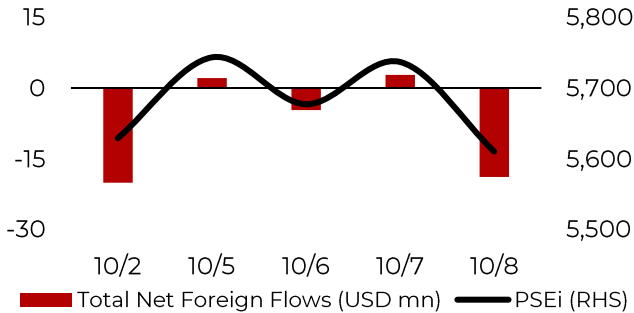


# The Morning View

October 9, 2026

## Philippine Stock Exchange Index

-2.20% DoD; Net foreign selling: \$18.81mn



|                          | Level    | DoD        |
|--------------------------|----------|------------|
| PSEi                     | 5,610.39 | -2.20%     |
| 3-mo bond yield          | 5.69%    | +4.66 bps  |
| 2-yr bond yield          | 6.91%    | +3.75 bps  |
| 5-yr bond yield          | 7.63%    | +4.82 bps  |
| 10-yr bond yield         | 8.11%    | +12.60 bps |
| USDPHP                   | 62.90    | +0.24%     |
| Oil (Brent, \$ / barrel) | 104.28   | +4.07%     |

## PH gross international reserves (GIR) fell to a three-year low of \$99.997 billion as of end-September (-4.62% MoM, -8.31% YoY).

The decline reflected lower gold valuations, the Bangko Sentral ng Pilipinas' interventions to manage peso volatility, and the National Government's foreign-currency debt payments. Despite the drop, reserves remained adequate at 6.3 months' worth of import cover, still above the three-month minimum international standard.

## Razon-led Prime Infrastructure Capital, Inc. and the LNGPH consortium prequalified for the Department of Energy's first 3,840 megawatt (MW) natural gas capacity auction.

Prime Infra is offering 2,520 MW across four gas-fired power plants, while LNGPH (backed by Manila Electric Corp., Aboitiz Power Corp., and San Miguel Corp.) is bidding capacity across Luzon and Visayas.

**Local equities** fell, **local fixed income yields** jumped, and the **Philippine peso** weakened as global oil prices climbed after traffic through the Strait of Hormuz fell to a two-month low. Investors also digested the drop in the country's gross international reserves and the latest Federal Reserve minutes of the meeting.

The PSEi closed at 5,610.39 (-2.20% DoD).

On average, yields rose by 6.72 bps, with the 2Y closing at 6.91% (+3.75 bps) and the 10Y closing at 8.11% (+12.60 bps).

The USD/PHP pair closed at 62.90 (+0.24% DoD).

**US initial jobless claims fell to 197,000 for the week ended Oct. 3 (Consensus: 200,000; Prior revised: 199,000), remaining near 57-year lows for a fourth consecutive week.** Meanwhile, continuing claims rose to 1,716,000 for the week ended Sept. 26 (Consensus: 1,700k; Prior revised: 1,699k). The figures reinforce a persistent "low-hire, low-fire" labor market.

**US President Donald Trump said Washington is holding productive talks with Iran and will not launch further attacks before the November 3 midterm elections.** However, the US blockade of Iranian ports will remain, while negotiations continue over ending the conflict and reopening the Strait of Hormuz.

**US equities** closed mixed as AI-related stocks came under pressure after a Financial Times report showed that OpenAI's annualized revenues were \$20 billion less than what the company previously signaled. The S&P 500 closed at 7,765.36 (-0.47% DoD), while the DJIA ended at 51,231.64 (+0.10% DoD).

**US Treasury yields** fell, and the **US dollar** weakened as expectations for an October Fed rate hike eased after Fed Governor Waller signaled flexibility on further tightening. Moreover, a strong 30-year auction reduced demand concerns for longer-dated bonds.

On average, yields fell by 2.69 bps, with the 2Y closing at 4.76% (-1.20 bps) and the 10Y closing at 5.23% (-5.70 bps).

The DXY closed at 102.14 (-0.10% DoD).

## Global Stock Indices

|             |        |
|-------------|--------|
| DJIA        | 0.10%  |
| S&P500      | -0.47% |
| MSCI World  | -0.54% |
| MSCI Europe | -0.75% |
| NASDAQ      | -1.39% |
| MSCI APxJ   | -1.72% |

-3.00% -2.00% -1.00% 0.00% 1.00%

|                         | Level     | DoD       |
|-------------------------|-----------|-----------|
| S&P 500                 | 7,765.36  | -0.47%    |
| DJIA                    | 51,231.64 | +0.10%    |
| NASDAQ                  | 30,725.81 | -1.39%    |
| 3-mo US Treasury yield  | 4.15%     | +0.80 bps |
| 2-yr US Treasury yield  | 4.76%     | -1.20 bps |
| 5-yr US Treasury yield  | 4.99%     | -3.70 bps |
| 10-yr US Treasury yield | 5.23%     | -5.70 bps |
| DXY                     | 102.14    | -0.10%    |

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