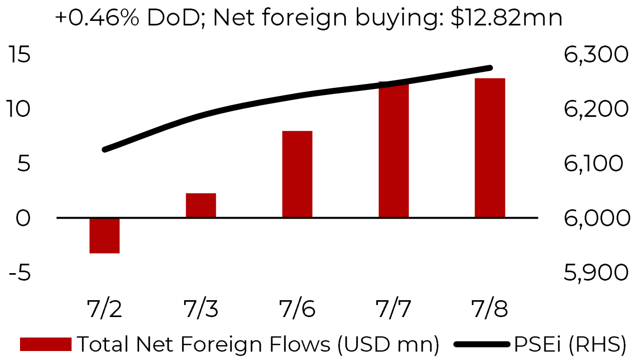
The Morning View

July 9, 2026

Philippine Stock Exchange Index



	Level	DoD
PSEi	6,275.77	+0.46%
3-mo bond yield	5.06%	-2.30 bps
2-yr bond yield	6.35%	+2.31 bps
5-yr bond yield	6.85%	+3.99 bps
10-yr bond yield	7.14%	+4.11 bps
USDPHP	61.51	+0.11%
Oil (Brent, $ / barrel)	78.02	+5.20%

PH unemployment rate rose to 4.8% in May (April: 4.7%, May 2025: 3.9%), as the number of jobless Filipinos rose to 2.50 million. The uptick was due to job losses in the agriculture and forestry sector amid adverse weather conditions. Meanwhile, the underemployment rate fell to 12.2% (April: 15.2%, May 2025: 13.1%), reflecting a lower number of workers seeking additional hours.

Ayala Corp. (PSE Ticker: AC) completed the sale of a 40% stake in AC Logistics to A.P. Moller Capital's Emerging Markets Infrastructure Fund II after securing all required approvals. The partnership is expected to support AC Logistics' growth and operational capabilities through A.P. Moller Capital's global logistics expertise.

Local equities rose despite renewed geopolitical worries as continued net foreign inflows, led by heavy buying in port operator International Container Terminal Services Inc., supported market sentiment. The PSEi closed at 6,275.77 (+0.46% DoD).

Local fixed income yields rose and the **Philippine peso** weakened amid renewed geopolitical concerns after US President Trump said that the US-Iran interim peace deal is over.

On average, yields rose by 1.42 bps, with the 2Y closing at 6.35% (+2.31 bps) and the 10Y closing at 7.14% (+4.11 bps).

The USD/PHP pair closed at 61.51 (+0.11% DoD).

The Federal Open Market Committee June meeting minutes revealed that policymakers were divided on the outlook for policy rates. While all members agreed to keep the policy rate unchanged at 3.50%-3.75%, several officials expressed concern that inflation pressures were becoming more broad-based. The minutes offered little guidance on the future path of rates, reiterating that policy decisions will depend on incoming data.

The International Monetary Fund lowered its 2026 global economic growth projection to 3.0% (Previously: 3.1%; 2025: 3.5%). This is driven by the ongoing risks related to the Middle East conflict, trade fragmentation, and potential corrections in market expectations for Artificial Intelligence. Nonetheless, a growth recovery to 3.4% is forecasted in 2027.

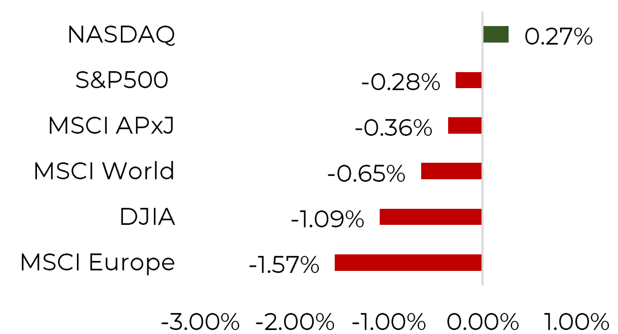
US equities slipped, **US Treasury yields** jumped, and the **US dollar** closed flat following reports that the US military is carrying out new strikes on Iran after US President Donald Trump stated that the ceasefire is 'over'. This also resulted in global crude oil prices spiking, which reignited inflation concerns.

The S&P 500 closed at 7,482.71 (-0.28% DoD), while the DJIA ended at 52,348.39 (-1.09% DoD).

On average, yields rose by 2.43 bps, with the 2Y closing at 4.22% (+3.30 bps) and the 10Y closing at 4.58% (+3.00 bps).

The DXY closed at 100.99 (-0.03% DoD).

Global Stock Indices



	Level	DoD
S&P 500	7,482.71	-0.28%
DJIA	52,348.39	-1.09%
NASDAQ	29,252.56	+0.27%
3-mo US Treasury yield	3.82%	+1.80 bps
2-yr US Treasury yield	4.22%	+3.30 bps
5-yr US Treasury yield	4.33%	+3.90 bps
10-yr US Treasury yield	4.58%	+3.00 bps
DXY	100.99	-0.03%