



BAIPHIL MARKET WATCH

BAIPHIL @ 85: CONTINUING PARTNERSHIP TO R.I.S.E. IN BANKING
RESILIENCE. INCLUSIVITY. SUSTAINABILITY. ENGAGEMENT

24 June
2026

Legend

- Improvement / Up
- Deterioration / Down
- No Movement

FINANCIAL MARKETS AT A GLANCE



Currency Exchange ¹	Current	Previous
USD/PHP	61.3510	61.1230
USD/JPY	161.4200	161.5900
USD/CNY	6.7847	6.7749
EUR/USD	1.1409	1.1428
GBP/USD	1.3225	1.3250

PHP BVAL Reference Rates ²	Current	Previous
30-Day	4.8876	4.7983
91-Day	5.1268	5.1499
180-Day	5.5371	5.5600
1-Year	5.9541	6.1469
3-Year	6.5126	6.4853
5-Year	6.7591	6.7172
10-Year	7.0253	6.9755

Domestic Stock Index ³	Current	Previous
PSEi	6,126.22	6,035.02
Trade Value (Php B)	6.832	10.259

Stock Index ⁴	Current	Previous
NIKKEI 225	69,788.38	72,353.96
FTSE 100	10,428.85	10,437.85
DOW JONES	51,666.84	51,712.71
S&P 500	7,365.46	7,472.79
NASDAQ	25,587.04	26,166.60

Various ^{5/6}	Current	Previous
Brent Crude (USD/bbl)	76.68	77.90
3-M US Treasury Yield	3.85%	3.85%
5-Y US Treasury Yield	4.27%	4.29%
10-Y US Treasury Yield	4.50%	4.51%



PHILIPPINES



- ✓ **PSEi rebounds on bargain hunting.** Local stocks bounced back on Tuesday as bargain hunters picked up beaten-down shares after two straight days of declines. The benchmark Philippine Stock Exchange Index (PSEi) climbed 1.51 percent, or 91.20 points, to close at 6,126.22. Luis Limlingan, head of sales at Regina Capital Development Corp., said the PSEi ended higher as investors engaged in bargain hunting following two consecutive sessions of declines. Net value turnover stood at P5.97 billion, below the year-to-date average of P6.48 billion, reflecting cautious sentiment in the market. Investors continued to monitor developments involving the United States and Iran, as well as prospects for Philippine economic growth and inflation. Foreign investors provided support, ending the session as net buyers with inflows amounting to P262.47 million.
<https://business.inquirer.net/596752/psei-rebounds-on-bargain-hunting-2>
- ✓ **Peso weakens further with hawkish Fed.** The peso declined further against the dollar on Tuesday following hawkish signals from the US central bank and amid continued uncertainty over the situation in the Middle East. The currency fell by 22.8 centavos to close at P61.351 versus the greenback from P61.123 on Monday, according to Bankers Association of the Philippines data posted on its website. "The peso resumed its climb and closed higher as the dollar was supported by the hawkish Fed tone alongside uncertainty surrounding the US-Iran peace negotiations," a trader likewise said in a phone interview.
<https://bworldonline.com/banking-finance/2026/06/24/758694/peso-weakens-further-with-hawkish-fed/>
- ✓ **BTr borrows P45B as long-term yields ease.** The Bureau of the Treasury (BTr) raised P45 billion from reissued Treasury bonds on Tuesday, fully awarding both the seven-year and 10-year tenors as investors accepted lower rates than in the previous auction despite lingering inflation and geopolitical concerns. The government raised P30 billion from reissued seven-year bonds and P15 billion from reissued 10-year notes. The 10-year paper fetched an average yield of 7.052 percent, down from 7.602 percent at the previous auction on May 26. Demand remained healthy, with total bids reaching P26.35 billion, or more than 1.7 times the amount offered. Michael Ricafort, chief economist at Rizal Commercial Banking Corp., said easing oil prices, a stronger peso, and the interim US-Iran agreement helped improve sentiment.
<https://malaya.com.ph/business/business-news/btr-borrows-p45b-as-long-term-yields-ease/>
- ✓ **Gov't unveils record P1.12 trillion domestic borrowing plan for Q3.** The Marcos administration plans to aggressively ramp up domestic borrowing in the third quarter of the year, tapping local capital markets for a record volume as the government pivots toward short-term debt instruments amid volatile global borrowing conditions. The Bureau of the Treasury (BTr) announced that the national government aims to raise P1.12 trillion from the domestic market during the July-to-September period, a 43 percent surge—equivalent to an absolute increase of P336 billion—from the P784 billion borrowing target set for the second quarter. The upcoming issuance program is the largest quarterly domestic funding drive of the year so far, surpassing the P824 billion sought in the first three months of 2026. According to the quarterly

calendar released by the treasury bureau, short-term debt will dominate the administration's fundraising strategy. The government intends to sell ₱700 billion in Treasury bills (T-bills), nearly doubling the ₱364 billion targeted in the previous quarter. This pivot means T-bills will comprise 62.5 percent of total local debt offerings for the period. Meanwhile, long-term debt issuance will remain steady, with the Treasury maintaining its target for Treasury bonds at ₱420 billion to match the volume offered in the second quarter. Market analysts view the heavy reliance on localized, shorter-duration debt as a protective play.

