

**BONDS UP ON PEACE HOPES; EQUITIES DRAGGED BY MSCI REBALANCING**

Weekly Review: 25-29 May 2026

**What Happened Last Week**

- U.S. bonds rallied and equities extended record highs, supported by improving investor sentiment amid renewed optimism around potential U.S.–Iran peace negotiations.
- Local fixed income followed the global rally, while Philippine equities declined, pressured by heavy foreign outflows linked to MSCI rebalancing.
- The Philippine peso modestly appreciated, benefiting from easing geopolitical tensions and softer oil price dynamics.
- Asset prices Week-on-Week (WoW) and Year-to-Date (YTD)

Asset	Week-on-Week	YTD	Current Level
	May 25-29, 2026	as of May 29, 2026	as of May 29, 2026
	<b>Rate Change</b>		<b>Rate</b>
10Yr US Treasury Yield	▼0.12%	▲0.27%	4.44%
10Yr PHP Benchmark Yield	▼0.23%	▲1.44%	7.52%
	<b>Price Change</b>		<b>Price</b>
Philippine Peso vs. US Dollar	▲0.16%	▼4.77%	PHP 61.59/USD
S&P500	▲1.43%	▲10.73%	7,580.06
PCOMP	▼3.23%	▼4.69%	5,768.76

**What To Expect This Week**

- Market direction is expected to remain externally driven, with global risk sentiment continuing to be shaped by geopolitical developments. Meanwhile, the local market will turn its focus to the upcoming inflation print as the key near-term catalyst, with investors expecting a ~7.8% reading

