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BAIPHIL MARKET WATCH

08 July 2026

BAIPHIL: Aligning Innovation and Regulation in the AI Era

Legend
- *Improvement / Up*
- *Deterioration / Down*
- *No Movement*

FINANCIAL MARKETS AT A GLANCE

Currency Echange[1]	Current	*Previous*
USD/PHP	61.4350	*61.4910*
USD/JPY	161.8500	*162.0900*
USD/CNY	6.7945	*6.7965*
EUR/USD	1.1426	*1.1442*
GBP/USD	1.3386	*1.3392*

PHP BVAL Reference Rates[2]	Current	*Previous*
30-Day	4.8342	*4.8189*
91-Day	5.0787	*5.0953*
180-Day	5.5538	*5.5709*
1-Year	5.9641	*6.0105*
3-Year	6.5288	*6.5424*
5-Year	6.8101	*6.8180*
10-Year	7.0955	*7.1268*

Domestic Stock Index[3]	Current	*Previous*
PSEi	6,247.11	*6,223.99*
Trade Value (Php B)	5.692	*6.504*

	Current	*Previous*
NIKKEI 225	68,256.96	*69,737.69*
FTSE 100	10,665.88	*10,651.77*
DOW JONES	52,925.15	*53,055.91*
S&P 500	7,503.85	*7,537.43*
NASDAQ	25,818.69	*26,121.16*

Various[5/6]	Current	*Previous*
Brent Crude (USD/bbl)	73.04	*71.99*
3-M US Treasury Yield	3.86%	*3.87%*
5-Y US Treasury Yield	4.27%	*4.21%*
10-Y US Treasury Yield	4.55%	*4.48%*

PHILIPPINES

- ✓ **PSEi extends winning streak on easing inflation.** Local stocks rose for a fifth straight session on slower June inflation and gains in International Container Terminal Services, Inc., though trading remained subdued. The benchmark Philippine Stock Exchange Index (PSEi) climbed 0.37 percent, or 23.12 points, to close at 6,247.11. Luis Limlingan, head of sales at Regina Capital Development Corp., said the local bourse extended its uptrend as inflation data came in better than expected, reinforcing optimism on the inflation outlook. Despite the advance, investor participation stayed muted. Net value turnover reached only P5.33 billion, as many market participants continued to assess the economic outlook, Philstocks said. Foreign investors, however, ended the session as net buyers with P770.42 million in net inflows.
https://business.inquirer.net/599296/psei-extends-winning-streak-on-easing-inflation

- ✓ **BTr raises P30B in 5-year T-bonds as yield falls.** The Bureau of the Treasury raised P30 billion from reissued five-year Treasury bonds on Tuesday as strong investor demand helped push the average yield lower. The reissued FXTN 20-17, with a remaining life of five years and 11 days, fetched an average yield of 6.869 percent. Total bids reached P72.8 billion, 2.4 times the P30-billion offer, prompting the Treasury to make a full award. The issuance brought the outstanding volume of FXTN 20-17 to P522.8 billion. Michael Ricafort, chief economist at Rizal Commercial Banking Corp., said the average yield was 0.631 percentage point lower than the 7.40 percent recorded at the previous comparable five-year bond auction on June 2. He attributed the decline partly to easing inflation expectations following the retreat in global crude oil prices after the interim United States-Iran agreement reached on June 17. Ricafort said investors may be positioning for a possible peak in bond yields after long-term domestic borrowing costs climbed to multiyear highs in May. He said the decline in oil prices and the easing of domestic bond yields could improve market conditions for further government borrowing. The Department of Finance has signaled a possible Retail Treasury Bond issuance in the second half of 2026, particularly if long-term borrowing costs decline further from recent elevated levels.
https://malaya.com.ph/business/business-news/btr-raises-p30b-in-5-year-t-bonds-as-yield-falls/

- ✓ **Peso gains as inflation fears wane.** The peso edged up on Tuesday as lower global oil prices and June Philippine consumer price index data supported expectations of easing inflationary pressures. The currency rose by 5.6 centavos to close at P61.435 per dollar from P61.491 on Monday, according to data on the Bankers Association of the Philippines' website. "Slower inflation tends to improve the peso's purchasing power than otherwise," he said.
https://bworldonline.com/banking-finance/2026/07/08/761726/peso-gains-as-inflation-fears-wane/

- ✓ **Inflation eases for second straight month in June.** Lower transport and food prices led Philippine inflation to ease for a second straight month in June, although continued pass-through effects continued to drive core inflation faster, the Philippine Statistics Authority (PSA) said. Based on PSA data released on Tuesday, headline inflation slowed to 6.4% in June from 6.8% in May, but was still much faster than the

1.4% pace logged a year ago. The June inflation print came in below the 6.6% median forecast in a BusinessWorld poll of 18 analysts. National Statistician Claire Dennis S. Mapa said inflation in transport cooled to 12.8% in June from 16.2% in May, while food and nonalcoholic beverages eased to 5.2% from 5.7%. As of the first half of the year, inflation averaged 4.8%, still above the Bangko Sentral ng Pilipinas' (BSP) 4% ceiling. Meanwhile, core inflation, which discounts volatile fuel and food prices, quickened to 4.4% from 4.1% in May and 2.2% last year. This matched the December 2023 reading and was the fastest pace seen since the 4.7% in November 2023. https://bworldonline.com/top-stories/2026/07/07/761606/inflation-eases-for-second-straight-month-in-june/