<https://mb.com.ph/2026/06/23/govt-unveils-record-112-trillion-domestic-borrowing-plan-for-q3>

- ✓ **PHL financial system resources climb nearly 11% as of end-April.** The Philippine financial system saw its resources grow by nearly 11% at end-April as banks' lending activities and deposits continued to expand despite the Middle East war, data from the Bangko Sentral ng Pilipinas (BSP) showed. In the four-month period, banks and nonbanks financial institutions' (NBF1) combined resources climbed by 10.58% to P37.311 trillion as of end-April from P33.742 trillion a year ago. However, it was 0.46% lower than the revised P37.482-trillion resources as of the first quarter. "The double-digit growth in financial system resources reflects continued strength in domestic deposit mobilization, credit expansion, and financial deepening, which have helped offset external headwinds," Union Bank of the Philippines Chief Economist Ruben Carlo O. Asuncion said in a Viber message. Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort attributed the year-on-year rise in resources to faster growth in banks' loan disbursements and deposits. In April, bank lending grew by an annual 11.4% to P14.755 trillion, marking the fastest pace seen in nine months. On the other hand, the latest BSP data showed bank deposits went up by 10.2% to P22.218 trillion in the first quarter from P20.162 trillion in the previous year. Meanwhile, Mr. Ricafort said the BSP's recent regulatory relief measures could also help drive financial system resources higher in the months ahead. In April, the central bank granted banks and borrowers temporary relief measures as it sought to lighten the burden of the Middle East war.
<https://bworldonline.com/top-stories/2026/06/24/758736/phl-financial-system-resources-climb-nearly-11-as-of-end-april/>
- ✓ **PH taps Asian Dev't Bank for UPLIFT funding.** The Philippines has expressed its intent to tap the Asian Development Bank (ADB) for additional funding for the government's Unified Package for Livelihoods, Industry, Food, and Transport (UPLIFT) response, Finance Secretary Frederick Go said. "We have expressed our intent to tap the ADB's counter-cyclical support facility (CSF) in the amount of up to USD1.5 billion to provide additional fundings to support the response measures under the UPLIFT Framework in order to better respond to the ongoing impacts of the Middle East conflict," Go said in a recent briefing. "This includes assistance to vulnerable sectors in order to mitigate the impact of oil supply and other shocks." Go said the CSF provides rapid budget support to member countries in times of shocks. "Examples of shocks obviously are pandemics, global financial crisis, and of course what just happened in the Middle East," he said. UPLIFT was activated by President Ferdinand R. Marcos Jr. through Executive Order No. 110 as part of a whole-of-government response to mitigate the impact of rising oil prices and Middle East tensions. It is a comprehensive, whole-of-government framework to ensure domestic energy supply, delivery of essential services, continuity of economic activity, and the welfare of all citizens, particularly vulnerable sectors, and to mitigate the impact of the conflict in the Middle East.
<https://www.pna.gov.ph/articles/1277776>
- ✓ **IC teases stricter license monitoring to weed out weak players.** Low insurance penetration has long been a persistent challenge for the domestic insurance industry, but the Insurance Commission (IC) noted that the Philippines also lags behind its Asian peers in terms of its asset base. This disparity is particularly stark when compared to other local financial sectors. IC Deputy Commissioner Ermar U. Benitez pointed out that the domestic insurance industry's asset base is equivalent to less than a tenth of the banking sector's. Data showed that the insurance sector's total assets stood at ₱2.65 trillion as of the first quarter of 2026, up seven percent from the ₱2.48 trillion posted during the same period in 2025. However, this figure represents just 8.6 percent of the banking industry's ₱30.9 trillion asset pool as of end-March 2026. This limited asset base carries significant implications for the country's financial stability and its capacity to handle major claims, as a smaller pool of assets restricts the industry's ability to absorb large-scale losses and respond to unforeseen events. To bridge this gap and boost competitiveness, the IC is revisiting the Insurance Code to update outdated provisions and refine the sector's overarching strategy. These efforts are also aimed at improving insurance penetration in the country, which remains low at around two percent of gross domestic product (GDP). According to Benitez, the IC is also benchmarking against foreign jurisdictions to explore how innovations like artificial intelligence (AI) can be adapted to the local landscape—such as utilizing wearable technology to track health metrics for life insurance premiums. However, the immediate priority remains operational efficiency. Apart from altering its operational makeup, the IC is steering its regulatory approach toward stricter enforcement. Benitez, who leads the Commission's management support services group, explained that this tightening does not mean making initial entry requirements more difficult, but rather making "licensing monitoring stricter." Overall, these updates seek to enhance financial consumer protection and ensure industry partners are robust enough to be truly competitive.
<https://mb.com.ph/2026/06/23/ic-teases-stricter-license-monitoring-to-weed-out-weak-players>
- ✓ **Moody's Ratings turns 'negative' on PH banks.** Moody's Ratings lowered its outlook on the Philippine banking system to "negative" from "stable," citing a weaker operating environment for lenders and mounting risks to their asset quality as the economic fallout from the war in the Middle East threatens to weigh on growth and borrowers' ability to repay loans. In a report dated June 19, the global debt watcher warned that the economy would remain under pressure despite the recently announced memorandum of understanding between the US and Iran. The firm forecasts Philippine economic growth of 4 percent to 4.5 percent this year, compared with 4.4 percent in 2025. It said elevated consumer prices and sluggish government spending linked to an ongoing corruption investigation could dampen household consumption and loan demand, creating a more challenging environment for banks. "Although the headline nonperforming loan ratio is stable, risks to banks' asset quality are rising, as evidenced by higher credit costs and write-offs in the first quarter of 2026," it added. Looking ahead, Moody's said it expects loan growth to moderate in 2026 as weaker business and consumer confidence dampens credit demand. Combined with banks' tightening their underwriting standards and slowing growth in their retail segments, capital requirements will ease, it added. Moody's likewise said local banks maintain healthy loan-to-deposit ratios, indicating sufficient liquidity to support credit demand.
<https://business.inquirer.net/596656/moodys-ratings-turns-negative-on-ph-banks>
- ✓ **Stagflation risks seen pulling 2026 Philippine growth to six-year low—OCBC.** Singapore-based Oversea-Chinese Banking Corp. Ltd. (OCBC) has significantly lowered its economic growth forecast for the Philippines, warning that the country's vulnerability to stagflationary pressures and early signs of economic strain could result in its weakest growth pace since the peak of the Covid-19 pandemic. In a June 19 report, OCBC Group Research senior Association of Southeast Asian Nations (ASEAN) economist Lavanya Venkateswaran and ASEAN economist Jonathan Ng warned in their outlook for the second half of 2026 that the Philippines is facing stagnating output growth and overheating inflation following a disappointing first-quarter gross domestic product (GDP) outturn. "As a result, we have sharply revised our GDP growth forecast downward to 3.8 percent year-on-year in 2026, amid a significantly higher inflationary environment," the economists said. If realized, the below-target GDP expansion would mark a sharp slowdown from the 4.4-percent growth rate in 2025. This projection would fall comfortably within the government's freshly lowered growth assumption for this year. Department of Economy, Planning, and Development (DEPDev) Secretary Arsenio M. Balisacan disclosed last Monday, June 22, that the economic team is now looking at growth of 3.5 to 4.5 percent. This slowdown is characterized by a "compound shock" involving domestic energy limitations and external supply chain disruptions. The Singaporean lender said persistent price pressures remain a major drag on the economy, prompting it to raise its inflation

