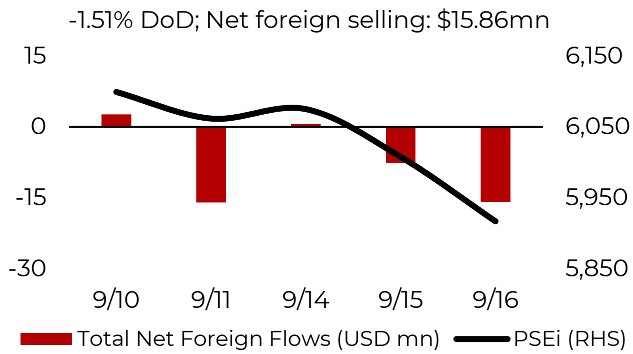
The Morning View

BPI WEALTH

September 17, 2026

Philippine Stock Exchange Index



	Level	DoD
PSEi	5,916.94	-1.51%
3-mo bond yield	5.30%	+0.13 bps
2-yr bond yield	6.61%	-2.43 bps
5-yr bond yield	7.38%	-0.65 bps
10-yr bond yield	7.61%	-3.29 bps
USDPHP	62.74	-0.15%
Oil (Brent, $ / barrel)	105.83	-2.69%

The Bureau of the Treasury (BTr) announced that the jumbo issuance of new five-year fixed-rate Treasury notes (FXTN) has been cancelled. The BTr deferred the offering amid rising local and US yields and continued weak auction demand for longer-dated tenors. The auction was initially scheduled to take place on September 22, with issuance set for September 24.

Ayala Land Premier, subsidiary of Ayala Land, Inc. (PSE Ticker: ALI), has begun turning over units at Gardencourt Residences, a mid-rise development in Taguig. The estate includes an underground stormwater detention system similar to flood-management measures ALI uses at its other master-planned estates. ALI is targeting about 13,000 units deliveries this year.

Local equities declined amid concerns of slower domestic economic growth in the third quarter. Investors also took a more cautious stance ahead of the US Fed's policy decision overnight. The PSEi closed at 5,916.94 (-1.51% DoD).

Local fixed income yields declined after the government cancelled its planned jumbo 5-year FXTN issuance. On average, yields fell by 2.00 bps, with the 2Y closing at 6.61% (-2.43 bps) and the 10Y closing at 7.61% (-3.29 bps).

The **Philippine peso** strengthened as traders positioned ahead of the Fed's policy announcement. The USD/PHP pair closed at 62.74 (-0.15% DoD).

The US Federal Reserve unanimously voted to raise its benchmark rate by 25 basis points to 3.75%-4.00%, its first hike in three years. Updated Fed projections showed 16 of 18 policymakers expecting at least one more 25-bp hike by year end, while the inflation projections showed that the Fed is not expecting inflation to ease to its 2% target until 2029.

US retail sales rebounded 1.2% MoM in August (July: -0.5%, Consensus: +0.8%), marking the strongest increase since March, as consumers boosted spending on motor vehicles and back-to-school purchases. Meanwhile, core retail sales, which closely track consumer spending, surged 1.4% MoM (July: -0.2%, Consensus: 0.6%) driven by higher spending at online retailers, restaurants and bars, electronics stores, and clothing retailers.

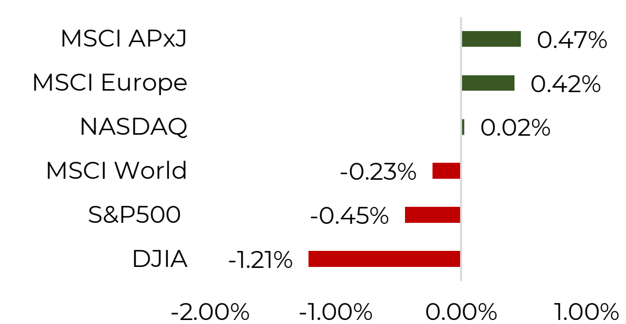
US equities fell, **US Treasury yields** climbed, and the **US dollar** strengthened after the Fed implemented a 25-bp policy rate hike and signaled the possibility of an additional hike within the year.

The S&P 500 closed at 7,551.81 (-0.45% DoD), while the DJIA ended at 51,461.90 (-1.21% DoD).

On average, yields rose by 3.07 bps, with the 2Y closing at 4.74% (+7.50 bps) and the 10Y closing at 5.03% (+2.10 bps).

The DXY closed at 100.25 (+0.64% DoD).

Global Stock Indices



	Level	DoD
S&P 500	7,551.81	-0.45%
DJIA	51,461.90	-1.21%
NASDAQ	28,945.06	+0.02%
3-mo US Treasury yield	4.07%	+1.40 bps
2-yr US Treasury yield	4.74%	+7.50 bps
5-yr US Treasury yield	4.88%	+5.20 bps
10-yr US Treasury yield	5.03%	+2.10 bps
DXY	100.25	+0.64%