- ✓ **BSP says oil costs continue to threaten price stability.** Despite headline inflation easing further to 6.4 percent in June, the Bangko Sentral ng Pilipinas (BSP) warned that price pressures from global oil prices remain strong, assuring the public that it stands ready to take the necessary policy actions to steer inflation back to its three-percent target. The BSP expects inflation to settle within six to seven percent this year. While price growth continues to trend downward, the BSP still flagged elevated pressures threatening consumer prices. "Inflationary pressures remain strong," the BSP said in a statement on Tuesday, July 7. "Global oil and fertilizer prices remained elevated in June and continue to drive domestic fuel and food prices." It also bears noting that core inflation, which strips away consumer basket items with volatile prices, jumped to 4.4 percent from 4.1 percent in the previous month. It accelerated to twice the 2.2 percent recorded in June 2025. "Rising core inflation indicates broadening price pressures and second-round effects, including higher inflation expectations," the BSP said. For the months ahead, the BSP expects inflation to remain on an upward trend, with the 2026 print seen averaging 6.4 percent and 4.5 percent for 2027, both of which would breach the four-percent upper ceiling of the BSP's tolerance range. It said recent macroeconomic developments, "especially in the international oil market," will be monitored closely and factored into the August policy meeting.
https://mb.com.ph/2026/07/07/bsp-says-oil-costs-continue-to-threaten-price-stability

- ✓ **Philippine inflation eases, but rate hikes still likely.** Headline CPI inflation in the Philippines eased to 6.4% year-on-year in June from 6.8% in May, coming in slightly below market expectations. The biggest source of disinflation came from transport. Following a roughly 12% decline in domestic fuel prices in the month of June and 24% from their April peak, transport prices slowed to 13% YoY from 16% previously. Food inflation remained the largest contributor to headline CPI, reflecting its roughly 38% weight in the consumption basket. While food prices continued to exert upward pressure, the contribution eased modestly from the previous month. Rice inflation softened to 15.0% YoY from 15.6%, contributing 1.1ppt to headline inflation. Inflation in non-rice food categories also moderated, suggesting some of the supply-driven pressures seen in recent months are beginning to ease. We continue to expect the Bangko Sentral ng Pilipinas (BSP) to deliver another 50bp of rate hikes in the second half of 2026, despite the latest moderation in headline inflation. While the June CPI print offers some reassurance that inflation has peaked, underlying price pressures remain elevated. This is likely to keep the central bank cautious for several reasons. First, although Brent crude prices have retreated sharply and are now close to pre-conflict levels, retail gasoline prices in the Philippines remain around 35% above pre-war levels. We also see some upside risks to global oil prices over the remainder of the year. Second, the acceleration in core inflation underscores the persistence of second-round effects. Despite softer headline inflation, core CPI rose to 4.4% YoY, suggesting that underlying demand and cost pressures remain firm. In particular, services and utility inflation continue to trend higher, indicating that inflationary pressures are becoming more entrenched beyond energy and food. Third, recently announced wage increases could add to inflation pressures. While the direct impact on inflation may be manageable, any wider wage adjustments within the country raise the risk of broader second-round effects as firms seek to pass higher labour costs on to consumers. Finally, food inflation remains vulnerable to supply-side shocks. The growing probability of a strong El Niño episode poses upside risks to food prices in the coming months, potentially keeping headline inflation volatile. Taken together, while headline inflation has eased, we don't believe the BSP has enough evidence yet to declare victory. Persistent core inflation, rising wages and lingering food-price risks should keep policymakers focused on ensuring inflation expectations remain anchored, supporting our expectation of further rate hikes by the BSP.
https://think.ing.com/snaps/philippines-inflation-eases-but-bsp-rate-hikes-still-likely/

- ✓ **Gov't debt payments jump to ₱1.15 trillion at end-May as principal settlements surge.** Domestic principal payments continued to dominate the national government's (NG) debt settlements through the first five months of 2026, raising total debt servicing by more than three-fifths to ₱1.15 trillion. The latest Bureau of the Treasury (BTr) data showed that the NG's total debt payments from January to May surged 64 percent from the ₱703 billion recorded in the same five-month period in 2025. Amortization, or principal repayment, accounted for the largest portion of total debt service as of end-May, representing 63.3 percent of total. These payments reached ₱728.2 billion, more than doubling the ₱345.6 billion paid during the same period in 2025. In contrast, the government saw a significant reduction in amortization payments to external lenders, which fell to ₱97.8 billion from ₱175.2 billion in 2025. Interest payments (IPs), making up the remaining 36.7 percent of debt obligations through May, climbed 17.9 percent to ₱421.3 billion from ₱357.4 billion in the previous year. Domestic lenders received the bulk of these IPs, totaling ₱320.8 billion for the period, an increase of 23 percent from ₱261.3 billion in 2025. IPs on the government's external debt inched up 4.6 percent to ₱100.5 billion from ₱96.1 billion in 2025. For the month of May alone, the government's debt payments rose 21.4 percent to ₱97.2 billion from ₱80 billion in May 2025. Unlike the year-to-date trend, where amortization dominated, IP costs made up the bulk of May's total obligations at 87.1 percent, climbing to ₱84.6 billion from ₱70 billion a year ago. Amortization for the month rose to ₱12.6 billion from ₱10.1 billion in 2025. To recall, the NG's debt service burden surged to a record ₱2.1 trillion in 2025, as the administration of President Ferdinand R. Marcos Jr. grappled with ballooning IP costs that now consume an increasing share of the budget. Total debt payments last year rose 4.1 percent from ₱2.02 trillion in the previous year.
https://mb.com.ph/2026/07/06/govt-debt-payments-jump-to-115-trillion-at-end-may-as-principal-settlements-surge

- ✓ **Gov't maintains borrowing plan despite Umic transition–DOF.** The Marcos administration will maintain its borrowing program despite the Philippines' new upper middle-income country (Umic) status, Finance Secretary Frederick Go said. "There's nothing for you to be worried about. For the near term, or at least for the next three years, no change. We're not going to lose any grants. We're not going to borrow at more expensive rates for the next three years," Go told reporters during a press briefing. The government will maintain a 77:23 domestic-to-external borrowing mix. For 2026, it plans to borrow P2.68 trillion, including P2.05 trillion from the domestic market and P627.1 billion from foreign lenders. Go said the government plans to keep the borrowing mix within the 70:30 to 80:20 range through the end of the Marcos administration.
https://business.inquirer.net/599283/govt-maintains-borrowing-plan-despite-umic-transition-dof

