LOCAL BONDS WEAKEN ON RISING OIL PRICES; LOCAL EQUITIES GAIN ON EMERGING MARKET INFLOWS

Weekly Review: 13-17 July 2026

What Happened Last Week

- US bonds rose following lower-than-expected June inflation data, while equities declined as investor optimism for large-cap technology and AI stocks moderated.
  - June 2026 CPI registered 3.5% year-on-year, lower than the 3.8% consensus forecast.

- Local bonds and the peso weakened on higher inflation expectations amid rising oil prices and renewed US-Iran tensions. Local equities gained on fund flows shifting away from US markets.

- Asset prices Week-on-Week (WoW) and Year-to-Date (YTD)

	Week-on-Week July 10-17, 2026	YTD as of July 17, 2026	Current Level as of July 17, 2026
Asset	**Rate Change**		**Rate**
10Yr US Treasury Yield	▼0.01%	▲0.38%	4.55%
10Yr PHP Benchmark Yield	▲0.02%	▲1.21%	7.28%
	Price Change		**Price**
Philippine Peso vs. US Dollar	▼0.12%	▼4.76%	PHP 61.587/USD
S&P500	▼1.55%	▲8.94%	7,457.69
PCOMP	▲1.87%	▲5.80%	6,404.11

What To Expect This Week

Bond investors will remain cautious amid escalating US-Iran conflict, rising oil prices, and weakening peso. Local equity investors will focus on the 1H2026 corporate earnings.