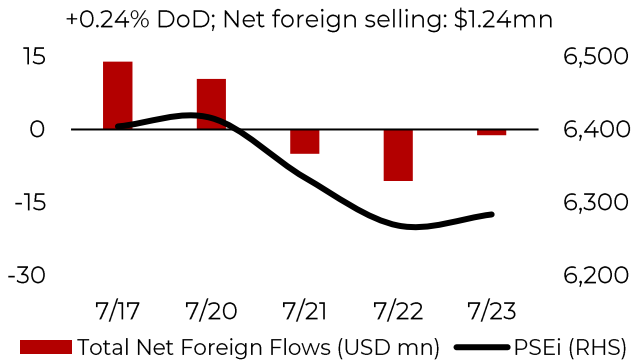


The Morning View

July 24, 2026

Philippine Stock Exchange Index



	Level	DoD
PSEi	6,283.12	+0.24%
3-mo bond yield	5.01%	-1.61 bps
2-yr bond yield	6.63%	+1.97 bps
5-yr bond yield	7.32%	+6.53 bps
10-yr bond yield	7.54%	+3.17 bps
USDPHP	61.75	0.00%
Oil (Brent, \$ / barrel)	100.69	+7.04%

The National Government's budget deficit widened by 9.39% YoY to Php264.3 billion in June as spending grew faster than revenues. Expenditures rose 5.51% YoY to Php578.7 billion, while revenues grew by 2.46% YoY to Php314.5 billion. For the January to June 2026 period, the budget deficit climbed by 2.79% YoY to Php786.8 billion, representing 47.4% of the Php1.66 trillion program.

International Container Terminal Services, Inc. (PSE: ICT), through ICTSI Americas B.V., announced the acquisition of 100% of HSIM Participações e Holding LTDA. (HSIM) for approximately \$130 million. This secures the concessions for ATU12 and ATU18, two dry bulk port terminals in Aratu Port, Bahia, Brazil.

Local equities rose amid bargain hunting following a two-day losing streak. The PSEi closed at 6,283.12 (+0.24% DoD).

Local fixed income yields climbed, and the **Philippine peso** closed flat at its all-time low level amid cautious sentiment over the spike in global oil prices due to the escalating Middle East tensions.

On average, yields rose by 2.04 bps, with the 2Y closing at 6.63% (+1.97 bps) and the 10Y closing at 7.54% (+3.17 bps).

The USD/PHP pair closed at 61.75 (0.00% DoD).

The White House imposed 10%-12.5% tariffs on 60 countries, effective Friday as the temporary 10% global tariff expires. The measures were enacted under Section 301 of the Trade Act of 1974 in response to alleged unfair trade practices, including forced labor. Exemptions apply to oil, natural gas, fertilizers, food, and products already covered by separate industry-specific levies.

The European Central Bank (ECB) held its benchmark deposit rate at 2.25%, while signaling potential tightening due to inflationary risks from the Middle East tensions. ECB President Lagarde said that policymakers are closely monitoring the energy shock and are well positioned to navigate the uncertainty.

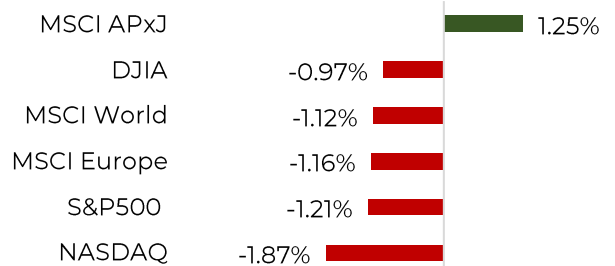
US equities declined after the lower-than-expected 2Q26 earnings of Tesla and the higher capital expenditure guidance of Alphabet, driven by strong A demand. The S&P 500 closed at 7,408.30 (-1.21% DoD), while the DJIA ended at 51,711.65 (-0.97% DoD).

US Treasury yields jumped, and the **US dollar** strengthened after Brent crude prices climbed back above \$100 per barrel. Investors also digested the weekly US initial jobless claims data for the week ended July 18, which dropped by 22,000 to a seasonally adjusted 187,000 (Consensus: 210,000), signaling a steady labor market.

On average, yields rose by 3.92 bps, with the 2Y closing at 4.35% (+4.90 bps) and the 10Y closing at 4.70% (+3.80 bps).

The DXY closed at 101.44 (+0.32% DoD).

Global Stock Indices



	Level	DoD
S&P 500	7,408.30	-1.21%
DJIA	51,711.65	-0.97%
NASDAQ	28,454.81	-1.87%
3-mo US Treasury yield	3.90%	+5.70 bps
2-yr US Treasury yield	4.35%	+4.90 bps
5-yr US Treasury yield	4.45%	+4.90 bps
10-yr US Treasury yield	4.70%	+3.80 bps
DXY	101.44	+0.32%

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