- ✓ **Philippines needs more than income status upgrade to win 'A' credit rating—Go.** While the Philippines' graduation to upper-middle-income-country (UMIC) status is a nod to its economic progress, President Ferdinand R. Marcos Jr.'s chief economic manager said the milestone alone cannot do the heavy lifting needed for the country to achieve an 'A'-level sovereign credit rating by 2028 or sustain the positive outlooks currently assigned by debt watchers. "Achieving an 'A' credit rating isn't just about income classification. You also have to perform well on reforms, gross domestic product (GDP) growth, the fiscal deficit, the current account, and other key economic indicators,"

Finance Secretary Frederick D. Go said in a roundtable with the media on Tuesday, July 7. The current administration is eyeing the credit rating upgrade by 2028, the year President Marcos Jr. steps down. While the Department of Finance (DOF) chief sounded upbeat on the country's sovereign position, he noted that the income classification upgrade is merely a positive development, not a significant contribution to the country's credit footing. He added that the current administration still has two years to ramp up its efforts to come closer to the target but asserted that, for this to materialize, global economic conditions and energy prices have to cooperate. An investment-grade rating enables the government to secure loans at lower interest rates, which can, in turn, reduce borrowing costs for consumers and businesses. This is because banks often use government-issued debt as a benchmark for setting interest rates on loans. Despite the long road ahead toward an 'A' rating, Go noted that the ascent to the UMIC bracket alters the country's standing in the eyes of global lenders, potentially lowering the cost of the majority of the nation's borrowings. He argued that the focus should remain on the broader impact on creditworthiness rather than localized concerns over niche loan programs. According to the DOF chief, the Philippines' UMIC classification enhances its creditworthiness, allowing the government to borrow at lower interest rates. Go pointed out that while critics often focus on concessional loans, these represent only around a tenth of the sovereign's loan book. "What you should be asking is how important the UMIC status is for 85 percent of our loans," he said. Further, concerns regarding the potential loss of low-interest official development assistance (ODA) and grants were dismissed by Go as premature, noting that the international system provides a substantial buffer for transitioning nations. Beyond its implications for debt management, Go said the Philippines' status upgrade serves as external recognition of the government's long-term economic efforts, describing it as an affirmation that the country has made the right policy choices to move out of the lower middle-income bracket after four decades. Meanwhile, Go cautioned that the work is far from over, as the Philippines currently sits at the very edge of the new category. "We're at the starting point. It's like if we do a really bad job next year, we'll fall out of the classification."
https://mb.com.ph/2026/07/07/philippines-needs-more-than-income-status-upgrade-to-win-a-credit-ratinggo

- ✓ **Philippines faces higher investor expectations after scoring income upgrade.** The Philippines' progression to upper-middle income country (UMIC) status must push the government to commit to reforms that improve the ease of doing business in the country and encourage investment inflows, according to the Philippine Economic Zone Authority (PEZA). In a social media post, PEZA Director General Tereso Panga said the country's upgraded income status under the World Bank is a signal that it has entered a new stage of economic development. The PEZA chief said the UMIC classification would raise expectations for faster government services, more reliable infrastructure, clearer regulations, and a more predictable business environment. For these expectations to be met, he said the government's primary focus should be ensuring that ease of doing business is not just a compliance exercise but a national competitiveness strategy. He stressed the need for government permits to be processed faster, alongside better coordination of inter-agency processes and interoperability of digital systems. At the same time, Panga said the government should take a more strategic approach to infrastructure development by planning projects around industry needs. For the investment promotion agency, Panga said PEZA will continue to strengthen its ecozone model to maintain its upward trajectory in investment approvals. Panga noted that the new income status would likely bring in more investments that would allow the Philippines to move up the value chain, particularly in high-value sectors such as advanced manufacturing, semiconductors, electronics, logistics, and artificial intelligence (AI).
https://mb.com.ph/2026/07/06/philippines-faces-higher-investor-expectations-after-scoring-income-upgrade

- ✓ **Philippine banks' loan growth hits 15-month high in May.** Philippine banks' loan growth posted its fastest pace in over a year in May amid faster lending for residents' business activities, preliminary data from the Bangko Sentral ng Pilipinas (BSP) showed. Universal and commercial banks' total outstanding loans, net of reverse repurchase agreements, grew by 12.1% year on year in May to P14.989 trillion from P13.37 trillion. This was faster than the 11.4% expansion in April. It was also the quickest lending growth seen in 15 months or since the 12.2% in February 2025. Most or 53.8% of banks polled by the BSP expected businesses to sustain steady demand for credit in the second quarter of the year, while 52.9% saw steady loan demand from households, the central bank's latest Senior Bank Loan Officers' Survey showed.
https://bworldonline.com/top-stories/2026/07/08/761934/philippine-banks-loan-growth-hits-15-month-high-in-may/

- ✓ **PH factory output grows in May.** Factory output in the Philippines continued to expand in May, but growth in both production volume and value lost momentum from the previous month, the Philippine Statistics Authority (PSA) reported. Results of the Monthly Integrated Survey of Selected Industries (MISSI) released Tuesday indicated that the value of production index (VaPI) grew by 13.5 percent in May, a reversal from the -0.5 percent recorded in May last year. "The slowdown in the annual growth rate of VaPI for manufacturing in May 2026 was mainly attributed by the slower annual increase posted by the manufacture of transport equipment at 0.9 percent during the month from 12.6 percent in the previous month," the PSA said. Meanwhile, the volume of production index (VoPI) rose by 10.2 percent, slower than the 11.7 percent growth seen in April. In May last year, the VoPI contracted by 0.3 percent. The slower growth in the Volume of Production Index (VoPI) was also attributed to the 1.4-percent contraction in the manufacture of transport equipment, the deceleration in food manufacturing, and the steeper decline in the manufacture of chemicals and chemical products.
https://www.pna.gov.ph/articles/1278848

