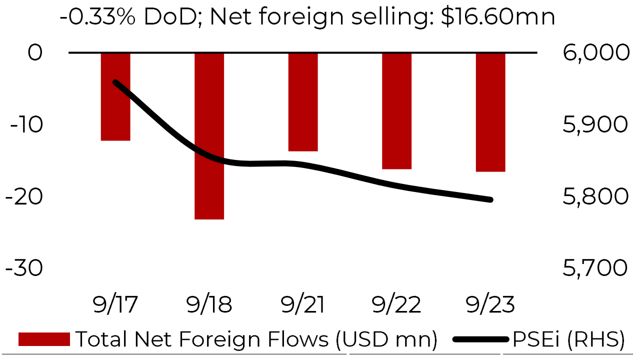
The Morning View

BPI WEALTH

September 24, 2026

Philippine Stock Exchange Index



	Level	DoD
PSEi	5,795.14	-0.33%
3-mo bond yield	5.39%	-2.20 bps
2-yr bond yield	6.68%	-1.55 bps
5-yr bond yield	7.38%	-2.08 bps
10-yr bond yield	7.60%	+0.97 bps
USDPHP	62.59	-0.22%
Oil (Brent, $ / barrel)	103.08	+3.86%

S&P Global Ratings and Asian Development Bank (ADB) trimmed their PH economic growth forecasts for 2026 to 2.9% (previous: 4.1%) and 3.3% (previous: 3.8%), respectively. The firms cited weaker public investments and heightened price pressures from food and energy as reasons behind the downgrade.

Jollibee Foods Corporation (PSE Ticker: JFC), through its subsidiary JSF Investments Pte. Ltd., has agreed to sell an 11% stake in the operating entity of Highlands Coffee to Viet Thai International Joint Stock Company for $88 million. The transaction reduces JFC's holding from 60% to 49%, ceding controlling interest. JFC said it plans to use the proceeds to reduce debt, invest in other businesses, and return capital to shareholders.

Local equities fell amid negative sentiment after S&P Global and ADB sharply downgraded their PH economic growth forecasts. The PSEi closed at 5,795.14 (-0.33% DoD).

Local fixed income yields closed mixed after the Bureau of the Treasury announced it may raise a lower volume from its planned 2.5-year retail treasury bond issuance. On average, yields fell by 1.40 bps, with the 2Y closing at 6.68% (-1.55 bps) and the 10Y closing at 7.60% (+0.97 bps).

The **Philippine peso** strengthened on hopes of a reopening of the Strait of Hormuz after Iran signaled openness to a diplomatic resolution. The USD/PHP pair closed at 62.59 (-0.22% DoD).

US President Donald Trump welcomed Chinese President Xi Jinping in Washington for a three-day summit from September 23 to 25, with trade, technology, and Iran among the key issues on the agenda. Meanwhile, Treasury Secretary Scott Bessent confirmed a two-month extension of the bilateral trade truce through January 10, from its original November 10 expiration, following discussions with Chinese Vice Premier He Lifeng.

US S&P Composite Purchasing Managers' Index (PMI) Output Index jumped to 58.4 in September (August: 56.0; Consensus: 55.3). The reading was the highest since July 2021 and stayed above 50, indicating continued expansion. Growth was driven by a surge in new orders, although rising input costs and a buildup in backlogs pointed to mounting capacity pressures.

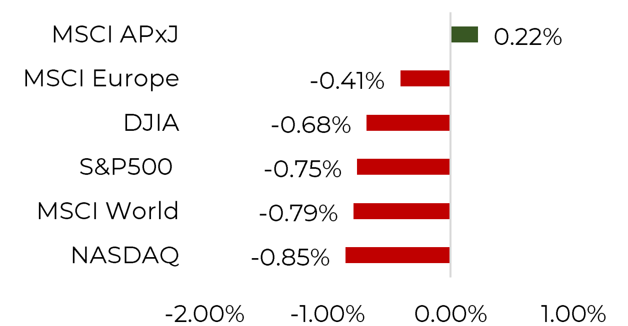
US equities fell, **US Treasury yields** soared, and the **US dollar** strengthened after hawkish comments from Fed Governor Barr, signaling further rate hikes may be warranted to bring down inflation. Investors also digested the stronger-than-expected US S&P Global composite PMI reading for September.

The S&P 500 closed at 7,706.03 (-0.75% DoD), while the DJIA ended at 51,511.59 (-0.68% DoD).

On average, yields rose by 10.68 bps, with the 2Y closing at 4.90% (+14.10 bps) and the 10Y closing at 5.12% (+15.10 bps).

The DXY closed at 101.10 (+0.49% DoD).

Global Stock Indices



	Level	DoD
S&P 500	7,706.03	-0.75%
DJIA	51,511.59	-0.68%
NASDAQ	30,470.29	-0.85%
3-mo US Treasury yield	4.14%	+3.10 bps
2-yr US Treasury yield	4.90%	+14.10 bps
5-yr US Treasury yield	5.01%	+16.70 bps
10-yr US Treasury yield	5.12%	+15.10 bps
DXY	101.10	+0.49%