the 2Y closing at 4.23% (+4.70 bps) and the 10Y closing at 4.51% (+5.40 bps).

The DXY closed at 101.02 (+0.17% DoD).

Global Stock Indices



	Level	DoD
S&P 500	7,472.79	-0.37%
DJIA	51,712.71	+0.29%
3-mo US Treasury yield	3.77%	+1.50 bps
2-yr US Treasury yield	4.23%	+4.70 bps
5-yr US Treasury yield	4.29%	+5.50 bps
10-yr US Treasury yield	4.51%	+5.40 bps
DXY	101.02	+0.17%