- ✓ **Philippines left behind as $244 billion in foreign capital floods Southeast Asia.** The Philippines made no progress in attracting foreign direct investments (FDIs) in 2025, maintaining its sixth-place ranking for another year and failing to capitalize on the investment boom sweeping Southeast Asia. According to the 2026 World Investment Report by the United Nations Conference on Trade and Development (UNCTAD), the country's FDI inflows declined by four percent to $9 billion last year from $9.41 billion recorded in 2024. This drop kept the Philippines behind its regional neighbors, which benefited from a nearly 10 percent aggregate increase in investments. UNCTAD data showed that Southeast Asia's total FDI inflows rose to $244.17 billion in 2025 from $222.50 billion the previous year. "The magnitude of the increase varied considerably across countries, and regional growth was driven primarily by a subset of economies rather than being evenly distributed throughout the region," UNCTAD stated. Apart from the Philippines and Indonesia, Myanmar was the only other nation in the region to record a decline, posting a nearly three percent drop to $1.07 billion. Investment activity across Southeast Asia was largely concentrated in high-value sectors, including semiconductors, electronics, communications, and renewable energy. Despite the overall growth in FDIs, UNCTAD noted that Southeast Asia was among the regions most affected by supply chain uncertainty last year. Multinational companies frequently adjusted their investment plans against an increasingly volatile international trade environment.
https://mb.com.ph/2026/07/07/philippines-left-behind-as-244-billion-in-foreign-capital-floods-southeast-asia

- ✓ **Agri chief sees leverage in slower June inflation for fresh rice price cap.** Agriculture Secretary Francisco Tiu Laurel Jr. is seeing the slowdown in inflation rate for the second consecutive month in June 2026 as a leverage for his push to implement a fresh 60-day implementation of the P50-per-kilo price cap on imported rice. "The latest inflation numbers show that keeping food affordable delivers real benefits

to Filipino families, especially those who spend a large portion of their income on basic necessities," Tiu Laurel said in a statement on Tuesday. Philippine Statistics Authority data also showed food inflation declined to 5.4% from 5.8%, with heavy-weight rice inflation — accounting for 68% of food inflation— easing to 15% from 15.6%. The Agriculture chief said the latest figures reinforce the importance of extending the P50-per-kilo price ceiling for imported rice, alongside measures to maintain sufficient inventories and improve the movement of food from farms to markets. The DA is seeking another round of price cap in imported rice, which already expired early last month, for 60 days to protect consumers from sudden price.
https://www.gmanetwork.com/news/money/economy/994017/agri-chief-sees-leverage-in-slower-june-inflation-for-fresh-rice-price-cap/story/

- ✓ **Philippines seeks exemption from 12.5% US forced-labor tariff.** The Philippines is pushing for an exemption from the proposed 12.5-percent tariff on its imports into the United States (US), arguing that existing trade policies have not been proven to facilitate the importation of goods produced with forced labor. In a July 6 submission to the Office of the US Trade Representative (USTR) seen by Manila Bulletin, Department of Trade and Industry (DTI) Undersecretary Allan Gepty said the Philippines should be classified by the US as a trading partner with a strong legal and institutional regime to address forced labor. "At the very least, the Philippines should be treated as a country who has implemented a partial regime with the effect of preventing the importation of certain forced labor goods," Gepty said. Gepty, the country's chief trade negotiator, said there has been no instance in which goods exported from the Philippines to the US have been proven to come from forced labor and have caused harm to US commerce. "More specifically, there is no showing of lost US exports, reduced economic output, lower prices for US goods, or lower wages for US workers attributable to Philippine practices," he said. Gepty said there are existing voluntary mechanisms in place to address forced-labor concerns, particularly through public-private sector collaboration, industry compliance mechanisms, and coordinated government oversight. He added that plans are underway to craft a joint administrative order (JAO) among government agencies that seeks to establish a mechanism for the investigation and resolution of allegations involving imported goods suspected of having been produced through forced labor. The proposed JAO will also ensure that importation practices are consistent with labor laws and global standards, as well as protect consumers, workers, and businesses from the impact of forced-labor goods. https://mb.com.ph/2026/07/07/philippines-seeks-exemption-from-125-us-forced-labor-tariff

- ✓ **Pag-IBIG says promo rates, higher loan ceiling aim to help members amid high interest rates.** Pag-IBIG Fund has introduced subsidized interest rates and raised its loan ceiling to P10 million to keep housing affordable amid rising commercial lending rates, officials said Tuesday. The agency said the move is in response to a directive from President Ferdinand Marcos Jr. to expand accessible housing for Filipino workers. Pag-IBIG Fund is offering a subsidized three percent rate for socialized housing, alongside promotional rates of 4.5 percent and 5.75 percent for low-cost and open-market homes. Housing Secretary Jose Ramon Aliling said the measures aim to shield low- and middle-income earners from a tightening credit environment driven by recent benchmark rate hikes by the central bank. The state-backed home mutual fund credited its aggressive pricing to a strong fiscal cushion. In the first five months of 2026, members deposited P90.24 billion in savings, allowing the fund to release 55.26 billion pesos to finance over 34,000 homes. Property analysts say the intervention will support broader economic activity, as the capital's real estate sector faces headwind from elevated global borrowing costs.
https://www.abs-cbn.com/news/business/2026/7/7/pag-ibig-says-promo-rates-higher-loan-ceiling-to-help-members-amid-high-interest-rates-1427

