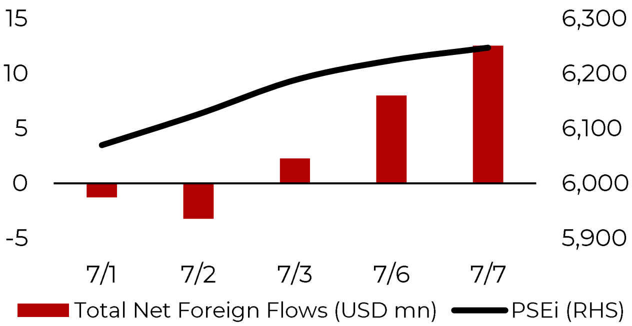
The Morning View

BPI WEALTH

July 8, 2026

Philippine Stock Exchange Index

+0.37% DoD; Net foreign buying: $12.54mn



	Level	DoD
PSEi	6,247.11	+0.37%
3-mo bond yield	5.08%	-1.66 bps
2-yr bond yield	6.32%	-1.74 bps
5-yr bond yield	6.81%	-0.79 bps
10-yr bond yield	7.10%	-3.13 bps
USDPHP	61.44	-0.09%
Oil (Brent, $ / barrel)	74.16	+3.01%

PH headline consumer price index (CPI) inflation decelerated to 6.4% in June (May: 6.8%), below the market expectation of 6.5% but still above the Bangko Sentral ng Pilipinas' (BSP) 2-4% target. The lower print was driven by softer transport and food inflation. However, core inflation rose to a 31-month high of 4.4% in June (May: 2.6%), suggesting that the second-round effects from the oil shock are becoming more entrenched.

Robinsons Retail Holdings, Inc.'s (PSE Ticker: RRHI) tender offer received 229.6 million tendered shares, exceeding the threshold for voluntary delisting. Following the July 15 settlement, the proponents' stake will rise to 99.69%, reducing public float to 0.31%. With Philippine Competition Commission (PCC) clearance, RRHI now awaits Philippine Stock Exchange (PSE) approval for its delisting.

Local equities rose, **local fixed income yields** fell, and the **Philippine peso** slightly strengthened after the June local headline inflation print came in softer-than-expected.

The PSEi closed at 6,247.11 (+0.37% DoD).

On average, yields fell by 1.45 bps, with the 2Y closing at 6.32% (-1.74 bps) and the 10Y closing at 7.1% (-3.13 bps).

The USD/PHP pair closed at 61.44 (-0.09% DoD).

The US launched fresh strikes on Iranian military assets after alleged attacks on three commercial vessels in the Strait of Hormuz. The US also revoked a license that had allowed Iranian oil exports through August 21, giving counterparties until July 17 to unwind transactions. The move comes as Iran holds funeral rites for their late supreme leader Ayatollah Ali Khamenei and maintains that talks will not resume while President Trump threatens further military action.

US trade deficit widened by 42.2% MoM to $77.6 billion in May (Revised April: $54.6 billion), a 14-month high. Imports rose by 3.3% MoM on record-high capital goods imports and the overall increase in prices. Meanwhile, exports fell by 3.2% MoM amid lower shipments of computer and computer accessories.

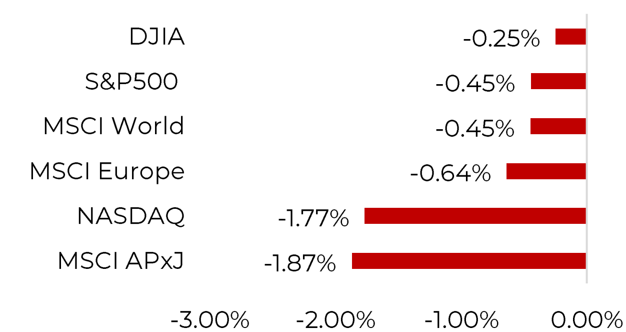
US equities retreated, **US Treasury yields** jumped, and the **US dollar** strengthened following the multiple strikes on ships in the Strait of Hormuz, resulting in a surge in global oil prices. Moreover, US equities were weighed down by rising concerns on the sustainability of the rally driven by artificial intelligence.

The S&P 500 closed at 7,503.85 (-0.45% DoD), while the DJIA ended at 52,925.15 (-0.25% DoD).

On average, yields rose by 5.92 bps, with the 2Y closing at 4.19% (+7.50 bps) and the 10Y closing at 4.55% (+8.20 bps).

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

Global Stock Indices



	Level	DoD
S&P 500	7,503.85	-0.45%
DJIA	52,925.15	-0.25%
NASDAQ	29,173.02	-1.77%
3-mo US Treasury yield	3.80%	+2.70 bps
2-yr US Treasury yield	4.19%	+7.50 bps
5-yr US Treasury yield	4.29%	+8.80 bps
10-yr US Treasury yield	4.55%	+8.20 bps
DXY	101.02	+0.17%