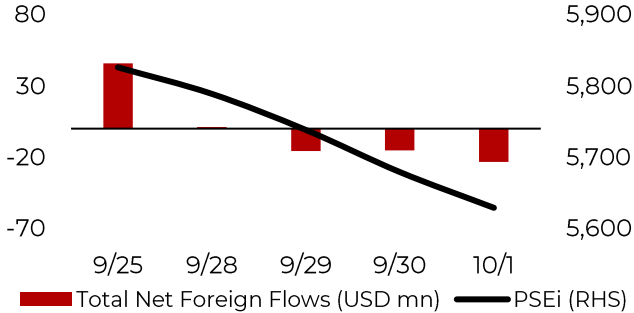


The Morning View

October 2, 2026

Philippine Stock Exchange Index

-0.88% DoD; Net foreign selling: \$23.33mn



	Level	DoD
PSEi	5,629.47	-0.88%
3-mo bond yield	5.50%	+3.34 bps
2-yr bond yield	6.75%	+2.15 bps
5-yr bond yield	7.42%	+1.67 bps
10-yr bond yield	7.61%	-0.83 bps
USDPHP	62.78	+0.22%
Oil (Brent, \$ / barrel)	102.31	-1.18%

S&P Global PH Manufacturing Purchasing Managers' Index (PMI) fell to 49.6 in September (August: 54.9), its first contraction since April. Output, new orders, and employment declined on weak demand and tighter international competition. Meanwhile, business confidence fell to an eight-month low as firms grew more cautious about pricing power and demand.

Mynt, Inc. priced its initial public offering (IPO) at Php6.6 per share, with proceeds expected to raise nearly Php61 billion. The offering is poised to surpass Monde Nissin's Php55.89-billion IPO and become the Philippines' largest market debut, supported by Php36.5 billion in cornerstone commitments ahead of an Oct. 20 PSE listing.

Local equities fell and the **Philippine peso** weakened after the contraction in the country's Manufacturing PMI in September raised concerns over growth and weighed on market sentiment.

The PSEi closed at 5,629.47 (-0.88% DoD).

The USD/PHP pair closed at 62.78 (+0.22% DoD).

Local fixed income yields were mixed as investors weighed the Bureau of the Treasury's announcement of a potential retail dollar bond issuance this month. On average, yields rose by 1.32 bps, with the 2Y closing at 6.75% (+2.15 bps) and the 10Y closing at 7.61% (-0.83 bps).

The US Institute for Supply Management (ISM) Manufacturing PMI inched down to 54.5 in September (August: 54.6; Consensus: 55.0). The reading remained in expansion territory as AI infrastructure investment, inventory rebuilding, and stronger new orders supported factory activity. Moreover, input prices surged amid rising energy and material costs, while the employment improved.

Global energy supply risks escalated as the US expanded its military presence in the Middle East while China and Russia restricted refined fuel exports. Meanwhile, sources also reported that the US urged Germany and France to tap emergency diesel reserves amid mounting concerns over global fuel shortages.

US equities rebounded and **US Treasury yields** declined as markets' expectations for a Fed rate hike in October scaled back after Minneapolis Fed President Kashkari, a 2026 voter, signaled no "strong view" for raising rates this month.

The S&P 500 closed at 7,666.45 (+0.19% DoD), while the DJIA ended at 50,926.56 (+0.04% DoD).

On average, yields fell by 4.81 bps, with the 2Y closing at 4.80% (-9.50 bps) and the 10Y closing at 5.25% (-4.40 bps).

The **US dollar** strengthened amid escalating Middle East tensions and as investors awaited the US September nonfarm payrolls report to be released today. The DXY closed at 102.10 (+0.64% DoD).

Global Stock Indices

NASDAQ	0.31%
S&P500	0.19%
MSCI APxJ	0.15%
DJIA	0.04%
MSCI World	-0.18%
MSCI Europe	-1.23%

	Level	DoD
S&P 500	7,666.45	+0.19%
DJIA	50,926.56	+0.04%
NASDAQ	30,501.56	+0.31%
3-mo US Treasury yield	4.09%	-2.80 bps
2-yr US Treasury yield	4.80%	-9.50 bps
5-yr US Treasury yield	5.01%	-7.60 bps
10-yr US Treasury yield	5.25%	-4.40 bps
DXY	102.10	+0.64%

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