- ✓ **Metro Manila unsold condo inventory reaches record 82,900 units**. Metro Manila's unsold condominium inventory rose to a record 82,900 units in the second quarter of 2026, the highest level since Leechiu Property Consultants (LPC) began tracking the market in at least 2016, according to the firm's latest report released on Tuesday. LPC Research and Consultancy Director Roy Golez Jr. said the current inventory is expected to be absorbed within 34 months, or nearly three years, significantly longer than the consultancy's historical average absorption period of up to 12 months.Despite the record inventory, Golez said the market remains on a healthier footing than the figures suggest. LPC data showed that developers launched 4,900 condominium units in the first half of 2026, up 18% from a year earlier. Meanwhile, take-up during the six-month period rose 6% to 14,500 units. The report also showed that residential rental rates in most Metro Manila business districts remained below their pre-pandemic levels. "With declining rents, in all likelihood, secondary condo prices are also declining, as are primary prices," Golez said.
https://www.gmanetwork.com/news/money/economy/994028/metro-manila-unsold-condo-inventory-reaches-record-82-900-units/story/

- ✓ **BSP summons financial institutions over transfer fee rules.** The Bangko Sentral ng Pilipinas (BSP) has called for a meeting with several banks and financial technology firms to discuss compliance to a circular that caps the difference between intrabank and interbank transfers to just the "switch cost." BSP Deputy Governor Mamerto Tangonan said the central bank has invited financial institutions to explain their compliance with Circular 1238, which took effect on Saturday, July 4. Under the measure, any difference between intrabank and interbank transfer fees should reflect only the cost of processing a transaction through a payment network. Such expense, called the "switch cost," is estimated at P1.50 which means that financial institutions that already have free intrabank transfers should only charge up to P1.50 for interbank transfers. Tangonan said the BSP invited institutions that have yet to adjust their fees, as well as those charging what the central bank considers high transfer fees.
https://www.gmanetwork.com/news/money/companies/993990/bsp-summons-financial-institutions-over-transfer-fee-rules/story/

- ✓ **LANDBANK, UnionBank waive retail transfer fees.** More banks have permanently waived their transfer fees in line with the Bangko Sentral ng Pilipinas' (BSP) push to lower digital transaction costs for Filipinos. Effective Tuesday (July 7), all person-to-person interbank transfers via Land Bank of the Philippines (LANDBANK) and Union Bank of the Philippines (UnionBank) are now free of charge, the two banks announced separately. LANDBANK has removed its InstaPay and PESONet fees for retail clients transacting via the LANDBANK Mobile Banking App (MBA) and iAccess, it said in a statement late on Monday. For its part, UnionBank said person-to-person transfers via InstaPay on UnionBank online will now be free. Its digital bank UnionDigital Bank, Inc. already offers free InstaPay and PESONet transfers, subject to a default daily transaction limit of P500,000 that is adjustable up to P10 million. LANDBANK and UnionBank join other financial institutions that have removed or lowered their person-to-person fees to comply with a BSP directive meant to lower retail digital transaction costs. https://bworldonline.com/banking-finance/2026/07/07/761630/landbank-unionbank-waive-retail-transfer-fees/

NEWS

REST OF THE WORLD



- ✓ **Asian stocks fall on tech weakness; Samsung, SK Hynix over 8% down.** Asian equities dropped as technology shares came under renewed selling pressure as investors rotated into other corners of the market and oil rose after a Qatari LNG ship was struck. The MSCI Asia Pacific Index retreated 1.2 per cent, with more than two stocks falling for every one that rose. Samsung Electronics, whose shares have more than doubled this year, slipped 8.3 per cent even after its quarterly profit surged 19-times. That weighed on the Kospi index, which retreated 6.7 per cent. The chip sector remained in focus, with SK Hynix shares dropping 8.3 per cent after kicking off the formal marketing process for its US listing. Meanwhile, Australia's S&P/ASX 200 fell 0.4 per cent as Hong Kong's Hang Seng fell 0.4 per cent. The Shanghai Composite fell 1 per cent. Investors are increasingly rotating out of tech stocks and into other sectors as they reassess the next phase of the artificial intelligence trade.
https://www.businesstimes.com.sg/companies-markets/capital-markets-currencies/asian-stocks-fall-tech-weakness-samsung-sk-hynix-over-8-down

- ✓ **European shares slip on Tuesday as global tech retreat weighs.** European shares slipped on Tuesday (Jul 7), weighed down by a global selloff in tech stocks, while investors monitored the Nato summit for clues on which sectors could emerge as beneficiaries of increased spending. The pan-European Stoxx 600 index closed about 0.7 per cent down at 646.29 points. The index had hit a record high on Monday, before settling lower. After recovering from the shock triggered by the Middle East conflict, European equities have traded in a narrow range this week as investors await fresh cues from the earnings season and developments from the Nato summit. "Market sentiment remains constructive. Falling energy prices, softer euro zone inflation data and signs of cooling labour market conditions in the United States have helped support risk assets," he said.
https://www.businesstimes.com.sg/companies-markets/capital-markets-currencies/european-shares-slip-tuesday-global-tech-retreat-weighs

- ✓ **US Stocks Fall on Chipmakers Selloff**. US stock indices closed lower on Tuesday amid a selloff in chipmakers. The S&P 500 fell 0.4%, the Nasdaq 100 dropped 1.8%, and the Dow Jones lost 131 points, pulling back from a record high. Semiconductor stocks came under pressure as investors questioned whether AI hyperscalers can justify elevated infrastructure spending.
https://tradingeconomics.com/united-states/stock-market/news/564976

