MARKETS RALLIED ON LOWER INFLATION AND OIL PRICE

Weekly Review: 03 to 07 August 2026

What Happened Last Week

- US financial markets ended higher, supported by easing geopolitical tensions, rising expectations of a Fed pause, and solid quarter of corporate earnings.
  - Brent crude fell 7.7% below $80/bbl on optimism over U.S.-Iran talks.
  - July nonfarm payrolls fell by 23,000 versus an expected 80,000 increase, reinforcing expectations of unchanged Fed rates at its next meeting.
  - About 70% of S&P 500 companies reporting 2Q results have exceeded earnings expectations.

- Local bond and equity prices rose on lower oil price and July inflation of 6.2%, below market consensus of 6.4%.

- The Philippine peso appreciated amid weaker USD and expectation of a Fed pause.

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

	Week-on-Week Aug 03 to 07, 2026	**YTD** as of Aug 7, 2026	**Current Level** as of Aug 7, 2026
Asset	**Rate Change**		**Rate**
10Yr US Treasury Yield	▼0.09%	▲0.48%	4.65%
10Yr PHP Benchmark Yield	▼0.16%	▲1.20%	7.27%
	Price Change		**Price**
Philippine Peso vs. US Dollar	▲0.56%	▼3.59%	PHP60.90/USD
S&P500	▲3.58%	▲13.32%	7,757.64
PCOMP	▲0.86%	▲3.92%	6,290.35

What To Expect This Week

- Market attention this week will focus on developments in U.S.-Iran tension, as well as the release of US July inflation data, which is expected to tick slightly higher from the previous month's reading.