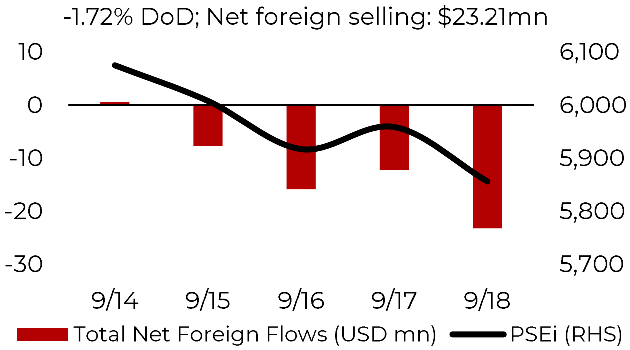
BPI WEALTH

The Morning View

September 21, 2026

Philippine Stock Exchange Index



	Level	DoD
PSEi	5,855.91	-1.72%
3-mo bond yield	5.37%	+1.61 bps
2-yr bond yield	6.64%	-0.53 bps
5-yr bond yield	7.34%	-4.48 bps
10-yr bond yield	7.58%	-8.88 bps
USDPHP	62.75	+0.03%
Oil (Brent, $ / barrel)	103.87	-0.91%

The PH balance of payments (BoP) deficit narrowed to $596 million in August (July: -$1.47 billion). However, this was a reversal from the $359 million surplus in the same period last year. The shortfall reflected the persistent trade deficit amid elevated global oil prices and net foreign portfolio investment outflows, partly offset by remittance inflows. Year-to-date, the BoP gap widened by 10.1% YoY to $5.94 billion (August 2025: -$5.40 billion).

Ayala Corp. (PSE Ticker: AC) and Globe Telecom Inc. (PSE Ticker: GLO) disclosed that Mynt Inc., the operator of GCash, has secured approval from the Philippine Stock Exchange for its initial public offering (IPO). The IPO is targeted for listing on October 20, 2026, subject to final regulatory approvals, final offer terms, and market conditions.

Local equities fell amid foreign outflows following the FTSE-index rebalancing. Meanwhile, **local fixed income yields** edged lower and the **Philippine peso** was broadly flat as oil prices modestly eased from recent highs but remained elevated amid the lingering geopolitical tensions in the Middle East.

The PSEi closed at 5,855.91 (-1.72% DoD).

On average, yields fell by 1.88 bps, with the 2Y closing at 6.64% (-0.53 bps) and the 10Y closing at 7.58% (-8.88 bps).

The USD/PHP pair closed at 62.75 (+0.03% DoD).

On Sunday, the US and Iran exchanged fresh threats, with Washington warning that Iran could face economic collapse or the elimination of its leadership if it failed to reach a deal, while Tehran vowed to retaliate against any further attacks. Separately, Yemen's Houthi group launched strikes against Saudi Arabia on Saturday, widening the scope of the regional conflict.

Minneapolis Fed President Neel Kashkari, a 2026 voter, said inflation is "still too high" across the US economy. He also backed the Fed's recent 25-bp rate hike and noted that price pressures extended beyond energy to the broader services sector.

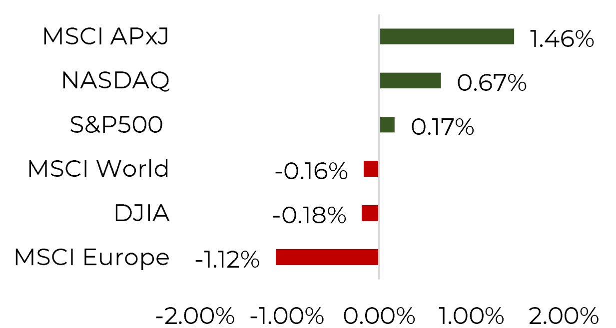
US equities closed mixed and **US Treasury yields** climbed as investors continued to digest the Fed's recent 25-bp policy rate hike and hawkish policy guidance. Market sentiment also improved after reports that China had asked Iran to help restrain Houthi attacks on Saudi oil facilities.

The S&P 500 closed at 7,650.50 (+0.17% DoD), while the DJIA ended at 51,682.64 (-0.18% DoD).

On average, yields rose by 5.32 bps, with the 2Y closing at 4.75% (+8.20 bps) and the 10Y closing at 5.00% (+6.40 bps).

The **US dollar** closed flat as investors continued to monitor developments in the US-Iran war alongside the Bank of Japan's decision to raise its policy rate by 25 bps to a 31-year high of 1.25%. The DXY closed at 100.22 (-0.03% DoD).

Global Stock Indices



	Level	DoD
S&P 500	7,650.50	+0.17%
DJIA	51,682.64	-0.18%
NASDAQ	29,644.17	+0.67%
3-mo US Treasury yield	4.08%	+1.60 bps
2-yr US Treasury yield	4.75%	+8.20 bps
5-yr US Treasury yield	4.86%	+7.70 bps
10-yr US Treasury yield	5.00%	+6.40 bps
DXY	100.22	-0.03%