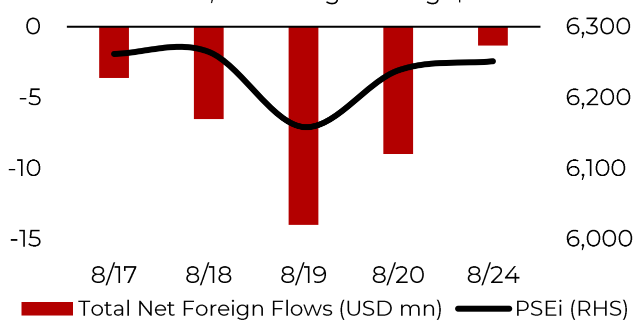
The Morning View

August 25, 2026

Philippine Stock Exchange Index

+0.21% DoD; Net foreign selling: $1.33mn



	Level	DoD
PSEi	6,251.38	+0.21%
3-mo bond yield	5.02%	+1.72 bps
2-yr bond yield	6.35%	+1.12 bps
5-yr bond yield	7.07%	-0.31 bps
10-yr bond yield	7.29%	-1.41 bps
USDPHP	61.73	+0.10%
Oil (Brent, $ / barrel)	92.17	-2.35%

Moody's Ratings affirmed the Philippines' investment-grade credit rating at "Baa2" with a "Stable" outlook. The ratings agency expects fiscal metrics to stabilize over the next two years, and cited resilient credit fundamentals and medium-term growth potential. Moody's projects economic growth to slow to 3.6% in 2026 before recovering to 5.3% in 2027.

Globe Telecom, Inc. (PSE Ticker: GLO) has expanded its 5G network in Iloilo, to complement its 15 existing cell sites in the municipality. The upgrade aims to boost connectivity for digital payments, online selling, and local tourism. GLO noted that the project builds on its addition of 408 new 5G sites in 1Q, bringing its outdoor population coverage to over 98% across Metro Manila and key regional cities.

Local equities slightly rose driven by late-session bargain hunting. Meanwhile, **local fixed income yields** were mixed and the **Philippine peso** strengthened ahead of the Bangko Sentral ng Pilipinas' policy meeting this week, with most analysts expecting a 25-bp interest rate hike.

The PSEi closed at 6,251.38 (+0.21% DoD).

On average, yields rose by 0.45 bps, with the 2Y closing at 6.35% (+1.12 bps) and the 10Y closing at 7.29% (-1.41 bps).

The USD/PHP pair closed at 61.73 (+0.10% DoD).

US Treasury Secretary Scott Bessent announced expanded sanctions on Iran, covering five sectors: digital assets, gold, technology, aviation, and shipping. The Treasury identified around 60 Iran-linked entities, individuals, and vessels for sanctions. Bessent also warned countries and companies doing business with Tehran that they could face secondary sanctions and potential loss of access to the dollar-based financial system.

US President Donald Trump threatened raising tariffs on Canadian cars, trucks, automotive parts, and steel to 50% beginning January 1, 2027. This was following the collapse of US-Canada trade negotiations which could have lowered tariffs on Canadian vehicles, steel, and aluminum.

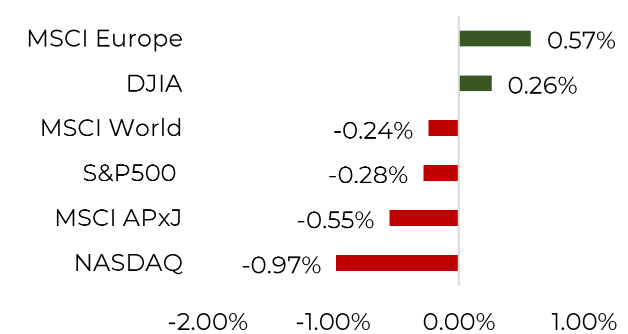
US equities were mixed, and the **US dollar** strengthened as investors weighed the intensifying geopolitical tensions, including the potential US sanctions on countries doing business with Iran and higher auto tariffs on Canada.

The S&P 500 closed at 7,652.86 (-0.28% DoD), while the DJIA ended at 53,417.16 (+0.26% DoD).

The DXY closed at 99.00 (+0.20% DoD).

US Treasury yields fell after the US Treasury Department said that it could tap its General Account to fund its bond buybacks, easing investors' concerns. On average, yields fell by 2.20 bps, with the 2Y closing at 4.24% (-0.20 bps) and the 10Y closing at 4.70% (-3.60 bps).

Global Stock Indices



	Level	DoD
S&P 500	7,652.86	-0.28%
DJIA	53,417.16	+0.26%
NASDAQ	29,023.18	-0.97%
3-mo US Treasury yield	3.80%	-1.00 bps
2-yr US Treasury yield	4.24%	-0.20 bps
5-yr US Treasury yield	4.40%	-2.30 bps
10-yr US Treasury yield	4.70%	-3.60 bps
DXY	99.00	+0.20%