forecast to 5.8 percent in 2026, implying that consumer prices will remain "elevated and stay above the six-percent handle for the remainder of the year." To curb overheating prices, OCBC anticipates further hawkish intervention from the policy-setting Monetary Board (MB). On the fiscal side, the Marcos Jr. administration has rolled out measures to cushion Filipino households from the impact of the Middle East conflict on the domestic economy. These include the temporary suspension of excise taxes on liquefied petroleum gas (LPG) and kerosene for one quarter. Despite these measures, the macroeconomic landscape remains clouded by structural and political uncertainties. <https://mb.com.ph/2026/06/23/stagflation-risks-seen-pulling-2026-philippine-growth-to-six-year-lowocbc>

- ✓ **ANZ: BSP's inflation fight threatens growth outlook.** The Bangko Sentral ng Pilipinas' (BSP) campaign to tame inflation through higher interest rates is likely to exact a further toll on economic growth, according to ANZ Research, which warned that the Philippines remains among the region's more vulnerable economies despite a brighter outlook for much of Asia. In a quarterly report released on Tuesday, ANZ said it had become more optimistic about the region as a technology-driven investment cycle offsets the economic drag from the war in the Middle East. But it struck a more cautious tone on the Philippines and Indonesia, citing weak growth prospects and fragile external positions. ANZ noted that the Philippine central bank remains focused on curbing inflation even as the economy expanded by just 2.8 percent in the first quarter. It expects policymakers to deliver two more quarter-point rate increases, bringing total monetary tightening from trough to peak to 100 basis points. "Monetary tightening will further impede growth," it added. Zooming out, ANZ said both fiscal and monetary policies in Asia are being aligned to address inflation. On the fiscal side, most governments have expanded energy subsidies and broader welfare support. But ANZ said the Philippines stood out with "negligible" fiscal support, reflecting "tight fiscal constraints and legal rigidities in fuel and utility pricing." <https://business.inquirer.net/596858/anz-bsps-inflation-fight-threatens-growth-outlook>
- ✓ **72 agencies to join National Single Window by 2028.** A total of 72 trade-related and other government agencies are set to be onboarded to the National Single Window–Integrated Trade Facilitation Platform (NSW-ITFP) to improve the ease of doing business in the country, the Department of Finance (DOF) said Tuesday. The NSW-ITFP is a centralized digital platform that enables the submission, processing, and exchange of trade-related permits and regulatory documents through a single electronic gateway. Developed under a Build-Operate-Transfer Public-Private Partnership framework with TradeX Network Inc., the NSW-ITFP is implemented by the Department of Information and Communications Technology (DICT), with the DOF serving as the lead policy and oversight body for trade facilitation reforms. As part of the initial rollout, the Bureau of Internal Revenue (BIR) and the National Tobacco Administration (NTA) successfully completed User Acceptance Testing for the onboarding of the Authority to Release Imported Goods (ATRIG) and Import Commodity Clearance (ICC). Both agencies began live operations with selected pilot clients on June 22, 2026. "The National Single Window will reduce red tape, lower costs, and speed up trade transactions. By digitalizing regulatory processes, we are making it easier to do business in the Philippines and strengthening our competitiveness in the global economy," Finance Secretary Frederick Go said in a statement. <https://www.pna.gov.ph/articles/1277907>
- ✓ **Philippines ranks as 2nd most attractive global market for Swedish investors.** Swedish companies are poised to increase their investments in the Philippines within the next 12 months, even as negative perceptions related to the country's level of corruption remain elevated. According to this year's Business Climate Survey (BCS) among Swedish firms operating in the country, around 63 percent plan to increase their investments "slightly" or "significantly" over the coming year. This is an improvement of eight percentage points (ppt) from the first edition of the BCS released last year, when 55 percent of the surveyed companies said they planned to increase their investments. Companies that are well-positioned to ramp up their investments include those in the professional services sector, particularly as they integrate artificial intelligence (AI) into their operations. While the Philippines remains a strategic growth driver for these companies, the BCS showed that they are more cautious about the business environment compared to previous years due to continued regulatory inefficiencies. Based