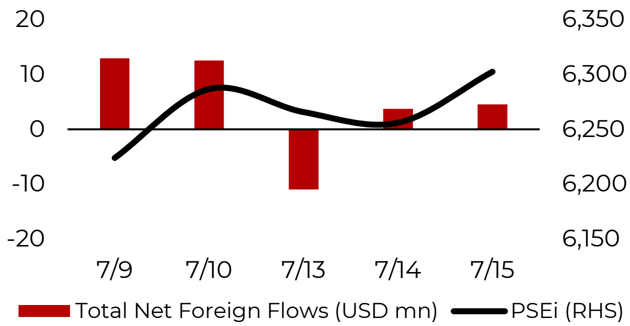
BPI WEALTH

The Morning View

July 16, 2026

Philippine Stock Exchange Index

+0.74% DoD; Net foreign buying: $4.55mn



	Level	DoD
PSEi	6,302.50	+0.74%
3-mo bond yield	5.08%	-0.74 bps
2-yr bond yield	6.52%	-3.35 bps
5-yr bond yield	7.09%	-6.05 bps
10-yr bond yield	7.26%	-8.49 bps
USDPHP	61.69	-0.04%
Oil (Brent, $ / barrel)	84.95	+0.26%

Overseas Filipino Workers (OFW) cash remittances rose by 2.0% YoY to $2.71 billion in May, marking the mildest growth in nearly four years. This brought the year-to-date (YTD) cash remittances to $14.11 billion (+2.5% YoY). The slower growth was attributed to higher living costs in host countries and slowing global economic growth. The US remained the top source of cash remittances, accounting for 39.4% of the YTD total.

International Container Terminal Services, Inc. (PSE Ticker: ICT) became the first PH-listed company to close above a Php2 trillion market capitalization, driven by a sustained rally in its shares. The milestone was reached less than 10 months after ICT first crossed the Php1 trillion mark. On July 14, ICT shares closed at a record Php999 and reached an intraday high of Php1,020.

Local equities rebounded, **local fixed income yields** fell, and the **Philippine peso** slightly strengthened after US consumer inflation data came in softer-than-expected in June, easing bets of policy rate hikes from the Federal Reserve. The local bourse was also supported by bargain hunting after a two-day decline.

The PSEi closed at 6,302.50 (+0.74% DoD).

On average, yields fell by 3.67 bps, with the 2Y closing at 6.52% (-3.35 bps) and the 10Y closing at 7.26% (-8.49 bps).

The USD/PHP pair closed at 61.69 (-0.04% DoD).

US producer price index (PPI) inflation unexpectedly eased to 5.5% YoY in June (Revised May: 6.0%; Consensus: 6.2%) and fell to -0.3% MoM (Revised May: +0.6%; Consensus: flat). The decline was attributed to the significant reduction in energy costs following the initial US-Iran ceasefire agreement. However, inflation remained elevated amid price increases related to the artificial intelligence build-out.

The Fed's July Beige Book showed that US economic activity and employment increased modestly, while inflation pressures slightly eased across all 12 Fed districts. Businesses generally expect growth to continue, though fuel-price uncertainty remains a key concern. The report also noted fewer references to the US-Israel-Iran conflict than in the prior survey.

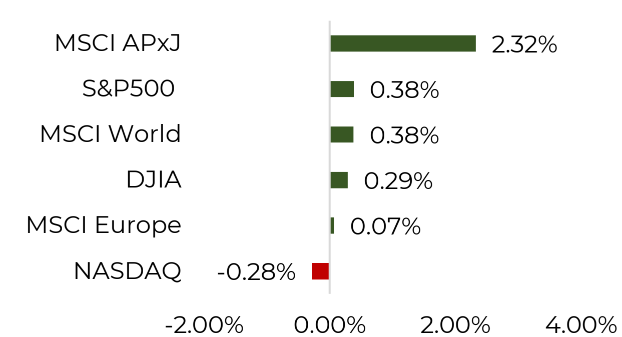
US equities inched up, **US Treasury yields** slipped, and the **US dollar** weakened after the softer-than-expected June PPI inflation, which pushed back the odds of Fed policy tightening.

The S&P 500 closed at 7,572.40 (+0.38% DoD), while the DJIA ended at 52,658.64 (+0.29% DoD).

On average, yields fell by 3.63 bps, with the 2Y closing at 4.14% (-6.10 bps) and the 10Y closing at 4.55% (-4.20 bps).

The DXY closed at 100.49 (-0.43% DoD).

Global Stock Indices



	Level	DoD
S&P 500	7,572.40	+0.38%
DJIA	52,658.64	+0.29%
NASDAQ	29,502.60	-0.28%
3-mo US Treasury yield	3.79%	-0.30 bps
2-yr US Treasury yield	4.14%	-6.10 bps
5-yr US Treasury yield	4.26%	-5.90 bps
10-yr US Treasury yield	4.55%	-4.20 bps
DXY	100.49	-0.43%

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