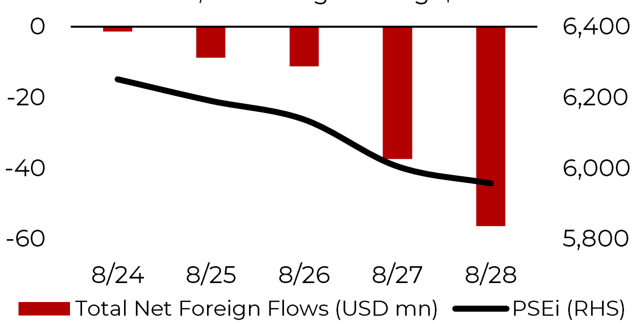
The Morning View

September 1, 2026

Philippine Stock Exchange Index

-0.80% DoD; Net foreign selling: $56.43mn



	Level	DoD
PSEi	5,956.33	-0.80%
3-mo bond yield	5.09%	+2.46 bps
2-yr bond yield	6.33%	-0.40 bps
5-yr bond yield	7.07%	+1.55 bps
10-yr bond yield	7.26%	-2.53 bps
USDPHP	62.27	+0.61%
Oil (Brent, $ / barrel)	89.31	-0.43%

**As of August 28, 2026*

DEPDev Secretary Arsenio Balisacan said that household consumption could gradually improve in 2H26. He noted that elevated inflation remains a major constraint on spending, though further easing in pressures could provide support. A rebound in public infrastructure spending could also help consumption through spillover effects on private sector activity.

International Container Terminal Services, Inc. (PSE Ticker: ICT), signed an agreement to acquire 100% of TLG Acquisition Holdings Proprietary Limited, an integrated port and cargo handling provider operating in Mozambique, Namibia, and South Africa. The acquisition broadens ICTSI's exposure to bulk and other cargo segments across key African markets.

Last Friday, **local equities** fell, **local fixed income yields** were mixed, and the **Philippine peso** weakened to a new record low ahead of Fed Chair Warsh's speech at the Jackson Hole Symposium. Investors also weighed the Bangko Sentral ng Pilipinas' recent policy decision. Local markets were closed on Monday amid the National Heroes Day holiday.

The PSEi closed at 5,956.33 (-0.80% DoD).

On average, yields rose by 1.24 bps, with the 2Y closing at 6.33% (-0.40 bps) and the 10Y closing at 7.26% (-2.53 bps).

The USD/PHP pair closed at 62.27 (+0.61% DoD).

Over the weekend, tensions between the US and Iran flared after a brief exchange of strikes for the first time in a month. Although both sides described the confrontation as a limited clash to prevent broader war, US President Donald Trump warned of harsh retaliation. Nevertheless, the US continues to emphasize economic pressure over open warfare.

At Jackson Hole, Fed Chair Kevin Warsh remained hawkish, saying that inflation progress has been limited and reaffirming the Fed's 2% target. He also advocated less forward guidance, noting resilient growth, strong earnings, and AI-driven investment as evidence that financial conditions are not broadly restrictive.

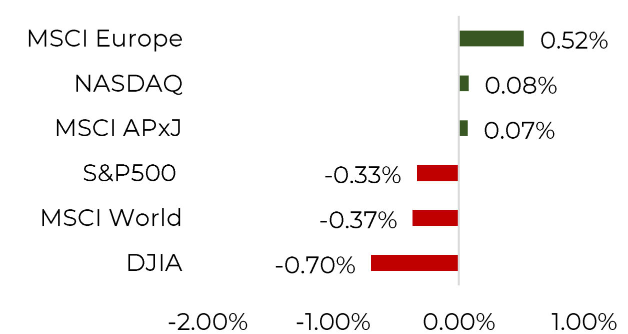
US equities fell and **US Treasury yields** rose as oil prices climbed after the US and Iran exchanged fire for the first time in a month. Investors also digested Fed Chair Warsh's hawkish tone in his speech at the Jackson Hole symposium.

The S&P 500 closed at 7,686.14 (-0.33% DoD), while the DJIA ended at 53,185.90 (-0.70% DoD).

On average, yields rose by 2.09 bps, with the 2Y closing at 4.34% (-0.40 bps) and the 10Y closing at 4.75% (+3.00 bps).

The **US dollar** weakened as investors turned cautious ahead of this week's jobs data releases, including the job openings and labor turnover as well as the nonfarm payrolls and unemployment rate. The DXY closed at 99.43 (-0.27% DoD).

Global Stock Indices



	Level	DoD
S&P 500	7,686.14	-0.33%
DJIA	53,185.90	-0.70%
NASDAQ	29,456.97	+0.08%
3-mo US Treasury yield	3.84%	+1.80 bps
2-yr US Treasury yield	4.34%	-0.40 bps
5-yr US Treasury yield	4.50%	+2.10 bps
10-yr US Treasury yield	4.75%	+3.00 bps
DXY	99.43	-0.27%

**As of August 31, 2026*