on this year's survey, the country's business climate received a rating of 3.1 out of five, slightly below the global average of 3.2. Corruption, in particular, continues to be the major concern for Swedish companies operating in the country, especially in their interactions with government agencies. Sweden Trade Commissioner to the Philippines Johan Lennefalk said the negative perception was driven largely by the massive corruption scandal last year, which impacted investor confidence and business sentiment. Apart from this, Lennefalk said other persistent concerns include the country's infrastructure, financial system, corporate taxation, customs processes, and level of digitization, among others. Despite these concerns, he said optimism remains strong in the Philippines because of its strong work culture, which Swedish companies identified as the country's greatest strength. <https://mb.com.ph/2026/06/23/philippines-ranks-as-2nd-most-attractive-global-market-for-swedish-investors>
- ✓ **SSS Pension Booster yields 6.2% return in Jan-May.** The Social Security System (SSS) said its Pension Booster Program earned an average 6.2% return on investment in the first five months of 2026, which it credited to prudent fund management despite challenging economic conditions. The latest return rate is higher than the 4.77% year-to-date average for the 91-day Treasury bill rate and follows the 6.83% return recorded in 2025, when contributions rose by 21.8% to P699 million from P574 million the previous year. "The strong performance of the Pension Booster demonstrates disciplined and professionally managed savings," SSS President and Chief Executive Officer Robert Joseph de Claro said in an emailed statement. The Pension Booster allows SSS members to build additional retirement savings through contributions as low as P500. These contributions are pooled and invested in government securities, corporate bonds, fixed-income instruments, equities, and money market instruments, with tax-free earnings credited proportionately to members' accounts. "Planning and saving for retirement should begin early. The longer members stay invested, the greater their potential returns," de Claro said. <https://www.gmanetwork.com/news/money/companies/992418/sss-pension-booster-yields-6-2-return-in-jan-may/story/>
- ✓ **Asia Brewery eyes Q4 2027 start for P1-B yogurt plant.** ABI Pascual Foods Inc., the dairy arm of tycoon Lucio Tan's Asia Brewery Inc., said Tuesday it expects its P1-billion long-life yogurt production facility in Laguna to begin operations by the fourth quarter of 2027. ABI President Michael Tan said the company has already ordered the equipment for the facility, which will be located beside its manufacturing complex in Cabuyao. Tan said the facility would allow the company to produce yogurt products locally, eliminating the need for imports. At present, ABI sources its yogurt products from Spain, where they are manufactured by joint venture partner Calidad Pascual. "The market for dairy and other products is growing, so at least in the future, we will have local capacity. It's better that we manufacture and grow our own food rather than rely on imports," he said. <https://www.gmanetwork.com/news/money/companies/992416/asia-brewery-eyes-q4-2027-start-for-p1-b-yogurt-plant/story/>
- ✓ **Century Properties raising P3 billion to expand beyond Metro Manila.** Antonio-led Century Properties Group Inc. is raising P3 billion through a private placement of corporate notes to bankroll its project pipeline and expand its land bank. In a disclosure to the Philippine Stock Exchange, the firm said its board approved the issuance of five-year, fixed-rate notes. The debt instruments will be exempt from registration with the Securities and Exchange Commission as they are being sold exclusively to qualified institutional buyers. The notes, which will be enrolled on the Philippine Dealing & Exchange Corp. platform, will be issued within June 2026 in scripless form. They will carry a minimum denomination of P25 million each, with additional investments allowed in multiples of P5 million. Century Properties is deploying a P12 billion capital expenditure program this year to accelerate construction, pivot away from an oversupplied mid-income condominium segment in metropolitan areas, and scale up its premium and affordable housing brands. The capital injection comes as developers in the Southeast

Asian nation recalibrate their portfolios toward residential developments in rapid-growth suburban economic hubs outside the capital region. By balancing its affordable and premium portfolios, the company expects to insulate its earnings from segment-specific slowdowns while establishing a broader footprint across the nation's key economic corridors.

<https://mb.com.ph/2026/06/23/century-properties-raising-3-billion-to-expand-beyond-metro-manila>

