

WANTAGE POINT

A WEEKLY PUBLICATION FROM THE FUND MANAGERS AND ANALYSTS OF PHILEQUITY MANAGEMENT, INC.



EQUITY OUTLOOK

Market Outlook: Cautious
Technicals: Support at 6200 followed by 6000, Resistance at 6500 followed by 6800
Trading Strategy: Oil's encouraging move on Monday was overshadowed by recent comments from Iran and resumption of airstrikes. It is prudent to stay on hold for now.

The PSEi experienced back-to-back weekly bloodbaths as the Iran conflict continues to smolder. With the 4.14% decline this week, the PSEi has erased all its hard-earned gains for 2026. The stock market's weakness is accompanied by heavy net foreign selling which amounted to PhP 3.67 billion this week (excluding ATI tender offer.)

Iran's new supreme leader, Mojtaba Khamenei, said on Thursday that the Strait of Hormuz should remain closed "as a tool to pressure the enemy." Moreover, at least 3 ships were attacked near Iraq, with some sustaining heavy damage. Fanning the flames further, Ebrahim Zolfaqari, spokesperson for Iran's military command, said, "Get ready for oil to be \$200 a barrel, because the oil price depends on regional security, which you have destabilised."

Earlier in the week, Brent crude prices staged a dramatic turnaround. After reaching \$119.50/bbl, it fell to as low as \$83.66/bbl – a 30% downswing in one day. However, the recent comments from Iran and additional strikes from both sides have sent crude prices higher by 20% to end the week as Brent crude touched \$100/bbl once again.

At the same time, the Philippine peso depreciated by another 1.26% this week as it plunges to new record lows. Safe haven flows to the US dollar and our country's net oil importing status caused the Philippine peso to end the week at 59.75/\$. With the specter of fuel rationing and the chain reaction of inflation threatening the domestic economy, sentiment has taken a turn for the worse. All these, taken together, are negative for risk assets.

Philippine Stock Exchange Index (PSEi) 1-year chart



BOND OUTLOOK

Market Outlook: Defensive
Trading Strategy: Look for markets to remain cautious and defensive, with all eyes on the price of oil and developments in Iran. For now the Strait of Hormuz remains closed, and oil is back up above 100. Yields are enticing at above 6% even for shorter tenors, but best bet is to keep your powder dry.

Iran has announced that the Strait of Hormuz will remain closed as a tool against the US, which would keep oil prices decidedly high. A US attack on a key oil refinery island in Iran has also added to the market jitters. It seems as if the worst case scenario, a long drawn out battle, is now likely and that would mean oil prices will stay high for awhile. With all the uncertainty, we believe that staying defensive and light on positions would be best for now.

PHILIPPINES 10 YEAR GOVERNMENT BOND



PHP BVAL Reference Rates
Benchmark Tenors

Tenor	BVAL Rate as of March 13, 2026
1M	4.5789
3M	4.8580
6M	4.8516
1Y	5.0297
3Y	5.9408
5Y	6.3009
10Y	6.6248

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