- ✓ **Oil prices rise after report of Iranian attack on commercial ships in Strait of Hormuz.** Oil prices rose on Tuesday morning following a report of an Iranian attack on commercial ships in the strategically vital Strait of Hormuz. The reported attacks in the waterway, which typically handles around 20% of the world's oil traffic, reaffirm the fragility of the U.S. and Iran's interim peace agreement, as they negotiate a permanent end to their war. International benchmark Brent crude futures with September delivery traded 1.5% higher at $73.09 per barrel, extending earlier gains. U.S. West Texas Intermediate futures with August delivery advanced 1.5% to $69.56, after closing at its lowest level since Feb. 27 in the previous session. Washington and Tehran signed a memorandum of understanding last month to bring their nearly four-month war to an end. Indirect talks concluded last week without any sign of meaningful progress toward a lasting peace agreement.
https://www.cnbc.com/2026/07/07/oil-prices-iran-strait-hormuz.html

- ✓ **Gold Eases as FOMC Minutes Eyed.** Gold eased below $4,150 an ounce on Tuesday, but held most of last week's gains as investors awaited the minutes of the Federal Reserve's June meeting for fresh clues on the outlook for interest rates. Traders are now pricing in roughly a 50% chance of a Fed rate increase in September, down from about two-thirds before the latest employment report. The precious metal also drew support from lower oil prices as traffic through the key Strait of Hormuz continued to recover following the implementation of the interim US-Iran peace agreement. Meanwhile, Middle Eastern producers ramped up output and cut prices in response to changing market conditions, while OPEC+ agreed to increase production quotas for next month.
https://tradingeconomics.com/commodity/gold/news/564602

- ✓ **World Bank Cuts China Growth Outlook Through 2027.** The World Bank on Tuesday projects China's economic growth to slow to 4.4% in 2026 and 4.3% in 2027, citing a prolonged property market downturn and cautious consumer spending. It warned that a deeper housing slump could further weigh on consumption, real estate investment, and related industries. The outlook follows continued weakness in the housing market, with new home prices falling 3.5% year-on-year in May, marking the 35th consecutive monthly decline. Despite these challenges, China's economy expanded 5.0% year-on-year in Q1 2026, supported by resilient exports. However, the government set its 2026 GDP growth target at 4.5%–5.0%, the lowest since 1991 and the first downward revision since 2023, after maintaining a target of around 5% over the previous three years.
https://tradingeconomics.com/china/news/news/564650

- ✓ **Won's 24-hour trading debut passes with below-average volume.** Trading in the South Korean won passed with below-average volume on its first day of round the clock dealing during a largely uneventful session, compared to the past 30 days. The volume of the US dollar-won pair spot trading totalled about US$15.1 billion on Monday (Jul 6), according to data from Seoul Money Brokerage Services and Korea Money Brokerage. This was 6 per cent lower than the average of the past 30 days. Trading hours were extended from 17 hours, eliminating a gap the nation used to have with New York's trading session. For decades, South Korea has sought to leave behind its emerging-market status and be considered an advanced economy to lure more global investors. The latest move is an unprecedented loosening of the nation's grip on its currency, as it moves away from longstanding policy shaped by the trauma of the 1997 Asian financial crisis that nearly brought the economy to its knees. Behind the scenes, the government was watching every tick. The priority is to ensure the market settles in smoothly, rather than to drive immediate activity, and officials are closely monitoring for any trading mishaps or system glitches, the official said.
https://www.businesstimes.com.sg/companies-markets/capital-markets-currencies/wons-24-hour-trading-debut-passes-below-average-volume

- ✓ **Hong Kong begins trial operation of New gold clearing system.** Hong Kong has launched a trial operation of a new gold clearing system, backed by several major banks, in a key step toward its ambition to become a major bullion-trading hub with price-setting power. The

mechanism will help lay the ground for the city to contribute a global reference rate for gold trading, Hong Kong Chief Executive John Lee said at the Hong Kong FIC & Bond Connect Summit on Tuesday (Jul 7). By launching this month – a timeline first reported by Bloomberg News in May – Hong Kong has secured first-mover advantage in a push to become Asia's preeminent hub for gold trading. Last month, Singapore unveiled a similar initiative to build a clearing system by the end of the year. Both cities are aiming to capitalise on robust demand for gold in Asia, where many investors remain bullish about the long-term prospects for the precious metal as an alternative store of wealth. Hong Kong has also invited some central banks to participate in the clearing system, targeting countries already engaged in Beijing's Belt and Road initiative to supply institutional clout that would enhance the city's credentials as a bullion hub. Singapore, meanwhile, plans to introduce a central bank custodian service by October.
https://www.businesstimes.com.sg/international/hong-kong-begins-trial-operation-new-gold-clearing-system

✓ **ECB tells banks to draw up plans against AI attacks amid disruption fears.** The European Central Bank on Tuesday gave euro zone banks four months to draw up plans to counter AI-enabled cyber threats that could undermine confidence in the financial system and disrupt payments. The move reflects mounting concern among regulators about advanced AI models such as Anthropic's Mythos whose cyber capabilities have become so powerful that access to some of them has been restricted — a limitation that currently excludes euro zone banks. It told banks to prioritise protecting internet-facing systems and other exposed technology assets, including third-party software and open-source components, while speeding up vulnerability fixes and strengthening monitoring. The euro zone's top banking supervisor also urged lenders to modernise ageing technology, improve cyber hygiene and strengthen crisis-management, recovery and information-sharing arrangements. Banks have until October 31 to submit their plans. To free up resources, the ECB has postponed a separate IT survey and may adjust inspections and other supervisory work. In a warning published alongside the ECB's letter, the European Systemic Risk Board said large-scale cyber disruptions could erode trust in financial institutions and even trigger runs on companies or countries perceived as less secure.
https://www.channelnewsasia.com/business/ecb-tells-banks-draw-up-plans-against-ai-attacks-amid-disruption-fears-6237916