- ✓ **Megawide eyes ₱1.2-billion profit as social housing, transport projects expand.** Saavedra-led Megawide Construction Corp. expects its net income to surge 79 percent this year, driven by the growing pipeline of state-backed housing projects and aggressive debt reduction. Edgar Saavedra, Megawide chairman and chief executive officer, said the company is targeting a net profit of ₱1.2 billion for the full year, up from ₱669 million in 2025, due to optimization of its balance sheet and lower financing costs, which are helping to accelerate earnings growth. Megawide is leveraging the government's expanded "4PH" socialized housing initiative to anchor its mid- to long-term performance. The developer is managing a construction order book valued at ₱48.7 billion as of March 2026. The portfolio comprises mass housing contracts, large-scale commercial and industrial builds, and residential developments under its real estate unit, PH1 World Developers Inc. Roughly 22,000 socialized housing units are currently in various stages of construction. The financial recovery is heavily tied to the builder's capital restructuring efforts. Megawide reduced its short-term liabilities by approximately ₱6 billion as of March 2026. The move lowered its bank net debt-to-equity ratio to 0.8 times, compared with 1.1 times at the end of December 2025. Megawide estimated the debt reduction will yield between ₱250 million and ₱300 million in interest expense savings for the year. Beyond housing, Megawide is expanding its transport-centric development portfolio. The company is currently building the ₱1.2 billion Baguio City Integrated Terminal, the South Luzon Integrated Terminal Exchange, and the Cavite Bus Rapid Transit System to secure long-term recurring revenue streams. <https://mb.com.ph/2026/06/23/megawide-eyes-12-billion-profit-as-social-housing-transport-projects-expand>
- ✓ **Meralco, VinEnergy study 25,000-MW renewable-storage pipeline.** Meralco, its power generation arm MGen, and Vietnam-based VinEnergy Energy Joint Stock Co. have signed a preliminary agreement to study renewable energy and storage projects that could support the Philippines' future power needs. Under the non-binding memorandum of understanding, MGen and VinEnergy will explore renewable energy-based solutions capable of delivering up to 5,000 megawatts of baseload-equivalent capacity, which could involve about 25,000 MW of integrated renewable energy and energy storage capacity. The parties will also study opportunities in electric vehicle charging infrastructure, including residential, commercial, and fleet charging solutions, while any future projects or investments will be subject to separate agreements, regulatory requirements, and further assessments. <https://malaya.com.ph/business/corporate/meralco-vinenergy-study-25000-mw-renewable-storage-pipeline/>



REST OF THE WORLD



- ✓ **Asian stocks fluctuate after Wall Street sell-off, crude holds losses on peace talks.** Asian equities fluctuated on Tuesday (Jun 23) following a tech-led sell-off on Wall Street as investors again questioned a long-running AI-fuelled boom, while crude largely held losses that came on the back of positive US-Iran talks. While Washington and Tehran flagged progress at peace negotiations in Switzerland, traders are struggling to build on last week's rally sparked by news of a deal to end the Middle East conflict. Tech firms - the main driver of a surge across world markets as investors pile into all things AI - took a hit in Asia. South Korean chip giants SK hynix and Samsung tumbled to drag the Kospi index down more than 3 per cent, though it is still up more than 100 per cent since the turn of the year. Tokyo was also in the red, with tech investment titan SoftBank shedding more than 7 per cent and chipmaker Tokyo Electron down. Taipei and Shanghai were down, with Hong Kong and Sydney flat. Singapore, Wellington and Manila edged up. Attention is also on Tokyo as the yen sits just below a 40-year low against the dollar following the Federal Reserve's hawkish turn last week and concerns the Japanese central bank might not be doing enough to fight inflation. <https://www.channelnewsasia.com/asia/asian-stocks-fluctuate-wall-st-crude-peace-talks-6202546>
- ✓ **Europe's Stoxx 600 ends lower as tech sell-off, rising US Fed hike bets weigh.** Europe's benchmark Stoxx 600 closed lower on Tuesday (Jun 23), as expectations for imminent interest rate hikes by the US Federal Reserve and concerns around increased corporate spending on artificial intelligence dented sentiment. The pan-European index closed 0.7 per cent lower, after paring some of its earlier gains. It had hit its lowest level since Jun 12, with most sectors trading in negative territory. European tech stocks have been the biggest gainers among major sectors this quarter. However, as borrowing costs tick higher, companies banking on debt-backed spending are likely to come under pressure. Alongside, investors raised bets on monetary policy tightening in the US, with traders now pricing in a 25 basis-point hike and an over 50 per cent chance of another similar increase by end-2026, LSEG-compiled data showed. Markets are also holding on to bets that the European Central Bank (ECB) will lift borrowing costs by another 25 bps later this year, despite ECB President Christine Lagarde downplaying second-round inflation fears on Monday. <https://www.businesstimes.com.sg/companies-markets/capital-markets-currencies/europes-stoxx-600-ends-lower-tech-sell-rising-us-fed-hike-bets-weigh>
- ✓ **Wall Street ends lower on semiconductor sell-off as AI spending concerns mount.** The Nasdaq and the S&P 500 closed at more than one-week lows on Tuesday (Jun 23), dragged down by sharp losses in semiconductor stocks as investors scrutinised growing debt-funded artificial intelligence spending and braced for a more hawkish US Federal Reserve. The Dow ended slightly lower. The Philadelphia SE Semiconductor index tumbled 7.9 per cent and the S&P 500 information technology sector index slipped 3.7 per cent. The Dow Jones Industrial Average fell 45.87 points, or 0.09 per cent, to 51,666.84, the S&P 500 lost 107.33 points, or 1.44 per cent, to 7,365.46 and the Nasdaq Composite lost 579.56 points, or 2.21 per cent, to 25,587.04. The CBOE Volatility Index, Wall Street's fear gauge, hit an over-one-week high, climbing 2.23 points to 19.52. <https://www.businesstimes.com.sg/companies-markets/capital-markets-currencies/wall-street-ends-lower-semiconductor-sell-ai-spending-concerns-mount>
- ✓ **Brent Drops Further.** Brent crude oil dropped below \$77 per barrel on Tuesday, extending losses from the previous session to hit a near three-month low on signs of initial progress in ongoing peace negotiations between the US and Iran. In a key development, Washington granted Iran a 60-day license to sell oil on international markets, raising expectations of a quicker recovery in global supply. Traffic through

the Strait of Hormuz has also picked up, with producers including Kuwait and the United Arab Emirates finding alternative routes to export energy, while Iran shipped more than 30 million barrels over the past week. Meanwhile, Iran's nuclear program remains a major point of contention after Vice President JD Vance said Tehran had agreed to admit nuclear inspectors, a claim Iranian officials have denied.
<https://tradingeconomics.com/commodity/brent-crude-oil/news/561021>

