

PH BONDS AND STOCKS FELL AS BSP RAISED RATES

Weekly Review: 17-24 April 2026

What Happened Last Week

- U.S. markets diverged as bonds fell on strong retail sales and PMI data that reduced expectations for near-term Fed cuts, while equities hit fresh record highs led by AI-linked semiconductor stocks.
 - March retail sales grew 1.7% vs. 1.4% expected.
 - March manufacturing PMI rose to 54 vs. 52.5 expected from 52.3 in February
- Philippine bonds and equities declined after the BSP raised rates by 25 bps to address rising inflation risks, citing potential spillovers from elevated oil prices.
 - BSP revised inflation forecasts above 2-4% target range, with average inflation forecasts for 2026 increased from 5.1% to 6.3%, and for 2027 from 3.8% to 4.3%.
- The Philippine peso depreciated as Middle East-related supply risks pushed oil prices above \$100/barrel again, intensifying inflation pressures and weighing on the currency.
- Asset prices Week-on-Week (WoW) and Year-to-Date (YTD)

Asset	Week-on-Week	YTD	Current Level
	April 17-24, 2026	as of April 24, 2026	as of April 24, 2026
	Rate Change		Rate
10Yr US Treasury Yield	▲ 0.05%	▲ 0.13%	4.30%
10Yr PHP Benchmark Yield	▲ 0.14%	▲ 0.73%	6.80%
	Price Change		Price
Philippine Peso vs. US Dollar	▼ 1.01%	▼ 3.24%	PHP 60.70/USD
S&P500	▲ 0.55%	▲ 4.67%	7,165.08
PCOMP	▼ -0.93%	▼ -1.81%	5,943.49

What To Expect This Week

- Philippine markets are likely to stay cautious as investors await the U.S. Fed meeting and developments around U.S.–Iran peace talks.

