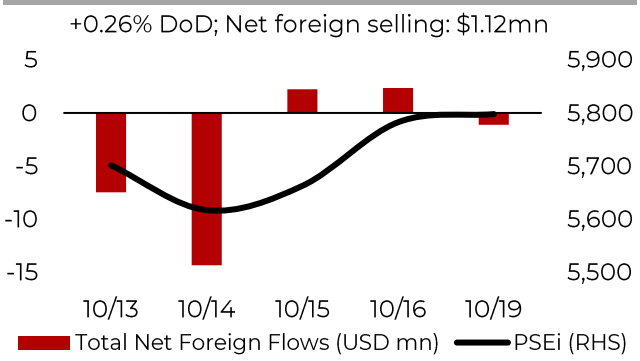
The Morning View

October 20, 2026

Philippine Stock Exchange Index



	Level	DoD
PSEi	5,797.90	+0.26%
3-mo bond yield	5.76%	+8.78 bps
2-yr bond yield	7.07%	+0.98 bps
5-yr bond yield	7.68%	+0.39 bps
10-yr bond yield	8.04%	+2.50 bps
USDPHP	63.09	+0.17%
Oil (Brent, $ / barrel)	109.55	-0.28%

The PH balance of payments (BoP) deficit widened to $3.14 billion in September (August: $596 million), the largest monthly shortfall since January 2025. The wider gap reflected the continued trade deficit, higher import and debt-service payments, and net foreign portfolio investment outflows. In 9M26, the BoP deficit reached $9.087 billion (+70.97% YoY).

BNP Paribas selected Megaworld Corp.'s (PSE Ticker: MEG) Uptown Eastgate tower in Taguig City to expand its BNP Paribas Solutions Philippines global corporate and institutional banking delivery center. This adds to MEG's 1.7 million square meter (sq.m.) national office portfolio, anchoring its 900,000 sq.m. footprint in Bonifacio Global City alongside multinational tenants.

Local equities inched up as investors positioned ahead of the Mynt, Inc. (PSE Ticker: GCASH) initial public offering today. The PSEi closed at 5,797.9 (+0.26% DoD).

Local fixed income yields rose ahead of the Bangko Sentral ng Pilipinas' policy meeting later this week, where markets expect a rate hike. On average, yields rose by 2.32 bps, with the 2Y closing at 7.07% (+0.98 bps) and the 10Y closing at 8.04% (+2.50 bps).

The **Philippine peso** weakened to a new all-time low following the wider BoP deficit in September and amid continued safe-haven demand for the US dollar due to lingering geopolitical risks. The USD/PHP pair closed at 63.09 (+0.17% DoD).

President Donald Trump's approval rating dropped to a record low of 31% amid surging gasoline prices, according to a Reuters/Ipsos poll. Registered voters favored Democrats over Republicans 47% to 35% on the generic congressional ballot ahead of the November 3 midterms. Moreover, 68% of respondents disapproved of Trump's economic management.

France imposed curfews in parts of several cities on Monday as it faced its worst unrest in years. Over the weekend, around 550,000 people protested rising living costs, deteriorating public services, and the government's planned €54 bn in fiscal savings in its 2027 budget. On Sunday, French President Emmanuel Macron called for "calm and order" as the protests persisted.

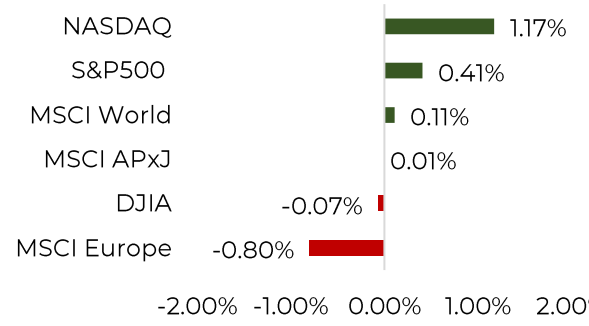
US equities closed mixed, **US Treasury yields** rose, and the **US dollar** strengthened as markets continued to digest the hotter-than-expected September US consumer and producer inflation and monitored lingering geopolitical tensions. Investors also positioned ahead of earnings reports from major companies such as Meta Platforms and Tesla.

The S&P 500 closed at 7,690.73 (+0.41% DoD), while the DJIA ended at 51,966.03 (-0.07% DoD).

On average, yields rose by 4.54 bps, with the 2Y closing at 4.78% (+6.60 bps) and the 10Y closing at 5.14% (+6.50 bps).

The DXY closed at 101.98 (+0.14% DoD).

Global Stock Indices



	Level	DoD
S&P 500	7,690.73	+0.41%
DJIA	51,966.03	-0.07%
NASDAQ	29,529.34	+1.17%
3-mo US Treasury yield	4.18%	+0.50 bps
2-yr US Treasury yield	4.78%	+6.60 bps
5-yr US Treasury yield	4.94%	+7.20 bps
10-yr US Treasury yield	5.14%	+6.50 bps
DXY	101.98	+0.14%

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