- ✓ **Gold Pressured by Fed Rate Hike Expectations.** Gold fell below \$4,150 an ounce on Tuesday, giving back gains from the previous session as firm expectations for Federal Reserve interest rate hikes outweighed optimism surrounding ongoing US-Iran peace negotiations. Both Deutsche Bank and BofA Global Research have revised their forecasts to include a rate increase in September. Investors are now focused on this week's PCE report, which contains the Fed's preferred inflation gauge and is expected to offer fresh insight into underlying price pressures.
<https://tradingeconomics.com/commodity/gold/news/560955>
- ✓ **China pursues austerity with first fiscal gap cutback since 2023.** China narrowed its cumulative fiscal deficit for the first time in more than two years, pressing ahead with austerity despite muted domestic demand and slowing economic growth. The combined shortfall under China's two biggest government budgets shrank 4.1 per cent in the first five months from the same period a year earlier to 3.2 trillion yuan (\$561 billion), according to Bloomberg calculations based on data released by the Ministry of Finance late on Monday (Jun 22). Last month alone, government expenditure fell 3.9 per cent on year, the third consecutive month of decline. Total spending under the two accounts fell 0.3 per cent in January to May, even as broad income climbed 0.8 per cent. "Fiscal policy has become less supportive of growth in the second quarter versus the first, on the back of falling land sales revenue and shrinking policy bank support," Goldman Sachs economists, including Lisheng Wang, said in a report. But given strong exports and this year's modest growth target, "we do not expect significant, broad-based stimulus in the near-term", they said. The fiscal choices made by China come at the expense of economic growth, with consumer spending and investment dropping to levels unseen since the pandemic. For now, infrastructure-related expenditure is in decline, decreasing 12 per cent on year in May after an 18 per cent slump in the previous month, according to Bloomberg calculations based on the official numbers.
<https://www.businesstimes.com.sg/international/china-pursues-austerity-first-fiscal-gap-cutback-2023>
- ✓ **South Korea's finance minister says current FX level 'excessive'.** South Korea's Finance Minister Koo Yun-cheol said at a cabinet meeting on Tuesday that the current foreign exchange level at around mid-1,500 won per U.S. dollar is "excessive" compared to the country's fundamentals. Asked by South Korean President Lee Jae Myung about why the won is so weak despite strong exports and a record-high current account surplus, Koo said profit-taking by foreign investors holding local equities was putting downward pressure on the currency. Foreign investors are estimated to have sold around 140 trillion won (\$91.21 billion) for portfolio rebalancing during a rapid rally of the South Korean stock market, Koo said, without elaborating on the period. The regulators will prevent sudden volatility in markets, Koo added.
<https://www.channelnewsasia.com/business/south-koreas-finance-minister-says-current-fx-level-excessive-6202476>
- ✓ **Major Japanese auto factories set sights on relocation from Indonesia.** Two major Japanese automotive component manufacturers operating in East Java are considering relocating part of their production to Vietnam and could carry out large-scale layoffs in Indonesia as they shift their focus toward electric vehicles, according to Said Iqbal, special presidential advisor for employment and workers' welfare. The companies are reviewing plans to move production to countries deemed more competitive for electric vehicle (EV) development, potentially affecting thousands of workers, Said, who also serves as president of the Confederation of Indonesian Trade Unions (KSPI) and chairman of the Labor Party, stated on Sunday. The issue ultimately reflects broader questions surrounding the country's electric vehicle policy framework. Said added that those companies believe EV manufacturing in Indonesia is less competitive, while Vietnam has rolled out policies that are more supportive of EV investment. The reported relocation plans come as Indonesia's EV industry faces uncertainty over government incentives that have lapsed. The government also reversed plans earlier this year to remove certain tax incentives for electric vehicles following industry backlash, adding to uncertainty over the regulatory environment for EV investment.
<https://asianews.network/major-japanese-auto-factories-set-sights-on-relocation-from-indonesia/>
- ✓ **Sterling Edges Down, Holds Firmly Above \$1.32.** The British pound weakened against a firmer US dollar but remained comfortably above \$1.32 as investors balanced easing political uncertainty with weaker UK economic data. Sterling gave back some of the previous session's gains as the dollar regained ground and broader market sentiment softened. Investors welcomed signs that a prolonged Labour leadership contest was becoming less likely after Keir Starmer announced his resignation. Andy Burnham is now seen as the leading candidate to replace him, with backing from former health secretary Wes Streeting reducing the risk of a drawn-out leadership battle. On the economic front, June flash PMI data showed a weaker picture, with the composite index falling to a 14-month low of 49.4, below expectations and signalling a second consecutive month of contraction. Rising input costs and accelerating services inflation continue to complicate the Bank of England's policy outlook.
<https://tradingeconomics.com/united-kingdom/currency/news/561164>
- ✓ **EU bets on digital euro to cut US tech addiction.** The European Union (EU) believes a digital euro is the answer to cutting its addiction to United States payment systems like Visa and Mastercard, as well as Apple Pay and Google Pay, as the bloc seeks to favour European firms over others. Brussels hopes it could provide an alternative local option for any payments in shops or online since people could easily pay, just like other systems, using a card, an app or via their banking app. The EU will move one step closer on Tuesday (Jun 23) to creating a digital euro when EU lawmakers hold a long-awaited vote on the virtual currency. The digital euro cannot be created without the rules underpinning the project being approved by the EU capitals and the European Parliament. Payment systems are "not neutral" but "instruments of power", centrist EU lawmaker Gilles Boyer said in a statement. "We, Europeans, have had many wake-up calls about our dependence on the US. We're fully awake now, but we're not always acting," he said, adding Tuesday's vote would make "a sovereign, pan-European payment solution a reality".
<https://www.channelnewsasia.com/world/eu-us-digital-euro-tech-ecb-virtual-wallet-6202921>
- ✓ **Alan Greenspan, former chairman of the Fed, dies at age 100.** Alan Greenspan, the longtime Federal Reserve chairman known as "the Maestro" who became one of the most influential economic policymakers of his era and famously warned of "irrational exuberance," has died. He was 100. The influential economist died Monday at his home from complications of Parkinson's Disease, said his wife of 29 years, Andrea Mitchell, the chief Washington correspondent and chief foreign affairs correspondent for NBC News. The Fed in a statement Monday morning said it noted Greenspan's passing "with deep sadness" and said his "contributions to monetary policy and economic thought left a lasting mark on this institution, on the broader field of economics, and on the country."

