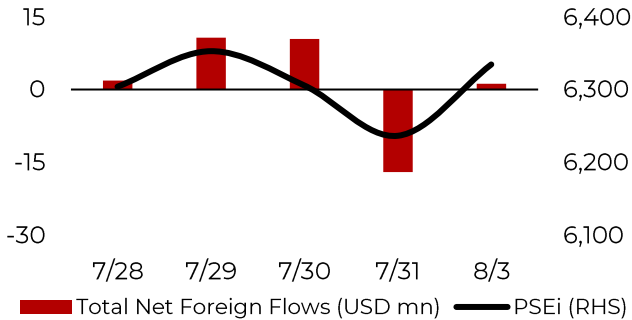


The Morning View

August 4, 2026

Philippine Stock Exchange Index

+1.58% DoD; Net foreign buying: \$1.24mn



	Level	DoD
PSEi	6,334.72	+1.58%
3-mo bond yield	5.02%	-0.45 bps
2-yr bond yield	6.67%	-3.64 bps
5-yr bond yield	7.28%	-4.73 bps
10-yr bond yield	7.39%	-4.40 bps
USDPHP	60.93	-0.51%
Oil (Brent, \$ / barrel)	83.77	-7.05%

PH manufacturing activity rose to a 5-month high in July with the S&P Global Philippines Manufacturing Purchasing Managers' Index (PMI) improving to 51.8 (June: 50.9), above the 50-level reading which indicates expansion in the sector. The increase was due to faster growth in new orders and output amid stronger demand and new project wins. However, input costs and selling prices rose above their respective long-run averages.

International Container Terminal Services, Inc. (PSE Ticker: ICT) closed 2Q26 with an attributable net income of \$296.4 million (+1% QoQ, +21% YoY), bringing 1H26 total to \$590.0 million (+22% YoY). Growth was driven by stable performance of the existing portfolio and contributions from new terminals: Durban Gateway Terminal (DGT) and Batu Ampar Container Terminal (BACT).

Local equities rose, **local fixed income yields** fell, and the **Philippine peso** strengthened as global oil prices fell amid hopes for a renewed US-Iran peace deal. This was after US President Trump held off on a fresh attack on Iran and cited that talks were set to discuss the potential reopening of the Strait of Hormuz.

The PSEi closed at 6,334.72 (+1.58% DoD).

On average, yields fell by 2.86 bps, with the 2Y closing at 6.67% (-3.64 bps) and the 10Y closing at 7.39% (-4.40 bps).

The USD/PHP pair closed at 60.93 (-0.51% DoD).

New York Fed President John Williams said that it would be appropriate for the Fed to act if the economy is not on a trajectory that will bring inflation back to the 2% target. Nonetheless, he is optimistic that inflation pressures are on track to ease gradually. Williams is expecting inflation to come down in the second half of this year and soften further next year.

US Institute for Supply Management (ISM) Manufacturing Purchasing Managers' Index (PMI) rose to 55.6 in July (June: 53.3, Consensus: 53.9), marking its strongest expansion since May 2022. Strong order growth, improving factory employment, and AI-related investment supported activity, though Middle East-related supply chain disruptions kept input costs elevated.

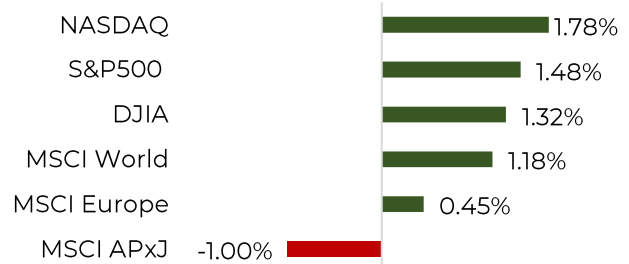
US equities rose, **US Treasury yields** slipped, and the **US dollar** was flat as markets digested New York Fed President John Williams' comments, saying that he expects inflationary pressures to be on track to ease gradually. This was also after President Trump announced that negotiations with Iran would begin soon, sending oil prices lower.

The S&P 500 closed at 7,600.50 (+1.48% DoD), while the DJIA ended at 53,178.41 (+1.32% DoD).

On average, yields fell by 3.84 bps, with the 2Y closing at 4.24% (-5.40 bps) and the 10Y closing at 4.68% (-5.70 bps).

The DXY closed at 99.90 (-0.02% DoD).

Global Stock Indices



-2.00% -1.00% 0.00% 1.00% 2.00%

	Level	DoD
S&P 500	7,600.50	+1.48%
DJIA	53,178.41	+1.32%
NASDAQ	28,776.80	+1.78%
3-mo US Treasury yield	3.78%	+0.70 bps
2-yr US Treasury yield	4.24%	-5.40 bps
5-yr US Treasury yield	4.39%	-6.20 bps
10-yr US Treasury yield	4.68%	-5.70 bps
DXY	99.90	-0.02%

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