✓ **German Industrial Output Rises More Than Expected**. Germany's industrial production rose 0.9% month-on-month in May 2026, surpassing market expectations and accelerating from April's revised 0.2% increase. This marked the strongest growth since September last year, driven mainly by a 3.6% jump in automotive production and a 0.9% increase in construction activity. Excluding energy and construction, industrial output rose 0.8%, as gains in capital goods (+1.3%) and consumer goods (+1.2%) production outweighed a 0.4% decline in intermediate goods. Outside industry, energy production increased 0.8%. Production in energy-intensive industries also rose 0.2% from the previous month and was 2.9% higher than a year earlier. On a less volatile three-month basis, industrial output edged up 0.1% in the March–May period compared with the prior three months. Compared with a year earlier, overall industrial production was unchanged, following a 0.9% decline in April.
https://tradingeconomics.com/germany/industrial-production-mom/news/564712

✓ **Traders are most positive on the US dollar since 2015 as Fed hike looms**. Global traders have turned the most positive on the outlook for the dollar since 2015, as bets that borrowing costs will remain elevated for longer have fuelled a month-long rally in the US currency. Wagers on a stronger dollar have increased to nearly US$40 billion as at Jun 30 – the highest amount in more than a decade, according to Commodity Futures Trading Commission (CFTC) data released on Monday (Jul 6). The latest CFTC data, which includes positions held by asset managers, hedge funds and currency speculators, arrives as the dollar wrapped up a 2 per cent rise in June – one of the best monthly performances in 2026. The rally came after Federal Reserve chairman Kevin Warsh vowed to restore price stability, spurring bets on interest rate hikes. Traders' latest wagers echo the prevailing tone on Wall Street, where strategists at major banks – from JPMorgan Chase to Bank of America and Goldman Sachs Group – have touted a turnaround of fortunes for the US currency. While other major central banks across the globe are seen to be less bold when it comes to raising borrowing costs, the Fed is still projected to tighten policy on a bigger scale versus some of its major peers. That view has bolstered the greenback. Traders currently see the Fed raising rates at least once this year. That is in stark contrast from before the start of the Iran war on Feb 28, when traders still saw the central bank lowering borrowing costs in 2026.
https://www.businesstimes.com.sg/companies-markets/capital-markets-currencies/traders-are-most-positive-us-dollar-2015-fed-hike-looms

✓ **US forced-labour hearing begins, paving way for more Trump tariffs.** A three-day hearing on the US Trade Representative's (USTR) latest plan to impose tariffs on major trading partners kicks off in Washington on Tuesday (Jul 7). The US launched an investigation into the forced-labour prohibition policies of 60 countries in March, citing a law that authorises tariffs on countries deemed to unfairly burden US commerce. That basis is viewed as more legally sound than the emergency power President Donald Trump used last year to impose tariffs that were ruled illegal by the Supreme Court in February. The USTR determined in early June that each of the investigated economies failed to "impose and effectively enforce a forced labour import prohibition", and recommended that goods imported into the US from those economies face an additional 10 per cent or 12.5 per cent duty. As part of the process, dozens of stakeholders will make their case – for or against the duties – to US trade officials. White House officials have already made it clear that they plan to use the forced labour and other investigations to restore import taxes to levels in place under Trump's emergency tariffs. In the meantime, the administration has a temporary 10 per cent global tariff in place that expires on Jul 24. Diplomats and trade officials from Chile, Ecuador, Guatemala, Guyana, Honduras and Peru are also set to speak. Government representatives from South Korea, Sri Lanka and South Africa will also speak on the panel, including a representative from Vietnam who will take issue with the finding that the country "has failed to impose and effectively enforce measures addressing goods associated with forced labour".
https://www.businesstimes.com.sg/international/global/us-forced-labour-hearing-begins-paving-way-more-trump-tariffs

