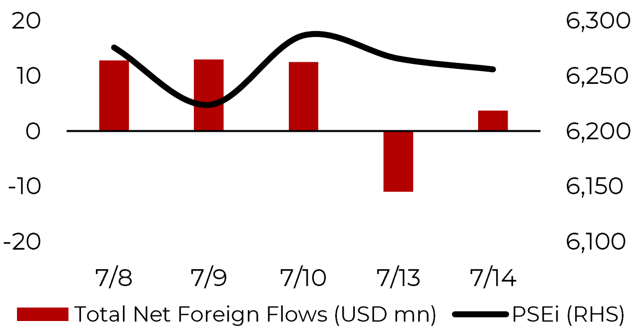
The Morning View

July 15, 2026

Philippine Stock Exchange Index

-0.15% DoD; Net foreign buying: $3.74mn



	Level	DoD
PSEi	6,256.02	-0.15%
3-mo bond yield	5.08%	+0.50 bps
2-yr bond yield	6.55%	+7.70 bps
5-yr bond yield	7.15%	+12.86 bps
10-yr bond yield	7.34%	+10.66 bps
USDPHP	61.71	+0.18%
Oil (Brent, $ / barrel)	84.73	+1.72%

The IT and Business Process Association of the Philippines (IBPAP) lowered its 2028 industry targets amid rapid AI adoption, geopolitical uncertainty, and stronger global competition. Revenue is now projected at $43.3 billion–$50.5 billion (Prev.: $59 billion), while employment is expected to reach 1.85 million–2.14 million workers (Prev.: 2.5 million).

Robinsons Retail Holdings, Inc. (PSE Ticker: RRHI) will be removed from the PSE Dividend Yield Index, PSE MidCap Index, and Services Index effective July 16, 2026. The exclusion follows RRHI'S public float falling below the minimum ownership requirement after its tender offer. The move precedes RRHI's planned voluntary delisting, with index replacements expected to be discussed during the PSE's August 2026 review.

Local equities fell, **local fixed income yields** rose, and the **Philippine peso** weakened as the ongoing conflict between the US and Iran pushed oil prices higher. This was also after the Bureau of the Treasury rejected all bids for its reissued bonds as investors demanded higher yields.

The PSEi closed at 6,256.02 (-0.15% DoD).

On average, yields rose by 5.98 bps, with the 2Y closing at 6.55% (+7.7 bps) and the 10Y closing at 7.34% (+10.66 bps).

The USD/PHP pair closed at 61.71 (+0.18% DoD)

US Consumer Price Index (CPI) inflation came in below expectations at -0.4% MoM and +3.5% YoY in June (May: +0.5% MoM, +4.2% YoY; Consensus: -0.1% MoM, +3.8% YoY), marking the largest monthly decline since April 2020. The softer reading was driven mainly by lower gasoline prices and supported by moderating shelter inflation. However, higher prices for computer software and accessories tempered the decline.

Fed Chair Kevin Warsh told Congress that while June inflation showed signs of cooling, the Fed's work is not yet complete. He stressed the Fed's dual mandate, stating that price stability and maximum employment are "not an either-or proposition" and reaffirming the central bank's commitment to both objectives.

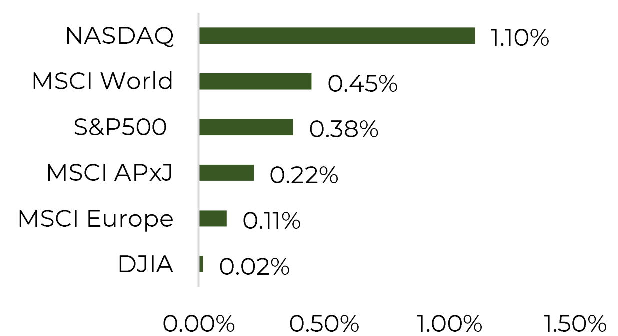
US equities rebounded, **US Treasury yields** dropped, and the **US dollar** weakened after the softer-than-expected June CPI inflation, which pared back Fed tightening bets. Equity gains were also supported by the 2Q26 corporate earnings results of US banks, including Goldman Sachs, JPMorgan Chase, Bank of America, Citigroup, and Wells Fargo.

The S&P 500 closed at 7,543.59 (+0.38% DoD), while the DJIA ended at 52,508.27 (+0.02% DoD).

On average, yields fell by 3.66 bps, with the 2Y closing at 4.20% (-9.00 bps) and the 10Y closing at 4.59% (-3.30 bps).

The DXY closed at 100.92 (-0.31% DoD).

Global Stock Indices



	Level	DoD
S&P 500	7,543.59	+0.38%
DJIA	52,508.27	+0.02%
NASDAQ	29,586.29	+1.10%
3-mo US Treasury yield	3.79%	-2.80 bps
2-yr US Treasury yield	4.20%	-9.00 bps
5-yr US Treasury yield	4.32%	-5.50 bps
10-yr US Treasury yield	4.59%	-3.30 bps
DXY	100.92	-0.31%