PH BONDS RISE ON LOWER OIL PRICES; EQUITIES SLIP ON MSCI REBALANCING

Weekly Review: 24–28 August 2026

What Happened Last Week

- US bond prices declined after Fed Chair Warsh reaffirmed Fed's commitment to bring inflation back to 2% target, raising rate hike expectation this month. US equities posted modest gains on strong Nvidia earnings, reinforcing AI optimism.

- Local bonds rose on declining oil prices. Philippine equities declined on MSCI rebalancing-related selling and growth concerns.

- The peso depreciated after BSP Governor Remolona said the BSP would not defend the local currency using its FX reserves.

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

	Week-on-Week August 21-28, 2026	YTD as of August 28, 2026	Current Level as of August 28, 2026
Asset	**Rate Change**		**Rate**
10Yr US Treasury Yield	0.00%	▲0.55%	4.72%
10Yr PHP Benchmark Yield	▼0.05%	▲1.19%	7.26%
	Price Change		**Price**
Philippine Peso vs. US Dollar	▼0.96%	▼5.91%	PHP 62.27/USD
S&P500	▲0.49%	▲12.65%	7,711.76
PCOMP	▼4.52%	▼1.60%	5,956.33

What To Expect This Week

- Expect increased volatility following the US's imposition of economic sanctions on Iran, which may further escalate the conflict and raise oil prices.