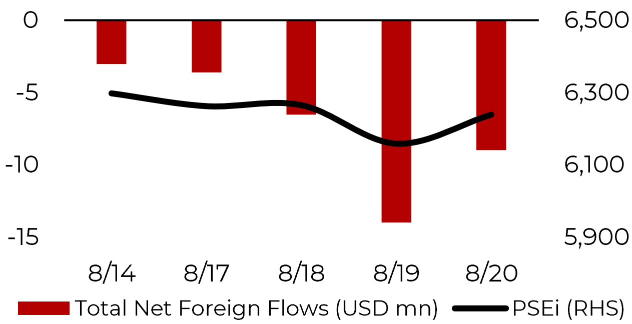
The Morning View

August 24, 2026

Philippine Stock Exchange Index

+1.30% DoD; Net foreign selling: $9.00mn



	Level	DoD
PSEi	6,238.46	+1.30%
3-mo bond yield	5.00%	+4.36 bps
2-yr bond yield	6.34%	-0.43 bps
5-yr bond yield	7.07%	-1.54 bps
10-yr bond yield	7.31%	-0.61 bps
USDPHP	61.67	-0.23%
Oil (Brent, $ / barrel)	93.78	+2.36%

As of August 20, 2026

A BusinessWorld poll showed majority of analysts expect the Bangko Sentral ng Pilipinas (BSP) to raise its key policy rate by 25 bps to 5.00% at the August 27 policy meeting. Most analysts believe the sticky and above-target local inflation continues to strengthen the case for a rate hike. However, softer 2Q26 economic growth could support a more measured pace of further tightening.

The Philippine Stock Exchange (PSE) has approved the voluntary delisting of Robinsons Retail Holdings, Inc. (PSE Ticker: RRHI). Shares will be removed on August 31 following the Php11.09 billion tender offer by JE Holdings, Inc. The buyout raised the group's total stake to 99.69%, taking the retailer private.

Last Thursday, **local equities** rose, **local fixed income yields** were mixed, and the **Philippine peso** strengthened ahead of the BSP's policy meeting. This was also after the US treasury announced it would double the size of its liquidity support buyback operations, pushing global yields lower and improving risk appetite. Local markets were closed last Friday amid the Ninoy Aquino Day.

The PSEi closed at 6,238.46 (+1.30% DoD).

On average, yields rose by 0.54 bps, with the 2Y closing at 6.34% (-0.43 bps) and the 10Y closing at 7.31% (-0.61 bps).

The USD/PHP pair closed at 61.67 (-0.23% DoD).

The US imposed 50% tariffs on approximately $20 billion worth of Canadian goods, effective last Saturday, following a breakdown in trade talks. In response, Canadian Prime Minister Mark Carney announced "dollar for dollar" retaliatory tariffs on US steel, electronics, and other products, set to take effect on September 8.

US S&P Services Purchasing Managers' Index (PMI) jumped to 56.8 in August (July: 54.6; Consensus: 54.0), highest since December 2024 as strong consumer spending fueled a 19-month high in hiring. Meanwhile, the Manufacturing PMI eased to a five-month low of 53.2 (July: 53.9; Consensus: 53.9), dragged down by supply disruptions and reduced inventory building.

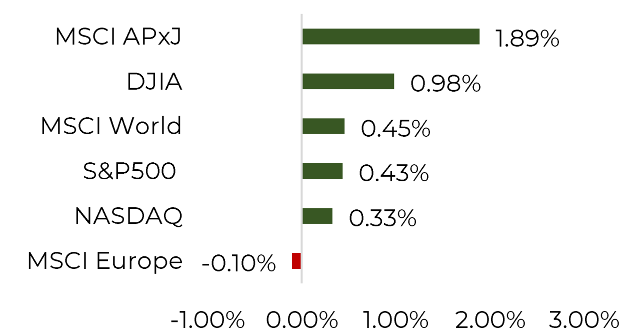
US equities rebounded after the above-consensus US S&P Services PMI in August. The market also looked ahead to Nvidia's 2Q earnings report this week. The S&P 500 closed at 7,674.37 (+0.43% DoD), while the DJIA ended at 53,277.01 (+0.98% DoD).

US Treasury yields soared and the **US dollar** weakened amid concerns over the effectiveness of the US Treasury Department's upsized debt buyback program. Investors also looked ahead to Fed Chair Warsh's speech in the Jackson Hole symposium this week.

On average, yields rose by 2.49 bps, with the 2Y closing at 4.24% (+4.60 bps) and the 10Y closing at 4.74% (+2.80 bps).

The DXY closed at 98.80 (-0.10% DoD).

Global Stock Indices



	Level	DoD
S&P 500	7,674.37	+0.43%
DJIA	53,277.01	+0.98%
NASDAQ	29,308.86	+0.33%
3-mo US Treasury yield	3.81%	+0.80 bps
2-yr US Treasury yield	4.24%	+4.60 bps
5-yr US Treasury yield	4.43%	+3.40 bps
10-yr US Treasury yield	4.74%	+2.80 bps
DXY	98.80	-0.10%

As of August 21, 2026