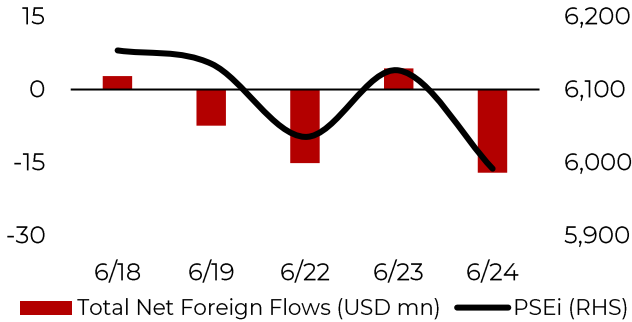


The Morning View

June 25, 2026

Philippine Stock Exchange Index

-2.20% DoD; Net foreign selling: \$17.13mn



	Level	DoD
PSEi	5,991.37	-2.20%
3-mo bond yield	5.17%	+3.97 bps
2-yr bond yield	6.34%	+1.98 bps
5-yr bond yield	6.79%	+3.33 bps
10-yr bond yield	7.01%	-1.93 bps
USDPHP	61.55	+0.33%
Oil (Brent, \$ / barrel)	73.74	-4.33%

The Bangko Sentral ng Pilipinas (BSP) expects bank lending growth to remain subdued amid elevated interest rates and more selective lending. The BSP said asset quality risks remain contained despite pockets of stress in unsecured retail and energy-sensitive sectors. Nonetheless, it expects the Philippine banking system to remain stable through the rest of 2026 with no signs of broad-based deterioration.

Globe Telecom, Inc. (PSE Ticker: GLO) secured a Php5-billion loan from BDO Unibank, Inc. (PSE Ticker: BDO) to fund its capital expenditures, refinance debt, and support general corporate requirements. GLO expects full-year capital spending to remain below \$1 billion (~Php61 billion), with Php12.7 billion already invested in the first quarter.

Local equities fell, and the **Philippine peso** weakened after S&P Global downgraded its 2026 Philippine gross domestic product growth forecast to 4.1% from previously 5.8%.

The PSEi closed at 5,991.37 (-2.2% DoD).

The USD/PHP pair closed at 61.55 (+0.33% DoD).

Local fixed income yields rose as investors continue to anticipate potential interest rate hikes from the US Federal Reserve. On average, yields rose by 3.84 bps, with the 2Y closing at 6.34% (+1.98 bps) and the 10Y closing at 7.01% (-1.93 bps).

US new single-family home sales fell by 7.3% MoM in May (Consensus: +3.2%) to a 580,000 annualized rate, marking a second straight month of decline as high rates and prices weighed on demand. Meanwhile, unsold inventory reached 496,000 units, which could take 10.3 months to clear, the longest since 2009.

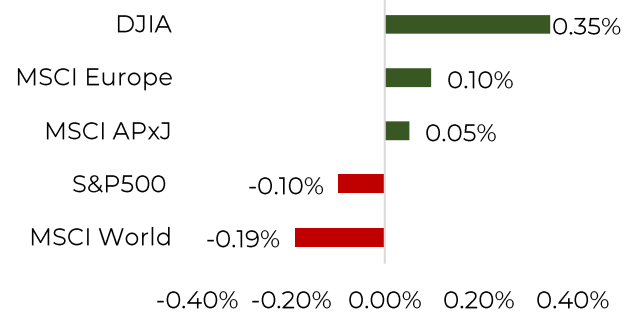
The White House requested \$87.6 billion in supplemental funding from Congress to support the Iran war and unrelated programs, including defense, farm aid, and global health. The plan allocates \$21 billion for military needs, with additional funding for Ebola response, energy security, and domestic projects. Congressional approval is required to move the request forward.

US equities ended mixed as lower oil prices lifted airline and travel stocks, while technology shares remained under pressure due to valuation concerns and AI spending uncertainty. The S&P 500 closed at 7,358.22 (-0.10% DoD), while the DJIA ended at 51,848.90 (+0.35% DoD).

US Treasury yields fell after global oil prices hit its lowest level since the start of the US-Iran conflict as more oil tankers exit the Strait of Hormuz. On average, yields fell by 6.03 bps, with the 2Y closing at 4.15% (-5.00 bps) and the 10Y closing at 4.39% (-10.50 bps).

The **US dollar** strengthened as markets continued to price in an increasingly hawkish Federal Reserve outlook. The DXY closed at 101.61 (+0.20% DoD).

Global Stock Indices



	Level	DoD
S&P 500	7,358.22	-0.10%
DJIA	51,848.90	+0.35%
3-mo US Treasury yield	3.78%	+1.30 bps
2-yr US Treasury yield	4.15%	-5.00 bps
5-yr US Treasury yield	4.18%	-9.20 bps
10-yr US Treasury yield	4.39%	-10.50 bps
DXY	101.61	+0.20%