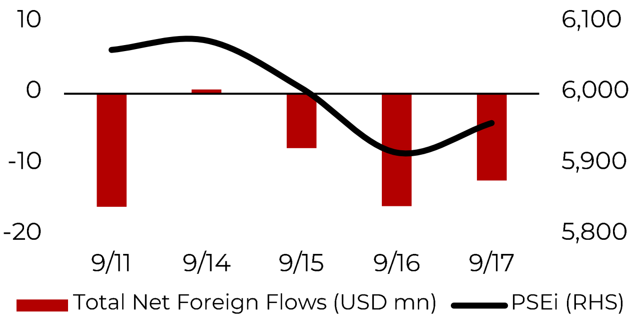
BPI WEALTH

The Morning View

September 18, 2026

Philippine Stock Exchange Index

+0.70% DoD; Net foreign selling: $12.24mn



	Level	DoD
PSEi	5,958.64	+0.70%
3-mo bond yield	5.35%	+5.32 bps
2-yr bond yield	6.64%	+3.58 bps
5-yr bond yield	7.39%	+1.08 bps
10-yr bond yield	7.66%	+4.97 bps
USDPHP	62.73	-0.01%
Oil (Brent, $ / barrel)	104.82	-0.95%

The World Bank expects PH economic growth to pick up in 2H26 after a weak first half. This will be supported by the government's planned catch-up spending on infrastructure projects, and moderating inflation that could help improve household consumption. World Bank forecasts PH economic growth to slow to 3.7% in 2026 before rebounding to 5.2% in 2027.

The Department of Energy (DoE) has terminated its 2026 Coal Bid Round, which included Semirara Island, the flagship asset of Semirara Mining and Power Corp. (PSE Ticker: SCC). The decision follows stakeholder concerns including water seepage issues on Semirara Island and legal considerations. The DoE said it will use the cancellation to develop a more transparent contract-awarding framework.

Local equities rose as investors sought bargains after two straight days of decline. The PSEi closed at 5,958.64 (+0.70% DoD).

Local fixed income yields climbed following the US Fed's 25-bp policy rate hike and signals of another potential increase by year-end. On average, yields rose by 3.80 bps, with the 2Y closing at 6.64% (+3.58 bps) and the 10Y closing at 7.66% (+4.97 bps).

The **Philippine peso** was flat as investors weighed easing global oil prices amid reports of an alternate route of transport for oil in Oman, and hawkish guidance from the Federal Reserve. The USD/PHP pair closed at 62.73 (-0.01% DoD).

China reportedly urged Iran to use its influence to restrain Yemen's Houthis after Saudi Arabia sought Beijing's assistance following the group's advances near the Bab el-Mandeb Strait. Beijing aims to prevent the conflict from disrupting key energy and shipping routes, while Tehran maintained that regional stability depends on ending the US-Israeli conflict with Iran.

The Bank of England (BoE) kept its policy rate unchanged at 3.75% as expected but signaled that further tightening may be needed if inflation risks persist. The BoE also unveiled a multi-year quantitative tightening program, halting long-dated gilt sales and pausing bond auctions for six months while gradually reducing its remaining £488 billion gilt portfolio through 2034.

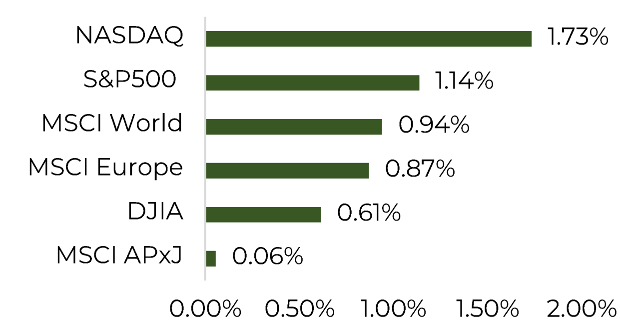
US equities rose, **US Treasury yields** fell, and the **US dollar** was little changed as oil prices declined on easing supply concerns after reports that Saudi Arabia would route additional crude shipments through Oman, offsetting key pipeline outage. Lower-than-expected weekly jobless claims of 196,000 for the week ended September 12 also supported investor sentiment.

The S&P 500 closed at 7,637.76 (+1.14% DoD), while the DJIA ended at 51,778.04 (+0.61% DoD).

On average, yields fell by 6.28 bps, with the 2Y closing at 4.67% (-7.40 bps) and the 10Y closing at 4.93% (-9.10 bps).

The DXY closed at 100.25 (flat DoD).

Global Stock Indices



	Level	DoD
S&P 500	7,637.76	+1.14%
DJIA	51,778.04	+0.61%
NASDAQ	29,446.98	+1.73%
3-mo US Treasury yield	4.07%	-0.70 bps
2-yr US Treasury yield	4.67%	-7.40 bps
5-yr US Treasury yield	4.78%	-10.10 bps
10-yr US Treasury yield	4.93%	-9.10 bps
DXY	100.25	-0.00%