<https://www.cnbc.com/2026/06/22/alan-greenspan-former-chairman-of-the-fed-dies-at-age-100.html>

- ✓ **US Manufacturing Growth Strongest Since 2022.** The S&P Global US Manufacturing PMI increased to 55.7 in June 2026 from 55.1 in May, surpassing market forecasts of 54.8 and reaching its highest level since May 2022. This expansion signifies that factory business conditions have improved continuously since last August, with growth steadily accelerating from the recent low point in February. Driving this upward momentum, production growth accelerated at the fastest pace since July 2021, propelled by the largest surge in new orders since April 2022. Additionally, input inventories experienced their biggest increase since May 2025, marking the second steepest rise in the history of the survey. The PMI also benefited from the most significant lengthening of supplier delivery times recorded since August 2022. Conversely, the overall index gains were partially constrained by a substantial decline in employment, which represented the sharpest drop in manufacturing workforce levels since May 2020.
<https://tradingeconomics.com/united-states/manufacturing-pmi/news/561208>

UPCOMING BAIPHIL WEBINARS



TRAINING PROGRAMS		PROGRAM DETAILS		
COMMITTEE	TITLE	DATE	COURSE OUTLINE	REGISTRATION LINK
Finance and Audit Course Committee (FACCOM)	Prudential/Regulatory Accounting Standards for the Statutory Reporting of Banks – Part 2 (Focus on FRP and Prudential Reporting Requirements)	July 3 – 4, 2025	PROGRAM DETAILS	REGISTER HERE
	Independent Assurance Assessment of Retail Branch Banking's AML Regulatory Compliance Culture & Ethical Culture and their AML Risk Governance & Controls	July 30-31, 2026	PROGRAM DETAILS	REGISTER HERE
	Essential Tools to Smart Financial Decisions: Cost-Benefit Analysis, Budgeting, Breakeven, and Beyond	August 13, 2026	PROGRAM DETAILS	REGISTER HERE
	Accounting for Non-Accountants (With Financial Statement Analysis)	September 9 - 10, 2026	PROGRAM DETAILS	REGISTER HERE
Governance, Legal, Regulatory and Compliance (GLRC) Course Committee	Mandatory Lending (e.g., Agri-Agra Credit) Legal Framework, Regulations and Reporting	June 29, 2026	PROGRAM DETAILS	REGISTER HERE
	From Disruption to Discipline: Guidelines on Building Operational Resilience	June 30, 2026	PROGRAM DETAILS	REGISTER HERE
	Basic Course on Corporate Governance	July 21, 2026	PROGRAM DETAILS	REGISTER HERE
	Basic Course on Corporate Governance	September 23, 2026	PROGRAM DETAILS	REGISTER HERE
Information Technology and Security Course (ITSEC) Committee	Intermediate Excel Training for Bankers	June 25 - 26, 2026	PROGRAM DETAILS	REGISTER HERE
	Cybersecurity in the Modern Threat Landscape: The Role of Threat Intelligence	June 26, 2026	PROGRAM DETAILS	REGISTER HERE
	Advanced Excel Training for Bankers	July 9 – 10, 2026	PROGRAM DETAILS	REGISTER HERE
	Excel VBA Programming	July 30 – 31, 2026	PROGRAM DETAILS	REGISTER HERE
	Artificial Intelligence Management thru ISO 42001: 2023	August 28, 2026	PROGRAM DETAILS	REGISTER HERE
Leadership Effectiveness Course (LEC) Committee	Cloud Security	September 7, 2026	PROGRAM DETAILS	REGISTER HERE
	Basic Leadership and Effective Supervision Seminar (BLESS) For Bank Supervisors	July 22, 2026	PROGRAM DETAILS	REGISTER HERE
	Effective Business Writing: Professionalizing Your Communication Skills (Module 1)	August 18, 2026	PROGRAM DETAILS	REGISTER HERE
Products, Bank Operations and Management (PBOM) Course Committee	Leadership Effectiveness and Advancement Program (LEAP) - A Program for Managers	August 19 - 20, 2026	PROGRAM DETAILS	REGISTER HERE
	Fraud and Forgery Detection and Prevention Program	June 24, 2026	PROGRAM DETAILS	REGISTER HERE
	Know Your Money and Counterfeit Detection	June 25, 2026	PROGRAM DETAILS	REGISTER HERE
	Treasury in Banking: The Very Basics	July 10, 2026	PROGRAM DETAILS	REGISTER HERE

