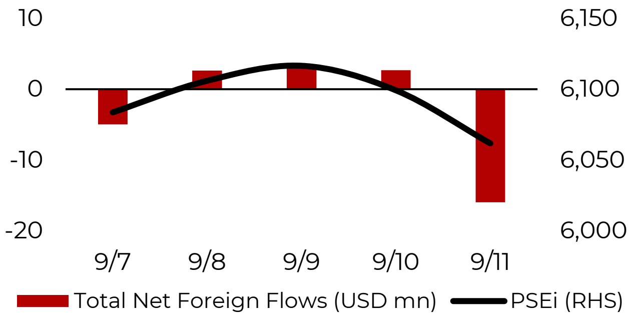
BPI WEALTH

The Morning View

September 14, 2026

Philippine Stock Exchange Index

-0.61% DoD; Net foreign selling: $15.96mn



	Level	DoD
PSEi	6,061.81	-0.61%
3-mo bond yield	5.23%	+1.71 bps
2-yr bond yield	6.55%	+3.69 bps
5-yr bond yield	7.29%	+4.47 bps
10-yr bond yield	7.43%	+5.73 bps
USDPHP	62.68	+0.23%
Oil (Brent, $ / barrel)	104.61	-2.81%

In its August Monetary Policy Report, the Bangko Sentral ng Pilipinas (BSP) hinted that it could pivot to policy easing in 2027 under a low-inflation scenario. While the central bank said further rate hikes are still necessary in 2026 to control inflation, its low-inflation scenario provides scope for potential rate cuts if economic growth continues to weaken. The BSP's central inflation projections are 6.1% in 2026, 5.4% in 2027, and 3.3% in 2028.

Avida Land, Inc., the residential arm of Ayala Land, Inc. (PSE Ticker: ALI), signed a memorandum of understanding with the Pag-IBIG Fund to provide unit financing terms for qualified members. The partnership expands buyer access across Avida's portfolio, which integrates flood-risk management and climate-resilient engineering through its climate framework.

Local equities fell as the market sentiment was weighed down by lingering Middle East tensions. The PSEi closed at 6,061.81 (-0.61% DoD).

Local fixed income yields jumped on the back of volatile oil prices and the BSP's guidance of further rate hikes this year. On average, yields rose by 3.11 bps, with the 2Y closing at 6.55% (+3.69 bps) and the 10Y closing at 7.43% (+5.73 bps).

The **Philippine peso** weakened to a fresh record low amid elevated oil prices and stronger Fed rate hike bets ahead of the US inflation report. The USD/PHP pair closed at 62.68 (+0.23% DoD).

US Consumer Price Index (CPI) inflation was steady at 3.4% YoY in August, matching market's consensus forecast. However, on a month-on-month basis, CPI inflation accelerated to 0.4% (July: 0.1%; Consensus: 0.4%), driven by an increase in energy costs and food prices. Meanwhile, core inflation eased to 2.4% YoY (July: 2.5%) but was also in line with consensus forecast.

Recent military strikes have targeted key Middle East energy infrastructure and critical shipping lanes. In Saudi Arabia, a drone attack originating in Iraq forced the shutdown of the East-West oil pipeline. At sea, two separate strikes have hit vessels from both sides. Meanwhile, Houthi forces advanced onto Perim Island to consolidate control over the Bab el-Mandeb Strait.

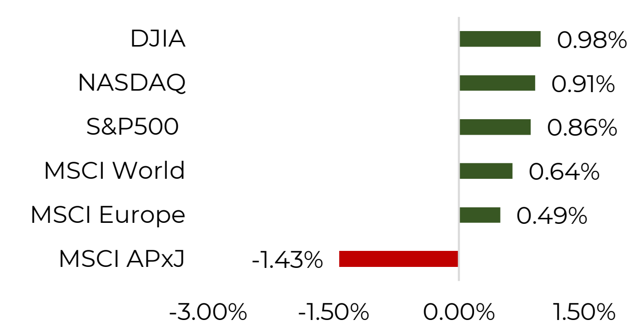
US equities inched higher, **US Treasury yields** rose, and the **US dollar** slightly strengthened after the August US CPI inflation came in-line with expectations but remained sticky, reinforcing bets of the Fed tightening its monetary policy this year.

The S&P 500 closed at 7,656.98 (+0.86% DoD), while the DJIA ended at 52,573.29 (+0.98% DoD).

On average, yields rose by 2.83 bps, with the 2Y closing at 4.63% (+4.00 bps) and the 10Y closing at 4.97% (+0.40 bps).

The DXY closed at 99.12 (+0.07% DoD).

Global Stock Indices



	Level	DoD
S&P 500	7,656.98	+0.86%
DJIA	52,573.29	+0.98%
NASDAQ	29,368.44	+0.91%
3-mo US Treasury yield	4.02%	+6.50 bps
2-yr US Treasury yield	4.63%	+4.00 bps
5-yr US Treasury yield	4.78%	+2.00 bps
10-yr US Treasury yield	4.97%	+0.40 bps
DXY	99.12	+0.07%