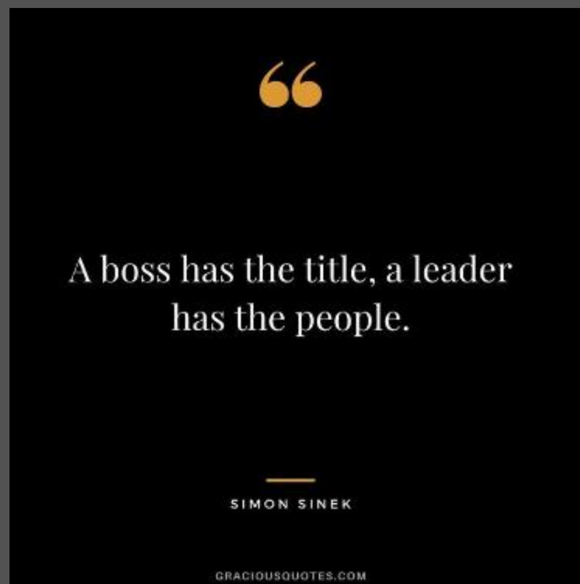
TRAINING PROGRAMS		PROGRAM DETAILS		
COMMITTEE	TITLE	DATE	COURSE	REGISTRATION

			OUTLINE	LINK
Finance and Audit Course Committee (FACCOM)	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
	Accounting for Non-Accountants (With Financial Statement Analysis)	November 4 - 5, 20	PROGRAM DETAILS	REGISTER HERE
	Essential Tools to Smart Financial Decisions: Cost-Benefit Analysis, Budgeting, Breakeven, and Beyond	November 16, 2026	PROGRAM DETAILS	REGISTER HERE
	Accounting for Non-Accountants (With Financial Statement Analysis)	December 3 - 4, 2026	PROGRAM DETAILS	REGISTER HERE
Governance, Legal, Regulatory and Compliance (GLRC) Course Committee	Basic Course on Corporate Governance	July 21, 2026	PROGRAM DETAILS	REGISTER HERE
	From Impact to Action: Understanding the BSP Supervisory Assessment Framework (SAFr)	July 29, 2026	PROGRAM DETAILS	REGISTER HERE
	Basic Course on Corporate Governance	September 23, 2026	PROGRAM DETAILS	REGISTER HERE
	Basic Course on Corporate Governance	October 23, 2026	PROGRAM DETAILS	REGISTER HERE
	Basic Course on Corporate Governance	November 19, 2026	PROGRAM DETAILS	REGISTER HERE
Information Technology and Security Course (ITSEC) Committee	Advanced Excel Training for Bankers	July 9 – 10, 2026	PROGRAM DETAILS	REGISTER HERE
	IT Security in Banking Operations	July 21 - 22, 2026	PROGRAM DETAILS	REGISTER HERE
	Excel VBA Programming	July 30 – 31, 2026	PROGRAM DETAILS	REGISTER HERE
	Artificial Intelligence Management thru ISO 420001: 2023	August 28, 2026	PROGRAM DETAILS	REGISTER HERE
	Cloud Security	September 7, 2026	PROGRAM DETAILS	REGISTER HERE
Leadership Effectiveness Course (LEC) Committee	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
	Leadership Effectiveness and Advancement Program (LEAP) - A Program for Managers	August 19 - 20, 2026	PROGRAM DETAILS	REGISTER HERE
	Malasakit in the Workplace: Work Attitude, Values and Excellence (W.A.V.E.)	August 25, 2026	PROGRAM DETAILS	REGISTER HERE
	Conflict Resolution and Management	September 15, 2026	PROGRAM DETAILS	REGISTER HERE
	Effective Business Writing: Level-Up! (Module 2)	September 17, 2026	PROGRAM DETAILS	REGISTER HERE
	Basic Leadership and Effective Supervision Seminar (BLESS) For Bank Supervisors	September 23, 2026	PROGRAM DETAILS	REGISTER HERE
	Problem Solving and Decision Making (PSDM) in the Workplace	September 29 - 30, 2026	PROGRAM DETAILS	REGISTER HERE
	WRITING FOR IMPACT: Strengthening Your Business Communication Skills (Module 3)	October 8, 2026	PROGRAM DETAILS	REGISTER HERE
	Leadership Effectiveness and Advancement Program (LEAP) - A Program for Managers	October 13 - 14, 2026	PROGRAM DETAILS	REGISTER HERE

	Effective Business Writing: Professionalizing Your Communication Skills (Module 1)	October 19, 2026	PROGRAM DETAILS	REGISTER HERE
	The Leadership Blueprint: Strategies and Insights	October 20, 2026	PROGRAM DETAILS	REGISTER HERE
	Effective Business Writing: Level-Up! (Module 2)	October 28, 2026	PROGRAM DETAILS	REGISTER HERE
	Basic Leadership and Effective Supervision Seminar (BLESS) For Bank Supervisors	November 19, 2026	PROGRAM DETAILS	REGISTER HERE
	WRITING FOR IMPACT: Strengthening Your Business Communication Skills (Module 3)	November 25, 2026	PROGRAM DETAILS	REGISTER HERE
Products, Bank Operations and Management (PBOM) Course Committee	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
	Fundamentals of Credit Module 1: Basic Credit Skills	August 3, 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
	Fundamentals of Credit Module 2: Credit Lending Process Overview, Products and Collateral	August 17 – 18, 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
	Fundamentals of Credit Module 3 & 4: Business Risk Assessment and Industry Risk Assessment	September 2 – 3, 2026	PROGRAM DETAILS	REGISTER HERE
	Crash Course in Financial Instruments Part 1: Accounting & Financial Reporting	September 4, 2026	PROGRAM DETAILS	REGISTER HERE
	Crash Course in Financial Instruments Part 2: Risk Management & Valuation	September 11, 2026	PROGRAM DETAILS	REGISTER HERE
	Fundamentals of Credit: Module 5: Basic Accounting and Financial Analysis, Module 6: Cash Flow Analysis and Module 7: Financial Spreadsheets, Validation and Projections	September 16 – 18, 2026	PROGRAM DETAILS	REGISTER HERE
	Third Currencies Counterfeit Detection	September 24, 2026	PROGRAM DETAILS	REGISTER HERE
	Signature Verification and Forgery Detection	September 25, 2026	PROGRAM DETAILS	REGISTER HERE
	Fundamentals of Credit Module 8: Credit Lending Process	October 6 - 7, 2026	PROGRAM DETAILS	REGISTER HERE
	Basic Identification Documents, Business & Income Documents Verification	October 21, 2026	PROGRAM DETAILS	REGISTER HERE
	Fraud & Forgery Detection and Prevention Program	October 22, 2026	PROGRAM DETAILS	REGISTER HERE
	Remedial Management	November 12 – 13, 2026	PROGRAM DETAILS	REGISTER HERE
	Signature Verification and Forgery Detection	November 26, 2026	PROGRAM DETAILS	REGISTER HERE
	Know Your Money and Counterfeit Detection	November 27, 2026	PROGRAM DETAILS	REGISTER HERE
	Fraud & Forgery Detection and Prevention Program	December 17, 2026	PROGRAM DETAILS	REGISTER HERE
	Basic Identification Documents, Business & Income Documents Verification	December 18, 2026	PROGRAM DETAILS	REGISTER HERE
Risk Management Course (RMC) Committee	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

	Crisis Management	August 26, 2026	PROGRAM DETAILS	REGISTER HERE
	Business Continuity: Strengthening Your Fundamentals to a Robust or Resiliency Level	September 1, 2026	PROGRAM DETAILS	REGISTER HERE
	SEC Sustainable Finance Taxonomy 2025 Guidelines (SFTG)	September 22, 2026	PROGRAM DETAILS	REGISTER HERE
	Fraud Risk Management Professional Training Program	September 28, 2026	PROGRAM DETAILS	REGISTER HERE

FOOD FOR thought



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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

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- *ABS-CBN News: http://news.abs-cbn.com/business/*
- *Manila Bulletin: https://mb.com.ph/*
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