	Basic Identification Documents, Business and Income Documents Verification	July 20, 2026	PROGRAM DETAILS	REGISTER HERE
	Signature Verification and Forgery Detection	July 23, 2026	PROGRAM DETAILS	REGISTER HERE
	Outsourcing Management	July 27, 2026	PROGRAM DETAILS	REGISTER HERE
	Treasury in Banking: Asset-Liability Management	July 31, 2026	PROGRAM DETAILS	REGISTER HERE
	Treasury in Banking: Accounting & Financial Reporting	August 7, 2026	PROGRAM DETAILS	REGISTER HERE
	Money and Capital Market	August 14, 2026	PROGRAM DETAILS	REGISTER HERE
	Fraud and Forgery Detection and Prevention Program	August 27, 2026	PROGRAM DETAILS	REGISTER HERE
	Know Your Money and Counterfeit Detection	August 28, 2026	PROGRAM DETAILS	REGISTER HERE
Risk Management Course (RMC) Committee	Environmental, Social and Governance	July 7, 2026	PROGRAM DETAILS	REGISTER HERE
	Information Security Risk Assessment (aligned to BSP M-2022-30)	July 13, 2026	PROGRAM DETAILS	REGISTER HERE
	Third Party Risk Management	July 20, 2026	PROGRAM DETAILS	REGISTER HERE
	Enterprise Risk Management	August 4, 2026	PROGRAM DETAILS	REGISTER HERE
	Business Continuity: Strengthening Your Fundamentals to a Robust or Resiliency Level	August 24, 2026	PROGRAM DETAILS	REGISTER HERE
	Crisis Management	August 26, 2026	PROGRAM DETAILS	REGISTER HERE



Leadership is all about building relationships, understanding people, and inspiring them to be their best.

Barack Obama

REFERENCES

- 1 Reuters: <https://www.reuters.com/finance/currencies>
- 2 Philippine Dealing System: <http://www.pds.com.ph/>
- 3 Philippine Stock Exchange: <http://www.pse.com.ph/stockMarket/home.html>
- 4 Reuters: <https://www.reuters.com/markets/stocks>
- 5 Bloomberg: <https://www.bloomberg.com/markets/commodities>
- 6 CNN Money: <https://money.cnn.com/data/bonds/>

OTHER REFERENCES / EXTERNAL LINKS

- > *Philippine Stock Exchange*: <http://www.pse.com.ph/stockMarket/home.html>
- > *Philippine Dealing System*: <http://www.pds.com.ph/>
- > *GMA News Online*: <http://www.gmanetwork.com/news/>
- > *BPI Asset Management*: <https://www.bpiassetmanagement.com/>
- > *Business World*: <http://bworldonline.com/>
- > *Philippine Daily Inquirer*: <http://business.inquirer.net/>
- > *Philippine Star*: <https://www.philstar.com/business/>
- > *ABS-CBN News*: <http://news.abs-cbn.com/business/>
- > *Manila Bulletin*: <https://mb.com.ph/>
- > *Manila Standard*: <http://manilastandard.net/>
- > *Philippine News Agency*: www.pna.gov.ph
- > *AutoIndustriya*: <https://www.autoindustriya.com/>
- > *The Wall Street Journal*: <https://www.wsj.com/asia/>
- > *Reuters*: <https://www.reuters.com/>
- > *Bloomberg*: <https://www.bloomberg.com/markets/>
- > *Business Mirror*: <https://businessmirror.com.ph/>
- > *CNN Money*: <http://money.cnn.com/>
- > *Bangko Sentral ng Pilipinas*: <http://www.bsp.gov.ph/>
- > *Bankers Association of the Philippines*: <http://bap.org.ph/>
- > *Bureau of Treasury*: <http://www.treasury.gov.ph/>
- > *Philippine Statistics Authority*: <https://psa.gov.ph/>
- > *Trading Economics*: <https://tradingeconomics.com/>
- > *South China Morning Post*: <http://www.scmp.com/>
- > *Japan Times*: <https://www.japantimes.co.jp>
- > *The Japan News*: <http://www.the-japan-news.com>
- > *Market Watch*: <https://www.marketwatch.com/>
- > *Asia Nikkei*: <https://asia.nikkei.com/>
- > *Straits Times*: <https://www.straitstimes.com/global>
- > *Channel News Asia*: <https://www.channelnewsasia.com/>
- > *CNBC*: <https://www.cnn.com/>
- > *The New York Times*: <https://www.nytimes.com/>
- > *Gulf News*: <https://gulfnews.com/>

COMPILED AND PREPARED BY: RACHELLE FAJATIN, Corporate Communications and Information Exchange Committee

DISCLOSURE: The BAIPHIL Market Watch (BMW) is for informational purposes only. The content of the BMW is sourced from third party websites and may be subject to change without notice. Although the information was compiled from sources believed to be reliable, no liability for any error or omission is accepted by BAIPHIL or any of its directors, officers or employees, and BAIPHIL is not under any obligation to update or keep current this information.

[Go To Homepage](#)